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## **S.F. No. 5335 – Human Services Omnibus (First Engrossment)**

**Author:** Senator John A. Hoffman

**Prepared by:** Liam Monahan, Legislative Analyst (651/296-1791)

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### **ARTICLE 1 – DISABILITY SERVICES**

Section 1 amends **13.46, subdivision 2 – General**, by making in the statute governing the disclosure of private welfare systems data to the commissioner of revenue a conforming change related to the elimination of parental fees for certain residential mental health services for children and certain residential services for children with disabilities.

Section 2 amends **245.821, subdivision 1 – Notice required**, by eliminating a cross-reference to “related condition” is a statute requiring notice to local units of government prior to establishing new residential settings for people with developmental disabilities.

Section 3 amends **245.825, subdivision 1 – Rules governing aversive and deprivation procedures**, by eliminating a cross-reference to “related condition” in a statute requiring the commissioner of human services to promulgate rules related to aversive and deprivation procedures in licensed facilities.

Section 4 amends **245A.11, subdivision 2a - Adult foster care and community residential setting license capacity**, by permitting the commissioner of human services until June 30, 2026 to issue community residential setting licenses for a capacity of five to six beds to certain licensed supervised living facilities that are not ICF/DDs.

Section 5 adds **245D.13 – OUT OF HOME RESPITE SERVICES FOR CHILDREN**, which specifies that out-of-home respite must be provided in a licensed residential setting unless everyone in the unlicensed setting while out-of-home respite is being provided other than the individuals receiving services is an employee of the 245D-licensed provider, all employees have completed a background study, and all service recipients are under the age of 22, the setting has been approved by the recipient’s case manager and legal representative, and other specified conditions. This section also specifies documentation requirements.

Section 6 amends **246.511 - RELATIVE RESPONSIBILITY**, by making a conforming change that removes reference to parental fees from the statute governing relatives' responsibilities for the cost of care provided by direct care and treatment.

Section 7 amends **252.27, subdivision 2b - Parental or guardian reimbursement to counties**, by limiting the responsibility for the cost of care incurred by a county for certain mental health services and disability services provided to a child in a residential setting to the total income attributable to the child, minus the child's clothing and personal needs allowance.

Section 8 amends **252.282, subdivision 1 – Host county responsibility**, by making a technical change related to moving a definition to a different subdivision within the same statutory section.

Section 9 adds **252.282, subdivision 1a – Definitions**, which adds two definitions that were moved from a different statutory location.

Section 10 amends **256B.02, subdivision 11 – Related condition**, by moving the language to which an existing cross-reference had pointed to this subdivision.

Section 11 amends **256B.073, subdivision 3 – Requirements**, requires the commissioner of human services to provide electronic visit verification data to the same extent and on the same terms to all vendors of electronic visit verification systems.

Section 12 amends **256B.073, subdivision 4 – Provider requirements**, by permitting a service provider to delay submitting electronic documentation of services provided in the service provider's own home if the service provider submits documentation at least weekly.

Section 13 amends **256B.0911, subdivision 12 - Exception to use of MnCHOICES assessment; contracted assessors**, by indefinitely permitting an exception to the use of the MnCHOICES assessment tool by contracted assessors for personal care assistance services, consumer support grants, community first services and supports, various case management services, semi-independent living services; and exempting contracted assessors and the non-MnCHOICES assessments from most statutory requirements.

Section 14 amends **256B.0911, subdivision 13 – MnCHOICES assessor qualifications, training, and certification**, by removing the requirements that registered nurses have at least 2-years of home and community-based services experience to become a certified MnCHOICES assessor.

Section 15 amends **256B.0911, subdivision 17 - MnCHOICES assessments**, by extending the required response to a request for an assessment from 20 calendar days to 20 working days.

Section 16 amends **256B.0911, subdivision 20 – MnCHOICES assessments; duration of validity**, by extending from 60 days to 365 days the validity of a completed MnCHOICES assessment and makes conforming changes.

Section 17 amends **256B.0911, subdivision 25 - Reassessments for Rule 185 case management and waiver services**, by permitting only if allowed by federal law an individual to make an informed choice to decline an annual reassessment if the person has had no significant change in function or need.

Section 18 amends **256B.0924, subdivision 3 – Eligibility**, by making a conforming change related to moving the existing definition of "related condition" to a new statutory location.

Section 19 amends **256B.49, subdivision 16 – Services and supports**, by eliminating from statute the language related to transitional supports, which continues to be included in the relevant federally-approved HCBS waiver plans.

Section 20 adds **256B.4911, subdivision 7 – Budget procedures**, which requires a lead agency to provide a consumer-directed community supports participant with details on how the participant’s individualized budget was calculated and information related to appealing the budget determination.

Section 21 adds **256B.4911, subdivision 8 – Consumer-directed community supports policy**, which specifies that the commissioner of human services is solely responsible for establishing policy and requirements related to consumer-directed community supports and county created policies, handbooks, or other guidance documents provided by counties have no authority.

Section 22 amends **256B.4914, subdivision 10d – Direct care staff; compensation**, by permitting certain technology costs attributable to remote supports to be included in the calculation of direct care staff compensation costs for the purposes of complying with the requirement that providers of residential services reimbursed under the disability waiver rate system use 66 percent of relevant revenue for direct care staff compensation.

Section 23 amends **256B.77, subdivision 7a – Eligible individuals**, by making a conforming change related to relocating the statutory placement of the definition of “related condition.”

Section 24 amends **270B.14, subdivision 1 – Disclosure to commissioner of human services**, by making a conforming change related to the repeal of certain parental fees by eliminating the authority of the commissioner of revenue to disclose income information with the commissioner of human services for the purposes of calculating parental fees.

Section 25 amends **447.42, subdivision 1 – Establishment**, by making a conforming change related to relocating the statutory placement of the definition of “related condition.”

Section 26 amends **Laws 2021, First Special Session chapter 7, article 13, section 68 – DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; DIRECT CARE SERVICES DURING SHORT-TERM ACUTE HOSPITAL VISITS**, by refining a previously enacted requirement that the commissioner of human services submit draft legislation to the legislature related to permitting the provision of certain direct care services in acute care settings, and requiring the draft legislation by January 2025.

Section 27 amends **Laws 2023, chapter 61, article 1, section 59, subdivision 2 – Eligibility**, by expanding the eligible recipients under the Provider Capacity Grants for Rural and Underserved Communities to include organizations conducting culturally specific outreach and education to existing providers who might more appropriately serve their clients under a different HCBS program or license.

Section 28 amends **Laws 2023, chapter 61, article 1, section 59, subdivision 3 – Allowable grant activities**, by expanding the permissible uses of grant funds under the Provider Capacity Grants for Rural and Underserved Communities to include conducting culturally specific outreach to existing providers who might more appropriately serve their clients under a different HCBS program or license.

Section 29 amends **Laws 2023, chapter 61, article 1, section 60, subdivision 1 – Definitions**, by modifying the definition of “new Americans” for the purposes of the New American Legal, Social Services, and Long-term care Workforce Grant Program.

Section 30 amends **Laws 2023, chapter 61, article 1, section 60, subdivision 2 – Grant program established**, by modifying the legal services that may be funded through the New American Legal, Social Services, and Long-term care Workforce Grant Program.

Section 31 amends **245A.03, subdivision 7 – Licensing moratorium, as amended by Laws 2024**, by authorizing the commissioner of human services until June 30, 2026, to approve exceptions to the moratorium on new licenses for community residential settings if the setting is currently licensed by the Minnesota Department of Health as a supervised living facility, but not designated as an ICF/DD and has a capacity of 6 or fewer residents.

Section 32 establishes the **ADVISORY TASK FORCE ON FAMILY RESIDENTIAL SERVICES**, to reconsider the family residential and life-sharing rates enacted in 2023 and due to become effective in 2026. The advisory task force must consider alternatives to the enacted but not yet effective rates and make recommendations to the legislature by March 15, 2025, and then monitor the implementation of the rates, whether the original 2023 version of the rates or any modifications to the rates enacted in 2025, and submit to the legislature by June 30, 2027 a report on the implementation of the rates on providers.

