



S.F. No. 2669 – Health & Human Services Omnibus Bill (2nd Engrossment)

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ARTICLE 1 DEPARTMENT OF HEALTH FINANCE

Section 1 (amends Minn. Stat. § 62D.21; Fees) Existing law provides that the commissioner of health may prescribe filing fees for health maintenance organizations. This section removes that authority and instead establishes the fee amounts in statute. As a result, the fee amount for certificate of authority application filings would increase from \$3,000 to \$10,000.

Section 2 (amends Minn. Stat. § 62D.211; Renewal Fee) This section increases the fee amount for a health maintenance organization’s annual certificate of authority renewal filing from \$10,000 (plus \$.20 per enrollee) to \$30,000 (plus \$.88 per enrollee).

Section 3 (adds Minn. Stat. § 62J.8241; Facility Fees Prohibited)

Subdivision 1. Definitions. This subdivision defines key terms, including “facility fee,” “health care provider,” and “provider-based clinic.” A “facility fee” is a separate charge (in addition to a professional fee) that covers building, administrative, and operational expenses. “Provider-based clinic” refers to certain off-campus clinics or offices owned by a hospital or health system, located at least 250 yards from the main hospital buildings (or as determined by the Centers for Medicare and Medicaid Services), and primarily engaged in providing diagnostic and therapeutic care. Notably, critical access hospitals are excluded from the definition of “health care provider.”

Subdivision 2. Provider-based clinic prohibition. This subdivision prohibits health care providers from charging, billing, or collecting a facility fee for nonemergency services delivered at a provider-based clinic, including services delivered via telehealth.

Subdivision 3. Service-specific prohibition. This subdivision prohibits health care providers from charging, billing, or collecting a facility fee for outpatient evaluation and management services. Services provided at emergency departments located on a hospital campus are excluded from the requirement of this subdivision, as are observation stays on a hospital campus and outpatient services for wound care, orthopedics, anticoagulation, oncology, obstetrics, and solid organ transplant.

Subdivision 4. Reporting. This subdivision requires hospitals and health systems operating one or more hospitals to submit an annual report to the commissioner of health on any facility fees charged, billed, or collected during the previous year. The first reporting date is January 15, 2027. This subdivision specifies the content of the report, including the number of patient visits per facility, the total amount and range of facility fees paid by different payers, and the top procedures that generate the highest facility fee revenue. The commissioner must publish this information on a publicly accessible website.

Subdivision 5. Enforcement. This subdivision provides that violations of this section constitute an unlawful business practice subject to the remedies and enforcement authority granted to the attorney general under Minnesota Statutes, section 8.31. It grants additional enforcement authority to the commissioner of health to impose penalties, and authorizes the commissioner to impose administrative fines for each occurrence of noncompliance. This subdivision further requires providers to maintain pertinent documentation for four years, which documents are subject to an audit by the commissioner.

Section 4 (amends Minn. Stat. § 103I.101, subdivision 6; Fees for variances) This section modifies an application fee for processing a request for a variance or modification of rules related to wells and borings.

Section 5 (amends Minn. Stat. § 103I.208, subdivision 1; Well notification fee) This section modifies fees related to wells.

Section 6 (amends Minn. Stat. § 103I.208, subdivision 1a; State core function fee) This section modifies state core function fees related to wells.

Section 7 (amends Minn. Stat. § 103I.208, subdivision 2; Permit fee) This section modifies permit fees related to wells.

Section 8 (amends Minn. Stat. § 103I.235, subdivision 1; Disclosure of wells to buyer) This section modifies fees related to well disclosure certificates.

Section 9 (amends Minn. Stat. § 103I.525, subdivision 5; Certification fee) This section modifies fees related to certification as a representative of a well contractor.

Section 10 (amends Minn. Stat. § 103I.525, subdivision 6; License fee) This section modifies the fee for a well contractor's license.

Section 11 (amends Minn. Stat. § 103I.525, subdivision 8; Renewal) This section modifies the renewal application fee for a well contractor's license.

Section 12 (amends Minn. Stat. § 103I.531, subdivision 2; Certification fee) This section modifies fees for limited well/boring contractors.

Section 13 (amends Minn. Stat. § 103I.531, subdivision 6; License fee) This section modifies fees for well/boring contractor licenses.

Section 14 (amends Minn. Stat. § 103I.531, subdivision 8; Renewal) This section modifies renewal application fees for a limited well/boring contractor license.

Section 15 (amends Minn. Stat. § 103I.535, subdivision 2; Certification fee) This section modifies fees for certification as a representative of an elevator boring contractor.

Section 16 (amends Minn. Stat. § 103I.535, subdivision 6; License fee) This section modifies fees for an elevator boring contractor license.

Section 17 (amends Minn. Stat. § 103I.535, subdivision 8; Renewal) This section modifies the renewal application fee for an elevator boring contractor license.

Section 18 (amends Minn. Stat. § 103I.541, subdivision 2b; Issuance of license) This section modifies fees for well contractor licenses.

Section 19 (amends Minn. Stat. § 103I.541, subdivision 2c; Certification fee) This section modifies fees for certification as a representative of an environmental well contractor.

Section 20 (amends Minn. Stat. § 103I.541, subdivision 4; License renewal) This section modifies the renewal application fee for an environmental well contractor license.

Section 21 (amends Minn. Stat. § 103I.545, subdivision 1; Drilling machine) This section modifies the registration fee for drilling machines such as a cable tool, rotary tool, hollow rod tool, or auger when the drilling activity requires a license under chapter 103I.

Section 22 (amends Minn. Stat. § 103I.545, subdivision 2; Hoist) This section modifies the registration fee for a machine such as a hoist to repair wells or borings, seal wells or borings, or install pumps.

Section 23 (amends Minn. Stat. § 103I.601, subdivision 2; License required to make borings) This section modifies fees related to an explorer's license.

Section 24 (amends Minn. Stat. § 103I.601, subdivision 4; Notification and map of borings) This section modifies a fee related to submitting a proposed boring map, and adds that the fee applies to each boring constructed.

Section 25 (adds Minn. Stat. § 144.121; Dementia services program established) This section requires the commissioner of health to establish a dementia services program. This section also provides the specific objectives of the dementia services program, including:

- (1) increasing public awareness and education of dementia by supporting existing state-funded policies and programs;
- (2) supporting implementation of and updates to the Alzheimer's Disease State Plan;
- (3) collecting and analyzing data on the impact of Alzheimer's disease; and
- (4) enhancing existing Minnesota Department of Health programs related to dementia and Alzheimer's disease by incorporating strategies for early detection and reducing risk of developing the diseases.

Sections 26 (amends Minn. Stat. § 144.1205, subdivision 2; Initial and annual fee) This section modifies annual license fees for several items related to radioactive materials or special nuclear material.

Section 27 (amends Minn. Stat. § 144.1205, subdivision 4; Initial and renewal application fee) This section modifies initial and renewal application fees for several items related to radioactive materials or special nuclear material.

Section 28 (amends Minn. Stat. § 144.1205, subdivision 8; Reciprocity fee) This section modifies the application fee for reciprocal recognition of certain radioactive materials or special nuclear materials.

Section 29 (amends Minn. Stat. § 144.1205, subdivision 9; Fee for license amendments) This section modifies the fee to amend a license related to radioactive materials or special nuclear materials.

Section 30 (amends Minn. Stat. § 144.1205, subdivision 10; Fees for general license registrations) This section modifies the annual registration fee for certain generally licensed devices.

Section 31 (amends Minn. Stat. § 144.121, subdivision 1a; Fees for ionizing radiation-producing equipment) This section modifies fees for equipment related to x-ray machines and other sources of ionizing radiation.

Section 32 (adds Minn. Stat. § 144.121, subdivision 1e; Fee for service provider of ionizing radiation-producing equipment) This section provides an initial or annual renewal fee for a service provider of ionizing radiation-producing equipment and other sources of ionizing radiation.

Section 33 (amends Minn. Stat. § 144.121, subdivision 2; Inspections) This section amends safety inspection requirements of x-ray equipment and other sources of ionizing radiation.

Section 34 (amends Minn. Stat. § 144.121, subdivision 5; Examinations for individual operating x-ray systems) This section makes a conforming change.

Section 35 (adds Minn. Stat. § 144.121, subdivision 10; Service provider practice; service technician) This section provides the duties of a service technician servicing ionizing radiation-producing equipment and other sources of ionizing radiation.

Section 36 (adds Minn. Stat. § 144.121, subdivision 11; Service provider practice; vendor) This section describes a service provider who provides vendor services related to ionizing radiation-producing equipment and other sources of ionizing radiation. This section also requires a service technician to register with the commissioner of health and to pay a fee.

Section 37 (adds Minn. Stat. § 144.121, subdivision 12; Service provider practice; qualified medical physicist) This section describes the qualifications and registration requirements of a medical physicist.

Section 38 (adds Minn. Stat. § 144.121, subdivision 13; Service provider practice; qualified expert) This section describes the qualifications and registration requirements of a qualified physics service expert.

Section 39 (adds Minn. Stat. § 144.121, subdivision 14; Service provider practice; physicist assistant) This section describes the role and qualifications of a physicist assistant in the area of x-ray machines and other sources of ionizing radiation.

Section 40 (adds Minn. Stat. § 144.121, subdivision 15; Service provider compliance) This section requires a service provider to comply with application requirements and submit a fee.

Section 41 (adds Minn. Stat. § 144.1215, subdivision 5; Rulemaking authority) This section requires the commissioner to adopt rules related to authorization to use handheld dental x-ray equipment.

Section 42 (amends Minn. Stat. § 144.1222, subdivision 1a; Fees) This section modifies fees related to public pools and spas.

Section 43 (adds Minn. Stat. § 144.1223; Registered sanitarians and registered environmental health specialist application fees) This section establishes initial and renewal application fees for registered sanitarians and registered environmental health specialists.

Section 44 (amends Minn. Stat. § 144.125, subdivision 2; Determination of tests to be administered) This section requires the commissioner of health to add metachromatic leukodystrophy to the list of tests to be administered as part of the newborn screening program for determining the presence of a heritable or congenital disorder.

Section 45 (amends Minn. Stat. § 144.3831, subdivision 1; Fee setting) This section modifies the annual fee for a service connection to a public water supply.

Section 46 (amends Minn. Stat. § 144.554; License fee) This section modifies the annual license fee for outpatient surgical centers.

Section 47 (amends Minn. Stat. § 144.554; Health facilities construction plan submittal and fees) This section modifies fees related to the review and approval of construction plans for health facilities. This section also adds assisted living facilities to the types of facilities to which the plan submission and fee requirements apply.

Section 48 (amends Minn. Stat. § 144.562, subdivision 2; Eligibility for license condition) This section exempts a critical access hospital described in section 144.5621 (relating to swing bed approval; exceptions) from the limit on the total number of days of hospital swing bed use per year currently in law. This section also deletes obsolete language.

Section 49 (amends Minn. Stat. § 144.562, subdivision 3; Approval of license condition) This section exempts a critical access hospital described in section 144.5621 (relating to swing bed approval; exceptions) from current limits on swing bed use, specifically that: 1) the stay of a patient receiving services in a swing bed must not exceed 40 days; and 2) admission to a swing bed is limited to patients who have been hospitalized and not discharged from the facility or patients who have been transferred directly from an acute care hospital.

Section 50 (adds Minn. Stat. § 144.5621; Swing bed approval; exceptions) This section exempts any critical access hospital with an attached nursing home located in Cook County from certain limitations on hospital swing bed use.

Section 51 (amends Minn. Stat. § 144.563; Nursing services provided in a hospital; prohibited practices) This section adds that a hospital licensed under section 144.5621 (relating to swing bed approval; exceptions) is limited in the duration of time it may provide certain nursing services.

Section 52 (amends Minn. Stat. § 144E.35; Reimbursement to ambulance services for education costs) This section expands reimbursement to licensed ambulance services for the necessary expenses of certain ambulance attendants' initial emergency medical responder (EMR) and emergency medical technician (EMT) education, as well as EMR and EMT continuing education costs. This section also sets limits on reimbursements to ambulance services for education costs, which may include tuition, transportation, food, lodging, hourly payment for time spent in an education course, and other necessary expenditures.

Section 53 (adds Minn. Stat. § 144E.38; Ambulance service training and staffing grant program) This section requires the director of the Office of Emergency Medical Services to establish a program to award grants to ambulance services for certain costs to train ambulance service employees as emergency medical technicians who would then staff the ambulance service. Under this section, in order to be eligible for a grant, an ambulance service must collect and report certain prehospital care data to each municipality within the ambulance service's primary service area.

Section 54 (amends Minn. Stat. § 144G.45, subdivision 6; New construction; plans) This section requires a licensee of an assisted living facility to submit construction plans and fees to the commissioner of health as provided in section 144.554 (relating to health facilities construction plan submittal and fees) for new construction beginning on or after July 1, 2025.

Section 55 (adds Minn. Stat. § 145.9231; Epilepsy and related seizure disorders; data collection and state coordination plan) This section requires the commissioner of health to collect certain data on epilepsy and related seizure disorders. This section also requires the commissioner to analyze the data in order to develop strategies to advance statewide coordination of resources to support people living with or at risk of developing epilepsy or related seizure disorders.

Section 56 (amends Minn. Stat. § 157.16, subdivision 2; License renewal) This section modifies penalty and late fee amounts for operators of food and beverage service establishments, youth camps, hotels, motels, lodging establishments, public pools, and resorts who operate without a license.

Section 57 (amends Minn. Stat. § 157.16, subdivision 2a; Food manager certification) This section modifies application fees for certification or certification renewal of food managers, and adds a technology fee to each certification application.

Section 58 (amends Minn. Stat. § 157.16, subdivision 3; Establishment fees; definitions) This section modifies license fees for food and beverage service establishments, youth camps, hotels, motels, lodging establishments, public pools, and resorts.

Section 59 (amends Minn. Stat. § 157.16, subdivision 3a; Statewide hospitality fee) This section modifies the annual statewide hospitality fee for licensed food and beverage service establishments.

Section 60 (adds Minn. Stat. § 157.16, subdivision 3b; Technology fee) This section adds a technology fee for each licensed activity for every food and beverage service establishment, youth camp, hotel, motel, lodging establishment, public pool, and resort.

Section 61 (amends Minn. Stat. § 256B.0625, subdivision 2; Skilled and intermediate nursing care) This section deletes language in current law providing when medical assistance may be used to pay the cost of nursing care provided to a patient in a hospital swing bed. This deleted language is reorganized and replicated in the new section 256B.0625, subdivision 2b.

Section 62 (adds Minn. Stat. § 256B.0625, subdivision 2b; Nursing care provided to a patient in a swing bed) This section provides that medical assistance may be used to pay the cost of nursing care provided to patient in a swing bed. This section also exempts a facility licensed under section 144.5621 (relating to swing bed approval; exceptions) from certain limits on medical assistance coverage, and provides that for such a facility, medical assistance covers an unlimited number of days of nursing care provided to a patient in a swing bed.

Section 63 (adds Minn. Stat. § 256R.01, subdivision 1a; Payment rates for nursing care provided to a patient in a swing bed) This section references section 256B.0625, subdivision 2b (relating to nursing care provided to a patient in a swing bed) as governing payment rates for any hospital for nursing care provided to a patient in a swing bed.

Section 64 (amends Minn. Stat. § 326.72, subdivision 1; When license required) This section requires a person performing asbestos-related work directly or through subcontracting to be

licensed. This section also exempts from the licensure and fee requirements a domiciled owner of a single-family residence conducting asbestos-related work in the domiciled residence.

Section 65 (amends Minn. Stat. § 326.75, subdivision 3; Permit fee) This section modifies the project permit fee for asbestos-related work.

Section 66 (amends Minn. Stat. § 326.75, subdivision 3a; Asbestos-related training course permit fee) This section establishes fees applicable to asbestos-related training courses.

Section 67 (amends Minn. Stat. § 327.15, subdivision 3; Fees, manufactured home parts and recreational camping areas) This section modifies fees related to manufactured home parks and recreational camping areas.

Section 68 (amends Minn. Stat. § 327.15, subdivision 4; Fees, special event recreational camping areas) This section modifies fees related to special event recreational camping areas.

Section 69 (adds Minn. Stat. § 327.15, subdivision 5; Technology fee) This section establishes a technology fee for manufactured home parks, recreational camping areas, and special event camping areas.

Section 70 (uncodified; Spoken language health care interpreter work group) This section establishes a spoken language health care interpreter work group charged with compiling recommendations to support and improve access to health care interpreting services statewide. The specific duties of the work group include recommending updating requirements for registered and certified interpreters, standards of training, competency, and testing; addressing barriers for interpreters to gain access to the interpreter roster; identifying gaps in interpreter services in rural areas; and providing relevant training, certification and continuing education programs. This section also requires reporting on work group recommendations to improve and support access to health care interpreting services statewide by November 1, 2026.

Section 71 (uncodified; African American-focused homeplace grant program) This section requires the commissioner of health to establish a grant program related to the African American-focused Homeplace in Hennepin County program. This section also requires reporting.

Section 72 (Rulemaking) This section permits the Department of Health to use expedited rulemaking under section 14.389 (relating to expedited process) to amend certain parts of Minnesota Rules, chapter 4695 (relating to food, pools, and lodging).

Section 73 (Repealer)

Paragraph (a) This paragraph repeals section 62J.824, which required disclosure of facility fees prior to the provision of nonemergency services. This repeal is made as such notification requirements would be unnecessary due to the prohibition on facility fees

under the new section 62J.8241. This paragraph further repeals section 103I.550, providing licensure specifications for a person with a limited well/boring contractor's license or certification for work on well components, pumping equipment, pitless units, and pitless adapters.

Paragraph (b) This paragraph repeals Minnesota Rules, part 4695.2900, relating to application fees for registration of environmental health specialists or sanitarians. Application fee requirements are under the new section 144.1223.

ARTICLE 2

DEPARTMENT OF HEALTH POLICY

Section 1 (amends Minn. Stat. § 62J.461, subdivision 3; Reporting by covered entities to the commissioner) This section clarifies annual reporting requirements imposed on 340B covered entities. Reports under this section are made to the Department of Health. In particular, this section adds specific criteria for covered entity information on the aggregated payment amount received for drugs obtained under the 340B program and dispensed or administered to patients.

Section 2 (amends Minn. Stat. § 62J.461, subdivision 4; Enforcement and exceptions) This section makes technical changes to the annual reporting requirements imposed on 340B covered entities.

Section 3 (amends Minn. Stat. § 62J.461, subdivision 5; Reports to the legislature) This section makes a technical change to the annual reporting requirements imposed on 340B covered entities.

Section 4 (amends Minn. Stat. § 62J.51, subdivision 19a; Uniform explanation of benefits document) This section changes the defined term “uniform explanation of benefits document” to “uniform explanation of benefits.” It further clarifies that the term includes the electronic equivalent under section 62J.581.

Section 5 (amends Minn. Stat. § 62J.581; Standards for Minnesota Uniform Health Care Reimbursement Documents) This section contains conforming changes in connection with the change of the defined term “uniform explanation of benefits document.” It also provides criteria to permit group purchasers to make explanation of benefits available to patients electronically.

Section 6 (amends Minn. Stat. § 62J.84, subdivision 2; Definitions) This section makes a technical change to delete the definition of “individual salable unit,” as that term is not used elsewhere in the section. It further modifies the definition of “wholesale drug distributor” for purposes of the section to eliminate entities from the definition which are not licensed to act as a wholesale drug distributor but that distribute prescription drugs for which it is not the manufacturer.

Section 7 (amends Minn. Stat. § 62J.84, subdivision 3; Prescription drug price increases reporting) This section adds new information that a drug manufacturer must submit to the commissioner of health under the section. Such new information includes the year the prescription drug was introduced for sale in the U.S. and the number of units of the drug that was sold in the prior year.

Section 8 (amends Minn. Stat. § 62J.84, subdivision 6; Public posting of prescription drug price information) This section modifies the information that the commissioner of health must post on the department's website to include a list of reporting entities that reported prescription drug price information under the section. It also clarifies that certain information reported to the commissioner must be aggregated on a per-drug basis in a manner that does not allow the identification of a reporting entity that is not the drug's manufacturer.

Section 9 (amends Minn. Stat. § 62J.84, subdivision 10; Notice of prescription drugs of substantial public interest) This section requires the department of health to notify reporting entities registered with the department of the reporting period for which data must be provided under the section.

Section 10 (amends Minn. Stat. § 62J.84, subdivision 11; Manufacturer prescription drug substantial public interest reporting) This section requires drug manufacturers to submit to the commissioner of health the year the applicable prescription drug was introduced in the U.S., in addition to the information the manufacturer is required to report under the existing law.

Section 11 (amends Minn. Stat. § 62J.84, subdivision 12; Pharmacy prescription drug substantial public interest reporting) This section limits the information a pharmacy must report to the commissioner under the subdivision to prescription drugs "the pharmacy dispensed in Minnesota or mailed to a Minnesota address."

Section 12 (amends Minn. Stat. § 62J.84, subdivision 13; PBM prescription drug substantial public interest reporting) This section limits the information a pharmacy benefit manager must report to the commissioner under the subdivision to prescription drugs "for which the PBM fulfilled pharmacy benefit management duties for Minnesota residents." It also requires PBMs subject to a reporting requirement under the subdivision to provide the total administrative fee amount accrued and receivable from payers for pricing units of the drug product filled during the reporting period specified in the notification to report.

Section 13 (amends Minn. Stat. § 62J.84, subdivision 14; Wholesale drug distributor prescription drug substantial public interest reporting) This section limits the information a wholesale drug distributor must report to the commissioner under this subdivision to prescription drugs the wholesalers distributed within or into Minnesota.

Section 14 (amends Minn. Stat. § 62J.84, subdivision 15; Registration requirements) This section requires reporting entities to annually update existing registration information, beginning in 2026.

Section 15 (amends Minn. Stat. § 62K.10, subdivision 2; Time and distance standards) This section amends the geographic accessibility and provider network adequacy provisions applicable to primary care, mental health services, and general hospital services. Existing law provides that the maximum travel distance or time must be the lesser of 30 miles or 30 minutes to the nearest provider. This section changes this requirement such that health carriers must meet the time and distance standards of federal law, specifically 45 C.F.R. § 155.1050.

Section 16 (amends Minn. Stat. § 62K.10, subdivision 5; Waiver) This section removes a reference to subdivision 3 of the section (relating to the geographic accessibility and provider network adequacy requirements for specialty physician services, ancillary services, specialized hospital services, and all other health services other than (1) primary care services, (2) mental health services, and (3) general hospital services), as that subdivision is being repealed by the bill.

Section 17 (amends Minn. Stat. § 62K.10, subdivision 6; Referral centers) This section removes a reference to subdivision 3 of the section (relating to the geographic accessibility and provider network adequacy requirements for specialty physician services, ancillary services, specialized hospital services, and all other health services other than (1) primary care services, (2) mental health services, and (3) general hospital services), as that subdivision is being repealed by the bill.

Section 18 (amends Minn. Stat. § 103I.005, subdivision 17b; Temporary boring) This section provides a technical change related to temporary borings in chapter 103I (relating to wells, borings, and underground uses).

Section 19 (amends Minn. Stat. § 103I.101, subdivision 2; Duties) This section requires the commissioner of health to examine, license, and issue permits related to groundwater thermal exchange devices and submerged close loop heat exchangers.

Section 20 (amends Minn. Stat. § 103I.101, subdivision 5; Commissioner to adopt rules) This section requires the commissioner of health to adopt rules related to issuing licenses for persons servicing groundwater thermal exchange devices and submerged closed loop heat exchangers.

Section 21 (adds Minn. Stat. § 103I.101, subdivision 7; Inspection) This section establishes that the commissioner of health must inspect at least 25 percent of well construction notifications each year.

Section 22 (amends Minn. Stat. § 138.912, subdivision 1; Establishment) This section adds SUN bucks (Summer EBT) benefits to the Healthy Eating, Here at Home program.

Section 23 (amends Minn. Stat. § 138.912, subdivision 2; Definitions) This section transfers administration of the Healthy Eating, Here at Home program to the Department of Health. This section also adds SUN bucks benefits to the Healthy Eating, Here at Home program.

Section 24 (amends Minn. Stat. § 138.912, subdivision 3; Grants) This section makes conforming changes and adds SUN bucks benefits to the Healthy Eating, Here at Home program.

Section 25 (amends Minn. Stat. § 138.912, subdivision 4; Household eligibility; participation) This section adds SUN bucks benefits to the Healthy Eating, Here at Home program.

Section 26 (amends Minn. Stat. § 138.912, subdivision 6; Program reporting) This section requires nonprofit organization recipients of grant funds for the Healthy Eating, Here at Home program to report on its program operations to the commissioner of health.

Section 27 (amends Minn. Stat. § 144.0758, subdivision 3; Eligible grantees) This section provides that Tribal Nations may choose to receive grant funding according to a noncompetitive funding formula, and that Urban American Indian community-based organizations may apply for competitive funding.

Section 28 (adds Minn. Stat. § 144.50, subdivision 8; Controlling person) This section adds a definition of “controlling person” to section 144.50 (relating to hospital licensing) as any officer of the organization, any hospital administrator, and any managerial official. This section also defines what individuals and entities are not included in the definition of “controlling person.”

Section 29 (amends Minn. Stat. § 144.555, subdivision 1a; Notice of closing, curtailing operations, relocating services, or ceasing to offer certain services; hospitals) This section adds a description of “inpatient” to mean services provided to a person who has been admitted to a hospital for bed occupancy. This section adds “inpatient” as a qualifying term related to those services that require advanced notice when hospitals cease operations, curtail operations, or relocate health services, or cease to offer certain health services.

Section 30 (amends Minn. Stat. § 144.555, subdivision 1b; Public hearing) This section modifies public hearing requirements related to notice of hospitals ceasing operations, curtailing operations, relocating health services, or ceasing to offer certain health services.

Section 31 (amends Minn. Stat. § 144.608, subdivision 2; Council administration) This section reauthorizes the Trauma Advisory Council by extending the expiration date to June 30, 2035.

Section 32 (amends Minn. Stat. § 144.966, subdivision 2; Newborn hearing screening advisory committee) This section repeals the June 30, 2025, sunset on the Newborn Hearing Screening Advisory Committee.

Section 33 (amends Minn. Stat. § 144E.123, subdivision 3; Review) This section permits the director of the Office of Emergency Medical Services to share certain overdose data with the Overdose Detection Mapping Application Program.

Section 34 (adds Minn. Stat. § 144E.54; Ambulance operating deficit grant program) This section establishes an ambulance operating deficit grant program to award grants to ambulance service license holders with operating deficits in order to address revenue shortfalls. This section also establishes an ambulance operating deficit account in the special revenue fund. Finally, this section requires reporting.

Section 35 (adds Minn. Stat. § 145.076; Informed consent required for sensitive examinations) This section requires a patient's prior, written, informed consent for sensitive examinations when the patient will be anesthetized or unconscious. "Sensitive examinations" mean a pelvic, breast, urogenital, or rectal examination.

Section 36 (amends Minn. Stat. § 145.8811; Maternal and child health advisory task force) This section modifies the name of the Maternal and Child Health Advisory Task Force to the Maternal and Child Health Advisory Committee.

Section 37 (amends Minn. Stat. § 145.901, subdivision 1; Purpose) This section requires the commissioner of health to conduct maternal death studies within the limits of available funding.

Section 38 (amends Minn. Stat. § 145.987, subdivision 1; Establishment; composition of advisory council) This section amends the membership composition requirements of the Health Equity Advisory and Leadership Council.

Section 39 (amends Minn. Stat. § 145.987, subdivision 2; Organization and meetings) This section amends procedural requirements when recommending replacing members of the Health Equity Advisory and Leadership Council.

Section 40 (adds Minn. Stat. § 148.781; Central service technicians) This section establishes requirements for central service technicians who decontaminate, inspect, assemble, package, and sterilize reusable medical instruments or devices. This section also requires that a health care facility must only employ or retain the services of a central services technician who holds and maintains certain credentials.

Section 41 (Transfer of program) This section transfers the Healthy Eating, Here at Home program from the Minnesota Humanities Center to the Department of Health on July 1, 2025.

Section 42 (Revisor Instruction) This section directs the Revisor of Statutes to renumber statutes to conform with the transfer of administration of the Healthy Eating, Here at Home program.

Section 43 (Repealer) This section repeals section 62K.10, subdivision 3 (relating to the geographic accessibility and provider network adequacy requirements for specialty physician services, ancillary services, specialized hospital services, and all other health services other than (1) primary care services, (2) mental health services, and (3) general hospital services), and section 138.912, subdivision 7 (relating to submitting a waiver request seeking approval for inclusion of Minnesota grocery stores as part of the Healthy Eating, Here at Home program).

ARTICLE 3 HEALTH LICENSING BOARDS

Section 1 (amends Minn. Stat. § 144.99, subdivision 1) This section authorizes the commissioner of health to require an employer of a graduate of a foreign medical school holding a limited medical license to pay the limited license holder an amount at least equivalent to a medical resident in a comparable field and maintain medical malpractice insurance for the limited license holder during their employment.

Section 2 (amends Minn. Stat. § 144A.43, subdivision 15; Occupational therapist) This section makes a conforming change.

Section 3 (amends Minn. Stat. § 144G.08, subdivision 45; Occupational therapist) This section makes a conforming change.

Section 4 (amends Minn. Stat. § 147.01, subdivision 7; Physician application and license fees) This section establishes fees for a nonrenewable 24-month limited license and an initial physician license for a limited license holder.

Section 5 (amends Minn. Stat. § 147.037; Limited license) This section permits the Board of Medical Practice to issue a limited license to applicants if they have met specific requirements, including but not limited to:

- (1) practicing medicine for at least 60 months in the previous 12 years outside of the U.S.;
- (2) submitting evidence of an offer to practice within the context of a collaborative agreement within a hospital or clinical setting where a limited license holder and physicians work together to provide patient care;
- (3) providing services in a designated rural area or underserved urban community; and
- (4) submitting two letters of recommendation.

In addition, this section requires an employer of a limited licensee to pay the licensee an amount at least equivalent to a medical resident in a comparable field, and sets forth the requirements for a collaborative agreement between the limited licensee and collaborating physicians.

This section further provides that the Board may issue a full and unrestricted license to practice medicine to a person who has:

- (1) held a limited license for two years and is in good standing to practice medicine in Minnesota;
- (2) practiced for a minimum of 1,692 hours per year for each of the previous two years;
- (3) submitted a letter of recommendation from a physician who participated in the collaborative agreement;
- (4) passed certain testing requirements; and
- (5) completed 20 hours of continuing medical education.

Section 6 (amends Minn. Stat. § 147A.02; Qualifications for licensure) This section modifies professional collaboration requirements related to physician assistant qualifications for licensure, specifically that a physician assistant may enter into a collaborative agreement with one or more physicians licensed in a U.S. state other than Minnesota or a U.S. territory.

Section 7 (amends Minn. Stat. § 147D.03, subdivision 1; General) This section establishes that a certified midwife is not subject to provisions of chapter 147D, which governs traditional midwives.

Section 8 (amends Minn. Stat. § 148.101, subdivision 1; Fees) This section deletes language providing that the Board of Chiropractic Examiners is authorized to charge fees established in Minnesota Rules.

Section 9 (adds Minn. Stat. § 148.108, subdivision 5; Chiropractic license fees) This section establishes fee limits for chiropractic licensure.

Section 10 (adds Minn. Stat. § 148.108, subdivision 6; Acupuncture registration fees) This section establishes fee limits for acupuncture registration.

Section 11 (adds Minn. Stat. § 148.108, subdivision 7; Independent examiner registration fees) This section establishes fee limits for independent examiner registration.

Section 12 (adds Minn. Stat. § 148.108, subdivision 8; Animal chiropractic registration fees) This section establishes fee limits for animal chiropractic registration.

Section 13 (adds Minn. Stat. § 148.108, subdivision 9; Graduate preceptorship registration fee) This section establishes a fee limit for graduate preceptorship registration.

Section 14 (adds Minn. Stat. § 148.108, subdivision 10; Professional firm registration fees) This section establishes a late renewal penalty fee for professional firm registration.

Section 15 (adds Minn. Stat. § 148.108, subdivision 11; Miscellaneous fees) This section establishes miscellaneous fee limits related to chiropractic medicine.

Section 16 (amends Minn. Stat. § 148.191, subdivision 2; Powers) This section adds references to certified midwives and chapter 148G to the jurisdiction of the Board of Nursing under chapter 148.

Section 17 (amends Minn. Stat. § 148.241; Expenses) This section requires that the appropriation made to the Board of Nursing must also pay for the administration of the Minnesota Certified Midwife Practice Act, and that the funds can only be used for necessary expenses and the promotion of certified midwifery education and standards of care in Minnesota.

Section 18 (amends Minn. Stat. § 148.512, subdivision 17a; Speech-language pathology assistant) This section modifies supervision requirements of speech-language pathology assistants.

Section 19 (amends Minn. Stat. § 148.5192, subdivision 3; Supervision requirements) This section modifies supervision requirements for a speech-language pathologist supervising a speech-language pathology assistant.

Section 20 (amends Minn. Stat. § 148.5194, subdivision 3b) This section modifies the fee for initial licensure and the fee for licensure renewal for a speech-language pathology assistant.

Section 21 (amends Minn. Stat. § 148.56, subdivision 1; Optometry defined) This section modifies the scope of practice for optometrists. Existing law prohibits optometrists from administering legend drugs intravenously, intramuscularly, or by injection, except for treatment of anaphylaxis. This section removes the prohibition on administering legend drugs intramuscularly or by injection, except for treatment of anaphylaxis. Further, this section adds a new prohibition on administering legend drugs by sub-Tenon, retrobulbar, or intravitreal injections.

Existing law prohibits optometrists from administering or prescribing Schedule II and III oral legend drugs and oral steroids, and this section removes the prohibition on administering or prescribing oral steroids. Existing law prohibits optometrists from prescribing or administering oral antivirals for more than ten days. This section removes that prohibition and adds a new prohibition on administering or prescribing steroids for more than 14 days without consultation with a physician. Finally, existing law prohibits optometrists from prescribing or administering oral carbonic anhydrase inhibitors for more than seven days, and this section removes that prohibition.

Section 22 (amends Minn. Stat. § 148.6401; Scope) This section makes conforming changes related to occupational therapy practice.

Section 23 (amends Minn. Stat. § 148.6402; subdivision 1; Scope) This section makes a conforming change.

Section 24 (adds Minn. Stat. § 148.6402; subdivision 2a; Accreditation Council for Occupational Therapy Education or ACOTE) This section defines “Accreditation Council for Occupational Therapy Education” as the entity that accredits occupational therapy education programs and establishes, approves, and administers occupational therapy education standards.

Section 25 (adds Minn. Stat. § 148.6402; subdivision 5a; Continuing competence) This section defines “continuing competence” as the process by which an occupational therapy practitioner develops, among other things, the knowledge and skills to perform their occupational therapy responsibilities.

Section 26 (amends Minn. Stat. § 148.6402; subdivision 7; Certification examination for occupational therapist) This section modifies the term for the required examination for occupational therapists from a “credentialing” examination to a “certification” examination.

Section 27 (amends Minn. Stat. § 148.6402; subdivision 8; Certification examination for occupational therapy assistant) This section modifies the term for the required examination for occupational therapy assistants from a “credentialling” examination to a “certification” examination.

Section 28 (adds Minn. Stat. § 148.6402, subdivision 12a; Face-to-face supervision) This section defines face-to-face supervision.

Section 29 (amends Minn. Stat. § 148.6402, subdivision 13; Licensed health care professional) This section makes a clarifying change.

Section 30 (adds Minn. Stat. § 148.6402, subdivision 13a; National Board for Certification in Occupational Therapy or NBCOT) This section defines “National Board for Certification in Occupational Therapy” as the entity that administers occupational therapy certification examinations and provides board certification for occupational therapy practitioners.

Section 31 (amends Minn. Stat. § 148.6402, subdivision 14; Occupational therapist) This section modifies the definition of “occupational therapist” to an individual licensed to practice occupational therapy and who provides occupational therapy services, and who is responsible for and directs the evaluation process, discharge planning process, and development of intervention plans.

Section 32 (amends Minn. Stat. § 148.6402, subdivision 16; Occupational therapy assistant) This section modifies the definition of “occupational therapy assistant” to an individual licensed to assist in the practice of occupational therapy who works under supervision of and in partnership with an occupational therapist.

Section 33 (amends Minn. Stat. § 148.6402, subdivision 16a; Occupational therapy practitioner) This section makes a conforming change.

Section 34 (amends Minn. Stat. § 148.6402, subdivision 19; License or licensed) This section makes a conforming change.

Section 35 (amends Minn. Stat. § 148.6402, subdivision 20; Licensee) This section makes a conforming change.

Section 36 (amends Minn. Stat. § 148.6402, subdivision 23; Service competency) This section makes a clarifying change.

Section 37 (amends Minn. Stat. § 148.6402, subdivision 25; Temporary licensure) This section makes a conforming change.

Section 38 (amends Minn. Stat. § 148.6403; Licensure; protected titles and restrictions on use; exempt persons; sanctions) This section provides that an occupational therapy practitioner with an active compact privilege is exempt from certain requirements related to licensure, use of protected titles, and restrictions on use. This section also makes technical and conforming changes.

Section 39 (amends Minn. Stat. § 148.6404; Scope of practice) This section amends the scope of practice of occupational therapy by adding that occupational therapy services include applying manual and mechanical modalities in preparation to meet established functional occupational therapy goals. This section also adds that occupational therapy services include education and training.

Section 40 (amends Minn. Stat. § 148.6405; Licensure application requirements; procedures and qualifications) This section amends the requirements of applicants for licensure and temporary licensure as occupational therapy professionals.

Section 41 (adds Minn. Stat. § 148.6408, subdivision 1a; Qualifications) This section adds qualifications required for licensure as an occupational therapist.

Section 42 (amends Minn. Stat. § 148.6408; subdivision 2; Qualifying examination score required) This section modifies how the Board of Occupational Therapy Practice may determine qualifying scores for certification examinations for occupational therapists.

Section 43 (adds Minn. Stat. § 148.6410, subdivision 1a; Qualifications) This section provides qualifications required for licensure as an occupational therapist assistant.

Section 44 (amends Minn. Stat. § 148.6410, subdivision 2; Qualifying examination score required) This section makes technical and conforming changes.

Section 45 (amends Minn. Stat. § 148.6412, subdivision 2; Persons currently certified by NBCOT) This section makes clarifying changes.

Section 46 (amends Minn. Stat. § 148.6412, subdivision 3; Application procedures) This section makes conforming changes.

Section 47 (amends Minn. Stat. § 148.6415; Licensure by reciprocity) This section provides that the Board of Occupational Therapy Practice may license a person who does not hold a current NBCOT certification but who holds a compact privilege through the Occupational Therapy Licensure Compact or is credentialed in a U.S. state other than Minnesota if the Board determines that such credentials are equivalent to or exceed the Minnesota licensure.

Section 48 (amends Minn. Stat. § 148.6418; Temporary licensure) This section requires that an occupational therapist supervising an occupational therapy practitioner holding a temporary license must have a minimum of six months of fully licensed practice in order to supervise the temporary licensee. This section also adds that the Board cannot issue a temporary license to an applicant who has failed the occupational therapy certification examination twice.

Section 49 (amends Minn. Stat. § 148.6420, subdivision 1; Applications for initial licensure) This section establishes application requirements for initial licensure as an occupational therapy practitioner.

Section 50 (amends Minn. Stat. § 148.6423, subdivision 1; Renewal requirements) This section provides requirements that an occupational therapy licensee must satisfy to be eligible for license renewal.

Section 51 (adds Minn. Stat. § 148.6423, subdivision 1a; License period) This section establishes a license period following initial licensure as an occupational therapy practitioner.

Section 52 (adds Minn. Stat. § 148.6423, subdivision 2; Renewal deadline) This section clarifies that an occupational therapy license must be renewed every two years on or before the first day of the month after the licensee's birth month.

Section 53 (amends Minn. Stat. § 148.6425, subdivision 2; Licensure renewal within one year after licensure expiration date) This section provides specific documentation that must be submitted by a licensee to support license renewal within one year after the license expiration date.

Section 54 (adds Minn. Stat. § 148.6425, subdivision 4; Licensure renewal within two years after license expiration date) This section provides specific documentation that must be submitted by a licensee to support license renewal more than one year but less than two years after the license expiration date.

Section 55 (adds Minn. Stat. § 148.6425, subdivision 5; Expiration due to nonrenewal after two years) This section provides that the Board of Occupational Therapy Practice must not renew, reissue, reinstate, or restore a license that has not been renewed as required, and that the licensee must obtain a new license in Minnesota.

Section 56 (amends Minn. Stat. § 148.6428; Change of contact information or employment) This section makes clarifying changes.

Section 57 (adds Minn. Stat. § 148.6431; Jurisprudence examination) This section establishes that the Board of Occupational Therapy Practice may require occupational therapy practitioners to take a jurisprudence examination.

Section 58 (amends Minn. Stat. § 148.6432, subdivision 1; Applicability) This section makes a conforming change.

Section 59 (adds Minn. Stat. § 148.6432, subdivision 1a; Delegation of duties) This section provides that an occupational therapist may delegate certain duties to an occupational therapy assistant.

Section 60 (amends Minn. Stat. § 148.6432, subdivision 2; Evaluations) This section makes a conforming change.

Section 61 (amends Minn. Stat. § 148.6432, subdivision 3; Intervention) This section makes a clarifying and a conforming change.

Section 62 (amends Minn. Stat. § 148.6432, subdivision 4; Exception) This section makes a conforming change.

Section 63 (amends Minn. Stat. § 148.6435; Coordination of services) This section deletes language in current law that an occupational therapist must terminate occupational therapy intervention services to a client in certain circumstances.

Section 64 (amends Minn. Stat. § 148.6438; Recipient notification) This section modifies the notification that occupational therapists must provide before providing occupational therapy services when a recipient of services has not received a referral or prior authorization.

Section 65 (amends Minn. Stat. § 148.6443, subdivision 3; Activities qualifying for continuing education contact hours) This section modifies activities that qualify for continuing education contact hours to support occupational therapy licensure.

Section 66 (amends Minn. Stat. § 148.6443, subdivision 4; Activities not qualifying for continuing education contact hours) This section modifies activities that do not qualify for continuing education hours to support occupational therapy licensure.

Section 67 (amends Minn. Stat. § 148.6443, subdivision 5; Reporting continuing education contact hours) This section makes clarifying changes.

Section 68 (amends Minn. Stat. § 148.6443, subdivision 6; Auditing continuing education reports) This section modifies the specific information that must be provided by a licensee to the Board of Occupational Therapy Practice upon its request for the purpose of auditing continuing education reports.

Section 69 (amends Minn. Stat. § 148.6443, subdivision 7; Deferral of continuing education requirements) This section modifies a subdivision providing for “waiver” of continuing education requirements by deleting “waiver” and inserting “deferral.”

Section 70 (amends Minn. Stat. § 148.6443, subdivision 8; Penalties for noncompliance) This section makes a clarifying change.

Section 71 (adds Minn. Stat. § 148.6445; Compact privilege fee) This section establishes a fee for interstate licensure compact privilege to practice for occupational therapy practitioners.

Section 72 (amends Minn. Stat. § 148.6445; Active mailing list) This section establishes a fee for the standard active licensee mailing list delivered electronically.

Section 73 (amends Minn. Stat. § 148.6448, subdivision 1; Grounds for denial of licensure or discipline) This section adds grounds for the Board to deny or impose conditions upon an occupational therapist’s license or to discipline a licensee, including upon finding that an individual: obtained a license by fraud, misrepresentation, or concealment of material fact; failed to report other licensees that have violated sections governing occupational therapy

practitioners; improperly managed client records; or improperly supervised or delegated assigned occupational therapy tasks to other licensed professionals.

Section 74 (amends Minn. Stat. § 148.6448, subdivision 2; Investigation of complaints) This section makes conforming changes.

Section 75 (amends Minn. Stat. § 148.6448, subdivision 4; Effect of specific disciplinary action on use of title) This section makes a conforming change.

Section 76 (amends Minn. Stat. § 148.6448, subdivision 6; Authority to contract) This section makes a conforming change.

Section 77 (amends Minn. Stat. § 148.6449, subdivision 1; Creation) This section makes conforming changes.

Section 78 (amends Minn. Stat. § 148.6449, subdivision 2; Qualifications of board members) This section provides that practitioners who hold interstate licensure compact privileges are not eligible to serve on the Board of Occupational Therapy Practice.

Section 79 (amends Minn. Stat. § 148.6449, subdivision 7; Duties of the board of occupational therapy practice) This section makes conforming changes.

Section 80 (amends Minn. Stat. § 148B.53, subdivision 3; Fees) This section establishes an interstate compact privilege to practice fee limit for a licensed professional counselor.

Section 81 (amends Minn. Stat. § 148E.180, subdivision 1; Application fees) This section modifies application fees that may be collected by the Board of Social Work by adding a new fee for a compact multistate license.

Section 82 (adds Minn. Stat. § 148E.180, subdivision 2a; Compact multistate license fees) This section adds nonrefundable compact multistate license fee limits that may be collected by the Board of Social Work for a licensed social worker, licensed graduate social worker, licensed independent social worker, and a licensed independent clinical social worker.

Section 83 (adds Minn. Stat. § 148E.180, subdivision 3a; Compact multistate renewal fees) This section adds nonrefundable renewal fee limits for compact multistate licensure that may be collected by the Board of Social Work for a licensed social worker, licensed graduate social worker, licensed independent social worker, and a licensed independent clinical social worker.

Section 84 (amends Minn. Stat. § 148E.108, subdivision 5) This section makes conforming changes.

Section 85 (amends Minn. Stat. § 148E.180, subdivision 7; Reactivation fees) This section makes conforming changes.

Section 86 (adds Minn. Stat. § 148G.01; Title) This section establishes the title of a new chapter 148G as the Minnesota Certified Midwife Practice Act.

Section 87 (adds Minn. Stat. § 148G.02; Scope) This section describes the scope of the Minnesota Certified Midwife Practice Act, specifically that the Act applies to all applicants and licensees, all persons who use the title certified midwife, and all persons who provide certified midwifery services to patients in Minnesota.

Section 88 (adds Minn. Stat. § 148G.03; Definitions) This section defines key terms in the Minnesota Certified Midwife Practice Act, including “board,” “certified midwife,” “certified midwifery practice,” “licensure period,” and “patient.”

Section 89 (adds Minn. Stat. § 148G.04; Certified midwife licensing) This section provides licensure requirements for certified midwives. An applicant for licensure as a certified midwife must hold a current and valid certification as a certified midwife from the American Midwifery Certification Board and complete a graduate level midwifery program that includes clinical experience and is accredited by the Accreditation Commission for Midwifery Education. This section also provides that if more than five years have elapsed since an applicant last practiced in a certified midwife role, they must complete a reorientation plan as a certified midwife that includes a minimum of 500 hours of supervised certified midwifery practice.

Section 90 (adds Minn. Stat. § 148G.05; Licensure renewal; relicensure) This section provides the licensure renewal and relicensure requirements for certified midwives. Under this section, a certified midwife must apply for a license renewal before their licensure period ends and must provide evidence of current certification and submit a fee to the Board of Nursing.

Section 91 (adds Minn. Stat. § 148G.06; Failure or refusal to provide information) This section requires a certified midwife to notify the Board of Nursing when they renew their certification, and if notification is not provided, that individual is prohibited from practicing as a certified midwife. This section also provides that a license may be denied if an applicant does not supply the necessary information to determine that applicant’s qualifications.

Section 92 (adds Minn. Stat. § 148G.07; Name change and change of address) This section requires a certified midwife to maintain their current name and address with the Board of Nursing and to notify the Board in writing within 30 days of any changes.

Section 93 (adds Minn. Stat. § 148G.08; Identification of certified midwives) This section provides that only persons who hold a current license to practice certified midwifery in Minnesota may use the title of certified midwife.

Section 94 (adds Minn. Stat. § 148G.09; Prescribing drugs and therapeutic devices) This section authorizes certified midwives to diagnose, prescribe, and institute therapy or referrals of patients; to prescribe, procure, sign for, record, administer, and dispense over-the-counter, legend, and controlled substances; and to plan and initiate a therapeutic regimen that includes ordering and prescribing durable medical devices and equipment. This section also requires certified midwives to comply with federal Drug Enforcement Administration requirements related to controlled substances.

Section 95 (adds Minn. Stat. § 148G.10; Fees) This section provides that licensure and licensure renewal fees related to certified midwifery are nonrefundable and must be deposited in the state government special revenue fund.

Section 96 (adds Minn. Stat. § 148G.11; Fee amounts) This section establishes licensure, licensure renewal, practicing without current certification, and relicensure fees for a person who practices certified midwifery.

Section 97 (adds Minn. Stat. § 148G.12; Approved midwifery education program) This section provides requirements a university or college must meet when conducting a certified midwifery education program. This section also requires an institution that desires to conduct a certified midwifery program to submit evidence to the Board of Nursing that the institution is prepared to provide a program of theory and practice in certified midwifery, achieve preaccreditation and eventual full accreditation by the American Commission for Midwifery Education, and meet other standards established by law and the Board. Finally, this section requires the Board to annually survey all midwifery programs in the state for current accreditation status, and provides the process for Board review if an accredited certified midwifery program is not maintaining required standards.

Section 98 (adds Minn. Stat. § 148G.13; Grounds for disciplinary action) This section provides the grounds for disciplinary action the Board of Nursing may take against a certified midwife licensee or applicant for licensure, including, but not limited to: failure to demonstrate the qualifications or satisfy the requirements for a license; conviction of a felony or gross misdemeanor offense reasonably related to the practice of certified midwifery; and failure to practice as a certified midwife with reasonable skill and safety. This section also permits the Board to direct an applicant or certified midwife to submit to a mental or physical examination or chemical dependency evaluation in certain circumstances, and to obtain medical data and health records under certain circumstances.

Section 99 (adds Minn. Stat. § 148G.14; Forms of disciplinary action; automatic suspension; temporary suspension; reissuance) This section provides the forms of disciplinary action the Board of Nursing may take if the Board finds that grounds for disciplinary action exist under section 148G.13. This section also provides the instances when a license to practice certified midwifery is automatically suspended or temporarily suspended.

Section 100 (adds Minn. Stat. § 148G.15; Reporting obligations) This section provides reporting obligations for actions that constitute grounds for discipline for a certified midwife. This section requires licensed professionals to report to the Board of Nursing personal knowledge of any conduct the professional reasonably believes constitutes grounds for disciplinary action by any certified midwife. This section also provides reporting parameters for other health administrators, health care institutions, insurers who provide professional liability insurance, as well as any person who has knowledge of any conduct by a certified midwife that constitutes grounds for discipline.

Section 101 (adds Minn. Stat. § 148G.16; Immunity) This section provides immunity from civil liability and criminal prosecution for submitting a report to the Board of Nursing of violations or

alleged violations in good faith. This section also provides immunity from civil liability and criminal prosecution for those members of the Board of Nursing who investigate violations or alleged violations.

Section 102 (adds Minn. Stat. § 148G.17; Certified midwife cooperation) This section requires a certified midwife who is the subject of an investigation to cooperate fully with the investigation.

Section 103 (adds Minn. Stat. § 148G.18; Disciplinary records on judicial review) This section requires a reviewing court, upon judicial review of any Board of Nursing disciplinary action, to seal the administrative record, except for the Board's final decision.

Section 104 (adds Minn. Stat. § 148G.19; Exemptions) This section provides for certain exemptions to the provisions of chapter 148G, including that chapter 148G does not prohibit the furnishing of certified midwifery assistance in an emergency or the practice of traditional midwifery under section 147D.03.

Section 105 (adds Minn. Stat. § 148G.20; Violation; penalty) This section provides that certain actions taken by a person, corporation, firm, or association are unlawful, including selling or fraudulently obtaining any certified midwifery diploma or license, practicing certified midwifery without a license, or using the professional title "certified midwife" without being licensed. This section also provides that these violations are gross misdemeanor-level criminal offenses and imposes a penalty fee on certified midwives who practice without a license.

Section 106 (adds Minn. Stat. § 148G.21; Unauthorized practice of midwifery) This section allows a court to enjoin any act or practice in which a person practices certified midwifery without a license or when a license has been suspended or revoked.

Section 107 (adds Minn. Stat. § 150A.105, subdivision 3a; Collaborative management agreement under armed forces) This section establishes that a dental therapist practicing under the auspices of the armed forces may enter into a collaborative management agreement with a collaborating dentist as determined by the command structure of the armed service.

Section 108 (amends Minn. Stat. § 151.01, subdivision 15; Pharmacist intern or intern) This section modifies the definition of "pharmacist intern" to include "intern." This section further modifies these terms by adding to the meaning, among other things: a participant in a residency or fellowship program who is not licensed to practice pharmacy in Minnesota but meets certain conditions, such as being licensed to practice pharmacy in another state, and a foreign pharmacy graduate who meets certain conditions.

Section 109 (amends Minn. Stat. § 151.01, subdivision 23; Practitioner) This section adds "licensed certified midwife" to the definition of "practitioner" under the Pharmacy Practice Act.

Section 110 (amends Minn. Stat. § 151.065, subdivision 1; Application fees) This section modifies the application fee for licensure and registration for a pharmacy intern.

Section 111 (amends Minn. Stat. § 151.065, subdivision 3; Annual renewal fees) This section establishes an annual licensure and registration renewal fee for a pharmacy intern.

Section 112 (amends Minn. Stat. § 151.065, subdivision 6; Reinstatement fees) This section provides for registration reinstatement for a pharmacy intern whose registration has lapsed.

Section 113 (amends Minn. Stat. § 151.101; Internship) This section provides pharmacy intern registration requirements, including paying applicable fees. This section also establishes internship credit hour requirements, including that an individual must complete 1,600 intern credit hours under the direction of a supervisor to apply for licensure as a pharmacist.

Section 114 (amends Minn. Stat. § 155.12, subdivision 1; Prescribing, dispensing, administering controlled substances in Schedules II through V) This section adds “licensed certified midwife” to those licensed medical professionals who may prescribe, administer, and dispense a controlled substance included in Schedules II through V in the course of their professional practice.

Section 115 (adds Minn. Stat. § 153.30; Fees) This section establishes limits on non-refundable fees that may be collected by the Board of Podiatric Medicine.

Section 116 (amends Minn. Stat. § 153B.85, subdivision 1) This section modifies certain licensure fees that may be collected by the Board of Podiatric Medicine.

Section 117 (amends Minn. Stat. § 153B.85, subdivision 3; Late fee) This section modifies an additional late licensure fee that the Board of Podiatric Medicine may charge.

Section 118 (adds Minn. Stat. § 156.015, subdivision 1a; Nonrefundable fees) This section provides that all required fees related to the practice of veterinary medicine are nonrefundable.

Section 119 (adds Minn. Stat. § 156.015, subdivision 3; Fee amounts) This section establishes fee limits related to the practice of veterinary medicine that may be collected by the Board of Veterinary Medicine.

Section 120 (adds Minn. Stat. § 156.015, subdivision 4; License verification) This section establishes a fee limit for veterinary medicine license verification.

Section 121 (adds Minn. Stat. § 156.015, subdivision 5; Deposit of fees) This section provides that license fees collected by the Board of Veterinary Medicine must be deposited in the state government special revenue fund.

Section 122 (adds Minn. Stat. § 256B.0625, subdivision 28c; Certified midwifery practice services) This section provides that medical assistance covers services performed by a licensed certified midwife if the service provided on an inpatient basis is not included as part of the cost for inpatient services included in the facility payment, the service is otherwise covered under medical assistance as a physician service, and the service is within the certified midwife’s scope of practice.

Section 123 (Revisor Instruction) This section directs the revisor of statutes to renumber subdivisions related to qualifications for occupational therapists and occupational therapy assistants.

Section 124 (Repealer)

Paragraph (a) This paragraph repeals Minnesota Statutes governing the Board of Chiropractic Examiners (section 148.108, subdivisions 2, 3 and 4); occupational therapy practice (sections 148.6402, subdivision 22a; 148.6420, subdivisions 2, 3, and 4; 148.6423, subdivisions 4, 5, 7, 8, and 9; 148.6425, subdivision 3; 148.6430; and 148.6445, subdivisions 5, 6, and 8); and the Board of Veterinary Medicine (section 156.015, subdivision 1).

Paragraph (b) This paragraph repeals Minnesota Rules governing Chiropractors' licensing and practice (parts 2500.1150 and 2500.2030); Pharmacies and pharmacists (parts 6800.1500, subpart 5 and 6800.5400, subparts 5 and 6); and Veterinarians' licensure and practice (parts 9100.0400, subparts 1 and 3; 9100.0500; and 9100.0600).

Paragraph (c) This paragraph repeals Minnesota Rules, part 6900.0250, subparts 1 and 2, governing fees that may be collected by the Board of Podiatric Medicine.

ARTICLE 4 MINNESOTA HEALTH AND EDUCATION FACILITIES AUTHORITY

Section 1 (amends Minn. Stat. § 3.732; Definitions) This section modifies the name of the Higher Education Facilities Authority to the Health and Education Facilities Authority to reflect its expanded authority to include nonprofit health care organizations.

Section 2 (amends Minn. Stat. § 10A.01, subdivision 35; Public official) This section makes a conforming change.

Section 3 (amends Minn. Stat. § 136A.25; Creation) This section makes a conforming change.

Section 4 (amends Minn. Stat. § 136A.26; Memberships; