Senator ..... moves to amend S.F. No. 1681 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2022, section 13.46, subdivision 4, is amended to read:

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

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

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

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

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

(ii) Except as provided in item (v), when a correction order, an order to forfeit a fine, an order of license suspension, an order of temporary immediate suspension, an order of license revocation, an order of license denial, or an order of conditional license has been issued, or a complaint is resolved, the following data on current and former licensees and applicants are public: the general nature of the complaint or allegations leading to the temporary immediate suspension; the substance and investigative findings of the licensing or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence of settlement negotiations; the record of informal resolution of a licensing violation; orders of hearing; findings of fact; conclusions of law; specifications of the final correction order, fine, suspension, temporary immediate suspension, revocation, denial, or conditional license

contained in the record of licensing action; whether a fine has been paid; and the status of any appeal of these actions.

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

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

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

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

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

(4) When maltreatment is substantiated under section 626.557 or chapter 260E and the victim and the substantiated perpetrator are affiliated with a program licensed under chapter 245A, the commissioner of human services, local social services agency, or county welfare

agency may inform the license holder where the maltreatment occurred of the identity of the substantiated perpetrator and the victim.

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

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

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

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

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

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

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

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

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

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

Sec. 2. **[62J.811] PROVIDER BALANCE BILLING REQUIREMENTS.**

Subdivision 1. **Billing requirements.** (a) Each health care provider and health facility shall comply with Consolidated Appropriations Act, 2021, Division BB also known as the "No Surprises Act," including any federal regulations adopted under that act.

(b) For the purposes of this section, "provider" or "facility" means any health care provider or facility pursuant to section 62A.63, subdivision 2, or 62J.03, subdivision 8, that is subject to relevant provisions of the No Surprises Act.

Subd. 2. **Investigations and compliance.** (a) The commissioner shall, to the extent practicable, seek the cooperation of health care providers and facilities, and may provide any support and assistance as available, in obtaining compliance with this section.

(b) The commissioner shall determine the manner and processes for fulfilling any responsibilities and taking any of the actions in paragraphs (c) to (f).

(c) A person who believes a health care provider or facility has not complied with the requirements of the No Surprises Act or this section may file a complaint with the commissioner in the manner determined by the commissioner.

(d) The commissioner shall conduct compliance reviews and investigate complaints filed under this section in the manner determined by the commissioner to ascertain whether health care providers and facilities are complying with this section.

(e) The commissioner may report violations under this section to other relevant federal and state departments and jurisdictions as appropriate, including the attorney general and relevant licensing boards, and may also coordinate on investigations and enforcement of this section with other relevant federal and state departments and jurisdictions as appropriate, including the attorney general and relevant licensing boards.

(f) A health care provider or facility may contest whether the finding of facts constitute a violation of this section according to the contested case proceeding in sections 14.57 to 14.62, subject to appeal according to sections 14.63 to 14.68.

(g) Any data collected by the commissioner as part of an active investigation or active compliance review under this section are classified as protected nonpublic data pursuant to section 13.02, subdivision 13, in the case of data not on individuals and confidential pursuant to section 13.02, subdivision 3, in the case of data on individuals. Data describing the final disposition of an investigation or compliance review are classified as public.

Subd. 3. **Civil penalty.** (a) The commissioner, in monitoring and enforcing this section, may levy a civil monetary penalty against each health care provider or facility found to be in violation of up to $100 for each violation, but may not exceed $25,000 for identical violations during a calendar year.

(b) No civil monetary penalty shall be imposed under this section for violations that occur prior to January 1, 2024.

Sec. 3. Minnesota Statutes 2022, section 62J.84, subdivision 2, is amended to read:

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

(b) "Biosimilar" means a drug that is produced or distributed pursuant to a biologics license application approved under United States Code, title 42, section 262(K)(3).

(c) "Brand name drug" means a drug that is produced or distributed pursuant to:

(1) ~~an original,~~ a new drug application approved under United States Code, title 21, section 355(c), except for a generic drug as defined under Code of Federal Regulations, title 42, section 447.502; or

(2) a biologics license application approved under United States Code, title ~~45~~ 42, section 262(a)(c).

(d) "Commissioner" means the commissioner of health.

(e) "Generic drug" means a drug that is marketed or distributed pursuant to:

(1) an abbreviated new drug application approved under United States Code, title 21, section 355(j);

(2) an authorized generic as defined under Code of Federal Regulations, title ~~45~~ 42, section 447.502; or

(3) a drug that entered the market the year before 1962 and was not originally marketed under a new drug application.

(f) "Manufacturer" means a drug manufacturer licensed under section 151.252.

(g) "New prescription drug" or "new drug" means a prescription drug approved for marketing by the United States Food and Drug Administration (FDA) for which no previous wholesale acquisition cost has been established for comparison.

(h) "Patient assistance program" means a program that a manufacturer offers to the public in which a consumer may reduce the consumer's out-of-pocket costs for prescription drugs by using coupons, discount cards, prepaid gift cards, manufacturer debit cards, or by other means.

(i) "Prescription drug" or "drug" has the meaning provided in section 151.441, subdivision 8.

(j) "Price" means the wholesale acquisition cost as defined in United States Code, title 42, section 1395w-3a(c)(6)(B).

(k) "30-day supply" means the total daily dosage units of a prescription drug recommended by the prescribing label approved by the FDA for 30 days. If the FDA-approved prescribing label includes more than one recommended daily dosage, the 30-day supply is based on the maximum recommended daily dosage on the FDA-approved prescribing label.

(l) "Course of treatment" means the total dosage of a single prescription for a prescription drug recommended by the FDA-approved prescribing label. If the FDA-approved prescribing label includes more than one recommended dosage for a single course of treatment, the course of treatment is the maximum recommended dosage on the FDA-approved prescribing label.

(m) "Drug product family" means a group of one or more prescription drugs that share a unique generic drug description or nontrade name and dosage form.

(n) "National drug code" means the three-segment code maintained by the federal Food and Drug Administration that includes a labeler code, a product code, and a package code for a drug product and that has been converted to an 11-digit format consisting of five digits in the first segment, four digits in the second segment, and two digits in the third segment. A three-segment code shall be considered converted to an 11-digit format when, as necessary, at least one "0" has been added to the front of each segment containing less than the specified number of digits such that each segment contains the specified number of digits.

(o) "Pharmacy" or "pharmacy provider" means a place of business licensed by the Board of Pharmacy under section 151.19 in which prescription drugs are prepared, compounded, or dispensed under the supervision of a pharmacist.

(p) "Pharmacy benefits manager" or "PBM" means an entity licensed to act as a pharmacy benefits manager under section 62W.03.

(q) "Pricing unit" means the smallest dispensable amount of a prescription drug product that could be dispensed.

(r) "Reporting entity" means any manufacturer, pharmacy, pharmacy benefits manager, wholesale drug distributor, or any other entity required to submit data under section 62J.84.

(s) "Wholesale drug distributor" or "wholesaler" means an entity that:

(1) is licensed to act as a wholesale drug distributor under section 151.47; and

(2) distributes prescription drugs, of which it is not the manufacturer, to persons or entities, or both, other than a consumer or patient in the state.

Sec. 4. Minnesota Statutes 2022, section 62J.84, subdivision 3, is amended to read:

Subd. 3. **Prescription drug price increases reporting.** (a) Beginning January 1, 2022, a drug manufacturer must submit to the commissioner the information described in paragraph (b) for each prescription drug for which the price was $100 or greater for a 30-day supply or for a course of treatment lasting less than 30 days and:

(1) for brand name drugs where there is an increase of ten percent or greater in the price over the previous 12-month period or an increase of 16 percent or greater in the price over the previous 24-month period; and

(2) for generic or biosimilar drugs where there is an increase of 50 percent or greater in the price over the previous 12-month period.

(b) For each of the drugs described in paragraph (a), the manufacturer shall submit to the commissioner no later than 60 days after the price increase goes into effect, in the form and manner prescribed by the commissioner, the following information, if applicable:

(1) the ~~name~~ description and price of the drug and the net increase, expressed as a percentage~~;~~, with the following listed separately:

(i) the national drug code;

(ii) the product name;

(iii) the dosage form;

(iv) the strength;

(v) the package size;

(2) the factors that contributed to the price increase;

(3) the name of any generic version of the prescription drug available on the market;

(4) the introductory price of the prescription drug when it was ~~approved for marketing by the Food and Drug Administration and the net yearly increase, by calendar year, in the price of the prescription drug during the previous five years~~ introduced for sale in the United States and the price of the drug on the last day of each of the five calendar years preceding the price increase;

(5) the direct costs incurred during the previous 12-month period by the manufacturer that are associated with the prescription drug, listed separately:

(i) to manufacture the prescription drug;

(ii) to market the prescription drug, including advertising costs; and

(iii) to distribute the prescription drug;

(6) the total sales revenue for the prescription drug during the previous 12-month period;

(7) the manufacturer's net profit attributable to the prescription drug during the previous 12-month period;

(8) the total amount of financial assistance the manufacturer has provided through patient prescription assistance programs during the previous 12-month period, if applicable;

(9) any agreement between a manufacturer and another entity contingent upon any delay in offering to market a generic version of the prescription drug;

(10) the patent expiration date of the prescription drug if it is under patent;

(11) the name and location of the company that manufactured the drug; ~~and~~

(12) if a brand name prescription drug, the ~~ten~~ highest ~~prices~~ price paid for the prescription drug during the previous calendar year in ~~any country other than~~ the ten countries, excluding the United States~~.~~, that charged the highest single price for the prescription drug; and

(13) if the prescription drug was acquired by the manufacturer during the previous 12-month period, all of the following information:

(i) price at acquisition;

(ii) price in the calendar year prior to acquisition;

(iii) name of the company from which the drug was acquired;

(iv) date of acquisition; and

(v) acquisition price.

(c) The manufacturer may submit any documentation necessary to support the information reported under this subdivision.

Sec. 5. Minnesota Statutes 2022, section 62J.84, subdivision 4, is amended to read:

Subd. 4. **New prescription drug price reporting.** (a) Beginning January 1, 2022, no later than 60 days after a manufacturer introduces a new prescription drug for sale in the United States that is a new brand name drug with a price that is greater than the tier threshold established by the Centers for Medicare and Medicaid Services for specialty drugs in the Medicare Part D program for a 30-day supply or for a course of treatment lasting less than 30 days or a new generic or biosimilar drug with a price that is greater than the tier threshold

established by the Centers for Medicare and Medicaid Services for specialty drugs in the Medicare Part D program for a 30-day supply or for a course of treatment lasting less than 30 days and is not at least 15 percent lower than the referenced brand name drug when the generic or biosimilar drug is launched, the manufacturer must submit to the commissioner, in the form and manner prescribed by the commissioner, the following information, if applicable:

(1) the description of the drug, with the following listed separately:

(i) the national drug code;

(ii) the product name;

(iii) the dosage form;

(iv) the strength;

(v) the package size;

~~(1)~~ (2) the price of the prescription drug;

~~(2)~~ (3) whether the Food and Drug Administration granted the new prescription drug a breakthrough therapy designation or a priority review;

~~(3)~~ (4) the direct costs incurred by the manufacturer that are associated with the prescription drug, listed separately:

(i) to manufacture the prescription drug;

(ii) to market the prescription drug, including advertising costs; and

(iii) to distribute the prescription drug; and

~~(4)~~ (5) the patent expiration date of the drug if it is under patent.

(b) The manufacturer may submit documentation necessary to support the information reported under this subdivision.

Sec. 6. Minnesota Statutes 2022, section 62J.84, subdivision 6, is amended to read:

Subd. 6. **Public posting of prescription drug price information.** (a) The commissioner shall post on the department's website, or may contract with a private entity or consortium that satisfies the standards of section 62U.04, subdivision 6, to meet this requirement, the following information:

(1) a list of the prescription drugs reported under subdivisions 3~~, 4, and 5,~~ to 6 and 9 to 14 and the manufacturers of those prescription drugs; and

(2) information reported to the commissioner under subdivisions 3~~, 4, and 5~~ to 6 and 9 to 14.

(b) The information must be published in an easy-to-read format and in a manner that identifies the information that is disclosed on a per-drug basis and must not be aggregated in a manner that prevents the identification of the prescription drug.

(c) The commissioner shall not post to the department's website or a private entity contracting with the commissioner shall not post any information described in this section if the information is not public data under section 13.02, subdivision 8a; or is trade secret information under section 13.37, subdivision 1, paragraph (b); or is trade secret information pursuant to the Defend Trade Secrets Act of 2016, United States Code, title 18, section 1836, as amended. If a manufacturer believes information should be withheld from public disclosure pursuant to this paragraph, the manufacturer must clearly and specifically identify that information and describe the legal basis in writing when the manufacturer submits the information under this section. If the commissioner disagrees with the manufacturer's request to withhold information from public disclosure, the commissioner shall provide the manufacturer written notice that the information will be publicly posted 30 days after the date of the notice.

(d) If the commissioner withholds any information from public disclosure pursuant to this subdivision, the commissioner shall post to the department's website a report describing the nature of the information and the commissioner's basis for withholding the information from disclosure.

(e) To the extent the information required to be posted under this subdivision is collected and made available to the public by another state, by the University of Minnesota, or through an online drug pricing reference and analytical tool, the commissioner may reference the availability of this drug price data from another source including, within existing appropriations, creating the ability of the public to access the data from the source for purposes of meeting the reporting requirements of this subdivision.

Sec. 7. Minnesota Statutes 2022, section 62J.84, subdivision 6, is amended to read:

Subd. 6. **Public posting of prescription drug price information.** (a) The commissioner shall post on the department's website, or may contract with a private entity or consortium that satisfies the standards of section 62U.04, subdivision 6, to meet this requirement, the following information:

(1) a list of the prescription drugs reported under subdivisions 3, 4, and 5, and the manufacturers of those prescription drugs; ~~and~~

(2) information reported to the commissioner under subdivisions 3, 4, and 5~~.~~; and

(3) information reported to the commissioner under section 62J.841, subdivision 2.

(b) The information must be published in an easy-to-read format and in a manner that identifies the information that is disclosed on a per-drug basis and must not be aggregated in a manner that prevents the identification of the prescription drug.

(c) The commissioner shall not post to the department's website or a private entity contracting with the commissioner shall not post any information described in this section if the information is not public data under section 13.02, subdivision 8a; or subject to section 62J.841, subdivision 2, paragraph (e), is trade secret information under section 13.37, subdivision 1, paragraph (b); or subject to section 62J.841, subdivision 2, paragraph (e), is trade secret information pursuant to the Defend Trade Secrets Act of 2016, United States Code, title 18, section 1836, as amended. If a manufacturer believes information should be withheld from public disclosure pursuant to this paragraph, the manufacturer must clearly and specifically identify that information and describe the legal basis in writing when the manufacturer submits the information under this section. If the commissioner disagrees with the manufacturer's request to withhold information from public disclosure, the commissioner shall provide the manufacturer written notice that the information will be publicly posted 30 days after the date of the notice.

(d) If the commissioner withholds any information from public disclosure pursuant to this subdivision, the commissioner shall post to the department's website a report describing the nature of the information and the commissioner's basis for withholding the information from disclosure.

(e) To the extent the information required to be posted under this subdivision is collected and made available to the public by another state, by the University of Minnesota, or through an online drug pricing reference and analytical tool, the commissioner may reference the availability of this drug price data from another source including, within existing appropriations, creating the ability of the public to access the data from the source for purposes of meeting the reporting requirements of this subdivision.

Sec. 8. Minnesota Statutes 2022, section 62J.84, subdivision 7, is amended to read:

Subd. 7. **Consultation.** (a) The commissioner may consult with a private entity or consortium that satisfies the standards of section 62U.04, subdivision 6, the University of

Minnesota, or the commissioner of commerce, as appropriate, in issuing the form and format of the information reported under this section and section 62J.841; in posting information pursuant to subdivision 6; and in taking any other action for the purpose of implementing this section and section 62J.841.

(b) The commissioner may consult with representatives of the manufacturers to establish a standard format for reporting information under this section and section 62J.841 and may use existing reporting methodologies to establish a standard format to minimize administrative burdens to the state and manufacturers.

Sec. 9. Minnesota Statutes 2022, section 62J.84, subdivision 8, is amended to read:

Subd. 8. **Enforcement and penalties.** (a) A ~~manufacturer~~ reporting entity may be subject to a civil penalty, as provided in paragraph (b), for:

(1) failing to register under subdivision 15;

~~(1)~~ (2) failing to submit timely reports or notices as required by this section;

~~(2)~~ (3) failing to provide information required under this section; or

~~(3)~~ (4) providing inaccurate or incomplete information under this section.

(b) The commissioner shall adopt a schedule of civil penalties, not to exceed $10,000 per day of violation, based on the severity of each violation.

(c) The commissioner shall impose civil penalties under this section as provided in section 144.99, subdivision 4.

(d) The commissioner may remit or mitigate civil penalties under this section upon terms and conditions the commissioner considers proper and consistent with public health and safety.

(e) Civil penalties collected under this section shall be deposited in the health care access fund.

Sec. 10. Minnesota Statutes 2022, section 62J.84, subdivision 8, is amended to read:

Subd. 8. **Enforcement and penalties.** (a) A manufacturer may be subject to a civil penalty, as provided in paragraph (b), for:

(1) failing to submit timely reports or notices as required by this section and section 62J.841;

(2) failing to provide information required under this section and section 62J.841; ~~or~~

(3) providing inaccurate or incomplete information under this section and section 62J.841; or

(4) failing to comply with section 62J.481, subdivisions 2, paragraph (e), and 4.

(b) The commissioner shall adopt a schedule of civil penalties, not to exceed $10,000 per day of violation, based on the severity of each violation.

(c) The commissioner shall impose civil penalties under this section and section 62J.841 as provided in section 144.99, subdivision 4.

(d) The commissioner may remit or mitigate civil penalties under this section and section 62J.481 upon terms and conditions the commissioner considers proper and consistent with public health and safety.

(e) Civil penalties collected under this section and section 62J.841 shall be deposited in the health care access fund.

Sec. 11. Minnesota Statutes 2022, section 62J.84, subdivision 9, is amended to read:

Subd. 9. **Legislative report.** (a) No later than May 15, ~~2022~~ 2024, and by January 15 of each year thereafter, the commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over commerce and health and human services policy and finance on the implementation of this section and section 62J.841, including but not limited to the effectiveness in addressing the following goals:

(1) promoting transparency in pharmaceutical pricing for the state, health carriers, and other payers;

(2) enhancing the understanding on pharmaceutical spending trends; and

(3) assisting the state, health carriers, and other payers in the management of pharmaceutical costs and limiting formulary changes due to prescription drug cost increases during a coverage year.

(b) The report must include a summary of the information submitted to the commissioner under subdivisions 3, 4, and 5, and section 62J.841.

Sec. 12. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to read:

Subd. 10. **Notice of prescription drugs of substantial public interest.** (a) No later than January 31, 2024, and quarterly thereafter, the commissioner shall produce and post on the department's website a list of prescription drugs that the department determines to represent

a substantial public interest and for which the department intends to request data under subdivisions 9 to 14, subject to paragraph (c). The department shall base its inclusion of prescription drugs on any information the department determines is relevant to providing greater consumer awareness of the factors contributing to the cost of prescription drugs in the state, and the department shall consider drug product families that include prescription drugs:

(1) that triggered reporting under subdivisions 3, 4, or 6 during the previous calendar quarter;

(2) for which average claims paid amounts exceeded 125 percent of the price as of the claim incurred date during the most recent calendar quarter for which claims paid amounts are available; or

(3) that are identified by members of the public during a public comment period process.

(b) Not sooner than 30 days after publicly posting the list of prescription drugs under paragraph (a), the department shall notify, via email, reporting entities registered with the department of the requirement to report under subdivisions 9 to 14.

(c) No more than 500 prescription drugs may be designated as having a substantial public interest in any one notice.

Sec. 13. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to read:

Subd. 11. **Manufacturer prescription drug substantial public interest reporting.** (a) Beginning January 1, 2024, a manufacturer must submit to the commissioner the information described in paragraph (b) for any prescription drug:

(1) included in a notification to report issued to the manufacturer by the department under subdivision 10;

(2) which the manufacturer manufactures or repackages;

(3) for which the manufacturer sets the wholesale acquisition cost; and

(4) for which the manufacturer has not submitted data under subdivision 3 or 6 during the 120-day period prior to the date of the notification to report.

(b) For each of the drugs described in paragraph (a), the manufacturer shall submit to the commissioner no later than 60 days after the date of the notification to report, in the form and manner prescribed by the commissioner, the following information, if applicable:

(1) a description of the drug with the following listed separately:

(i) the national drug code;

(ii) the product name;

(iii) the dosage form;

(iv) the strength; and

(v) the package size;

(2) the price of the drug product on the later of:

(i) the day one year prior to the date of the notification to report;

(ii) the introduced to market date; or

(iii) the acquisition date;

(3) the price of the drug product on the date of the notification to report;

(4) the introductory price of the prescription drug when it was introduced for sale in the United States and the price of the drug on the last day of each of the five calendar years preceding the date of the notification to report;

(5) the direct costs incurred during the 12-month period prior to the date of the notification to report by the manufacturers that are associated with the prescription drug, listed separately:

(i) to manufacture the prescription drug;

(ii) to market the prescription drug, including advertising costs; and

(iii) to distribute the prescription drug;

(6) the number of units of the prescription drug sold during the 12-month period prior to the date of the notification to report;

(7) the total sales revenue for the prescription drug during the 12-month period prior to the date of the notification to report;

(8) the total rebate payable amount accrued for the prescription drug during the 12-month period prior to the date of the notification to report;

(9) the manufacturer's net profit attributable to the prescription drug during the 12-month period prior to the date of the notification to report;

(10) the total amount of financial assistance the manufacturer has provided through patient prescription assistance programs during the 12-month period prior to the date of the notification to report, if applicable;

(11) any agreement between a manufacturer and another entity contingent upon any delay in offering to market a generic version of the prescription drug;

(12) the patent expiration date of the prescription drug if the prescription drug is under patent;

(13) the name and location of the company that manufactured the drug;

(14) if the prescription drug is a brand name prescription drug, the ten countries other than the United States that paid the highest prices for the prescription drug during the previous calendar year and their prices; and

(15) if the prescription drug was acquired by the manufacturer within a 12-month period prior to the date of the notification to report, all of the following information:

(i) the price at acquisition;

(ii) the price in the calendar year prior to acquisition;

(iii) the name of the company from which the drug was acquired;

(iv) the date of acquisition; and

(v) the acquisition price.

(c) The manufacturer may submit any documentation necessary to support the information reported under this subdivision.

Sec. 14. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to read:

Subd. 12. **Pharmacy prescription drug substantial public interest reporting.** (a) Beginning January 1, 2024, a pharmacy must submit to the commissioner the information described in paragraph (b) for any prescription drug included in a notification to report issued to the pharmacy by the department under subdivision 9.

(b) For each of the drugs described in paragraph (a), the pharmacy shall submit to the commissioner no later than 60 days after the date of the notification to report, in the form and manner prescribed by the commissioner, the following information, if applicable:

(1) a description of the drug with the following listed separately:

(i) the national drug code;

(ii) the product name;

(iii) the dosage form;

(iv) the strength; and

(v) the package size;

(2) the number of units of the drug acquired during the 12-month period prior to the date of the notification to report;

(3) the total spent before rebates by the pharmacy to acquire the drug during the 12-month period prior to the date of the notification to report;

(4) the total rebate receivable amount accrued by the pharmacy for the drug during the 12-month period prior to the date of the notification to report;

(5) the number of pricing units of the drug dispensed by the pharmacy during the 12-month period prior to the date of the notification to report;

(6) the total payment receivable by the pharmacy for dispensing the drug including ingredient cost, dispensing fee, and administrative fees during the 12-month period prior to the date of the notification to report;

(7) the total rebate payable amount accrued by the pharmacy for the drug during the 12-month period prior to the date of the notification to report; and

(8) the average cash price paid by consumers per pricing unit for prescriptions dispensed where no claim was submitted to a health care service plan or health insurer during the 12-month period prior to the date of the notification to report.

(c) The pharmacy may submit any documentation necessary to support the information reported under this subdivision.

Sec. 15. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to read:

Subd. 13. **PBM prescription drug substantial public interest reporting.** (a) Beginning January 1, 2024, a PBM must submit to the commissioner the information described in paragraph (b) for any prescription drug included in a notification to report issued to the PBM by the department under subdivision 9.

(b) For each of the drugs described in paragraph (a), the PBM shall submit to the commissioner no later than 60 days after the date of the notification to report, in the form and manner prescribed by the commissioner, the following information, if applicable:

(1) a description of the drug with the following listed separately:

(i) the national drug code;

(ii) the product name;

(iii) the dosage form;

(iv) the strength; and

(v) the package size;

(2) the number of pricing units of the drug product filled for which the PBM administered claims during the 12-month period prior to the date of the notification to report;

(3) the total reimbursement amount accrued and payable to pharmacies for pricing units of the drug product filled for which the PBM administered claims during the 12-month period prior to the date of the notification to report;

(4) the total reimbursement or administrative fee amount, or both, accrued and receivable from payers for pricing units of the drug product filled for which the PBM administered claims during the 12-month period prior to the date of the notification to report;

(5) the total rebate receivable amount accrued by the PBM for the drug product during the 12-month period prior to the date of the notification to report; and

(6) the total rebate payable amount accrued by the PBM for the drug product during the 12-month period prior to the date of the notification to report.

(c) The PBM may submit any documentation necessary to support the information reported under this subdivision.

Sec. 16. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to read:

Subd. 14. **Wholesaler prescription drug substantial public interest reporting.** (a) Beginning January 1, 2024, a wholesaler must submit to the commissioner the information described in paragraph (b) for any prescription drug included in a notification to report issued to the wholesaler by the department under subdivision 10.

(b) For each of the drugs described in paragraph (a), the wholesaler shall submit to the commissioner no later than 60 days after the date of the notification to report, in the form and manner prescribed by the commissioner, the following information, if applicable:

(1) a description of the drug with the following listed separately:

(i) the national drug code;

(ii) the product name;

(iii) the dosage form;

(iv) the strength; and

(v) the package size;

(2) the number of units of the drug product acquired by the wholesale drug distributor during the 12-month period prior to the date of the notification to report;

(3) the total spent before rebates by the wholesale drug distributor to acquire the drug product during the 12-month period prior to the date of the notification to report;

(4) the total rebate receivable amount accrued by the wholesale drug distributor for the drug product during the 12-month period prior to the date of the notification to report;

(5) the number of units of the drug product sold by the wholesale drug distributor during the 12-month period prior to the date of the notification to report;

(6) gross revenue from sales in the United States generated by the wholesale drug distributor for this drug product during the 12-month period prior to the date of the notification to report; and

(7) total rebate payable amount accrued by the wholesale drug distributor for the drug product during the 12-month period prior to the date of the notification to report.

(c) The wholesaler may submit any documentation necessary to support the information reported under this subdivision.

Sec. 17. Minnesota Statutes 2022, section 62J.84, is amended by adding a subdivision to read:

Subd. 15. **Registration requirements.** Beginning January 1, 2024, a reporting entity subject to this chapter shall register with the department in a form and manner prescribed by the commissioner.

Sec. 18. **[62J.841] REPORTING PRESCRIPTION DRUG PRICES; FORMULARY DEVELOPMENT AND PRICE STABILITY.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the terms in this subdivision have the meanings given them.

(b) "Average wholesale price" means the customary reference price for sales by a drug wholesaler to a retail pharmacy, as established and published by the manufacturer.

(c) "National drug code" means the numerical code maintained by the United States Food and Drug Administration and includes the label code, product code, and package code.

(d) "Wholesale acquisition cost" has the meaning given in United States Code, title 42, section 1395w-3a(c)(6)(B).

(e) "Unit" has the meaning given in United States Code, title 42, section 1395w-3a(b)(2).

Subd. 2. **Price reporting.** (a) Beginning July 31, 2024, and by July 31 each year thereafter, a manufacturer must report to the commissioner the information in paragraph (b) for every drug with a wholesale acquisition cost of $100 or more for a 30-day supply or for a course of treatment lasting less than 30 days, as applicable to the next calendar year.

(b) A manufacturer shall report a drug's:

(1) national drug code, labeler code, and the manufacturer name associated with the labeler code;

(2) brand name, if applicable;

(3) generic name, if applicable;

(4) wholesale acquisition cost for one unit;

(5) measure that constitutes a wholesale acquisition cost unit;

(6) average wholesale price; and

(7) status as brand name or generic.

(c) The effective date of the information described in paragraph (b) must be included in the report to the commissioner.

(d) A manufacturer must report the information described in this subdivision in the form and manner specified by the commissioner.

(e) Information reported under this subdivision is classified as public data not on individuals, as defined in section 13.02, subdivision 14, and must not be classified by the

manufacturer as trade secret information, as defined in section 13.37, subdivision 1, paragraph (b).

(f) A manufacturer's failure to report the information required by this subdivision is grounds for disciplinary action under section 151.071, subdivision 2.

Subd. 3. **Public posting of prescription drug price information.** By October 1 of each year, beginning October 1, 2024, the commissioner must post the information reported under subdivision 2 on the department's website, as required by section 62J.84, subdivision 6.

Subd. 4. **Price change.** (a) If a drug subject to price reporting under subdivision 2 is included in the formulary of a health plan submitted to and approved by the commissioner of commerce for the next calendar year under section 62A.02, subdivision 1, the manufacturer may increase the wholesale acquisition cost of the drug for the next calendar year only after providing the commissioner with at least 90 days' written notice.

(b) A manufacturer's failure to meet the requirements of paragraph (a) is grounds for disciplinary action under section 151.071, subdivision 2.

Sec. 19. **[62J.87] HEALTH CARE AFFORDABILITY BOARD.**

Subdivision 1. **Establishment.** The Legislative Coordinating Commission shall establish the Health Care Affordability Board, which shall be governed as a board under section 15.012, paragraph (a), to protect consumers, state and local governments, health plan companies, providers, and other health care system stakeholders from unaffordable health care costs. The board must be operational by January 1, 2024.

Subd. 2. **Membership.** (a) The Health Care Affordability Board consists of 13 members, appointed as follows:

(1) five members appointed by the governor;

(2) two members appointed by the majority leader of the senate;

(3) two members appointed by the minority leader of the senate;

(4) two members appointed by the speaker of the house; and

(5) two members appointed by the minority leader of the house of representatives.

(b) All appointed members must have knowledge and demonstrated expertise in one or more of the following areas: health care finance, health economics, health care management or administration at a senior level, health care consumer advocacy, representing the health

care workforce as a leader in a labor organization, purchasing health care insurance as a health benefits administrator, delivery of primary care, health plan company administration, public or population health, and addressing health disparities and structural inequities.

(c) A member may not participate in board proceedings involving an organization, activity, or transaction in which the member has either a direct or indirect financial interest, other than as an individual consumer of health services.

(d) The Legislative Coordinating Commission shall coordinate appointments under this subdivision to ensure that board members are appointed by August 1, 2023, and that board members as a whole meet all of the criteria related to the knowledge and expertise specified in paragraph (b).

Subd. 3. **Terms.** (a) Board appointees shall serve four-year terms. A board member shall not serve more than three consecutive terms.

(b) A board member may resign at any time by giving written notice to the board.

Subd. 4. **Chair; other officers.** (a) The governor shall designate an acting chair from the members appointed by the governor.

(b) The board shall elect a chair to replace the acting chair at the first meeting of the board by a majority of the members. The chair shall serve for two years.

(c) The board shall elect a vice-chair and other officers from its membership as it deems necessary.

Subd. 5. **Staff; technical assistance; contracting.** (a) The board shall hire a full-time executive director and other staff, who shall serve in the unclassified service. The executive director must have significant knowledge and expertise in health economics and demonstrated experience in health policy.

(b) The attorney general shall provide legal services to the board.

(c) The Health Economics Division within the Department of Health shall provide technical assistance to the board in analyzing health care trends and costs and in setting health care spending growth targets.

(d) The board may employ or contract for professional and technical assistance, including actuarial assistance, as the board deems necessary to perform the board's duties.

Subd. 6. **Access to information.** (a) The board may request that a state agency provide the board with any publicly available information in a usable format as requested by the board, at no cost to the board.

(b) The board may request from a state agency unique or custom data sets, and the agency may charge the board for providing the data at the same rate the agency would charge any other public or private entity.

(c) Any information provided to the board by a state agency must be de-identified. For purposes of this subdivision, "de-identification" means the process used to prevent the identity of a person or business from being connected with the information and ensuring all identifiable information has been removed.

(d) Any data submitted to the board shall retain its original classification under the Minnesota Data Practices Act in chapter 13.

Subd. 7. **Compensation.** Board members shall not receive compensation but may receive reimbursement for expenses as authorized under section 15.059, subdivision 3.

Subd. 8. **Meetings.** (a) Meetings of the board are subject to chapter 13D. The board shall meet publicly at least quarterly. The board may meet in closed session when reviewing proprietary information as specified in section 62J.71, subdivision 4.

(b) The board shall announce each public meeting at least two weeks prior to the scheduled date of the meeting. Any materials for the meeting shall be made public at least one week prior to the scheduled date of the meeting.

(c) At each public meeting, the board shall provide the opportunity for comments from the public, including the opportunity for written comments to be submitted to the board prior to a decision by the board.

Sec. 20. **[62J.91] NOTICE TO HEALTH CARE ENTITIES.**

Subdivision 1. **Notice.** (a) The board shall provide notice to all health care entities that have been identified by the board as exceeding the spending growth target for any given year.

(b) For purposes of this section, "health care entity" shall be defined by the board during the development of the health care spending growth methodology. When developing this methodology, the board shall consider a definition of health care entity that includes clinics, hospitals, ambulatory surgical centers, physician organizations, accountable care organizations, integrated provider and plan systems, and other entities defined by the board, provided that physician organizations with a patient panel of 15,000 or fewer, or which represent providers who collectively receive less than $25,000,000 in annual net patient service revenue from health plan companies and other payers, shall be exempt.

Subd. 2. **Performance improvement plans.** (a) The board shall establish and implement procedures to assist health care entities to improve efficiency and reduce cost growth by requiring some or all health care entities provided notice under subdivision 1 to file and implement a performance improvement plan. The board shall provide written notice of this requirement to health care entities.

(b) Within 45 days of receiving a notice of the requirement to file a performance improvement plan, a health care entity shall:

(1) file a performance improvement plan with the board; or

(2) file an application with the board to waive the requirement to file a performance improvement plan or extend the timeline for filing a performance improvement plan.

(c) The health care entity may file any documentation or supporting evidence with the board to support the health care entity's application to waive or extend the timeline to file a performance improvement plan. The board shall require the health care entity to submit any other relevant information it deems necessary in considering the waiver or extension application, provided that this information shall be made public at the discretion of the board. The board may waive or delay the requirement for a health care entity to file a performance improvement plan in response to a waiver or extension request in light of all information received from the health care entity, based on a consideration of the following factors:

(1) the costs, price, and utilization trends of the health care entity over time, and any demonstrated improvement in reducing per capita medical expenses adjusted by health status;

(2) any ongoing strategies or investments that the health care entity is implementing to improve future long-term efficiency and reduce cost growth;

(3) whether the factors that led to increased costs for the health care entity can reasonably be considered to be unanticipated and outside of the control of the entity. These factors may include but shall not be limited to age and other health status adjusted factors and other cost inputs such as pharmaceutical expenses and medical device expenses;

(4) the overall financial condition of the health care entity; and

(5) any other factors the board considers relevant. If the board declines to waive or extend the requirement for the health care entity to file a performance improvement plan, the board shall provide written notice to the health care entity that its application for a waiver

or extension was denied and the health care entity shall file a performance improvement plan.

(d) A health care entity shall file a performance improvement plan with the board:

(1) within 45 days of receipt of an initial notice;

(2) if the health care entity has requested a waiver or extension, within 45 days of receipt of a notice that such waiver or extension has been denied; or

(3) if the health care entity is granted an extension, on the date given on the extension.

The performance improvement plan shall identify the causes of the entity's cost growth and shall include but not be limited to specific strategies, adjustments, and action steps the entity proposes to implement to improve cost performance. The proposed performance improvement plan shall include specific identifiable and measurable expected outcomes and a timetable for implementation. The timetable for a performance improvement plan must not exceed 18 months.

(e) The board shall approve any performance improvement plan that it determines is reasonably likely to address the underlying cause of the entity's cost growth and has a reasonable expectation for successful implementation. If the board determines that the performance improvement plan is unacceptable or incomplete, the board may provide consultation on the criteria that have not been met and may allow an additional time period of up to 30 calendar days for resubmission. Upon approval of the proposed performance improvement plan, the board shall notify the health care entity to begin immediate implementation of the performance improvement plan. Public notice shall be provided by the board on its website, identifying that the health care entity is implementing a performance improvement plan. All health care entities implementing an approved performance improvement plan shall be subject to additional reporting requirements and compliance monitoring, as determined by the board. The board shall provide assistance to the health care entity in the successful implementation of the performance improvement plan.

(f) All health care entities shall in good faith work to implement the performance improvement plan. At any point during the implementation of the performance improvement plan, the health care entity may file amendments to the performance improvement plan, subject to approval of the board. At the conclusion of the timetable established in the performance improvement plan, the health care entity shall report to the board regarding the outcome of the performance improvement plan. If the board determines the performance improvement plan was not implemented successfully, the board shall:

(1) extend the implementation timetable of the existing performance improvement plan;

(2) approve amendments to the performance improvement plan as proposed by the health care entity;

(3) require the health care entity to submit a new performance improvement plan; or

(4) waive or delay the requirement to file any additional performance improvement plans.

Upon the successful completion of the performance improvement plan, the board shall remove the identity of the health care entity from the board's website. The board may assist health care entities with implementing the performance improvement plans or otherwise ensure compliance with this subdivision.

(g) If the board determines that a health care entity has:

(1) willfully neglected to file a performance improvement plan with the board within 45 days as required;

(2) failed to file an acceptable performance improvement plan in good faith with the board;

(3) failed to implement the performance improvement plan in good faith; or

(4) knowingly failed to provide information required by this subdivision to the board or knowingly provided false information, the board may assess a civil penalty to the health care entity of not more than $500,000. The board may only impose a civil penalty if the board determines that the health care entity is unlikely to voluntarily comply with all applicable provisions of this subdivision.

Sec. 21. **[62J.92] REPORTING REQUIREMENTS.**

Subdivision 1. **General requirement.** (a) The board shall present the reports required by this section to the chairs and ranking members of the legislative committees with primary jurisdiction over health care finance and policy. The board shall also make these reports available to the public on the board's website.

(b) The board may contract with a third-party vendor for technical assistance in preparing the reports.

Subd. 2. **Progress reports.** The board shall submit written progress updates about the development and implementation of the health care spending growth target program by February 15, 2025, and February 15, 2026. The updates must include reporting on board

membership and activities, program design decisions, planned timelines for implementation of the program, and the progress of implementation. The reports must include the methodological details underlying program design decisions.

Subd. 3. **Health care spending trends.** By December 15, 2025, and every December 15 thereafter, the board shall submit a report on health care spending trends and the health care spending growth target program that includes:

(1) spending growth in aggregate and for entities subject to health care spending growth targets relative to established target levels;

(2) findings from analyses of drivers of health care spending growth;

(3) estimates of the impact of health care spending growth on Minnesota residents, including for communities most impacted by health disparities, related to their access to insurance and care, value of health care, and the ability to pursue other spending priorities;

(4) the potential and observed impact of the health care growth targets on the financial viability of the rural delivery system;

(5) changes under consideration for revising the methodology to monitor or set growth targets;

(6) recommendations for initiatives to assist health care entities in meeting health care spending growth targets, including broader and more transparent adoption of value-based payment arrangements; and

(7) the number of health care entities whose spending growth exceeded growth targets, information on performance improvement plans and the extent to which the plans were completed, and any civil penalties imposed on health care entities related to noncompliance with performance improvement plans and related requirements.

Sec. 22. Minnesota Statutes 2022, section 62K.10, subdivision 4, is amended to read:

Subd. 4. **Network adequacy.** (a) Each designated provider network must include a sufficient number and type of providers, including providers that specialize in mental health and substance use disorder services, to ensure that covered services are available to all enrollees without unreasonable delay. In determining network adequacy, the commissioner of health shall consider availability of services, including the following:

(1) primary care physician services are available and accessible 24 hours per day, seven days per week, within the network area;

(2) a sufficient number of primary care physicians have hospital admitting privileges at one or more participating hospitals within the network area so that necessary admissions are made on a timely basis consistent with generally accepted practice parameters;

(3) specialty physician service is available through the network or contract arrangement;

(4) mental health and substance use disorder treatment providers, including but not limited to psychiatric residential treatment facilities, are available and accessible through the network or contract arrangement;

(5) to the extent that primary care services are provided through primary care providers other than physicians, and to the extent permitted under applicable scope of practice in state law for a given provider, these services shall be available and accessible; and

(6) the network has available, either directly or through arrangements, appropriate and sufficient personnel, physical resources, and equipment to meet the projected needs of enrollees for covered health care services.

(b) The commissioner may establish sufficiency by referencing any reasonable criteria, which includes but is not limited to:

(1) ratios of providers to enrollees by specialty;

(2) ratios of primary care professionals to enrollees;

(3) geographic accessibility of providers;

(4) waiting times for an appointment with participating providers;

(5) hours of operation;

(6) the ability of the network to meet the needs of enrollees that are:

(i) low-income persons;

(ii) children and adults with serious, chronic, or complex health conditions, physical disabilities, or mental illness; or

(iii) persons with limited English proficiency and persons from underserved communities;

(7) other health care service delivery system options, including telemedicine or telehealth, mobile clinics, centers of excellence, and other ways of delivering care; and

(8) the volume of technological and specialty care services available to serve the needs of enrollees that need technologically advanced or specialty care services.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, issued, or renewed on or after that date.

Sec. 23. **[144.557] REQUIREMENTS FOR CERTAIN HEALTH CARE ENTITY TRANSACTIONS.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meaning given.

(b) "Captive professional entity" means a professional corporation, limited liability company, or other entity formed to render professional services in which a beneficial owner is a health care provider employed by, controlled by, or subject to the direction of a hospital or hospital system.

(c) "Commissioner" means the commissioner of health.

(d) "Control," including the terms "controlling," "controlled by," and "under common control with," means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, membership in an entity formed under chapter 317A, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with, corporate office held by, or court appointment of, the person. Control is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing, 40 percent or more of the voting securities of any other person, or if any person, directly or indirectly, constitutes 40 percent or more of the membership of an entity formed under chapter 317A. The commissioner may determine, after furnishing all persons in interest notice and opportunity to be heard and making specific findings of fact to support such determination, that control exists in fact, notwithstanding the absence of a presumption to that effect.

(e) "Health care entity" means:

(1) a hospital;

(2) a hospital system;

(3) a captive professional entity;

(4) a medical foundation;

(5) a health care provider group practice;

(6) an entity organized or controlled by an entity listed in clauses (1) to (5); or

(7) an entity that owns or exercises control over an entity listed in clauses (1) to (5).

(f) "Health care provider" means a physician licensed under chapter 147, a physician assistant licensed under chapter 147A, or an advanced practice registered nurse as defined in section 148.171, subdivision 3, who provides health care services, including but not limited to medical care, consultation, diagnosis, or treatment.

(g) "Health care provider group practice" means two or more health care providers legally organized in a partnership, professional corporation, limited liability company, medical foundation, nonprofit corporation, faculty practice plan, or other similar entity:

(1) in which each health care provider who is a member of the group provides substantially the full range of services that a health care provider routinely provides, including but not limited to medical care, consultation, diagnosis, and treatment, through the joint use of shared office space, facilities, equipment, or personnel;

(2) for which substantially all services of the health care providers who are group members are provided through the group and are billed in the name of the group practice and amounts so received are treated as receipts of the group; or

(3) in which the overhead expenses of, and the income from, the group are distributed in accordance with methods previously determined by members of the group.

An entity that otherwise meets the definition of health care provider group practice in this paragraph shall be considered a health care provider group practice even if its shareholders, partners, members, or owners include a single-health care provider professional corporation, limited liability company, or another entity in which any beneficial owner is an individual health care provider and which is formed to render professional services.

(h) "Hospital" means a health care facility licensed as a hospital under sections 144.50 to 144.56.

(i) "Medical foundation" means a nonprofit legal entity through which physicians or other health care providers perform research or provide medical services.

(j) "Transaction" means a single action, or a series of actions within a five-year period, that constitutes:

(1) a merger or exchange of a health care entity with another entity;

(2) the sale, lease, or transfer of 40 percent or more of the assets of a health care entity to another entity;

(3) the granting of a security interest of 40 percent or more of the property and assets of a health care entity to another entity;

(4) the transfer of 40 percent or more of the shares or other ownership of the health care entity to another entity;

(5) an addition, removal, withdrawal, substitution, or other modification of one or more members of the health care entity's governing body that transfers control, responsibility for, or governance of the health care entity to another entity;

(6) the creation of a new health care entity;

(7) substantial investment of 40 percent or more in a health care entity that results in sharing of revenues without a change in ownership or voting shares;

(8) an addition, removal, withdrawal, substitution, or other modification of the members of a health care entity formed under chapter 317A that results in a change of 40 percent or more of the membership of the health care entity; or

(9) any other transfer of control of a health care entity to, or acquisition of control of a health care entity by, another entity.

A transaction does not include an action or series of actions which meets one or more of the criteria set forth in clauses (1) to (9) if, immediately prior to all such actions, the health care entity directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, all other parties to the action or series of actions.

Subd. 2. **Notice required.** (a) This subdivision applies to all transactions where:

(1) the health care entity involved in the transaction has average revenue of at least $40,000,000 per year; or

(2) an entity created by the transaction is projected to have average revenue of at least $40,000,000 per year once the entity is operating at full capacity.

(b) A health care entity must provide notice to the attorney general and the commissioner and comply with this subdivision before entering into a transaction. Notice must be provided at least 90 days before the proposed completion date for the transaction.

(c) As part of the notice required under this subdivision, at least 90 days before the proposed completion date of the transaction, a health care entity must affirmatively disclose the following to the attorney general and the commissioner:

(1) the entities involved in the transaction;

(2) the leadership of the entities involved in the transaction, including all directors, board members, and officers;

(3) the services provided by each entity and the attributed revenue for each entity by location;

(4) the primary service area for each location;

(5) the proposed service area for each location;

(6) the current relationships between the entities and the health care providers and practices affected, the locations of affected health care providers and practices, the services provided by affected health care providers and practices, and the proposed relationships between the entities and the health care providers and practices affected;

(7) the terms of the transaction agreement or agreements;

(8) the acquisition price;

(9) markets in which the entities expect postmerger synergies to produce a competitive advantage;

(10) potential areas of expansion, whether in existing markets or new markets;

(11) plans to close facilities, reduce workforce, or reduce or eliminate services;

(12) the experts and consultants used to evaluate the transaction;

(13) the number of full-time equivalent positions at each location before and after the transaction by job category, including administrative and contract positions; and

(14) any other information requested by the attorney general or commissioner.

(d) As part of the notice required under this subdivision, at least 90 days before the proposed completion date of the transaction, a health care entity must affirmatively produce the following to the attorney general and the commissioner:

(1) the current governing documents for all entities involved in the transaction and any amendments to these documents;

(2) the transaction agreement or agreements and all related agreements;

(3) any collateral agreements related to the principal transaction, including leases, management contracts, and service contracts;

(4) all expert or consultant reports or valuations conducted in evaluating the transaction, including any valuation of the assets that are subject to the transaction prepared within three

years preceding the anticipated transaction completion date and any reports of financial or economic analysis conducted in anticipation of the transaction;

(5) the results of any projections or modeling of health care utilization or financial impacts related to the transaction, including but not limited to copies of reports by appraisers, accountants, investment bankers, actuaries, and other experts;

(6) a financial and economic analysis and report prepared by an independent expert or consultant on the effects of the transaction;

(7) an impact analysis report prepared by an independent expert or consultant on the effects of the transaction on communities and the workforce, including any changes in availability or accessibility of services;

(8) all documents reflecting the purposes of or restrictions on any related nonprofit entity's charitable assets;

(9) copies of all filings submitted to federal regulators, including any Hart-Scott-Rodino filing the entities submitted to the Federal Trade Commission in connection with the transaction;

(10) a certification sworn under oath by each board member and chief executive officer for any nonprofit entity involved in the transaction containing the following: an explanation of how the completed transaction is in the public interest, addressing the factors in subdivision 5, paragraph (a); a disclosure of each declarant's compensation and benefits relating to the transaction for the three years following the transaction's anticipated completion date; and a disclosure of any conflicts of interest;

(11) audited and unaudited financial statements from all entities involved in the transaction and tax filings for all entities involved in the transaction covering the preceding five fiscal years; and

(12) any other information or documents requested by the attorney general or commissioner.

(e) The attorney general may extend the notice and waiting period required under paragraph (b) for an additional 90 days by notifying the health care entity in writing of the extension.

(f) The attorney general may waive all or any part of the notice and waiting period required under paragraph (b).

(g) The attorney general or the commissioner may hold public listening sessions or forums to obtain input on the transaction from providers or community members who may be impacted by the transaction.

(h) The attorney general or the commissioner may bring an action in district court to compel compliance with the notice requirements in this subdivision.

Subd. 3. **Prohibited transactions.** No health care entity may enter into a transaction that will:

(1) substantially lessen competition; or

(2) tend to create a monopoly or monopsony.

Subd. 4. **Additional requirements for nonprofit health care entities.** A health care entity that is incorporated under chapter 317A or organized under section 322C.1101, or that is a subsidiary of any such entity, must, before entering into a transaction, ensure that:

(1) the transaction complies with chapters 317A and 501B and other applicable laws;

(2) the transaction does not involve or constitute a breach of charitable trust;

(3) the nonprofit health care entity will receive full and fair value for its public benefit assets, provided that this requirement is waived if application for waiver is made to the attorney general and the attorney general determines a waiver from this requirement is in the public interest;

(4) the value of the public benefit assets to be transferred has not been manipulated in a manner that causes or has caused the value of the assets to decrease;

(5) the proceeds of the transaction will be used in a manner consistent with the public benefit for which the assets are held by the nonprofit health care entity;

(6) the transaction will not result in a breach of fiduciary duty; and

(7) there are procedures and policies in place to prohibit any officer, director, trustee, or other executive of the nonprofit health care entity from directly or indirectly benefiting from the transaction.

Subd. 5. **Attorney general enforcement and supplemental authority.** (a) The attorney general may bring an action in district court to enjoin or unwind a transaction or seek other equitable relief necessary to protect the public interest if a health care entity or transaction violates this section, if the transaction is contrary to the public interest, or if both a health care entity or transaction violates this section and the transaction is contrary to the public

interest. Factors informing whether a transaction is contrary to the public interest include but are not limited to whether the transaction:

(1) will harm public health;

(2) will reduce the affected community's continued access to affordable and quality care and to the range of services historically provided by the entities or will prevent members in the affected community from receiving a comparable or better patient experience;

(3) will have a detrimental impact on competing health care options within primary and dispersed service areas;

(4) will reduce delivery of health care to disadvantaged, uninsured, underinsured, and underserved populations and to populations enrolled in public health care programs;

(5) will have a substantial negative impact on medical education and teaching programs, health care workforce training, or medical research;

(6) will have a negative impact on the market for health care services, health insurance services, or skilled health care workers;

(7) will increase health care costs for patients; or

(8) will adversely impact provider cost trends and containment of total health care spending.

(b) The attorney general may enforce this section under section 8.31.

(c) Failure of the entities involved in a transaction to provide timely information as required by the attorney general or the commissioner shall be an independent and sufficient ground for a court to enjoin of unwind the transaction or provide other equitable relief, provided the attorney general notified the entities of the inadequacy of the information provided and provided the entities with a reasonable opportunity to remedy the inadequacy.

(d) The attorney general shall consult with the commissioner to determine whether a transaction is contrary to the public interest. Any information exchanged between the attorney general and the commissioner according to this subdivision is confidential data on individuals as defined in section 13.02, subdivision 3, or protected nonpublic data as defined in section 13.02, subdivision 13. The commissioner may share with the attorney general, according to section 13.05, subdivision 9, any not public data, as defined in section 13.02, subdivision 8a, held by the Department of Health to aid in the investigation and review of the transaction, and the attorney general must maintain this data with the same classification according to section 13.03, subdivision 4, paragraph (d).

Subd. 6. **Supplemental authority of commissioner.** (a) Notwithstanding any law to the contrary, the commissioner may use data or information submitted under this section, section 62U.04, and sections 144.695 to 144.705 to conduct analyses of the aggregate impact of health care transactions on access to or the cost of health care services, health care market consolidation, and health care quality.

(b) The commissioner shall issue periodic public reports on the number and types of transactions subject to this section and on the aggregate impact of transactions on health care cost, quality, and competition in Minnesota.

Subd. 7. **Relation to other law.** (a) The powers and authority under this section are in addition to, and do not affect or limit, all other rights, powers, and authority of the attorney general or the commissioner under chapter 8, 309, 317A, 325D, 501B, or other law.

(b) Nothing in this section shall suspend any obligation imposed under chapter 8, 309, 317A, 325D, 501B, or other law on the entities involved in a transaction.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to transactions completed on or after that date. In determining whether a transaction was completed on or after the effective date, any actions or series of actions necessary to the completion of the transaction that occurred prior to the effective date must be considered.

Sec. 24. **[145.361] LONG COVID.**

Subdivision 1. **Definition.** (a) For the purpose of this section, the terms have the meanings given.

(b) "Long COVID" means health problems that people experience four or more weeks after being infected with SARS-CoV-2, the virus that causes COVID-19. Long COVID is also called post-COVID conditions, long-haul COVID, chronic COVID, post-acute COVID, or post-acute sequelae of COVID-19 (PASC).

(c) "Related conditions" means conditions related to or similar to long COVID including but not limited to myalgic encephalomyelitis/chronic fatigue syndrome (ME/CFS) and dysautonomia, and postural orthostatic tachycardia syndrome (POTS).

Subd. 2. **Establishment.** The commissioner of health shall establish a program to conduct community assessments and epidemiologic investigations to monitor and address impacts of long COVID and related conditions. The purposes of these activities are to:

(1) monitor trends in: incidence, prevalence, mortality, and health outcomes; changes in disability status, employment, and quality of life; and service needs of individuals with

long COVID or related conditions and to detect potential public health problems, predict risks, and assist in investigating long COVID and related conditions health inequities;

(2) more accurately target information and resources for communities and patients and their families;

(3) inform health professionals and citizens about risks and early detection;

(4) promote evidence-based practices around long COVID and related conditions prevention and management and to address public concerns and questions about long COVID and related conditions; and

(5) research and track related conditions.

Subd. 3. **Partnerships.** The commissioner of health shall, in consultation with health care professionals, the Department of Human Services, local public health, health insurers, employers, schools, survivors of long COVID or related conditions, and community organizations serving people at high risk of long COVID or related conditions, identify priority actions and activities to address the needs for communication, services, resources, tools, strategies, and policies to support survivors of long COVID or related conditions and their families.

Subd. 4. **Grants and contracts.** The commissioner of health shall coordinate and collaborate with community and organizational partners to implement evidence-informed priority actions through community-based grants and contracts. The commissioner of health shall award contracts and grants to organizations that serve communities disproportionately impacted by COVID-19, long COVID, or related conditions, including but not limited to rural and low-income areas, Black and African Americans, African immigrants, American Indians, Asian American-Pacific Islanders, Latino(a), LGBTQ+, and persons with disabilities. Organizations may also address intersectionality within the groups. The commissioner shall award grants and contracts to eligible organizations to plan, construct, and disseminate resources and information to support survivors of long COVID or related conditions, including caregivers, health care providers, ancillary health care workers, workplaces, schools, communities, and local and Tribal public health.

Sec. 25. **[145.9011] FETAL AND INFANT DEATH STUDIES.**

Subdivision 1. **Purpose.** (a) The commissioner of health may conduct fetal and infant death studies to assist the planning, implementation, and evaluation of medical, health, and social service systems, and to reduce the number of preventable fetal and infant deaths in Minnesota.

(b) Notwithstanding any other law or policy to the contrary, the fetal and infant mortality review committee must not expire.

Subd. 2. **Access to data.** (a) For purposes of this section, the subject of the data is defined as any of the following:

(1) a live born infant that died within the first year of life;

(2) a fetal death which meets the criteria required for reporting as defined in section 144.222; or

(3) the biological mother of an infant as defined in clause (1) or of a fetal death as defined in clause (2).

(b) To conduct fetal and infant death studies, the commissioner of health must have access to:

(1) medical data as defined in section 13.384, subdivision 1, paragraph (b); medical examiner data as defined in section 13.83, subdivision 1; and health records created, maintained, or stored by providers as defined in section 144.291, subdivision 2, paragraph (i), on the subject of the data;

(2) data on health and social support services, such as, but not limited to, family home visiting programs, the women, infants, and children (WIC) program, as well as access to prescription monitoring programs data, and data on behavioral health services, on the subject of the data;

(3) the name of a health care provider that provided prenatal, postpartum, pediatric, and other health services to the subject of the data, which must be provided by a coroner or medical examiner; and

(4) Department of Human Services and other state agency data to identify and receive information on the types and nature of other sources of care and social support received by the subject of the data, and parents and guardians of the subject of the data, to assist with evaluation of social service systems.

(c) When necessary to conduct a fetal and infant death study, the commissioner must have access to:

(1) data described in this subdivision relevant to fetal and infant death studies from before, during, and after pregnancy or birth for the subject of the data; and

(2) law enforcement reports or incident reports related to the subject of the data and must receive the reports when requested from law enforcement.

(d) The commissioner does not have access to coroner or medical examiner data that are part of an active investigation as described in section 13.83.

(e) The commissioner must have access to all data described within this section without the consent of the subject of the data and without the consent of the parent, other guardian, or legal representative of the subject of the data. The commissioner has access to the data in this subdivision to study fetal or infant deaths that occur on or after July 1, 2021.

(f) The commissioner must make a good faith reasonable effort to notify the subject of the data, parent, spouse, other guardian, or legal representative of the subject of the data before collecting data on the subject of the data. For purposes of this paragraph, "reasonable effort" means one notice is sent by certified mail to the last known address of the subject of the data, parent, spouse, other guardian, or legal representative informing of the data collection and offering a public health nurse support visit if desired.

Subd. 3. **Management of records.** After the commissioner has collected all data about the subject of a fetal or infant death study necessary to perform the study, the data extracted from source records obtained under subdivision 2, other than data identifying the subject of the data, must be transferred to separate records that must be maintained by the commissioner. Notwithstanding section 138.17, after the data have been transferred, all source records obtained under subdivision 2 that are possessed by the commissioner must be destroyed.

Subd. 4. **Classification of data.** (a) Data provided to the commissioner from source records under subdivision 2, including identifying information on individual providers, subjects of the data, their family, or guardians, and data derived by the commissioner under subdivision 3 for the purpose of carrying out fetal or infant death studies, are classified as confidential data on individuals or confidential data on decedents, as defined in sections 13.02, subdivision 3, and 13.10, subdivision 1, paragraph (a).

(b) Data classified under subdivision 4, paragraph (a), must not be subject to discovery or introduction into evidence in any administrative, civil, or criminal proceeding. Such information otherwise available from an original source must not be immune from discovery or barred from introduction into evidence merely because it was utilized by the commissioner in carrying out fetal or infant death studies.

(c) Summary data on fetal and infant death studies created by the commissioner, which does not identify individual subjects of the data, their families, guardians, or individual providers, must be public in accordance with section 13.05, subdivision 7.

(d) Data provided by the commissioner of human services or other state agency to the commissioner of health under this section retains the same classification as the data held when retained by the commissioner of human services, as required under section 13.03, subdivision 4, paragraph (c).

Subd. 5. **Fetal and infant mortality reviews.** (a) The commissioner of health must convene case review committees to conduct death study reviews, make recommendations, and publicly share summary information, especially for and about racial and ethnic groups, including American Indians and African Americans, that experience significantly disparate rates of fetal and infant mortality.

(b) The case review committees may include, but are not limited to, medical examiners or coroners, representative from health care institutions that provide care to pregnant people and infants, obstetric and pediatric practitioners, Medicaid representatives, state agency women and infant program representatives, and individuals from the communities that experience disparate rates of fetal and infant deaths, and other subject matter experts as necessary.

(c) The case review committees will review data from source records obtained under subdivision 2, other than data identifying the subject, the subject's family, or guardians, or the provider involved in the care of the subject.

(d) A person attending a fetal and infant mortality review committee meeting must not disclose what transpired at the meeting, except as necessary to carry out the purposes of the review committee. The proceedings and records of the review committee are protected nonpublic data as defined in section 13.02, subdivision 13. Discovery and introduction into evidence in legal proceedings of case review committee proceedings and records, and testimony in legal proceedings by review committee members and persons presenting information to the review committee, must occur in compliance with the requirements in section 256.01, subdivision 12, paragraph (e).

(e) Every three years beginning December 1, 2024, the case review committees will provide findings and recommendations to the Maternal and Child Health Advisory Task Force and the commissioner from the committee's review of fetal and infant deaths and provide specific recommendations designed to reduce population-based disparities in fetal and infant deaths.

(f) This paragraph must govern case review committee member compensation and expense reimbursement, notwithstanding any other law or policy to the contrary. Members of the case review committee must be compensated by the commissioner of health for actual

time spent in work on case reviews at a per diem rate established by the commissioner of health according to funding availability. Compensable time includes preparation for case reviews, time spent on collaborative review, including subcommittee meetings, committee meetings, and other preparation work for the committee review as identified by the commissioner of health. Members must also be reimbursed for expenses in the same manner and amount as provided in the Department of Management and Budget's commissioner's plan under section 43A.18, subdivision 2. To receive compensation or reimbursement, committee members must invoice the Department of Health on an invoice form provided by the commissioner.

Sec. 26. **[145.9571] HEALTHY BEGINNINGS, HEALTHY FAMILIES ACT.**

Subdivision 1. **Purpose.** The purpose of the Healthy Beginnings, Healthy Families Act is to build equitable, inclusive, and culturally and linguistically responsive systems that ensure the health and well-being of young children and their families by supporting the Minnesota perinatal quality collaborative, establishing the Minnesota partnership to prevent infant mortality, increasing access to culturally relevant developmental and social-emotional screening with follow-up, and sustaining and expanding the model jail practices for children of incarcerated parents in Minnesota jails.

Subd. 2. **Minnesota perinatal quality collaborative.** The Minnesota perinatal quality collaborative is established to improve pregnancy outcomes for pregnant people and newborns through efforts to:

(1) advance evidence-based and evidence-informed clinics and other health service practices and processes through quality care review, chart audits, and continuous quality improvement initiatives that enable equitable outcomes;

(2) review current data, trends, and research on best practices to inform and prioritize quality improvement initiatives;

(3) identify methods that incorporate antiracism into individual practice and organizational guidelines in the delivery of perinatal health services;

(4) support quality improvement initiatives to address substance use disorders in pregnant people and infants with neonatal abstinence syndrome or other effects of substance use;

(5) provide a forum to discuss state-specific system and policy issues to guide quality improvement efforts that improve population-level perinatal outcomes;

(6) reach providers and institutions in a multidisciplinary, collaborative, and coordinated effort across system organizations to reinforce a continuum of care model; and

(7) support health care facilities in monitoring interventions through rapid data collection and applying system changes to provide improved care in perinatal health.

Subd. 3. **Eligible organizations.** The commissioner of health shall make a grant to a nonprofit organization to create or sustain a multidisciplinary network of representatives of health care systems, health care providers, academic institutions, local and state agencies, and community partners that will collaboratively improve pregnancy and infant outcomes through evidence-based, population-level quality improvement initiatives.

Subd. 4. **Grants authorized.** The commissioner shall award one grant to a nonprofit organization to support efforts that improve maternal and infant health outcomes aligned with the purpose outlined in subdivision 2. The commissioner shall give preference to a nonprofit organization that has the ability to provide these services throughout the state. The commissioner shall provide content expertise to the grant recipient to further the accomplishment of the purpose.

Subd. 5. **Minnesota partnership to prevent infant mortality program.** (a) The commissioner of health shall establish the Minnesota partnership to prevent infant mortality program that is a statewide partnership program to engage communities, exchange best practices, share summary data on infant health, and promote policies to improve birth outcomes and eliminate preventable infant mortality.

(b) The goal of the Minnesota partnership to prevent infant mortality program is to:

(1) build a statewide multisectoral partnership including the state government, local public health agencies, Tribes, private sector, and community nonprofit organizations with the shared goal of decreasing infant mortality rates among populations with significant disparities, including among Black, American Indian, other nonwhite communities, and rural populations;

(2) address the leading causes of poor infant health outcomes such as premature birth, infant sleep-related deaths, and congenital anomalies through strategies to change social and environmental determinants of health; and

(3) promote the development, availability, and use of data-informed, community-driven strategies to improve infant health outcomes.

Subd. 5a. **Grants authorized.** (a) The commissioner of health shall award grants to eligible applicants to convene, coordinate, and implement data-driven strategies and culturally relevant activities to improve infant health by reducing preterm birth, sleep-related infant deaths, and congenital malformations and address social and environmental determinants

of health. Grants shall be awarded to support community nonprofit organizations, Tribal governments, and community health boards. In accordance with available funding, grants shall be noncompetitively awarded to the eleven sovereign Tribal governments if their respective proposals demonstrate the ability to implement programs designed to achieve the purposes in subdivision 2 and meet other requirements of this section. An eligible applicant must submit a complete application to the commissioner of health by the deadline established by the commissioner. The commissioner shall award all other grants competitively to eligible applicants in metropolitan and rural areas of the state and may consider geographic representation in grant awards.

(b) Grantee activities shall:

(1) address the leading cause or causes of infant mortality;

(2) be based on community input;

(3) focus on policy, systems, and environmental changes that support infant health; and

(4) address the health disparities and inequities that are experienced in the grantee's community.

(c) The commissioner shall review each application to determine whether the application is complete and whether the applicant and the project are eligible for a grant. In evaluating applications according to subdivision 2, the commissioner shall establish criteria including but not limited to: the eligibility of the applicant's project under this section; the applicant's thoroughness and clarity in describing the infant health issues grant funds are intended to address; a description of the applicant's proposed project; the project's likelihood to achieve the grant's purposes as described in this section; a description of the population demographics and service area of the proposed project; and evidence of efficiencies and effectiveness gained through collaborative efforts.

(d) Grant recipients shall report their activities to the commissioner in a format and at a time specified by the commissioner.

Subd. 5b. **Technical assistance.** (a) The commissioner shall provide content expertise, technical expertise, training to grant recipients, and advice on data-driven strategies.

(b) For the purposes of carrying out the grant program under subdivision 5, including for administrative purposes, the commissioner shall award contracts to appropriate entities to assist in training and provide technical assistance to grantees.

(c) Contracts awarded under paragraph (b) may be used to provide technical assistance and training in the areas of:

(1) partnership development and capacity building;

(2) Tribal support;

(3) implementation support for specific infant health strategies;

(4) communications by convening and sharing lessons learned; and

(5) health equity.

Subd. 6. **Developmental and social-emotional screening with follow-up.** The goal of the developmental and social-emotional screening is to identify young children at risk for developmental and behavioral concerns and provide follow-up services to connect families and young children to appropriate community-based resources and programs. The commissioner of health shall work with the commissioners of human services and education to implement this section and promote interagency coordination with other early childhood programs including those that provide screening and assessment.

Subd. 6a. **Duties.** The commissioner shall:

(1) increase the awareness of developmental and social-emotional screening with follow-up in coordination with community and state partners;

(2) expand existing electronic screening systems to administer developmental and social-emotional screening to children birth to kindergarten entrance;

(3) provide screening for developmental and social-emotional delays based on current recommended best practices;

(4) review and share the results of the screening with the parent or guardian. Support families in their role as caregivers by providing anticipatory guidance around typical growth and development;

(5) ensure children and families are referred to and linked with appropriate community-based services and resources when any developmental or social-emotional concerns are identified through screening; and

(6) establish performance measures and collect, analyze, and share program data regarding population-level outcomes of developmental and social-emotional screening, referrals to community-based services, and follow-up services.

Subd. 6b. **Grants authorized.** The commissioner shall award grants to community-based organizations, community health boards, and Tribal nations to support follow-up services for children with developmental or social-emotional concerns identified through screening in order to link children and their families to appropriate community-based services and

resources. Grants shall also be awarded to community-based organizations to train and utilize cultural liaisons to help families navigate the screening and follow-up process in a culturally and linguistically responsive manner. The commissioner shall provide technical assistance, content expertise, and training to grant recipients to ensure that follow-up services are effectively provided.

Subd. 7. **Model jail practices for incarcerated parents.** (a) The commissioner of health may make special grants to counties and groups of counties to implement model jail practices and to county governments, Tribal governments, or nonprofit organizations in corresponding geographic areas to build partnerships with county jails to support children of incarcerated parents and their caregivers.

(b) "Model jail practices" means a set of practices that correctional administrators can implement to remove barriers that may prevent children from cultivating or maintaining relationships with their incarcerated parents during and immediately after incarceration without compromising safety or security of the correctional facility.

Subd. 7a. **Grants authorized; model jail practices.** (a) The commissioner of health shall award grants to eligible county jails to implement model jail practices and separate grants to county governments, Tribal governments, or nonprofit organizations in corresponding geographic areas to build partnerships with county jails to support children of incarcerated parents and their caregivers.

(b) Grantee activities include but are not limited to:

(1) parenting classes or groups;

(2) family-centered intake and assessment of inmate programs;

(3) family notification, information, and communication strategies;

(4) correctional staff training;

(5) policies and practices for family visits; and

(6) family-focused reentry planning.

(c) Grant recipients shall report their activities to the commissioner in a format and at a time specified by the commissioner.

Subd. 7b. **Technical assistance and oversight; model jail practices.** (a) The commissioner shall provide content expertise, training to grant recipients, and advice on evidence-based strategies, including evidence-based training to support incarcerated parents.

(b) For the purposes of carrying out the grant program under subdivision 7a, including for administrative purposes, the commissioner shall award contracts to appropriate entities to assist in training and provide technical assistance to grantees.

(c) Contracts awarded under paragraph (b) may be used to provide technical assistance and training in the areas of:

(1) evidence-based training for incarcerated parents;

(2) partnership building and community engagement;

(3) evaluation of process and outcomes of model jail practices; and

(4) expert guidance on reducing the harm caused to children of incarcerated parents and application of model jail practices.

Sec. 27. Minnesota Statutes 2022, section 152.126, subdivision 4, is amended to read:

Subd. 4. **Reporting requirements; notice.** (a) Each dispenser must submit the following data to the board or its designated vendor:

(1) name of the prescriber;

(2) national provider identifier of the prescriber;

(3) name of the dispenser;

(4) national provider identifier of the dispenser;

(5) prescription number;

(6) name of the patient for whom the prescription was written;

(7) address of the patient for whom the prescription was written;

(8) date of birth of the patient for whom the prescription was written;

(9) date the prescription was written;

(10) date the prescription was filled;

(11) name and strength of the controlled substance;

(12) quantity of controlled substance prescribed;

(13) quantity of controlled substance dispensed; and

(14) number of days supply.

(b) The dispenser must submit the required information by a procedure and in a format established by the board. The board may allow dispensers to omit data listed in this subdivision or may require the submission of data not listed in this subdivision provided the omission or submission is necessary for the purpose of complying with the electronic reporting or data transmission standards of the American Society for Automation in Pharmacy, the National Council on Prescription Drug Programs, or other relevant national standard-setting body.

(c) A dispenser is not required to submit this data for those controlled substance prescriptions dispensed for:

(1) individuals residing in a health care facility as defined in section 151.58, subdivision 2, paragraph (b), when a drug is distributed through the use of an automated drug distribution system according to section 151.58; ~~and~~

(2) individuals receiving a drug sample that was packaged by a manufacturer and provided to the dispenser for dispensing as a professional sample pursuant to Code of Federal Regulations, title 21, part 203, subpart D~~.~~; and

(3) individuals whose prescriptions are being mailed, shipped, or delivered from Minnesota to another state, so long as the data is reported to the prescription drug monitoring program of that state.

(d) A dispenser must provide notice to the patient for whom the prescription was written ~~a conspicuous notice~~, or to that patient's authorized representative, of the reporting requirements of this section and notice that the information may be used for program administration purposes.

(e) The dispenser must submit the required information within the timeframe specified by the board; if no reportable prescriptions are dispensed or sold on any day, a report indicating that fact must be filed with the board.

(f) The dispenser must submit accurate information to the database and must correct errors identified during the submission process within seven calendar days.

(g) For the purposes of this paragraph, the term "subject of the data" means the individual reported as being the patient, the practitioner reported as being the prescriber, the client when an animal is reported as being the patient, or an authorized agent of these individuals. The dispenser must correct errors brought to its attention by the subject of the data within seven calendar days, unless the dispenser verifies that an error did not occur and the data

was correctly submitted. The dispenser must notify the subject of the data that either the error was corrected or that no error occurred.

Sec. 28. Minnesota Statutes 2022, section 152.126, subdivision 5, is amended to read:

Subd. 5. **Use of data by board.** (a) The board shall develop and maintain a database of the data reported under subdivision 4. The board shall maintain data that could identify an individual prescriber or dispenser in encrypted form. Except as otherwise allowed under subdivision 6, the database may be used by permissible users identified under subdivision 6 for the identification of:

(1) individuals receiving prescriptions for controlled substances from prescribers who subsequently obtain controlled substances from dispensers in quantities or with a frequency inconsistent with generally recognized standards of use for those controlled substances, including standards accepted by national and international pain management associations; and

(2) individuals presenting forged or otherwise false or altered prescriptions for controlled substances to dispensers.

(b) No permissible user identified under subdivision 6 may access the database for the sole purpose of identifying prescribers of controlled substances for unusual or excessive prescribing patterns without a valid search warrant or court order.

(c) No personnel of a state or federal occupational licensing board or agency may access the database for the purpose of obtaining information to be used to initiate a disciplinary action against a prescriber.

(d) Data reported under subdivision 4 shall be made available to permissible users for a 12-month period beginning the day the data was received and ending 12 months from the last day of the month in which the data was received, except that permissible users defined in subdivision 6, paragraph (b), clauses ~~(6)~~ (7) and ~~(7)~~ (8), may use all data collected under this section for the purposes of administering, operating, and maintaining the prescription monitoring program and conducting trend analyses and other studies necessary to evaluate the effectiveness of the program.

(e) Data reported during the period January 1, 2015, through December 31, 2018, may be retained through December 31, 2019, in an identifiable manner. Effective January 1, 2020, data older than 24 months must be destroyed. Data reported for prescriptions dispensed on or after January 1, 2020, must be destroyed no later than 12 months from the date the ~~data~~ prescription was ~~received~~ reported as dispensed.

Sec. 29. Minnesota Statutes 2022, section 152.126, subdivision 6, is amended to read:

Subd. 6. **Access to reporting system data.** (a) Except as indicated in this subdivision, the data submitted to the board under subdivision 4 is private data on individuals as defined in section 13.02, subdivision 12, and not subject to public disclosure.

(b) Except as specified in subdivision 5, the following persons shall be considered permissible users and may access the data submitted under subdivision 4 in the same or similar manner, and for the same or similar purposes, as those persons who are authorized to access similar private data on individuals under federal and state law:

(1) a prescriber or an agent or employee of the prescriber to whom the prescriber has delegated the task of accessing the data, to the extent the information relates specifically to a current patient, to whom the prescriber is:

(i) prescribing or considering prescribing any controlled substance;

(ii) providing emergency medical treatment for which access to the data may be necessary;

(iii) providing care, and the prescriber has reason to believe, based on clinically valid indications, that the patient is potentially abusing a controlled substance; or

(iv) providing other medical treatment for which access to the data may be necessary for a clinically valid purpose and the patient has consented to access to the submitted data, and with the provision that the prescriber remains responsible for the use or misuse of data accessed by a delegated agent or employee;

(2) a dispenser or an agent or employee of the dispenser to whom the dispenser has delegated the task of accessing the data, to the extent the information relates specifically to a current patient to whom that dispenser is dispensing or considering dispensing any controlled substance and with the provision that the dispenser remains responsible for the use or misuse of data accessed by a delegated agent or employee;

(3) a licensed dispensing practitioner or licensed pharmacist to the extent necessary to determine whether corrections made to the data reported under subdivision 4 are accurate;

(4) a licensed pharmacist who is providing pharmaceutical care for which access to the data may be necessary to the extent that the information relates specifically to a current patient for whom the pharmacist is providing pharmaceutical care: (i) if the patient has consented to access to the submitted data; or (ii) if the pharmacist is consulted by a prescriber who is requesting data in accordance with clause (1);

~~(4)~~ (5) an individual who is the recipient of a controlled substance prescription for which data was submitted under subdivision 4, or a guardian of the individual, parent or guardian of a minor, or health care agent of the individual acting under a health care directive under chapter 145C. For purposes of this clause, access by individuals includes persons in the definition of an individual under section 13.02;

~~(5)~~ (6) personnel or designees of a health-related licensing board listed in section 214.01, subdivision 2, or of the Emergency Medical Services Regulatory Board, assigned to conduct a bona fide investigation of a complaint received by that board that alleges that a specific licensee is impaired by use of a drug for which data is collected under subdivision 4, has engaged in activity that would constitute a crime as defined in section 152.025, or has engaged in the behavior specified in subdivision 5, paragraph (a);

~~(6)~~ (7) personnel of the board engaged in the collection, review, and analysis of controlled substance prescription information as part of the assigned duties and responsibilities under this section;

~~(7)~~ (8) authorized personnel ~~of a vendor~~ under contract with the board, or under contract with the state of Minnesota and approved by the board, who are engaged in the design, evaluation, implementation, operation, ~~and~~ or maintenance of the prescription monitoring program as part of the assigned duties and responsibilities of their employment, provided that access to data is limited to the minimum amount necessary to carry out such duties and responsibilities, and subject to the requirement of de-identification and time limit on retention of data specified in subdivision 5, paragraphs (d) and (e);

~~(8)~~ (9) federal, state, and local law enforcement authorities acting pursuant to a valid search warrant;

~~(9)~~ (10) personnel of the Minnesota health care programs assigned to use the data collected under this section to identify and manage recipients whose usage of controlled substances may warrant restriction to a single primary care provider, a single outpatient pharmacy, and a single hospital;

~~(10)~~ (11) personnel of the Department of Human Services assigned to access the data pursuant to paragraph (k);

~~(11)~~ (12) personnel of the health professionals services program established under section 214.31, to the extent that the information relates specifically to an individual who is currently enrolled in and being monitored by the program, and the individual consents to access to that information. The health professionals services program personnel shall not provide this

data to a health-related licensing board or the Emergency Medical Services Regulatory Board, except as permitted under section 214.33, subdivision 3; ~~and~~

~~(12)~~ (13) personnel or designees of a health-related licensing board other than the Board of Pharmacy listed in section 214.01, subdivision 2, assigned to conduct a bona fide investigation of a complaint received by that board that alleges that a specific licensee is inappropriately prescribing controlled substances as defined in this section. For the purposes of this clause, the health-related licensing board may also obtain utilization data; and

(14) personnel of the board specifically assigned to conduct a bona fide investigation of a specific licensee or registrant. For the purposes of this clause, the board may also obtain utilization data.

(c) By July 1, 2017, every prescriber licensed by a health-related licensing board listed in section 214.01, subdivision 2, practicing within this state who is authorized to prescribe controlled substances for humans and who holds a current registration issued by the federal Drug Enforcement Administration, and every pharmacist licensed by the board and practicing within the state, shall register and maintain a user account with the prescription monitoring program. Data submitted by a prescriber, pharmacist, or their delegate during the registration application process, other than their name, license number, and license type, is classified as private pursuant to section 13.02, subdivision 12.

(d) Notwithstanding paragraph (b), beginning January 1, 2021, a prescriber or an agent or employee of the prescriber to whom the prescriber has delegated the task of accessing the data, must access the data submitted under subdivision 4 to the extent the information relates specifically to the patient:

(1) before the prescriber issues an initial prescription order for a Schedules II through IV opiate controlled substance to the patient; and

(2) at least once every three months for patients receiving an opiate for treatment of chronic pain or participating in medically assisted treatment for an opioid addiction.

(e) Paragraph (d) does not apply if:

(1) the patient is receiving palliative care, or hospice or other end-of-life care;

(2) the patient is being treated for pain due to cancer or the treatment of cancer;

(3) the prescription order is for a number of doses that is intended to last the patient five days or less and is not subject to a refill;

(4) the prescriber and patient have a current or ongoing provider/patient relationship of a duration longer than one year;

(5) the prescription order is issued within 14 days following surgery or three days following oral surgery or follows the prescribing protocols established under the opioid prescribing improvement program under section 256B.0638;

(6) the controlled substance is prescribed or administered to a patient who is admitted to an inpatient hospital;

(7) the controlled substance is lawfully administered by injection, ingestion, or any other means to the patient by the prescriber, a pharmacist, or by the patient at the direction of a prescriber and in the presence of the prescriber or pharmacist;

(8) due to a medical emergency, it is not possible for the prescriber to review the data before the prescriber issues the prescription order for the patient; or

(9) the prescriber is unable to access the data due to operational or other technological failure of the program so long as the prescriber reports the failure to the board.

(f) Only permissible users identified in paragraph (b), clauses (1), (2), (3), ~~(6)~~ (4), (7), ~~(9), and~~ (8), (10), and (11), may directly access the data electronically. No other permissible users may directly access the data electronically. If the data is directly accessed electronically, the permissible user shall implement and maintain a comprehensive information security program that contains administrative, technical, and physical safeguards that are appropriate to the user's size and complexity, and the sensitivity of the personal information obtained. The permissible user shall identify reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of personal information that could result in the unauthorized disclosure, misuse, or other compromise of the information and assess the sufficiency of any safeguards in place to control the risks.

(g) The board shall not release data submitted under subdivision 4 unless it is provided with evidence, satisfactory to the board, that the person requesting the information is entitled to receive the data.

(h) The board shall maintain a log of all persons who access the data for a period of at least three years and shall ensure that any permissible user complies with paragraph (c) prior to attaining direct access to the data.

(i) Section 13.05, subdivision 6, shall apply to any contract the board enters into pursuant to subdivision 2. A vendor shall not use data collected under this section for any purpose not specified in this section.

(j) The board may participate in an interstate prescription monitoring program data exchange system provided that permissible users in other states have access to the data only as allowed under this section, and that section 13.05, subdivision 6, applies to any contract or memorandum of understanding that the board enters into under this paragraph.

(k) With available appropriations, the commissioner of human services shall establish and implement a system through which the Department of Human Services shall routinely access the data for the purpose of determining whether any client enrolled in an opioid treatment program licensed according to chapter 245A has been prescribed or dispensed a controlled substance in addition to that administered or dispensed by the opioid treatment program. When the commissioner determines there have been multiple prescribers or multiple prescriptions of controlled substances, the commissioner shall:

(1) inform the medical director of the opioid treatment program only that the commissioner determined the existence of multiple prescribers or multiple prescriptions of controlled substances; and

(2) direct the medical director of the opioid treatment program to access the data directly, review the effect of the multiple prescribers or multiple prescriptions, and document the review.

If determined necessary, the commissioner of human services shall seek a federal waiver of, or exception to, any applicable provision of Code of Federal Regulations, title 42, section 2.34, paragraph (c), prior to implementing this paragraph.

(l) The board shall review the data submitted under subdivision 4 on at least a quarterly basis and shall establish criteria, in consultation with the advisory task force, for referring information about a patient to prescribers and dispensers who prescribed or dispensed the prescriptions in question if the criteria are met.

(m) The board shall conduct random audits, on at least a quarterly basis, of electronic access by permissible users, as identified in paragraph (b), clauses (1), (2), (3), ~~(6)~~ (4), (7), ~~(9), and~~ (8), (10), and (11), to the data in subdivision 4, to ensure compliance with permissible use as defined in this section. A permissible user whose account has been selected for a random audit shall respond to an inquiry by the board, no later than 30 days after receipt of notice that an audit is being conducted. Failure to respond may result in deactivation of access to the electronic system and referral to the appropriate health licensing board, or the commissioner of human services, for further action. The board shall report the results of random audits to the chairs and ranking minority members of the legislative committees

with jurisdiction over health and human services policy and finance and government data practices.

(n) A permissible user who has delegated the task of accessing the data in subdivision 4 to an agent or employee shall audit the use of the electronic system by delegated agents or employees on at least a quarterly basis to ensure compliance with permissible use as defined in this section. When a delegated agent or employee has been identified as inappropriately accessing data, the permissible user must immediately remove access for that individual and notify the board within seven days. The board shall notify all permissible users associated with the delegated agent or employee of the alleged violation.

(o) A permissible user who delegates access to the data submitted under subdivision 4 to an agent or employee shall terminate that individual's access to the data within three business days of the agent or employee leaving employment with the permissible user. The board may conduct random audits to determine compliance with this requirement.

Sec. 30. Minnesota Statutes 2022, section 152.126, subdivision 9, is amended to read:

Subd. 9. **Immunity from liability~~; no requirement to obtain information~~.** (a) A pharmacist, prescriber, or other dispenser making a report to the program in good faith under this section is immune from any civil, criminal, or administrative liability, which might otherwise be incurred or imposed as a result of the report~~, or on the basis that the pharmacist or prescriber did or did not seek or obtain or use information from the program~~.

(b) Except as required by subdivision 6, paragraph (d), nothing in this section shall require a pharmacist, prescriber, or other dispenser to obtain information about a patient from the program, and the pharmacist, prescriber, or other dispenser, if acting in good faith, is immune from any civil, criminal, or administrative liability that might otherwise be incurred or imposed for requesting, receiving, or using information from the program.

Sec. 31. Minnesota Statutes 2022, section 245.095, is amended to read:

245.095 LIMITS ON RECEIVING PUBLIC FUNDS.

Subdivision 1. **Prohibition.** (a) If a provider, vendor, or individual enrolled, licensed, receiving funds under a grant contract, or registered in any program administered by the commissioner, including under the commissioner's powers and authorities in section 256.01, is excluded from that program, the commissioner shall:

(1) prohibit the excluded provider, vendor, or individual from enrolling, becoming licensed, receiving grant funds, or registering in any other program administered by the commissioner; and

(2) disenroll, revoke or suspend a license, disqualify, or debar the excluded provider, vendor, or individual in any other program administered by the commissioner.

(b) If a provider, vendor, or individual enrolled, licensed, receiving funds under a grant contract, or registered in any program administered by the commissioner, including under the commissioner's powers and authorities in section 256.01, is excluded from that program, the commissioner may:

(1) prohibit any associated entities or associated individuals from enrolling, becoming licensed, receiving grant funds, or registering in any other program administered by the commissioner; and

(2) disenroll, revoke or suspend a license of, disqualify, or debar any associated entities or associated individuals in any other program administered by the commissioner.

(c) If a provider, vendor, or individual enrolled, licensed, or otherwise receiving funds under any contract or registered in any program administered by a Minnesota state or federal agency is excluded from that program, the commissioner of human services may:

(1) prohibit the excluded provider, vendor, individual, or any associated entities or associated individuals from enrolling, becoming licensed, receiving grant funds, or registering in any program administered by the commissioner; and

(2) disenroll, revoke or suspend a license of, disqualify, or debar the excluded provider, vendor, individual, or any associated entities or associated individuals in any program administered by the commissioner.

~~(b)~~ (d) The duration of ~~this~~ a prohibition, disenrollment, revocation, suspension, disqualification, or debarment under paragraph (a) must last for the longest applicable sanction or disqualifying period in effect for the provider, vendor, or individual permitted by state or federal law. The duration of a prohibition, disenrollment, revocation, suspension, disqualification, or debarment under paragraphs (b) and (c) may last until up to the longest applicable sanction or disqualifying period in effect for the provider, vendor, individual, associated entity, or associated individual as permitted by state or federal law.

Subd. 2. **Definitions.** (a) For purposes of this section, the following definitions have the meanings given ~~them~~.

(b) "Associated entity" means a provider or vendor owned or controlled by an excluded individual.

(c) "Associated individual" means an individual who owns or is an executive officer or board member of an excluded provider or vendor.

~~(b)~~ (d) "Excluded" means ~~disenrolled, disqualified, having a license that has been revoked or suspended under chapter 245A, or debarred or suspended under Minnesota Rules, part 1230.1150, or excluded pursuant to section 256B.064, subdivision 3~~ removed under other authorities from a program administered by a Minnesota state or federal agency, including a final determination to stop payments.

~~(c)~~ (e) "Individual" means a natural person providing products or services as a provider or vendor.

~~(d)~~ (f) "Provider" ~~includes any entity or individual receiving payment from a program administered by the Department of Human Services, and an owner, controlling individual, license holder, director, or managerial official of an entity receiving payment from a program administered by the Department of Human Services~~ means any entity, individual, owner, controlling individual, license holder, director, or managerial official of an entity receiving payment from a program administered by a Minnesota state or federal agency.

Subd. 3. **Notice.** Within five days of taking an action under subdivision (1), paragraph (a), (b), or (c), against a provider, vendor, individual, associated individual, or associated entity, the commissioner must send notice of the action to the provider, vendor, individual, associated individual, or associated entity. The notice must state:

(1) the basis for the action;

(2) the effective date of the action;

(3) the right to appeal the action; and

(4) the requirements and procedures for reinstatement.

Subd. 4. **Appeal.** Upon receipt of a notice under subdivision 3, a provider, vendor, individual, associated individual, or associated entity may request a contested case hearing, as defined in section 14.02, subdivision 3, by filing with the commissioner a written request of appeal. The scope of any contested case hearing is solely limited to action taken under this section. The commissioner must receive the appeal request no later than 30 days after the date the notice was mailed to the provider, vendor, individual, associated individual, or associated entity. The appeal request must specify:

(1) each disputed item and the reason for the dispute;

(2) the authority in statute or rule upon which the provider, vendor, individual, associated individual, or associated entity relies for each disputed item;

(3) the name and address of the person or entity with whom contacts may be made regarding the appeal; and

(4) any other information required by the commissioner.

Subd. 5. **Withholding of payments.** (a) Except as otherwise provided by state or federal law, the commissioner may withhold payments to a provider, vendor, individual, associated individual, or associated entity in any program administered by the commissioner, if the commissioner determines there is a credible allegation of fraud for which an investigation is pending for a program administered by a Minnesota state or federal agency.

(b) For purposes of this subdivision, "credible allegation of fraud" means an allegation that has been verified by the commissioner from any source, including but not limited to:

(1) fraud hotline complaints;

(2) claims data mining;

(3) patterns identified through provider audits, civil false claims cases, and law enforcement investigations; and

(4) court filings and other legal documents, including but not limited to police reports, complaints, indictments, informations, affidavits, declarations, and search warrants.

(c) The commissioner must send notice of the withholding of payments within five days of taking such action. The notice must:

(1) state that payments are being withheld according to this subdivision;

(2) set forth the general allegations related to the withholding action, except the notice need not disclose specific information concerning an ongoing investigation;

(3) state that the withholding is for a temporary period and cite the circumstances under which the withholding will be terminated; and

(4) inform the provider, vendor, individual, associated individual, or associated entity of the right to submit written evidence to contest the withholding action for consideration by the commissioner.

(d) The commissioner shall stop withholding payments if the commissioner determines there is insufficient evidence of fraud by the provider, vendor, individual, associated

individual, or associated entity or when legal proceedings relating to the alleged fraud are completed, unless the commissioner has sent notice under subdivision 3 to the provider, vendor, individual, associated individual, or associated entity.

(e) The withholding of payments is a temporary action and is not subject to appeal under section 256.045 or chapter 14.

Sec. 32. Minnesota Statutes 2022, section 245C.02, is amended by adding a subdivision to read:

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

Sec. 33. Minnesota Statutes 2022, section 245C.02, is amended by adding a subdivision to read:

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

Sec. 34. Minnesota Statutes 2022, section 245C.03, subdivision 1, is amended to read:

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

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

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

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

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

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

(6) an individual who, without providing direct contact services at a licensed program, may have unsupervised access to children or vulnerable adults receiving services from a

program, when the commissioner has reasonable cause as defined in section 245C.02, subdivision 15;

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

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

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

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

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

(1) adult foster care;

(2) child foster care;

(3) children's residential facilities;

(4) family child care;

(5) licensed child care centers;

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

(7) residential mental health programs for adults;

(8) substance use disorder treatment programs under chapter 245G;

(9) withdrawal management programs under chapter 245F;

(10) adult day care centers;

(11) family adult day services;

(12) independent living assistance for youth;

(13) detoxification programs;

(14) community residential settings; ~~and~~

(15) intensive residential treatment services and residential crisis stabilization under chapter 245I; and

(16) treatment programs for persons with sexual psychopathic personality or sexually dangerous persons, licensed under chapter 245A and according to Minnesota Rules, parts 9515.3000 to 9515.3110.

Sec. 35. Minnesota Statutes 2022, section 245C.03, subdivision 1a, is amended to read:

Subd. 1a. **Procedure.** (a) Individuals and organizations that are required under this section to have or initiate background studies shall comply with the requirements of this chapter.

(b) All studies conducted under this section shall be conducted according to sections 299C.60 to 299C.64. This requirement does not apply to subdivisions 1, paragraph (c), clauses (2) to (5), and 6a.

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

Sec. 36. Minnesota Statutes 2022, section 245C.031, subdivision 1, is amended to read:

Subdivision 1. **Alternative background studies.** (a) The commissioner shall conduct an alternative background study of individuals listed in this section.

(b) Notwithstanding other sections of this chapter, all alternative background studies except subdivision 12 shall be conducted according to this section and with sections 299C.60 to 299C.64.

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

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

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

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

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

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

Sec. 37. Minnesota Statutes 2022, section 245C.08, subdivision 1, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 38. Minnesota Statutes 2022, section 245C.10, subdivision 15, is amended to read:

Subd. 15. **Guardians and conservators.** The commissioner shall recover the cost of conducting ~~background studies~~ maltreatment and state licensing agency checks for guardians and conservators under section ~~524.5-118~~ 245C.033 through a fee of no more than ~~$110 per study~~ $50. The fees collected under this subdivision are appropriated to the commissioner for the purpose of conducting ~~background studies~~ maltreatment and state licensing agency checks. The fee ~~for conducting an alternative background study for appointment of a professional guardian or conservator must be paid by the guardian or conservator. In other cases, the fee must be paid as follows:~~

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

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

~~(3) in the case of a guardianship or conservatorship of a person that is not proceeding in forma pauperis, the fee must be paid by the guardian, conservator, or the court~~ must be paid directly to the commissioner and in the manner prescribed by the commissioner before any maltreatment and state licensing agency checks under section 245C.033 may be conducted.

Sec. 39. Minnesota Statutes 2022, section 245C.22, subdivision 7, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~(e)~~ (d) Notwithstanding paragraphs (a) and (b), the identity of household members who are the subject of a disqualification related set-aside or variance is not public data 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 only relates to a disqualification under section 245C.15, subdivision 4, for a misdemeanor-level theft crime as defined in section 609.52.

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

Sec. 40. Minnesota Statutes 2022, section 260.761, subdivision 2, is amended to read:

Subd. 2. **Agency and court notice to tribes.** (a) When a local social services agency has information that a family assessment ~~or~~, investigation, or noncaregiver sex trafficking assessment being conducted may involve an Indian child, the local social services agency shall notify the Indian child's tribe of the family assessment ~~or~~, investigation, or noncaregiver sex trafficking assessment according to section 260E.18. The local social services agency shall provide initial notice ~~shall be provided~~ by telephone and by email or facsimile. The local social services agency shall request that the tribe or a designated tribal representative participate in evaluating the family circumstances, identifying family and tribal community resources, and developing case plans.

(b) When a local social services agency has information that a child receiving services may be an Indian child, the local social services agency shall notify the tribe by telephone and by email or facsimile of the child's full name and date of birth, the full names and dates of birth of the child's biological parents, and, if known, the full names and dates of birth of the child's grandparents and of the child's Indian custodian. This notification must be provided ~~so~~ for the tribe ~~can~~ to determine if the child is enrolled in the tribe or eligible for Tribal membership, and ~~must be provided~~ the agency must provide this notification to the Tribe within seven days of receiving information that the child may be an Indian child. If information regarding the child's grandparents or Indian custodian is not available within the seven-day period, the local social services agency shall continue to request this information and shall notify the tribe when it is received. Notice shall be provided to all tribes to which the child may have any tribal lineage. If the identity or location of the child's parent or Indian custodian and tribe cannot be determined, the local social services agency shall provide the notice required in this paragraph to the United States secretary of the interior.

(c) In accordance with sections 260C.151 and 260C.152, when a court has reason to believe that a child placed in emergency protective care is an Indian child, the court

administrator or a designee shall, as soon as possible and before a hearing takes place, notify the tribal social services agency by telephone and by email or facsimile of the date, time, and location of the emergency protective case hearing. The court shall make efforts to allow appearances by telephone for tribal representatives, parents, and Indian custodians.

(d) A local social services agency must provide the notices required under this subdivision at the earliest possible time to facilitate involvement of the Indian child's tribe. Nothing in this subdivision is intended to hinder the ability of the local social services agency and the court to respond to an emergency situation. Lack of participation by a tribe shall not prevent the tribe from intervening in services and proceedings at a later date. A tribe may participate in a case at any time. At any stage of the local social services agency's involvement with an Indian child, the agency shall provide full cooperation to the tribal social services agency, including disclosure of all data concerning the Indian child. Nothing in this subdivision relieves the local social services agency of satisfying the notice requirements in the Indian Child Welfare Act.

Sec. 41. Minnesota Statutes 2022, section 260C.007, subdivision 6, is amended to read:

Subd. 6. **Child in need of protection or services.** "Child in need of protection or services" means a child who is in need of protection or services because the child:

(1) is abandoned or without parent, guardian, or custodian;

(2)(i) has been a victim of physical or sexual abuse as defined in section 260E.03, subdivision 18 or 20, (ii) resides with or has resided with a victim of child abuse as defined in subdivision 5 or domestic child abuse as defined in subdivision 13, (iii) resides with or would reside with a perpetrator of domestic child abuse as defined in subdivision 13 or child abuse as defined in subdivision 5 or 13, or (iv) is a victim of emotional maltreatment as defined in subdivision 15;

(3) is without necessary food, clothing, shelter, education, or other required care for the child's physical or mental health or morals because the child's parent, guardian, or custodian is unable or unwilling to provide that care;

(4) is without the special care made necessary by a physical, mental, or emotional condition because the child's parent, guardian, or custodian is unable or unwilling to provide that care. Parents of children reported to be in an emergency department or hospital setting due to mental health or a disability who cannot be safely discharged to their family and are unable to access necessary services should not be viewed as unable or unwilling to provide care unless there are other factors present;

(5) is medically neglected, which includes, but is not limited to, the withholding of medically indicated treatment from an infant with a disability with a life-threatening condition. The term "withholding of medically indicated treatment" means the failure to respond to the infant's life-threatening conditions by providing treatment, including appropriate nutrition, hydration, and medication which, in the treating physician's, advanced practice registered nurse's, or physician assistant's reasonable medical judgment, will be most likely to be effective in ameliorating or correcting all conditions, except that the term does not include the failure to provide treatment other than appropriate nutrition, hydration, or medication to an infant when, in the treating physician's, advanced practice registered nurse's, or physician assistant's reasonable medical judgment:

(i) the infant is chronically and irreversibly comatose;

(ii) the provision of the treatment would merely prolong dying, not be effective in ameliorating or correcting all of the infant's life-threatening conditions, or otherwise be futile in terms of the survival of the infant; or

(iii) the provision of the treatment would be virtually futile in terms of the survival of the infant and the treatment itself under the circumstances would be inhumane;

(6) is one whose parent, guardian, or other custodian for good cause desires to be relieved of the child's care and custody, including a child who entered foster care under a voluntary placement agreement between the parent and the responsible social services agency under section 260C.227;

(7) has been placed for adoption or care in violation of law;

(8) is without proper parental care because of the emotional, mental, or physical disability, or state of immaturity of the child's parent, guardian, or other custodian;

(9) is one whose behavior, condition, or environment is such as to be injurious or dangerous to the child or others. An injurious or dangerous environment may include, but is not limited to, the exposure of a child to criminal activity in the child's home;

(10) is experiencing growth delays, which may be referred to as failure to thrive, that have been diagnosed by a physician and are due to parental neglect;

(11) is a sexually exploited youth;

(12) has committed a delinquent act or a juvenile petty offense before becoming ten years old;

(13) is a runaway;

(14) is a habitual truant;

(15) has been found incompetent to proceed or has been found not guilty by reason of mental illness or mental deficiency in connection with a delinquency proceeding, a certification under section 260B.125, an extended jurisdiction juvenile prosecution, or a proceeding involving a juvenile petty offense; or

(16) has a parent whose parental rights to one or more other children were involuntarily terminated or whose custodial rights to another child have been involuntarily transferred to a relative and there is a case plan prepared by the responsible social services agency documenting a compelling reason why filing the termination of parental rights petition under section 260C.503, subdivision 2, is not in the best interests of the child.

Sec. 42. Minnesota Statutes 2022, section 260C.007, subdivision 14, is amended to read:

Subd. 14. **Egregious harm.** "Egregious harm" means the infliction of bodily harm to a child or neglect of a child which demonstrates a grossly inadequate ability to provide minimally adequate parental care. The egregious harm need not have occurred in the state or in the county where a termination of parental rights action ~~is otherwise properly venued~~ has proper venue. Egregious harm includes, but is not limited to:

(1) conduct ~~towards~~ toward a child that constitutes a violation of sections 609.185 to 609.2114, 609.222, subdivision 2, 609.223, or any other similar law of any other state;

(2) the infliction of "substantial bodily harm" to a child, as defined in section 609.02, subdivision 7a;

(3) conduct ~~towards~~ toward a child that constitutes felony malicious punishment of a child under section 609.377;

(4) conduct ~~towards~~ toward a child that constitutes felony unreasonable restraint of a child under section 609.255, subdivision 3;

(5) conduct ~~towards~~ toward a child that constitutes felony neglect or endangerment of a child under section 609.378;

(6) conduct ~~towards~~ toward a child that constitutes assault under section 609.221, 609.222, or 609.223;

(7) conduct ~~towards~~ toward a child that constitutes sex trafficking, solicitation, inducement, ~~or~~ promotion of, or receiving profit derived from prostitution under section 609.322;

(8) conduct ~~towards~~ toward a child that constitutes murder or voluntary manslaughter as defined by United States Code, title 18, section 1111(a) or 1112(a);

(9) conduct ~~towards~~ toward a child that constitutes aiding or abetting, attempting, conspiring, or soliciting to commit a murder or voluntary manslaughter that constitutes a violation of United States Code, title 18, section 1111(a) or 1112(a); or

(10) conduct toward a child that constitutes criminal sexual conduct under sections 609.342 to 609.345 or sexual extortion under section 609.3458.

Sec. 43. Minnesota Statutes 2022, section 260E.01, is amended to read:

260E.01 POLICY.

(a) The legislature hereby declares that the public policy of this state is to protect children whose health or welfare may be jeopardized through maltreatment. While it is recognized that most parents want to keep their children safe, sometimes circumstances or conditions interfere with their ability to do so. When this occurs, the health and safety of the children must be of paramount concern. Intervention and prevention efforts must address immediate concerns for child safety and the ongoing risk of maltreatment and should engage the protective capacities of families. In furtherance of this public policy, it is the intent of the legislature under this chapter to:

(1) protect children and promote child safety;

(2) strengthen the family;

(3) make the home, school, and community safe for children by promoting responsible child care in all settings; and

(4) provide, when necessary, a safe temporary or permanent home environment for maltreated children.

(b) In addition, it is the policy of this state to:

(1) require the reporting of maltreatment of children in the home, school, and community settings;

(2) provide for ~~the~~ voluntary reporting of maltreatment of children;

(3) require an investigation when the report alleges sexual abuse or substantial child endangerment, except when the report alleges sex trafficking by a noncaregiver sex trafficker;

(4) provide a family assessment, if appropriate, when the report does not allege sexual abuse or substantial child endangerment; ~~and~~

(5) provide a noncaregiver sex trafficking assessment when the report alleges sex trafficking by a noncaregiver sex trafficker; and

(6) provide protective, family support, and family preservation services when needed in appropriate cases.

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

Sec. 44. Minnesota Statutes 2022, section 260E.02, subdivision 1, is amended to read:

Subdivision 1. **Establishment of team.** A county shall establish a multidisciplinary child protection team that may include, but is not ~~be~~ limited to, the director of the local welfare agency or designees, the county attorney or designees, the county sheriff or designees, representatives of health and education, representatives of mental health, representatives of agencies providing specialized services or responding to youth who experience or are at risk of experiencing sex trafficking or sexual exploitation, or other appropriate human services or community-based agencies, and parent groups. As used in this section, a "community-based agency" may include, but is not limited to, schools, social services agencies, family service and mental health collaboratives, children's advocacy centers, early childhood and family education programs, Head Start, or other agencies serving children and families. A member of the team must be designated as the lead person of the team responsible for the planning process to develop standards for the team's activities with battered women's and domestic abuse programs and services.

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

Sec. 45. Minnesota Statutes 2022, section 260E.03, is amended by adding a subdivision to read:

Subd. 15a. **Noncaregiver sex trafficker.** "Noncaregiver sex trafficker" means an individual who is alleged to have engaged in the act of sex trafficking a child and who is not a person responsible for the child's care, who does not have a significant relationship with the child as defined in section 609.341, and who is not a person in a current or recent position of authority as defined in section 609.341, subdivision 10.

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

Sec. 46. Minnesota Statutes 2022, section 260E.03, is amended by adding a subdivision to read:

Subd. 15b. **Noncaregiver sex trafficking assessment.** "Noncaregiver sex trafficking assessment" is a comprehensive assessment of child safety, the risk of subsequent child maltreatment, and strengths and needs of the child and family. The local welfare agency shall only perform a noncaregiver sex trafficking assessment when a maltreatment report alleges sex trafficking of a child by someone other than the child's caregiver. A noncaregiver sex trafficking assessment does not include a determination of whether child maltreatment occurred. A noncaregiver sex trafficking assessment includes a determination of a family's need for services to address the safety of the child or children, the safety of family members, and the risk of subsequent child maltreatment.

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

Sec. 47. Minnesota Statutes 2022, section 260E.03, subdivision 22, is amended to read:

Subd. 22. **Substantial child endangerment.** "Substantial child endangerment" means that a person responsible for a child's care, by act or omission, commits or attempts to commit an act against a child ~~under their~~ in the person's care that constitutes any of the following:

(1) egregious harm under subdivision 5;

(2) abandonment under section 260C.301, subdivision 2;

(3) neglect under subdivision 15, paragraph (a), clause (2), that substantially endangers the child's physical or mental health, including a growth delay, which may be referred to as failure to thrive, that has been diagnosed by a physician and is due to parental neglect;

(4) murder in the first, second, or third degree under section 609.185, 609.19, or 609.195;

(5) manslaughter in the first or second degree under section 609.20 or 609.205;

(6) assault in the first, second, or third degree under section 609.221, 609.222, or 609.223;

(7) sex trafficking, solicitation, inducement, ~~and~~ or promotion of prostitution under section 609.322;

(8) criminal sexual conduct under sections 609.342 to 609.3451;

(9) sexual extortion under section 609.3458;

(10) solicitation of children to engage in sexual conduct under section 609.352;

(11) malicious punishment or neglect or endangerment of a child under section 609.377 or 609.378;

(12) use of a minor in sexual performance under section 617.246; or

(13) parental behavior, status, or condition ~~that mandates that~~ requiring the county attorney to file a termination of parental rights petition under section 260C.503, subdivision 2.

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

Sec. 48. Minnesota Statutes 2022, section 260E.09, is amended to read:

260E.09 REPORTING REQUIREMENTS.

(a) An oral report shall be made immediately by telephone or otherwise. An oral report made by a person required under section 260E.06, subdivision 1, to report shall be followed within 72 hours, exclusive of weekends and holidays, by a report in writing to the appropriate police department, the county sheriff, the agency responsible for assessing or investigating the report, or the local welfare agency.

(b) Any report shall be of sufficient content to identify the child, any person believed to be responsible for the maltreatment of the child if the person is known, the nature and extent of the maltreatment, and the name and address of the reporter. The local welfare agency or agency responsible for assessing or investigating the report shall accept a report made under section 260E.06 notwithstanding refusal by a reporter to provide the reporter's name or address as long as the report is otherwise sufficient under this paragraph.

(c) Notwithstanding paragraph (a), upon implementation of the provider licensing and reporting hub, an individual who has an account with the provider licensing and reporting hub and is required to report suspected maltreatment as a licensed program under section 260E.06, subdivision 1, may submit a written report in the hub in a manner prescribed by the commissioner and is not required to make an oral report. A report submitted through the provider licensing and reporting hub must be made immediately.

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

Sec. 49. Minnesota Statutes 2022, section 260E.14, subdivision 2, is amended to read:

Subd. 2. **Sexual abuse.** (a) The local welfare agency is the agency responsible for investigating an allegation of sexual abuse if the alleged offender is the parent, guardian, sibling, or an individual functioning within the family unit as a person responsible for the

child's care, or a person with a significant relationship to the child if that person resides in the child's household.

(b) The local welfare agency is also responsible for assessing or investigating when a child is identified as a victim of sex trafficking.

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

Sec. 50. Minnesota Statutes 2022, section 260E.14, subdivision 5, is amended to read:

Subd. 5. **Law enforcement.** (a) The local law enforcement agency is the agency responsible for investigating a report of maltreatment if a violation of a criminal statute is alleged.

(b) Law enforcement and the responsible agency must coordinate their investigations or assessments as required under this chapter when ~~the~~: (1) a report alleges maltreatment that is a violation of a criminal statute by a person who is a parent, guardian, sibling, person responsible for the child's care ~~functioning~~ within the family unit, or by a person who lives in the child's household and who has a significant relationship to the child~~,~~ in a setting other than a facility as defined in section 260E.03; or (2) a report alleges sex trafficking of a child.

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

Sec. 51. Minnesota Statutes 2022, section 260E.17, subdivision 1, is amended to read:

Subdivision 1. **Local welfare agency.** (a) Upon receipt of a report, the local welfare agency shall determine whether to conduct a family assessment ~~or~~, an investigation, or a noncaregiver sex trafficking assessment as appropriate to prevent or provide a remedy for maltreatment.

(b) The local welfare agency shall conduct an investigation when the report involves sexual abuse, except as indicated in paragraph (f), or substantial child endangerment.

(c) The local welfare agency shall begin an immediate investigation ~~if,~~ at any time when the local welfare agency is ~~using~~ responding with a family assessment ~~response,~~ and the local welfare agency determines that there is reason to believe that sexual abuse ~~or~~, substantial child endangerment, or a serious threat to the child's safety exists.

(d) The local welfare agency may conduct a family assessment for reports that do not allege sexual abuse, except as indicated in paragraph (f), or substantial child endangerment. In determining that a family assessment is appropriate, the local welfare agency may consider issues of child safety, parental cooperation, and the need for an immediate response.

(e) The local welfare agency may conduct a family assessment ~~on~~ for a report that was initially screened and assigned for an investigation. In determining that a complete investigation is not required, the local welfare agency must document the reason for terminating the investigation and notify the local law enforcement agency if the local law enforcement agency is conducting a joint investigation.

(f) The local welfare agency shall conduct a noncaregiver sex trafficking assessment when a maltreatment report alleges sex trafficking of a child and the alleged offender is a noncaregiver sex trafficker as defined by section 260E.03, subdivision 15a.

(g) During a noncaregiver sex trafficking assessment, the local welfare agency shall initiate an immediate investigation if there is reason to believe that a child's parent, caregiver, or household member allegedly engaged in the act of sex trafficking a child or was alleged to have engaged in any conduct requiring the agency to conduct an investigation.

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

Sec. 52. Minnesota Statutes 2022, section 260E.18, is amended to read:

260E.18 NOTICE TO CHILD'S TRIBE.

The local welfare agency shall provide immediate notice, according to section 260.761, subdivision 2, to an Indian child's tribe when the agency has reason to believe that the family assessment ~~or~~, investigation, or noncaregiver sex trafficking assessment may involve an Indian child. For purposes of this section, "immediate notice" means notice provided within 24 hours.

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

Sec. 53. Minnesota Statutes 2022, section 260E.20, subdivision 2, is amended to read:

Subd. 2. **Face-to-face contact.** (a) Upon receipt of a screened in report, the local welfare agency shall ~~conduct a~~ have face-to-face contact with the child reported to be maltreated and with the child's primary caregiver sufficient to complete a safety assessment and ensure the immediate safety of the child. When it is possible and the report alleges substantial child endangerment or sexual abuse, the local welfare agency is not required to provide notice before conducting the initial face-to-face contact with the child and the child's primary caregiver.

(b) Except in a noncaregiver sex trafficking assessment, the local welfare agency shall have face-to-face contact with the child and primary caregiver ~~shall occur~~ immediately after the agency screens in a report if sexual abuse or substantial child endangerment is alleged

and within five calendar days of a screened in report for all other reports. If the alleged offender was not already interviewed as the primary caregiver, the local welfare agency shall also conduct a face-to-face interview with the alleged offender in the early stages of the assessment or investigation, except in a noncaregiver sex trafficking assessment. Face-to-face contact with the child and primary caregiver in response to a report alleging sexual abuse or substantial child endangerment may be postponed for no more than five calendar days if the child is residing in a location that is confirmed to restrict contact with the alleged offender as established in guidelines issued by the commissioner, or if the local welfare agency is pursuing a court order for the child's caregiver to produce the child for questioning under section 260E.22, subdivision 5.

(c) At the initial contact with the alleged offender, the local welfare agency or the agency responsible for assessing or investigating the report must inform the alleged offender of the complaints or allegations made against the individual in a manner consistent with laws protecting the rights of the person who made the report. The interview with the alleged offender may be postponed if it would jeopardize an active law enforcement investigation. In a noncaregiver sex trafficking assessment, the local child welfare agency is not required to inform or interview the alleged offender.

(d) The local welfare agency or the agency responsible for assessing or investigating the report must provide the alleged offender with an opportunity to make a statement, except in a noncaregiver sex trafficking assessment. The alleged offender may submit supporting documentation relevant to the assessment or investigation.

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

Sec. 54. Minnesota Statutes 2022, section 260E.24, subdivision 2, is amended to read:

Subd. 2. **Determination after family assessment or a noncaregiver sex trafficking assessment.** After conducting a family assessment or a noncaregiver sex trafficking assessment, the local welfare agency shall determine whether child protective services are needed to address the safety of the child and other family members and the risk of subsequent maltreatment. The local welfare agency must document the information collected under section 260E.20, subdivision 3, related to the completed family assessment in the child's or family's case notes.

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

Sec. 55. Minnesota Statutes 2022, section 260E.24, subdivision 7, is amended to read:

Subd. 7. **Notification at conclusion of family assessment or a noncaregiver sex trafficking assessment.** Within ten working days of the conclusion of a family assessment or a noncaregiver sex trafficking assessment, the local welfare agency shall notify the parent or guardian of the child of the need for services to address child safety concerns or significant risk of subsequent maltreatment. The local welfare agency and the family may also jointly agree that family support and family preservation services are needed.

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

Sec. 56. Minnesota Statutes 2022, section 260E.33, subdivision 1, is amended to read:

Subdivision 1. **Following a family assessment or a noncaregiver sex trafficking assessment.** Administrative reconsideration is not applicable to a family assessment or noncaregiver sex trafficking assessment since no determination concerning maltreatment is made.

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

Sec. 57. Minnesota Statutes 2022, section 260E.35, subdivision 6, is amended to read:

Subd. 6. **Data retention.** (a) Notwithstanding sections 138.163 and 138.17, a record maintained or a record derived from a report of maltreatment by a local welfare agency, agency responsible for assessing or investigating the report, court services agency, or school under this chapter shall be destroyed as provided in paragraphs (b) to (e) by the responsible authority.

(b) For a report alleging maltreatment that was not accepted for an assessment or an investigation, a family assessment case, a noncaregiver sex trafficking assessment case, and a case where an investigation results in no determination of maltreatment or the need for child protective services, the record must be maintained for a period of five years after the date that the report was not accepted for assessment or investigation or the date of the final entry in the case record. A record of a report that was not accepted must contain sufficient information to identify the subjects of the report, the nature of the alleged maltreatment, and the reasons ~~as to~~ why the report was not accepted. Records under this paragraph may not be used for employment, background checks, or purposes other than to assist in future screening decisions and risk and safety assessments.

(c) All records relating to reports that, upon investigation, indicate ~~either~~ maltreatment or a need for child protective services shall be maintained for ten years after the date of the final entry in the case record.

(d) All records regarding a report of maltreatment, including a notification of intent to interview that was received by a school under section 260E.22, subdivision 7, shall be destroyed by the school when ordered to do so by the agency conducting the assessment or investigation. The agency shall order the destruction of the notification when other records relating to the report under investigation or assessment are destroyed under this subdivision.

(e) Private or confidential data released to a court services agency under subdivision 3, paragraph (d), must be destroyed by the court services agency when ordered to do so by the local welfare agency that released the data. The local welfare agency or agency responsible for assessing or investigating the report shall order destruction of the data when other records relating to the assessment or investigation are destroyed under this subdivision.

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

Sec. 58. Minnesota Statutes 2022, section 270B.14, is amended by adding a subdivision to read:

Subd. 22. **Disclosure to MNsure board.** The commissioner may disclose a return or return information to the MNsure board if a taxpayer makes the designation under section 290.433 on an income tax return filed with the commissioner. The commissioner must only disclose data necessary to provide the taxpayer with information about the potential eligibility for financial assistance and health insurance enrollment options under section 62V.13.

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

Sec. 59. Minnesota Statutes 2022, section 518A.31, is amended to read:

518A.31 SOCIAL SECURITY OR VETERANS' BENEFIT PAYMENTS RECEIVED ON BEHALF OF THE CHILD.

(a) The amount of the monthly Social Security benefits or apportioned veterans' benefits provided for a joint child shall be included in the gross income of the parent on whose eligibility the benefits are based.

(b) The amount of the monthly survivors' and dependents' educational assistance provided for a joint child shall be included in the gross income of the parent on whose eligibility the benefits are based.

(c) If Social Security or apportioned veterans' benefits are provided for a joint child based on the eligibility of the obligor, and are received by the obligee as a representative payee for the child or by the child attending school, then the amount of the benefits shall also be subtracted from the obligor's net child support obligation as calculated pursuant to section 518A.34.

(d) If the survivors' and dependents' educational assistance is provided for a joint child based on the eligibility of the obligor, and is received by the obligee as a representative payee for the child or by the child attending school, then the amount of the assistance shall also be subtracted from the obligor's net child support obligation as calculated under section 518A.34.

(e) Upon a motion to modify child support, any regular or lump sum payment of Social Security or apportioned veterans' benefit received by the obligee for the benefit of the joint child based upon the obligor's disability prior to filing the motion to modify may be used to satisfy arrears that remain due for the period of time for which the benefit was received. This paragraph applies only if the derivative benefit was not considered in the guidelines calculation of the previous child support order.

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

Sec. 60. Minnesota Statutes 2022, section 518A.32, subdivision 3, is amended to read:

Subd. 3. **Parent not considered voluntarily unemployed, underemployed, or employed on a less than full-time basis.** A parent is not considered voluntarily unemployed, underemployed, or employed on a less than full-time basis upon a showing by the parent that:

(1) the unemployment, underemployment, or employment on a less than full-time basis is temporary and will ultimately lead to an increase in income;

(2) the unemployment, underemployment, or employment on a less than full-time basis represents a bona fide career change that outweighs the adverse effect of that parent's diminished income on the child; ~~or~~

(3) the unemployment, underemployment, or employment on a less than full-time basis is because a parent is physically or mentally incapacitated or due to incarceration~~.~~; or

(4) a governmental agency authorized to determine eligibility for general assistance or supplemental Social Security income has determined that the individual is eligible to receive general assistance or supplemental Social Security income. Actual income earned by the parent may be considered for the purpose of calculating child support.

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

Sec. 61. Minnesota Statutes 2022, section 518A.32, subdivision 4, is amended to read:

Subd. 4. **TANF or MFIP recipient.** If the parent of a joint child is a recipient of a temporary assistance to a needy family (TANF) cash grant, or comparable state-funded Minnesota family investment program (MFIP) benefits, no potential income is to be imputed to that parent.

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

Sec. 62. Minnesota Statutes 2022, section 518A.34, is amended to read:

518A.34 COMPUTATION OF CHILD SUPPORT OBLIGATIONS.

(a) To determine the presumptive child support obligation of a parent, the court shall follow the procedure set forth in this section.

(b) To determine the obligor's basic support obligation, the court shall:

(1) determine the gross income of each parent under section 518A.29;

(2) calculate the parental income for determining child support (PICS) of each parent, by subtracting from the gross income the credit, if any, for each parent's nonjoint children under section 518A.33;

(3) determine the percentage contribution of each parent to the combined PICS by dividing the combined PICS into each parent's PICS;

(4) determine the combined basic support obligation by application of the guidelines in section 518A.35;

(5) determine each parent's share of the combined basic support obligation by multiplying the percentage figure from clause (3) by the combined basic support obligation in clause (4); and

(6) apply the parenting expense adjustment formula provided in section 518A.36 to determine the obligor's basic support obligation.

(c) If the parents have split custody of joint children, child support must be calculated for each joint child as follows:

(1) the court shall determine each parent's basic support obligation under paragraph (b) and include the amount of each parent's obligation in the court order. If the basic support calculation results in each parent owing support to the other, the court shall offset the higher

basic support obligation with the lower basic support obligation to determine the amount to be paid by the parent with the higher obligation to the parent with the lower obligation. For the purpose of the cost-of-living adjustment required under section 518A.75, the adjustment must be based on each parent's basic support obligation prior to offset. For the purposes of this paragraph, "split custody" means that there are two or more joint children and each parent has at least one joint child more than 50 percent of the time;

(2) if each parent pays all child care expenses for at least one joint child, the court shall calculate child care support for each joint child as provided in section 518A.40. The court shall determine each parent's child care support obligation and include the amount of each parent's obligation in the court order. If the child care support calculation results in each parent owing support to the other, the court shall offset the higher child care support obligation with the lower child care support obligation to determine the amount to be paid by the parent with the higher obligation to the parent with the lower obligation; and

(3) if each parent pays all medical or dental insurance expenses for at least one joint child, medical support shall be calculated for each joint child as provided in section 518A.41. The court shall determine each parent's medical support obligation and include the amount of each parent's obligation in the court order. If the medical support calculation results in each parent owing support to the other, the court shall offset the higher medical support obligation with the lower medical support obligation to determine the amount to be paid by the parent with the higher obligation to the parent with the lower obligation. Unreimbursed and uninsured medical expenses are not included in the presumptive amount of support owed by a parent and are calculated and collected as provided in section 518A.41.

(d) The court shall determine the child care support obligation for the obligor as provided in section 518A.40.

(e) The court shall determine the medical support obligation for each parent as provided in section 518A.41. Unreimbursed and uninsured medical expenses are not included in the presumptive amount of support owed by a parent and are calculated and collected as described in section 518A.41.

(f) The court shall determine each parent's total child support obligation by adding together each parent's basic support, child care support, and health care coverage obligations as provided in this section.

(g) If Social Security benefits or veterans' benefits are received by one parent as a representative payee for a joint child based on the other parent's eligibility, the court shall subtract the amount of benefits from the other parent's net child support obligation, if any.

Any benefit received by the obligee for the benefit of the joint child based upon the obligor's disability or past earnings in any given month in excess of the child support obligation must not be treated as an arrearage payment or a future payment.

(h) The final child support order shall separately designate the amount owed for basic support, child care support, and medical support. If applicable, the court shall use the self-support adjustment and minimum support adjustment under section 518A.42 to determine the obligor's child support obligation.

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

Sec. 63. Minnesota Statutes 2022, section 518A.41, is amended to read:

518A.41 MEDICAL SUPPORT.

Subdivision 1. **Definitions.** The definitions in this subdivision apply to this chapter and chapter 518.

(a) "Health care coverage" means ~~medical, dental, or other health care benefits that are provided by one or more health plans. Health care coverage does not include any form of public coverage~~ private health care coverage, including fee for service, health maintenance organization, preferred provider organization, and other types of private health care coverage. Health care coverage also means public health care coverage under which medical or dental services could be provided to a dependent child.

~~(b) "Health carrier" means a carrier as defined in sections 62A.011, subdivision 2, and 62L.02, subdivision 16.~~

~~(c) "Health plan"~~ (b) "Private health care coverage" means a health plan~~, other than any form of public coverage,~~ that provides medical, dental, or other health care benefits and is:

(1) provided on an individual or group basis;

(2) provided by an employer or union;

(3) purchased in the private market; ~~or~~

(4) provided through MinnesotaCare under chapter 256L; or

~~(4)~~ (5) available to a person eligible to carry insurance for the joint child, including a party's spouse or parent.

~~Health plan~~ Private health care coverage includes, but is not limited to, a health plan meeting the definition under section 62A.011, subdivision 3, except that the exclusion of coverage designed solely to provide dental or vision care under section 62A.011, subdivision 3, clause

(6), does not apply to the definition of ~~health plan~~ private health care coverage under this section; a group health plan governed under the federal Employee Retirement Income Security Act of 1974 (ERISA); a self-insured plan under sections 43A.23 to 43A.317 and 471.617; and a policy, contract, or certificate issued by a community-integrated service network licensed under chapter 62N.

(c) "Public health care coverage" means health care benefits provided by any form of medical assistance under chapter 256B. Public health care coverage does not include MinnesotaCare or health plans subsidized by federal premium tax credits or federal cost-sharing reductions.

(d) "Medical support" means providing health care coverage for a joint child ~~by carrying health care coverage for the joint child or~~ by contributing to the cost of health care coverage, ~~public coverage,~~ unreimbursed ~~medical~~ health-related expenses, and uninsured ~~medical~~ health-related expenses of the joint child.

(e) "National medical support notice" means an administrative notice issued by the public authority to enforce health insurance provisions of a support order in accordance with Code of Federal Regulations, title 45, section 303.32, in cases where the public authority provides support enforcement services.

~~(f) "Public coverage" means health care benefits provided by any form of medical assistance under chapter 256B. Public coverage does not include MinnesotaCare or health plans subsidized by federal premium tax credits or federal cost-sharing reductions.~~

~~(g)~~ (f) "Uninsured ~~medical~~ health-related expenses" means a joint child's reasonable and necessary ~~health-related~~ medical and dental expenses if the joint child is not covered by ~~a health plan or public coverage~~ private health insurance care when the expenses are incurred.

~~(h)~~ (g) "Unreimbursed ~~medical~~ health-related expenses" means a joint child's reasonable and necessary ~~health-related~~ medical and dental expenses if a joint child is covered by ~~a health plan or public coverage~~ health care coverage and ~~the plan or~~ health care coverage does not pay for the total cost of the expenses when the expenses are incurred. Unreimbursed ~~medical~~ health-related expenses do not include the cost of premiums. Unreimbursed ~~medical~~ health-related expenses include, but are not limited to, deductibles, co-payments, and expenses for orthodontia, and prescription eyeglasses and contact lenses, but not over-the-counter medications if ~~coverage is under a health plan~~ provided through health care coverage.

Subd. 2. **Order.** (a) A completed national medical support notice issued by the public authority or a court order that complies with this section is a qualified medical child support

order under the federal Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, section 1169(a).

(b) Every order addressing child support must state:

(1) the names, last known addresses, and Social Security numbers of the parents and the joint child that is a subject of the order unless the court prohibits the inclusion of an address or Social Security number and orders the parents to provide the address and Social Security number to the administrator of the health plan;

(2) ~~if a joint child is not presently enrolled in health care coverage,~~ whether appropriate health care coverage for the joint child is available and, if so, state:

(i) the parents' responsibilities for carrying health care coverage;

(ii) the cost of premiums and how the cost is allocated between the parents; ~~and~~

(iii) the circumstances, if any, under which an obligation to provide private health care coverage for the joint child will shift from one parent to the other; and

~~(3) if appropriate health care coverage is not available for the joint child,~~ (iv) whether a contribution for ~~medical support~~ public health care coverage is required; and

~~(4)~~ (3) how unreimbursed or uninsured ~~medical~~ health-related expenses will be allocated between the parents.

Subd. 3. **Determining appropriate health care coverage.** Public health care coverage is presumed appropriate. In determining whether a parent has appropriate private health care coverage for the joint child, the court must consider the following factors:

(1) comprehensiveness of private health care coverage providing medical benefits. Dependent private health care coverage providing medical benefits is presumed comprehensive if it includes medical and hospital coverage and provides for preventive, emergency, acute, and chronic care; or if it meets the minimum essential coverage definition in United States Code, title 26, section 5000A(f). If both parents have private health care coverage providing medical benefits that is presumed comprehensive under this paragraph, the court must determine which parent's private health care coverage is more comprehensive by considering what other benefits are included in the private health care coverage;

(2) accessibility. Dependent private health care coverage is accessible if the covered joint child can obtain services from a health plan provider with reasonable effort by the parent with whom the joint child resides. Private health care coverage is presumed accessible if:

(i) primary care is available within 30 minutes or 30 miles of the joint child's residence and specialty care is available within 60 minutes or 60 miles of the joint child's residence;

(ii) the private health care coverage is available through an employer and the employee can be expected to remain employed for a reasonable amount of time; and

(iii) no preexisting conditions exist to unduly delay enrollment in private health care coverage;

(3) the joint child's special medical needs, if any; and

(4) affordability. Dependent private health care coverage is presumed affordable if ~~it is reasonable in cost. If both parents have health care coverage available for a joint child that is comparable with regard to comprehensiveness of medical benefits, accessibility, and the joint child's special needs, the least costly health care coverage is presumed to be the most appropriate health care coverage for the joint child~~ the premium to cover the marginal cost of the joint child does not exceed five percent of the parents' combined monthly PICS. A court may additionally consider high deductibles and the cost to enroll the parent if the parent must enroll themselves in private health care coverage to access private health care coverage for the child.

Subd. 4. **Ordering health care coverage.** ~~(a) If a joint child is presently enrolled in health care coverage, the court must order that the parent who currently has the joint child enrolled continue that enrollment unless the parties agree otherwise or a party requests a change in coverage and the court determines that other health care coverage is more appropriate.~~

~~(b) If a joint child is not presently enrolled in health care coverage providing medical benefits, upon motion of a parent or the public authority, the court must determine whether one or both parents have appropriate health care coverage providing medical benefits for the joint child.~~

(a) If a joint child is presently enrolled in health care coverage, the court shall order that the parent who currently has the joint child enrolled in health care coverage continue that enrollment if the health care coverage is appropriate as defined under subdivision 3.

~~(c)~~ (b) If only one parent has appropriate health care coverage providing medical benefits available, the court must order that parent to carry the coverage for the joint child.

~~(d)~~ (c) If both parents have appropriate health care coverage providing medical benefits available, the court must order the parent with whom the joint child resides to carry the health care coverage for the joint child, unless:

(1) a party expresses a preference for private health care coverage providing medical benefits available through the parent with whom the joint child does not reside;

(2) the parent with whom the joint child does not reside is already carrying dependent private health care coverage providing medical benefits for other children and the cost of contributing to the premiums of the other parent's health care coverage would cause the parent with whom the joint child does not reside extreme hardship; or

(3) the parties agree as to which parent will carry health care coverage providing medical benefits and agree on the allocation of costs.

~~(e)~~ (d) If the exception in paragraph ~~(d)~~ (c), clause (1) or (2), applies, the court must determine which parent has the most appropriate health care coverage providing medical benefits available and order that parent to carry health care coverage for the joint child.

~~(f)~~ (e) If neither parent has appropriate health care coverage available, the court must order the parents to~~:~~

~~(1)~~ contribute toward the actual health care costs of the joint children based on a pro rata share~~; or~~.

~~(2) if the joint child is receiving any form of public coverage, the parent with whom the joint child does not reside shall contribute a monthly amount toward the actual cost of public coverage. The amount of the noncustodial parent's contribution is determined by applying the noncustodial parent's PICS to the premium scale for MinnesotaCare under section 256L.15, subdivision 2, paragraph (d). If the noncustodial parent's PICS meets the eligibility requirements for MinnesotaCare, the contribution is the amount the noncustodial parent would pay for the child's premium. If the noncustodial parent's PICS exceeds the eligibility requirements, the contribution is the amount of the premium for the highest eligible income on the premium scale for MinnesotaCare under section 256L.15, subdivision 2, paragraph (d). For purposes of determining the premium amount, the noncustodial parent's household size is equal to one parent plus the child or children who are the subject of the child support order. The custodial parent's obligation is determined under the requirements for public coverage as set forth in chapter 256B; or~~

~~(3) if the noncustodial parent's PICS meet the eligibility requirement for public coverage under chapter 256B or the noncustodial parent receives public assistance, the noncustodial parent must not be ordered to contribute toward the cost of public coverage.~~

~~(g)~~ (f) If neither parent has appropriate health care coverage available, the court may order the parent with whom the child resides to apply for public health care coverage for the child.

~~(h) The commissioner of human services must publish a table with the premium schedule for public coverage and update the chart for changes to the schedule by July 1 of each year.~~

~~(i)~~ (g) If a joint child is not presently enrolled in private health care coverage providing dental benefits, upon motion of a parent or the public authority, the court must determine whether one or both parents have appropriate ~~dental~~ private health care coverage providing dental benefits for the joint child, and the court may order a parent with appropriate ~~dental~~ private health care coverage providing dental benefits available to carry the health care coverage for the joint child.

~~(j)~~ (h) If a joint child is not presently enrolled in available private health care coverage providing benefits other than medical benefits or dental benefits, upon motion of a parent or the public authority, the court may determine whether ~~that other~~ private health care coverage providing other health benefits for the joint child is appropriate, and the court may order a parent with that appropriate private health care coverage available to carry the coverage for the joint child.

Subd. 5. **Medical support costs; unreimbursed and uninsured ~~medical~~ health-related expenses.** (a) Unless otherwise agreed to by the parties and approved by the court, the court must order that the cost of private health care coverage and all unreimbursed and uninsured ~~medical~~ health-related expenses ~~under the health plan~~ be divided between the obligor and obligee based on their proportionate share of the parties' combined monthly PICS. The amount allocated for medical support is considered child support but is not subject to a cost-of-living adjustment under section 518A.75.

(b) If a party owes a ~~joint child~~ basic support obligation for a joint child and is ordered to carry private health care coverage for the joint child, and the other party is ordered to contribute to the carrying party's cost for coverage, the carrying party's ~~child~~ basic support payment must be reduced by the amount of the contributing party's contribution.

(c) If a party owes a ~~joint child~~ basic support obligation for a joint child and is ordered to contribute to the other party's cost for carrying private health care coverage for the joint child, the contributing party's child support payment must be increased by the amount of the contribution. The contribution toward private health care coverage must not be charged in any month in which the party ordered to carry private health care coverage fails to maintain private coverage.

(d) If the party ordered to carry private health care coverage for the joint child already carries dependent private health care coverage for other dependents and would incur no additional premium costs to add the joint child to the existing health care coverage, the court must not order the other party to contribute to the premium costs for health care coverage of the joint child.

(e) If a party ordered to carry private health care coverage for the joint child does not already carry dependent private health care coverage but has other dependents who may be added to the ordered health care coverage, the full premium costs of the dependent private health care coverage must be allocated between the parties in proportion to the party's share of the parties' combined monthly PICS, unless the parties agree otherwise.

(f) If a party ordered to carry private health care coverage for the joint child is required to enroll in a health plan so that the joint child can be enrolled in dependent private health care coverage under the plan, the court must allocate the costs of the dependent private health care coverage between the parties. The costs of the private health care coverage for the party ordered to carry the health care coverage for the joint child must not be allocated between the parties.

(g) If the joint child is receiving any form of public health care coverage:

(1) the parent with whom the joint child does not reside shall contribute a monthly amount toward the actual cost of public health care coverage. The amount of the noncustodial parent's contribution is determined by applying the noncustodial parent's PICS to the premium scale for MinnesotaCare under section 256L.15, subdivision 2, paragraph (d). If the noncustodial parent's PICS meets the eligibility requirements for MinnesotaCare, the contribution is the amount that the noncustodial parent would pay for the child's premium;

(2) if the noncustodial parent's PICS exceeds the eligibility requirements, the contribution is the amount of the premium for the highest eligible income on the premium scale for MinnesotaCare under section 256L.15, subdivision 2, paragraph (d). For purposes of determining the premium amount, the noncustodial parent's household size is equal to one parent plus the child or children who are the subject of the order;

(3) the custodial parent's obligation is determined under the requirements for public health care coverage in chapter 256B; or

(4) if the noncustodial parent's PICS is less than 200 percent of the federal poverty guidelines for one person or the noncustodial parent receives public assistance, the noncustodial parent must not be ordered to contribute toward the cost of public health care coverage.

(h) The commissioner of human services must publish a table for section 256L.15, subdivision 2, paragraph (d), and update the table with changes to the schedule by July 1 of each year.

Subd. 6. **Notice or court order sent to party's employer, union, or health carrier.** (a) The public authority must forward a copy of the national medical support notice or court order for private health care coverage to the party's employer within two business days after the date the party is entered into the work reporting system under section 256.998.

(b) The public authority or a party seeking to enforce an order for private health care coverage must forward a copy of the national medical support notice or court order to the obligor's employer or union, or to the health carrier under the following circumstances:

(1) the party ordered to carry private health care coverage for the joint child fails to provide written proof to the other party or the public authority, within 30 days of the effective date of the court order, that the party has applied for private health care coverage for the joint child;

(2) the party seeking to enforce the order or the public authority gives written notice to the party ordered to carry private health care coverage for the joint child of its intent to enforce medical support. The party seeking to enforce the order or public authority must mail the written notice to the last known address of the party ordered to carry private health care coverage for the joint child; and

(3) the party ordered to carry private health care coverage for the joint child fails, within 15 days after the date on which the written notice under clause (2) was mailed, to provide written proof to the other party or the public authority that the party has applied for private health care coverage for the joint child.

(c) The public authority is not required to forward a copy of the national medical support notice or court order to the obligor's employer or union, or to the health carrier, if the court orders private health care coverage for the joint child that is not employer-based or union-based coverage.

Subd. 7. **Employer or union requirements.** (a) An employer or union must forward the national medical support notice or court order to its health plan within 20 business days after the date on the national medical support notice or after receipt of the court order.

(b) Upon determination by an employer's or union's health plan administrator that a joint child is eligible to be covered under the health plan, the employer or union and health plan must enroll the joint child as a beneficiary in the health plan, and the employer must withhold

any required premiums from the income or wages of the party ordered to carry health care coverage for the joint child.

(c) If enrollment of the party ordered to carry private health care coverage for a joint child is necessary to obtain dependent private health care coverage under the plan, and the party is not enrolled in the health plan, the employer or union must enroll the party in the plan.

(d) Enrollment of dependents and, if necessary, the party ordered to carry private health care coverage for the joint child must be immediate and not dependent upon open enrollment periods. Enrollment is not subject to the underwriting policies under section 62A.048.

(e) Failure of the party ordered to carry private health care coverage for the joint child to execute any documents necessary to enroll the dependent in the health plan does not affect the obligation of the employer or union and health plan to enroll the dependent in a plan. Information and authorization provided by the public authority, or by a party or guardian, is valid for the purposes of meeting enrollment requirements of the health plan.

(f) An employer or union that is included under the federal Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, section 1169(a), may not deny enrollment to the joint child or to the parent if necessary to enroll the joint child based on exclusionary clauses described in section 62A.048.

(g) A new employer or union of a party who is ordered to provide private health care coverage for a joint child must enroll the joint child in the party's health plan as required by a national medical support notice or court order.

Subd. 8. **Health plan requirements.** (a) If a health plan administrator receives a completed national medical support notice or court order, the plan administrator must notify the parties, and the public authority if the public authority provides support enforcement services, within 40 business days after the date of the notice or after receipt of the court order, of the following:

(1) whether health care coverage is available to the joint child under the terms of the health plan and, if not, the reason why health care coverage is not available;

(2) whether the joint child is covered under the health plan;

(3) the effective date of the joint child's coverage under the health plan; and

(4) what steps, if any, are required to effectuate the joint child's coverage under the health plan.

(b) If the employer or union offers more than one plan and the national medical support notice or court order does not specify the plan to be carried, the plan administrator must notify the parents and the public authority if the public authority provides support enforcement services. When there is more than one option available under the plan, the public authority, in consultation with the parent with whom the joint child resides, must promptly select from available plan options.

(c) The plan administrator must provide the parents and public authority, if the public authority provides support enforcement services, with a notice of the joint child's enrollment, description of the health care coverage, and any documents necessary to effectuate coverage.

(d) The health plan must send copies of all correspondence regarding the private health care coverage to the parents.

(e) An insured joint child's parent's signature is a valid authorization to a health plan for purposes of processing an insurance reimbursement payment to the medical services provider or to the parent, if medical services have been prepaid by that parent.

Subd. 9. **Employer or union liability.** (a) An employer or union that willfully fails to comply with the order or notice is liable for any uninsured ~~medical~~ health-related expenses incurred by the dependents while the dependents were eligible to be enrolled in the health plan and for any other premium costs incurred because the employer or union willfully failed to comply with the order or notice.

(b) An employer or union that fails to comply with the order or notice is subject to a contempt finding, a $250 civil penalty under section 518A.73, and is subject to a civil penalty of $500 to be paid to the party entitled to reimbursement or the public authority. Penalties paid to the public authority are designated for child support enforcement services.

Subd. 10. **Contesting enrollment.** (a) A party may contest a joint child's enrollment in a health plan on the limited grounds that the enrollment is improper due to mistake of fact or that the enrollment meets the requirements of section 518.145.

(b) If the party chooses to contest the enrollment, the party must do so no later than 15 days after the employer notifies the party of the enrollment by doing the following:

(1) filing a motion in district court or according to section 484.702 and the expedited child support process rules if the public authority provides support enforcement services;

(2) serving the motion on the other party and public authority if the public authority provides support enforcement services; and

(3) securing a date for the matter to be heard no later than 45 days after the notice of enrollment.

(c) The enrollment must remain in place while the party contests the enrollment.

Subd. 11. **Disenrollment; continuation of coverage; coverage options.** (a) Unless a court order provides otherwise, a child for whom a party is required to provide private health care coverage under this section must be covered as a dependent of the party until the child is emancipated, until further order of the court, or as consistent with the terms of the health care coverage.

(b) The health carrier, employer, or union may not disenroll or eliminate health care coverage for the child unless:

(1) the health carrier, employer, or union is provided satisfactory written evidence that the court order is no longer in effect;

(2) the joint child is or will be enrolled in comparable private health care coverage through another health plan that will take effect no later than the effective date of the disenrollment;

(3) the employee is no longer eligible for dependent health care coverage; or

(4) the required premium has not been paid by or on behalf of the joint child.

(c) The health plan must provide 30 days' written notice to the joint child's parents, and the public authority if the public authority provides support enforcement services, before the health plan disenrolls or eliminates the joint child's health care coverage.

(d) A joint child enrolled in private health care coverage under a qualified medical child support order, including a national medical support notice, under this section is a dependent and a qualified beneficiary under the Consolidated Omnibus Budget and Reconciliation Act of 1985 (COBRA), Public Law 99-272. Upon expiration of the order, the joint child is entitled to the opportunity to elect continued health care coverage that is available under the health plan. The employer or union must provide notice to the parties and the public authority, if it provides support services, within ten days of the termination date.

(e) If the public authority provides support enforcement services and a plan administrator reports to the public authority that there is more than one coverage option available under the health plan, the public authority, in consultation with the parent with whom the joint child resides, must promptly select health care coverage from the available options.

Subd. 12. **Spousal or former spousal coverage.** The court must require the parent with whom the joint child does not reside to provide dependent private health care coverage for the benefit of the parent with whom the joint child resides if the parent with whom the child does not reside is ordered to provide dependent private health care coverage for the parties' joint child and adding the other parent to the health care coverage results in no additional premium cost.

Subd. 13. **Disclosure of information.** (a) If the public authority provides support enforcement services, the parties must provide the public authority with the following information:

(1) information relating to dependent health care coverage ~~or public coverage~~ available for the benefit of the joint child for whom support is sought, including all information required to be included in a medical support order under this section;

(2) verification that application for court-ordered health care coverage was made within 30 days of the court's order; and

(3) the reason that a joint child is not enrolled in court-ordered health care coverage, if a joint child is not enrolled in health care coverage or subsequently loses health care coverage.

(b) Upon request from the public authority under section 256.978, an employer, union, or plan administrator, including an employer subject to the federal Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, section 1169(a), must provide the public authority the following information:

(1) information relating to dependent private health care coverage available to a party for the benefit of the joint child for whom support is sought, including all information required to be included in a medical support order under this section; and

(2) information that will enable the public authority to determine whether a health plan is appropriate for a joint child, including, but not limited to, all available plan options, any geographic service restrictions, and the location of service providers.

(c) The employer, union, or plan administrator must not release information regarding one party to the other party. The employer, union, or plan administrator must provide both parties with insurance identification cards and all necessary written information to enable the parties to utilize the insurance benefits for the covered dependent.

(d) The public authority is authorized to release to a party's employer, union, or health plan information necessary to verify availability of dependent private health care coverage, or to establish, modify, or enforce medical support.

(e) An employee must disclose to an employer if medical support is required to be withheld under this section and the employer must begin withholding according to the terms of the order and under section 518A.53. If an employee discloses an obligation to obtain private health care coverage and health care coverage is available through the employer, the employer must make all application processes known to the individual and enroll the employee and dependent in the plan.

Subd. 14. **Child support enforcement services.** The public authority must take necessary steps to establish, enforce, and modify an order for medical support if the joint child receives public assistance or a party completes an application for services from the public authority under section 518A.51.

Subd. 15. **Enforcement.** (a) Remedies available for collecting and enforcing child support apply to medical support.

(b) For the purpose of enforcement, the following are additional support:

(1) the costs of individual or group health or hospitalization coverage;

(2) dental coverage;

(3) medical costs ordered by the court to be paid by either party, including health care coverage premiums paid by the obligee because of the obligor's failure to obtain health care coverage as ordered; and

(4) liabilities established under this subdivision.

(c) A party who fails to carry court-ordered dependent private health care coverage is liable for the joint child's uninsured ~~medical~~ health-related expenses unless a court order provides otherwise. A party's failure to carry court-ordered health care coverage, or to provide other medical support as ordered, is a basis for modification of medical support under section 518A.39, subdivision 8, unless it meets the presumption in section 518A.39, subdivision 2.

(d) Payments by the health carrier or employer for services rendered to the dependents that are directed to a party not owed reimbursement must be endorsed over to and forwarded to the vendor or appropriate party or the public authority. A party retaining insurance reimbursement not owed to the party is liable for the amount of the reimbursement.

Subd. 16. **Offset.** (a) If a party is the parent with primary physical custody as defined in section 518A.26, subdivision 17, and is an obligor ordered to contribute to the other party's cost for carrying health care coverage for the joint child, the other party's child support and spousal maintenance obligations are subject to an offset under subdivision 5.

(b) The public authority, if the public authority provides child support enforcement services, may remove the offset to a party's child support obligation when:

(1) the party's court-ordered private health care coverage for the joint child terminates;

(2) the party does not enroll the joint child in other private health care coverage; and

(3) a modification motion is not pending.

The public authority must provide notice to the parties of the action. If neither party requests a hearing, the public authority must remove the offset effective the first day of the month following termination of the joint child's private health care coverage.

(c) The public authority, if the public authority provides child support enforcement services, may resume the offset when the party ordered to provide private health care coverage for the joint child has resumed the court-ordered private health care coverage or enrolled the joint child in other private health care coverage. The public authority must provide notice to the parties of the action. If neither party requests a hearing, the public authority must resume the offset effective the first day of the month following certification that private health care coverage is in place for the joint child.

(d) A party may contest the public authority's action to remove or resume the offset to the child support obligation if the party makes a written request for a hearing within 30 days after receiving written notice. If a party makes a timely request for a hearing, the public authority must schedule a hearing and send written notice of the hearing to the parties by mail to the parties' last known addresses at least 14 days before the hearing. The hearing must be conducted in district court or in the expedited child support process if section 484.702 applies. The district court or child support magistrate must determine whether removing or resuming the offset is appropriate and, if appropriate, the effective date for the removal or resumption.

Subd. 16a. **Suspension or reinstatement of medical support contribution.** (a) If a party is the parent with primary physical custody, as defined in section 518A.26, subdivision 17, and is ordered to carry private health care coverage for the joint child but fails to carry the court-ordered private health care coverage, the public authority may suspend the medical support obligation of the other party if that party has been court-ordered to contribute to the cost of the private health care coverage carried by the parent with primary physical custody of the joint child.

(b) If the public authority provides child support enforcement services, the public authority may suspend the other party's medical support contribution toward private health care coverage when:

(1) the party's court-ordered private health care coverage for the joint child terminates;

(2) the party does not enroll the joint child in other private health care coverage; and

(3) a modification motion is not pending.

The public authority must provide notice to the parties of the action. If neither party requests a hearing, the public authority must remove the medical support contribution effective the first day of the month following the termination of the joint child's private health care coverage.

(c) If the public authority provides child support enforcement services, the public authority may reinstate the medical support contribution when the party ordered to provide private health care coverage for the joint child has resumed the joint child's court-ordered private health care coverage or has enrolled the joint child in other private health care coverage. The public authority must provide notice to the parties of the action. If neither party requests a hearing, the public authority must resume the medical support contribution effective the first day of the month following certification that the joint child is enrolled in private health care coverage.

(d) A party may contest the public authority's action to suspend or reinstate the medical support contribution if the party makes a written request for a hearing within 30 days after receiving written notice. If a party makes a timely request for a hearing, the public authority must schedule a hearing and send written notice of the hearing to the parties by mail to the parties' last known addresses at least 14 days before the hearing. The hearing must be conducted in district court or in the expedited child support process if section 484.702 applies. The district court or child support magistrate must determine whether suspending or reinstating the medical support contribution is appropriate and, if appropriate, the effective date of the removal or reinstatement of the medical support contribution.

Subd. 17. **Collecting unreimbursed or uninsured ~~medical~~ health-related expenses.** (a) This subdivision and subdivision 18 apply when a court order has determined and ordered the parties' proportionate share and responsibility to contribute to unreimbursed or uninsured ~~medical~~ health-related expenses.

(b) A party requesting reimbursement of unreimbursed or uninsured ~~medical~~ health-related expenses must initiate a request to the other party within two years of the

date that the requesting party incurred the unreimbursed or uninsured ~~medical~~ health-related expenses. If a court order has been signed ordering the contribution ~~towards~~ toward unreimbursed or uninsured expenses, a two-year limitations provision must be applied to any requests made on or after January 1, 2007. The provisions of this section apply retroactively to court orders signed before January 1, 2007. Requests for unreimbursed or uninsured expenses made on or after January 1, 2007, may include expenses incurred before January 1, 2007, and on or after January 1, 2005.

(c) A requesting party must mail a written notice of intent to collect the unreimbursed or uninsured ~~medical~~ health-related expenses and a copy of an affidavit of health care expenses to the other party at the other party's last known address.

(d) The written notice must include a statement that the other party has 30 days from the date the notice was mailed to (1) pay in full; (2) agree to a payment schedule; or (3) file a motion requesting a hearing to contest the amount due or to set a court-ordered monthly payment amount. If the public authority provides services, the written notice also must include a statement that, if the other party does not respond within the 30 days, the requesting party may submit the amount due to the public authority for collection.

(e) The affidavit of health care expenses must itemize and document the joint child's unreimbursed or uninsured ~~medical~~ health-related expenses and include copies of all bills, receipts, and insurance company explanations of benefits.

(f) If the other party does not respond to the request for reimbursement within 30 days, the requesting party may commence enforcement against the other party under subdivision 18; file a motion for a court-ordered monthly payment amount under paragraph (i); or notify the public authority, if the public authority provides services, that the other party has not responded.

(g) The notice to the public authority must include: a copy of the written notice, a copy of the affidavit of health care expenses, and copies of all bills, receipts, and insurance company explanations of benefits.

(h) If noticed under paragraph (f), the public authority must serve the other party with a notice of intent to enforce unreimbursed and uninsured ~~medical~~ health-related expenses and file an affidavit of service by mail with the district court administrator. The notice must state that the other party has 14 days to (1) pay in full; or (2) file a motion to contest the amount due or to set a court-ordered monthly payment amount. The notice must also state that if there is no response within 14 days, the public authority will commence enforcement of the expenses as arrears under subdivision 18.

(i) To contest the amount due or set a court-ordered monthly payment amount, a party must file a timely motion and schedule a hearing in district court or in the expedited child support process if section 484.702 applies. The moving party must provide the other party and the public authority, if the public authority provides services, with written notice at least 14 days before the hearing by mailing notice of the hearing to the public authority and to the requesting party at the requesting party's last known address. The moving party must file the affidavit of health care expenses with the court at least five days before the hearing. The district court or child support magistrate must determine liability for the expenses and order that the liable party is subject to enforcement of the expenses as arrears under subdivision 18 or set a court-ordered monthly payment amount.

Subd. 18. **Enforcing unreimbursed or uninsured ~~medical~~ health-related expenses as arrears.** (a) Unreimbursed or uninsured ~~medical~~ health-related expenses enforced under this subdivision are collected as arrears.

(b) If the liable party is the parent with primary physical custody as defined in section 518A.26, subdivision 17, the unreimbursed or uninsured ~~medical~~ health-related expenses must be deducted from any arrears the requesting party owes the liable party. If unreimbursed or uninsured expenses remain after the deduction, the expenses must be collected as follows:

(1) If the requesting party owes a current child support obligation to the liable party, 20 percent of each payment received from the requesting party must be returned to the requesting party. The total amount returned to the requesting party each month must not exceed 20 percent of the current monthly support obligation.

(2) If the requesting party does not owe current child support or arrears, a payment agreement under section 518A.69 is required. If the liable party fails to enter into or comply with a payment agreement, the requesting party or the public authority, if the public authority provides services, may schedule a hearing to set a court-ordered payment. The requesting party or the public authority must provide the liable party with written notice of the hearing at least 14 days before the hearing.

(c) If the liable party is not the parent with primary physical custody as defined in section 518A.26, subdivision 17, the unreimbursed or uninsured ~~medical~~ health-related expenses must be deducted from any arrears the requesting party owes the liable party. If unreimbursed or uninsured expenses remain after the deduction, the expenses must be added and collected as arrears owed by the liable party.

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

Sec. 64. Minnesota Statutes 2022, section 518A.42, subdivision 1, is amended to read:

Subdivision 1. **Ability to pay.** (a) It is a rebuttable presumption that a child support order should not exceed the obligor's ability to pay. To determine the amount of child support the obligor has the ability to pay, the court shall follow the procedure set out in this section.

(b) The court shall calculate the obligor's income available for support by subtracting a monthly self-support reserve equal to 120 percent of the federal poverty guidelines for one person from the obligor's parental income for determining child support (PICS). If benefits under section 518A.31 are received by the obligee as a representative payee for a joint child or are received by the child attending school, based on the other parent's eligibility, the court shall subtract the amount of benefits from the obligor's PICS before subtracting the self-support reserve. If the obligor's income available for support calculated under this paragraph is equal to or greater than the obligor's support obligation calculated under section 518A.34, the court shall order child support under section 518A.34.

(c) If the obligor's income available for support calculated under paragraph (b) is more than the minimum support amount under subdivision 2, but less than the guideline amount under section 518A.34, then the court shall apply a reduction to the child support obligation in the following order, until the support order is equal to the obligor's income available for support:

(1) medical support obligation;

(2) child care support obligation; and

(3) basic support obligation.

(d) If the obligor's income available for support calculated under paragraph (b) is equal to or less than the minimum support amount under subdivision 2 or if the obligor's gross income is less than 120 percent of the federal poverty guidelines for one person, the minimum support amount under subdivision 2 applies.

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

Sec. 65. Minnesota Statutes 2022, section 518A.42, subdivision 3, is amended to read:

Subd. 3. **Exception.** (a) This section does not apply to an obligor who is incarcerated or is a recipient of a general assistance grant, Supplemental Security Income, temporary assistance for needy families (TANF) grant, or comparable state-funded Minnesota family investment program (MFIP) benefits.

(b) If the court finds the obligor receives no income and completely lacks the ability to earn income, the minimum basic support amount under this subdivision does not apply.

(c) If the obligor's basic support amount is reduced below the minimum basic support amount due to the application of the parenting expense adjustment, the minimum basic support amount under this subdivision does not apply and the lesser amount is the guideline basic support.

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

Sec. 66. Minnesota Statutes 2022, section 518A.65, is amended to read:

518A.65 DRIVER'S LICENSE SUSPENSION.

(a) This paragraph is effective July 1, 2023. Upon motion of an obligee, which has been properly served on the obligor and upon which there has been an opportunity for hearing, if a court finds that the obligor has been or may be issued a driver's license by the commissioner of public safety and the obligor is in arrears in court-ordered child support or maintenance payments, or both, in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments and is not in compliance with a written payment agreement pursuant to section 518A.69 that is approved by the court, a child support magistrate, or the public authority, the court ~~shall~~ may order the commissioner of public safety to suspend the obligor's driver's license. The court may consider the circumstances in paragraph (i) to determine whether driver's license suspension is an appropriate remedy that is likely to induce the payment of child support. The court may consider whether driver's license suspension would have a direct harmful effect on the obligor or joint children that would make driver's license suspension an inappropriate remedy. The public authority may not administratively reinstate a driver's license suspended by the court unless specifically authorized in the court order. This paragraph expires December 31, 2025.

(b) This paragraph is effective January 1, 2026. Upon motion of an obligee, which has been properly served on the obligor and upon which there has been an opportunity for hearing, if a court finds that the obligor has a valid driver's license issued by the commissioner of public safety and the obligor is in arrears in court-ordered child support or maintenance payments, or both, in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments and is not in compliance with a written payment agreement pursuant to section 518A.69 that is approved by the court, a child support magistrate, or the public authority, the court may order the commissioner of public safety to suspend the obligor's driver's license. The court may consider the circumstances in

paragraph (i) to determine whether driver's license suspension is an appropriate remedy that is likely to induce the payment of child support. The court may consider whether driver's license suspension would have a direct harmful effect on the obligor or joint children that would make driver's license suspension an inappropriate remedy. The public authority may not administratively reinstate a driver's license suspended by the court unless specifically authorized in the court order.

(c) The court's order must be stayed for 90 days in order to allow the obligor to execute a written payment agreement pursuant to section 518A.69. The payment agreement must be approved by either the court or the public authority responsible for child support enforcement. If the obligor has not executed or is not in compliance with a written payment agreement pursuant to section 518A.69 after the 90 days expires, the court's order becomes effective and the commissioner of public safety shall suspend the obligor's driver's license. The remedy under this section is in addition to any other enforcement remedy available to the court. An obligee may not bring a motion under this paragraph within 12 months of a denial of a previous motion under this paragraph.

~~(b)~~ (d) This paragraph is effective July 1, 2023. If a public authority responsible for child support enforcement determines that the obligor has been or may be issued a driver's license by the commissioner of public safety ~~and~~; the obligor is in arrears in court-ordered child support or maintenance payments or both in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments and not in compliance with a written payment agreement pursuant to section 518A.69 that is approved by the court, a child support magistrate, or the public authority, the public authority shall direct the commissioner of public safety to suspend the obligor's driver's license unless exercising administrative discretion under paragraph (i). The remedy under this section is in addition to any other enforcement remedy available to the public authority. This paragraph expires December 31, 2025.

(e) This paragraph is effective January 1, 2026. If a public authority responsible for child support enforcement determines that:

(1) the obligor has a valid driver's license issued by the commissioner of public safety;

(2) the obligor is in arrears in court-ordered child support or maintenance payments or both in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments;

(3) the obligor is not in compliance with a written payment agreement pursuant to section 518A.69 that is approved by the court, a child support magistrate, or the public authority; and

(4) the obligor's mailing address is known to the public authority;

then the public authority shall direct the commissioner of public safety to suspend the obligor's driver's license unless exercising administrative discretion under paragraph (i). The remedy under this section is in addition to any other enforcement remedy available to the public authority.

~~(c)~~ (f) At least 90 days prior to notifying the commissioner of public safety according to paragraph ~~(b)~~ (d), the public authority must mail a written notice to the obligor at the obligor's last known address, that it intends to seek suspension of the obligor's driver's license and that the obligor must request a hearing within 30 days in order to contest the suspension. If the obligor makes a written request for a hearing within 30 days of the date of the notice, a court hearing must be held. Notwithstanding any law to the contrary, the obligor must be served with 14 days' notice in writing specifying the time and place of the hearing and the allegations against the obligor. The notice must include information that apprises the obligor of the requirement to develop a written payment agreement that is approved by a court, a child support magistrate, or the public authority responsible for child support enforcement regarding child support, maintenance, and any arrearages in order to avoid license suspension. The notice may be served personally or by mail. If the public authority does not receive a request for a hearing within 30 days of the date of the notice, and the obligor does not execute a written payment agreement pursuant to section 518A.69 that is approved by the public authority within 90 days of the date of the notice, the public authority shall direct the commissioner of public safety to suspend the obligor's driver's license under paragraph ~~(b)~~ (d).

~~(d)~~ (g) At a hearing requested by the obligor under paragraph ~~(c)~~ (f), and on finding that the obligor is in arrears in court-ordered child support or maintenance payments or both in an amount equal to or greater than three times the obligor's total monthly support and maintenance payments, the district court or child support magistrate shall order the commissioner of public safety to suspend the obligor's driver's license or operating privileges unless:

(1) the court or child support magistrate determines that the obligor has executed and is in compliance with a written payment agreement pursuant to section 518A.69 that is approved by the court, a child support magistrate, or the public authority~~.~~; or

(2) the court, in its discretion, determines that driver's license suspension is unlikely to induce payment of child support or would have direct harmful effects on the obligor or joint child that makes driver's license suspension an inappropriate remedy. The court may consider the circumstances in paragraph(i) in exercising the court's discretion.

~~(e)~~ (h) An obligor whose driver's license or operating privileges are suspended may:

(1) provide proof to the public authority responsible for child support enforcement that the obligor is in compliance with all written payment agreements pursuant to section 518A.69;

(2) bring a motion for reinstatement of the driver's license. At the hearing, if the court or child support magistrate orders reinstatement of the driver's license, the court or child support magistrate must establish a written payment agreement pursuant to section 518A.69; or

(3) seek a limited license under section 171.30. A limited license issued to an obligor under section 171.30 expires 90 days after the date it is issued.

Within 15 days of the receipt of that proof or a court order, the public authority shall inform the commissioner of public safety that the obligor's driver's license or operating privileges should no longer be suspended.

(i) Prior to notifying the commissioner of public safety that an obligor's driver's license should be suspended or after an obligor's driving privileges have been suspended, the public authority responsible for child support enforcement may use administrative authority to end the suspension process or inform the commissioner of public safety that the obligor's driving privileges should no longer be suspended under any of the following circumstances:

(1) the full amount of court-ordered payments have been received for at least one month;

(2) an income withholding notice has been sent to an employer or payor of funds;

(3) payments less than the full court-ordered amount have been received and the circumstances of the obligor demonstrate the obligor's substantial intent to comply with the order;

(4) the obligor receives public assistance;

(5) the case is being reviewed by the public authority for downward modification due to changes in the obligor's financial circumstances or a party has filed a motion to modify the child support order;

(6) the obligor no longer lives in the state and the child support case is in the process of interstate enforcement;

(7) the obligor is currently incarcerated for one week or more or is receiving in-patient treatment for physical health, mental health, chemical dependency, or other treatment. This clause applies for six months after the obligor is no longer incarcerated or receiving in-patient treatment;

(8) the obligor is temporarily or permanently disabled and unable to pay child support;

(9) the obligor has presented evidence to the public authority that the obligor needs driving privileges to maintain or obtain the obligor's employment;

(10) the obligor has not had a meaningful opportunity to pay toward arrears; and

(11) other circumstances of the obligor indicate that a temporary condition exists for which suspension of a driver's license for the nonpayment of child support is not appropriate. When considering whether driver's license suspension is appropriate, the public authority must assess: (i) whether suspension of the driver's license is likely to induce payment of child support; and (ii) whether suspension of the driver's license would have direct harmful effects on the obligor or joint children that make driver's license suspension an inappropriate remedy.

The presence of circumstances in this paragraph does not prevent the public authority from proceeding with a suspension of a driver's license.

~~(f)~~ (j) In addition to the criteria established under this section for the suspension of an obligor's driver's license, a court, a child support magistrate, or the public authority may direct the commissioner of public safety to suspend the license of a party who has failed, after receiving notice, to comply with a subpoena relating to a paternity or child support proceeding. Notice to an obligor of intent to suspend must be served by first class mail at the obligor's last known address. The notice must inform the obligor of the right to request a hearing. If the obligor makes a written request within ten days of the date of the hearing, a hearing must be held. At the hearing, the only issues to be considered are mistake of fact and whether the obligor received the subpoena.

~~(g)~~ (k) The license of an obligor who fails to remain in compliance with an approved written payment agreement may be suspended. Prior to suspending a license for noncompliance with an approved written payment agreement, the public authority must mail to the obligor's last known address a written notice that (1) the public authority intends to seek suspension of the obligor's driver's license under this paragraph, and (2) the obligor must request a hearing, within 30 days of the date of the notice, to contest the suspension. If, within 30 days of the date of the notice, the public authority does not receive a written request for a hearing and the obligor does not comply with an approved written payment

agreement, the public authority must direct the Department of Public Safety to suspend the obligor's license under paragraph ~~(b)~~ (d). If the obligor makes a written request for a hearing within 30 days of the date of the notice, a court hearing must be held. Notwithstanding any law to the contrary, the obligor must be served with 14 days' notice in writing specifying the time and place of the hearing and the allegations against the obligor. The notice may be served personally or by mail at the obligor's last known address. If the obligor appears at the hearing and the court determines that the obligor has failed to comply with an approved written payment agreement, the court or public authority shall notify the Department of Public Safety to suspend the obligor's license under paragraph ~~(b)~~ (d). If the obligor fails to appear at the hearing, the court or public authority must notify the Department of Public Safety to suspend the obligor's license under paragraph ~~(b)~~ (d).

EFFECTIVE DATE. This section is effective July 1, 2023, unless otherwise specified.

Sec. 67. Minnesota Statutes 2022, section 518A.77, is amended to read:

518A.77 GUIDELINES REVIEW.

~~(a)~~ No later than 2006 and every four years after that, the Department of Human Services must conduct a review of the child support guidelines as required under Code of Federal Regulations, title 45, section 302.56(h).

~~(b) This section expires January 1, 2032.~~

Sec. 68. Minnesota Statutes 2022, section 524.5-118, is amended to read:

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

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

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

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

(b) The ~~background study~~ maltreatment and state licensing agency check and a criminal history check must include:

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

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

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

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

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

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

(e) The ~~fee~~ fees for ~~background studies~~ maltreatment and state licensing agency checks and criminal history checks conducted under this section ~~is~~ are specified in ~~section~~ sections 245C.10, subdivision ~~14~~ 15, and 299C.10, subdivisions 4 and 5. The ~~fee~~ fees for conducting a ~~background study~~ maltreatment and state licensing agency check and a criminal history check for the appointment of a professional guardian or conservator must be paid by the guardian or conservator. In other cases, the fee must be paid as follows:

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

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

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

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

(1) a state agency or county;

(2) a parent or guardian of a person proposed to be subject to guardianship or conservatorship who has a developmental disability, if the parent or guardian has raised the person proposed to be subject to guardianship or conservatorship in the family home until the time the petition is filed, unless counsel appointed for the person proposed to be subject to guardianship or conservatorship under section 524.5-205, paragraph (e); 524.5-304, paragraph (b); 524.5-405, paragraph (a); or 524.5-406, paragraph (b), recommends a ~~background study~~ maltreatment and state licensing agency check and a criminal history check; or

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

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

(b) The ~~commissioner of human services~~ Bureau of Criminal Apprehension shall provide the court with criminal history data as defined in section 13.87 ~~from the Bureau of Criminal Apprehension in the Department of Public Safety, other criminal history data held by the commissioner of human services, data regarding substantiated maltreatment of vulnerable adults under section 626.557, and substantiated maltreatment of minors under chapter 260E,~~ and criminal history information from other states or jurisdictions as indicated from a national criminal history record check within 20 working days of receipt of a request. ~~If the subject~~

~~of the study has been the perpetrator of substantiated maltreatment of a vulnerable adult or minor, the response must include a copy of the public portion of the investigation memorandum under section 626.557, subdivision 12b, or the public portion of the investigation memorandum under section 260E.30. The commissioner shall provide the court with information from a review of information according to subdivision 2a if the study subject provided information indicating current or prior affiliation with a state licensing agency.~~

(c) In accordance with section 245C.033, the commissioner of human services shall provide the court with data regarding substantiated maltreatment of vulnerable adults under section 626.557 and substantiated maltreatment of minors under chapter 260E within 25 working days of receipt of a request. If the guardian or conservator have been the perpetrator of substantiated maltreatment of a vulnerable adult or minor, the response must include a copy of any available public portion of the investigation memorandum under section 626.557, subdivision 12b, or any available public portion of the investigation memorandum under section 260E.30.

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

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

(1) Lawyers Responsibility Board;

(2) State Board of Accountancy;

(3) Board of Social Work;

(4) Board of Psychology;

(5) Board of Nursing;

(6) Board of Medical Practice;

(7) Department of Education;

(8) Department of Commerce;

(9) Board of Chiropractic Examiners;

(10) Board of Dentistry;

(11) Board of Marriage and Family Therapy;

(12) Department of Human Services;

(13) Peace Officer Standards and Training (POST) Board; and

(14) Professional Educator Licensing and Standards Board.

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 69. Minnesota Statutes 2022, section 609B.425, subdivision 2, is amended to read:

Subd. 2. **Benefit eligibility.** (a) For general assistance benefits and Minnesota supplemental aid under chapter 256D, a person convicted of a felony-level drug offense ~~after July 1, 1997, is ineligible for general assistance benefits and Supplemental Security Income under chapter 256D until:~~ during the previous ten years from the date of application or recertification may be subject to random drug testing. The county must provide information

about substance use disorder treatment programs to a person who tests positive for an illegal controlled substance.

~~(1) five years after completing the terms of a court-ordered sentence; or~~

~~(2) unless the person is participating in a drug treatment program, has successfully completed a program, or has been determined not to be in need of a drug treatment program.~~

~~(b) A person who becomes eligible for assistance under chapter 256D is subject to random drug testing and shall lose eligibility for benefits for five years beginning the month following:~~

~~(1) any positive test for an illegal controlled substance; or~~

~~(2) discharge of sentence for conviction of another drug felony.~~

~~(c)~~ (b) Parole violators and fleeing felons are ineligible for benefits and persons fraudulently misrepresenting eligibility are also ineligible to receive benefits for ten years.

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 70. Minnesota Statutes 2022, section 609B.435, subdivision 2, is amended to read:

Subd. 2. **Drug offenders; random testing; sanctions.** A person who is an applicant for benefits from the Minnesota family investment program or MFIP, the vehicle for temporary assistance for needy families or TANF, and who has been convicted of a felony-level drug offense ~~shall~~ may be subject to ~~certain conditions, including~~ random drug testing~~, in order to receive MFIP benefits~~. Following any positive test for a controlled substance, the ~~convicted applicant or participant is subject to the following sanctions:~~ county must provide information about substance use disorder treatment programs to the applicant or participant.

~~(1) a first time drug test failure results in a reduction of benefits in an amount equal to 30 percent of the MFIP standard of need; and~~

~~(2) a second time drug test failure results in permanent disqualification from receiving MFIP assistance.~~

~~A similar disqualification sequence occurs if the applicant is receiving Supplemental Nutrition Assistance Program (SNAP) benefits.~~

EFFECTIVE DATE. This section is effective August 1, 2023.

Sec. 71. Laws 2017, First Special Session chapter 6, article 5, section 11, as amended by Laws 2019, First Special Session chapter 9, article 8, section 20, is amended to read:

Sec. 11. **MORATORIUM ON CONVERSION TRANSACTIONS.**

(a) Notwithstanding Laws 2017, chapter 2, article 2, a nonprofit ~~health~~ service plan corporation operating under Minnesota Statutes, chapter 62C, or a nonprofit health maintenance organization operating under Minnesota Statutes, chapter 62D, as of January 1, 2017, may only merge or consolidate with; convert; or transfer, as part of a single transaction or a series of transactions within a 24-month period, all or a material amount of its assets to an entity that is a corporation organized under Minnesota Statutes, chapter 317A; or to a Minnesota nonprofit hospital within the same integrated health system as the health maintenance organization. For purposes of this section, "material amount" means the lesser of ten percent of such an entity's total admitted net assets as of December 31 of the previous year, or $50,000,000.

(b) Paragraph (a) does not apply if the nonprofit service plan corporation or nonprofit health maintenance organization files an intent to dissolve due to insolvency of the corporation in accordance with Minnesota Statutes, chapter 317A, or insolvency proceedings are commenced under Minnesota Statutes, chapter 60B.

(c) Nothing in this section shall be construed to authorize a nonprofit health maintenance organization or a nonprofit service plan corporation to engage in any transaction or activities not otherwise permitted under state law.

(d) This section expires July 1, ~~2023~~ 2026.

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

Sec. 72. **REPEALER.**

(a) Minnesota Statutes 2022, sections 245C.02, subdivision 14b; 245C.032; and 245C.30, subdivision 1a, are repealed.

(b) Minnesota Statutes 2022, section 245C.11, subdivision 3, is repealed.

EFFECTIVE DATE. Paragraph (b) is effective April 28, 2025."

Amend the title accordingly