Section 33 permits establishment of **ASSISTIVE TECHNOLOGY LEAD AGENCY PARTNERSHIPS** between HCBS providers and lead agencies to assess the benefits of using assistive technology and permitting lead agencies to identify methods of authorizing assistive technology within 30 days of a request.

Section 34 directs the commissioner of human services to provide the legislature with **DIRECT SUPPORT SERVICE RATE CALCULATIONS** that would result from increasing specified direct support service rates by an amount equal to the incremental increase in the wage floor, incremental increase in benefits, and incremental increase in employer portions of taxes attributable to these incremental increases, that are included in the collective bargaining agreement between individual providers and the state.

Section 35 directs the commissioner of human services to submit waiver amendments to modify the **CONSUMER-DIRECTED COMMUNITY SUPPORTS** option to clarify that allowable goods and services need not be for the sole benefit of the participant, to clarify that CDCS funds can be used to support community integration and inclusion, and to clarify that CDCS participants may pay a rate in excess of the state plan rate for similar services if the participant has an assessed need that requires it.

Section 36 directs the commissioner of human services to submit **PREVOCATIONAL SERVICE WAIVER AMENDMENTS** to remove from the four disability waiver plans the durational limits on the provision of prevocational services.

Section 37 directs the commissioner of human services to draft legislation related to **REIMBURSEMENT FOR PERSONAL CARE ASSISTANTS AND COMMUNITY-FIRST SERVICES AND SUPPORTS WORKERS** that would permit support workers to be reimbursed for up to 8 hours of overtime per week, to be paid to provide overnight staffing in the same manner as waiver services and allow consecutive shifts of 80 hours.

Section 38 directs the commissioner to submit waiver amendments to permit **DISABILITY HOME AND COMMUNITY-BASED SERVICES REIMBURSEMENT IN ACUTE CARE HOSPITAL STAYS** for unit-based services that are designed to ensure a smooth transition to HCBS settings and preserve the person's functional abilities.

Section 39 directs the commissioner of human services to contract for a **DISABILITY SERVICES CONTINUOUS IMPROVEMENT STUDY**.

Section 40 creates **EMERGENCY RELIEF GRANTS FOR RURAL EIDBI PROVIDERS** to allow rural EIDBI providers who are not generating sufficient revenue to cover the provider's operating expenses to apply for funding to preserve access to the services in the providers area.

Section 41 establishes the **LEGISLATIVE TASK FORCE ON GUARDIANSHIP** to make recommendations by January 2027, to address concerns and gaps related to guardianship and less restrictive alternatives to guardianship, including increasing the number of available guardians, increasing compensation to guardians, establishing licensure or certification of guardians,

Section 42 creates **OWN HOME SERVICES PROVIDER CAPACITY-BUILDING GRANTS** to incentivize chapter 245D-licensed HCBS providers to support individuals moving out of congregate living settings and into the individuals' own homes.

Section 43 establishes a **PEDIATRIC HOSPITAL-TO-HOME TRANSITION PILOT PROGRAM** to develop and implement strategies to expedite the discharge of pediatric patients from children's hospitals to their own homes with funding for the associated administrative, training and auxiliary services.

Section 44 permits state-only funds to be used for **PERSONAL CARE ASSISTANCE COMPENSATION FOR SERVICES PROVIDED BY A PARENT OR SPOUSE** provided between October 1, 2024 and the full implementation of Community First Services and Supports.

Section 45 directs the commissioner of human services to increase the **TRANSITIONAL SUPPORTS ALLOWANCE** available under the four disability waivers from \$3,000 to \$4,000.

Section 46 directs the commissioner of human services to develop a **TRIBAL VULNERABLE ADULT AND DEVELOPMENTAL DISABILITY TARGETED CASE MANAGEMENT MEDICAL ASSISTANCE BENEFIT**.

Section 47 is a **REPEALER**. Paragraphs (a) and (c) repeal the language related to parental fees for certain residential mental health services for children and certain residential disability services for children. Paragraph (b) repeals statutory language related to the transitional supports allowance, but the allowance continues to be included in the federally approved HCBS disability waivers.

## **ARTICLE 2 - AGING SERVICES**

Section 1 adds **144G.195 – FACILITY RELOCATION**, which permits a licensed assisted living facility with ten or fewer residents to relocate to a new location without obtaining a new license provided the commissioner of health approves the relocation, the commissioner of labor and industry issues a certificate of occupancy, and the provider adheres to the planned relocation requirements of chapter 144G, and requires a provider of customized living under the brain injury or community access for disability inclusion to inform the commissioner of human services of the proposed relocation.

Section 2 amends **144G.41, subdivision 1 – Minimum Requirements**, by making technical changes by deleting language that is moved to two new subdivisions.



Section 3 adds **144G.41, subdivision 1a – Minimum requirements; required food services**, which recreates half of the language deleted from subdivision 1 and in paragraph (b) creates limited exceptions to the food code for small assisted living facilities.

Section 4 adds **144G.41, subdivision 1b – Minimum requirements; other required services**, which recreates the other half of the language deleted from subdivision 1.

Section 5 amends **144G.63, subdivision 1 – Orientation of staff and supervisors**, by allowing staff to move to another assisted living facility owned or managed by the same entity as the previous facility without repeating certain training and orientation requirements, provided the staff person receives supplementary training related to the specific facility and license-type.

Section 6 amends **144G.63, subdivision 4 - Training required relating to dementia, mental illness, and de-escalation**, by requiring supervisors and direct care staff to demonstrate understanding of the required training on mental health and de-escalation techniques.

Section 7 adds **144G.65 – TRAINING IN MENTAL ILLNESS AND DE-ESCALATION**, which specifies the required amount, frequency, and content of training in mental health and de-escalation techniques all supervisors, direct care staff, and all other employees of assisted living facilities must complete.

Section 8 amends **256.9756, subdivision 1 – Caregiver respite service grant program established**, by removing from the state purposes of the caregiver respite service grants available under this section providing respite services to the caregivers of older adults.

Section 9 amends **256.9756, subdivision 2 – Eligible uses**, by removing from the eligible uses grants available under this section providing respite services to caregivers of older adults.

Section 10 amends **256B.0913, subdivision 5 – Services covered under alternative care**, by adding transitional services to the available services under the alternative care program for older adults.

Section 11 amends **256B.0913, subdivision 5a - Services; service definitions; service standards**, by removing the explicit exclusion of transitional services from the services available under the alternative care program.

Section 12 adds **256B.434, subdivision 4k – Property rate increase for certain facilities**, which increases the property rate for certain nursing facilities that have completed capital improvement projects in recent years but prior to the effective date of recently enacted changes to property rates.

Section 13 adds **256B.49, subdivision 28a – Limited exemption from customized living setting moratorium and age limitations**, which exempts settings that have received approval from the commissioner of health to relocate the licensed assisted living facility in which customized living under the BI or CADI waiver and these services are provided from the customized living moratorium and which deems the new setting to be a tier 1 setting for the purposes of applying the tiered standards for new customized living settings.

Section 14 adds **256R.53, subdivision 4 – Nursing facility in Minnetonka**, which provides a facility specific property rate increase for a facility in Minnetonka using funds from the statutorily appropriated nursing facility moratorium exception funding available under section 144A.073.

Section 15 adds **256S.191 ELDERLY WAIVER BUDGET AND RATE EXCEPTIONS; HIGH-NEED PARTICIPANTS**, which establishes effective January 1, 2026, a process for

requesting elderly waiver budget exceptions and elderly waiver rate exceptions for individuals awaiting discharge from a hospital whose needs cannot be adequately met in the community without additional resources.

Section 16 amends **256S.205, subdivision 5 – Rate adjustment; rate floor**, by reducing the existing rate floor for customized living services provided in certain settings with a high proportion of residents on public programs from approximately \$192 per day to \$145 per day and removes both any future automatic increases in the rate floor and the sunset of the rate floor.

Section 17 directs the commissioner of human services to conduct a **HOME AND COMMUNITY-BASED SERVICES SYSTEM REFORM ANALYSIS** and submit to the legislature by December 31, 2025, recommendations to reform the home and community-based services system to better service older adults with high support needs.

### **ARTICLE 3 - SUBSTANCE USE DISORDER SERVICES**

Section 1 amends **256.042, subdivision 2 - Membership**, by adding the director of the Office of Addiction and Recovery as an ex-officio member of the Opiate Epidemic Response Advisory Council.

Section 2 amends **256.043, subdivision 3, - Appropriations from registration and license fee account**, by (1) expanding the permissible uses of the so-called child protection distributions to counties and tribes to include substance use prevention services to families affected by addiction and (2) modifying the data set used to make allocations among the counties and tribes to smooth out the year over year fluctuations in amounts allocated to each county or tribe.

Section 3 establishes an **ELECTRONIC VISIT VERIFICATION IMPLEMENTATION GRANT** program to provide funding to licensed home care providers to defray a portion of the costs attributable to complying with the electronic visit verification requirements.

### **ARTICLE 4 – PRIORITY ADMISSIONS AND CIVIL COMMITMENT**

Section 1 amends **253B.10, subdivision 1 – Administrative requirements**, by establishing a priority admissions framework for patients being admitted to direct care and treatment programs from jails or correctional facilities. The framework requires physicians in the executive medical director’s office to consider the length of time an individual has been waiting for admission, the intensity of treatment of person requires, the person’s provision discharge status, the safety of others, access to treatment, and the effect on the referring facility of continued delay in admission.

Section 2 amends **246.0135 – OPERATIONS OF REGIONAL TREATMENT CENTERS**, by prohibiting direct care and treatment from closing the CARE facility in Carlton or modifying the population serviced by the program.

Section 3 directs the commissioner of human services to provide **REIMBURSEMENT TO BELTRAMI COUNTY AND TODD COUNTY FOR CERTAIN COST OF CARE PAYMENTS** by either direct reimbursement or forgiveness of debt for the cost of care of

individuals in AMRTC or a CBHH who are awaiting discharge to another state-operated facility or program.

Section 4 establishes an **ENGAGEMENT SERVICES PILOT PROJECT** in Otter Tail County to evaluate the impact of engagement services in decreasing civil commitments, increasing engagement in treatment for mental health disorders, and reducing police involvement.

Section 5 requires the commissioner of human services to implement a **HOSPITAL ADMISSION EXCEPTION TO CURRENT PRIORITY ADMISSION** and admit to a direct care and treatment program 10 patients awaiting admissions in a community hospital.

Section 6 establishes a **MENTALLY ILL AND DANGEROUS CIVIL COMMITMENT REFORM TASK FORCE** to evaluate current statutes related to mentally ill and dangerous civil commitments and other state approaches to civil commitment and by August 1, 2025, make recommendations to the legislature recommendations to modify existing statutes, and to optimize the use of state-operated mental health resources to increase equitable access and outcomes for patients.

Section 7 establishes a **PRIORITY ADMISSIONS REVIEW PANEL** to continue the work of the Priority Admissions Taskforce by evaluating the 48-hour rule and by December 31, 2024, developing policy and legislative proposals to eliminate the 48-hour rule and replace it with a prioritization framework based on medical need and to expand capacity within direct care and treatment programs. The panel must also monitor implementation of the new priority admissions framework.

## **ARTICLE 5 – DIRECT CARE AND TREATMENT**

Section 1 (**10.65, subd. 2**) adds DCT to the definition of “agency” for the purposes of the statutes governing government to government consultation with tribes.

Section 2 (**13.46, subd. 1**) makes a technical change.

Section 3 (**13.46, subd. 2**) adds DCT to the statute that permits disclosure of private data on individuals between DHS, DCT, DEED and DOE for specified purposes.

Section 4 (**13.46, subd. 10**) specifies that the responsible authority for DCT, for purposes of the government data practices act, is the chief executive officer of DCT.

Section 5 (**15.01**) strikes language added last session in chapter 61 that is not needed since Direct Care and Treatment will not be a state department with a commissioner, but an agency headed by a board.

Section 6 (**15.06, subd. 1**) strikes language added last session in chapter 61 that is not needed since Direct Care and Treatment will not be a state department with a commissioner, but an agency headed by a board.

Section 7 (**15A.0815, subdivision 2**) requires the salary of the CEO of DCT to be set by the Compensation Council.

Section 8 (**15A.082, subdivision 1**) requires the Compensation Council to determine the daily compensation for members of the DCT executive board.



Section 9 (**15A.082, subdivision 3**) establishes the required timelines for the Compensation Council to establish the daily compensation for members of the DCT executive board.

Section 10 (**15A.082, subdivision 7**) prohibits ex parte communications between members of the DCT executive board and members of the compensation council between the dates of the first meeting of the compensation committee and the date a recommendation concerning the daily compensation of executive board members is made.

Section 11 (**43A.08, subd. 1**) removes explicit mention of the chief executive officer in DCT in the list of unclassified positions because the CEO will be appointed by the Governor under the proposal in this bill.

Section 12 (**43A.08, subd. 1a**) is a technical change adding DCT to this section, authorizing the executive board to designate unclassified positions.

Section 13 (**145.61, subd. 5**) adds DCT to the definition of a “review organization” for purposes of providing certain protections to peer review participants gathering and reviewing information relating to the care and treatment of patients.

Section 14 (**246.018, subd. 3**) requires the executive medical director of DCT to consult the chief executive officer regarding state operated programs and strikes obsolete language.

Section 15 (**246.13, subd. 2**) specifies the purpose of existing authority for the executive board to access medical and criminal histories of patients and makes technical changes.

Section 16 (**246.234**) makes grammatical changes.

Section 17 (**246.36**) makes a conforming change and grammatical changes.

Section 18 (**246C.01**) technical change.

Section 19 (**246C.02**) clarifies that DCT is an agency headed by an executive board and reorganizes language from subdivision 2 into subdivision 3.

Section 20 (**246C.04**) specifies that the commissioner of human services shall continue to exercise all statutory authorities and responsibilities for DCT until July 1, 2025, instead of January 1, 2025. (This language was enacted last session in Chapter 61 and is currently contained in section 246C.03 which is being repealed.) This section also eliminates the 2023 language guaranteeing the salary of the CEO remains the same following separation.

Section 21 (**246C.05**) makes conforming and technical changes and modifies the 2023 language guaranteeing that no transferred employee will have the employee’s employment or job classification altered following separation by excluding the CEO from this protection.

Section 22 (**246C.07**) establishes the powers and duties of the executive board.

**Subd. 1** specifies that the executive board must operate according to chapter 246C and applicable state and federal law, and that the overall management and control of the agency is vested in the board. This subdivision also specifies that the chief executive officer is responsible for the administrative and operational duties of the agency. It also authorizes the board to delegate any statutory duty or power as it deems appropriate to any employee other than the chief executive officer of DCT as long as the delegation is made by written order and the order is filed with the secretary of state.

**Subd. 2** specifies the overall principles that the executive board must follow in undertaking its duties and responsibilities of the agency.

**Subd. 3** specifies that the executive board has the power to:

- 1) Set the overall strategic direction for DCT;
- 2) Establish the policies and procedures to govern DCT;
- 3) Employ personnel and delegate duties and responsibilities as deemed appropriate;
- 4) Review and approve the operating budget for DCT;
- 5) Accept gifts, grants, or contributions from any nonstate sources or not accept if not in the best interest of the state;
- 6) Deposit all money received and gifts, grants, or contributions as required under chapter 246C;
- 7) Expend or use any gift, grant, or contribution in a manner compatible with both the intent of the contribution and the best interests of those served by DCT programs;
- 8) Comply with all conditions and requirements necessary to receive federal aid or block grants with respect to the establishment, construction, maintenance, equipment, or operation of DCT facilities, programs and services;
- 9) Enter into information sharing agreements with federal and state agencies;
- 10) Enter into interagency or service level agreements with a state department, state agency, or the Department of Information Technology Services;
- 11) Enter into contractual agreements with federally recognized Indian tribes;
- 12) Enter into contracts with public and private agencies, organizations, and individuals;
- 13) Establish and maintain administrative units necessary for the performance of the administrative functions of DCT;
- 14) Authorize the method of payment to and from DCT;
- 15) Inform Tribal nations and county agencies of changes in statutes, rule, federal law, regulation, and policy necessary for counties to administer direct care and treatment programs and services;
- 16) Report to the legislature on the performance of DCT;
- 17) Recommend to the legislature appropriate changes in law necessary to carry out the principles and improve performance of DCT; and
- 18) Exercise all powers reasonably necessary to implement and administer the requirements of chapter 246C and applicable state and federal laws.

**Subd. 4** authorizes the board to establish by-laws.

**Subd. 5** authorizes the board to enter into reciprocal agreements with other states regarding the mutual exchange, return, and transportation of persons with a mental illness or a developmental disability. (Current law)

**Subd. 6** authorizes the board to accept uncompensated and voluntary services and to enter into contracts or agreements for these services. (Current law)

Section 23 (**246C.08**) establishes the position of chief executive officer.

**Subd. 1** requires the governor to appoint the chief executive officer to DCT with the advice and consent of the Senate. It also specifies that the chief executive officer shall serve at the pleasure of the governor.

**Subd. 2** specifies that the chief executive officer serves as the chair of the executive board and is responsible for the administrative and operational management of the agency. It also specifies that the chief executive officer has all the powers and duties of the board unless the board directs otherwise and has the authority to speak for the board within the agency and outside the agency. It also specifies that if a vacancy occurs within the chief executive officer position for any reason the executive medical officer of DCT shall immediately become the temporary chief executive officer until the governor appoints a new chief executive officer. And that during that period the executive medical officer shall have all the powers and authority delegated to the chief executive officer.

Section 24 (**246C.091**) establishes the following Direct Care and Treatment accounts in the special revenue fund of the state treasury: gifts, grants, and contributions account; facilities management account; systems account; and cemetery maintenance account.

Section 25 to section 29 (**256.88 – 256.92**) provides DCT access to the social welfare fund that is established for the purpose of holding funds in trust for persons who have a developmental disability, a mental health disorder, or substance use disorder, or other wards or beneficiaries.

Section 30 to section 33 are technical, conforming the effective dates with the extension of the date that authority for DCT transfer from DHS to DCT.

Section 34 (**246C.015 – Definitions**) makes technical changes.

Section 35 (**246C.06 – EXECUTIVE BOARD; MEMBERSHIP; GOVERNANCE**) creates the executive board and specifies its membership and governance.

**Subd. 1** establishes the executive board.

**Subd. 2** expands the board membership to ten members, eight voting members, including the chief executive officer and the commissioner of human services, and two non-voting members. It also specifies that six of the voting members, other than the CEO and the commissioner of human services, are appointed by the governor with advice and consent of the senate and the qualifications for membership of these six members. It also specifies that there will be two non-voting members, one member appointed by the association of counties, and one member appointed by joint representatives of the labor unions that represent staff at DCT facilities.

**Subd. 3** specifies that section 15.0575 covers the terms, compensation, removal, and filling of vacancies for the executive board, unless otherwise provided.

**Subd. 4** states that the compensation of the board members shall be determined by the compensation council, plus expenses. This does not include the commissioner of human services or the chief executive officer.

**Subd. 5** requires the chief executive officer to serve as chair of the executive board and authorizes the board to elect other officers.

**Subd. 6** specifies the term limits of the members and the terms of the initial members.

**Subd. 7** requires members to recuse themselves from discussion of and voting on any official matter if the member has a conflict of interest.

**Subd. 8** requires the board to meet at least four times per fiscal year at a time and place specified by the board.

**Subd. 9** specifies that a majority of voting members constitutes a quorum.

**Subd. 10** provides immunity to the members of the board from civil liability for any act or omission occurring within the scope of performing their duties and states that for purposes of indemnity the members are employees of the state.

**Subd. 11** gives the board rulemaking authority to implement chapter 246C and any responsibilities of DCT specified in law. Authorizes the board to use the expedited rulemaking process until July 1, 2030. Clarifies that any rule, order, delegation, permits, or other privileges issued by the commissioner of human services with respect to DCT and in effect at the time of the establishment of DCT shall continue in effect.

Section 36 (**246C.10 – FORENSIC SERVICES**) makes technical and conforming changes.

Section 37 makes a technical correction to **Laws 2024, chapter 79, article 1, section 25, subdivision 3**.

Section 38 amends the **REVISOR INSTRUCTION** from Laws 2024, chapter 79, the recodification of DCT statutes to make technical and conforming changes.

Section 39 amends the **EFFECTIVE DATE** of Laws 2024, chapter 79, the recodification of DCT statutes to make the entire recodification bill (but not this bill) effective July 1, 2024.

Section 40 [**INITIAL APPOINTMENTS OF THE DIRECT CARE AND TREATMENT EXECUTIVE BOARD AND CHIEF EXECUTIVE OFFICER**]

**Subd. 1** requires the initial appointment of the Direct Care and Treatment executive board to be made by January 1, 2025, and sets an initial daily compensation rate for board members until the compensation council sets a permanent compensation rate. This subdivision also exempts the board from the open meeting law until the authority and responsibilities for DCT are transferred to the board.

**Subd. 2** specifies that the chief executive officer of the direct care and treatment division of the Department of Human Services shall hold the position of chief executive officer of Direct Care and Treatment until the governor makes an initial appointment.

**Subd. 3** requires the commissioner of human services to consult with the executive board when the commissioner prepares the budget estimates for the next fiscal biennium or any proposed legislative changes that involve DCT. If the board has not been appointed, the commissioner is required to provide the board with a summary of any budget estimate or proposal submitted for DCT.

Section 40 is a **REVISOR INSTRUCTION**.

Section 41 is a **REVISOR INSTRUCTION**.

Section 42 is a **REVISOR INSTRUCTION**.

Section 43 is a **REPEALER** that repeals sections 246.41 and 246C.03 since they are no longer needed and other sections where the language is incorporated into chapter 246C.

## **ARTICLE 6 – MISCELLANEOUS**

Section 1 adds **246.0142 – FREE COMMUNICATION SERVICES FOR CONFINED PERSONS**, which requires DCT treatment facilities to provide patients and clients with free communication services, including voice, video, and electronic communication, provided the

patient's or client's right to communication is not otherwise limited, and requires reporting to the commissioner of corrections regarding communication services.

Section 2 establishes a **PLANNING COMMUNITY CARE HUB GRANT** to develop and design a community care hub model that serves as a centralized administrative and operational interface between health care institutions and community-based organizations to provide culturally informed services to address health-related social needs and community-informed health promotion programs.

Section 3 **256.043, subdivision 3, - Appropriations from registration and license fee account**, by

## **ARTICLE 7 – TECHNICAL CORRECTIONS**

Section 1 amends **256R.55, subdivision 6 - Carryforward**, by clarifying that the appropriation for the financially distressed nursing facility loan program is available until June 30, 2029.

Section 2 amends **Laws 2023, chapter 61, article 1, section 67, subdivision 3 – evaluation and report**, by extending by one year the due date of a required evaluation of the direct care service corps pilot project.

Section 3 amends **Laws 2023, chapter 61, article 4, section 11, the effective date**, by modifying the effective date of the new rate methodology for substance use disorder treatment services with medication for opioid use disorders.

## **ARTICLE 8 - APPROPRIATIONS**

Article 8 contains appropriations and riders for the department of human services, the department of health, and the council on disability, as well as amendments to various 2023 riders.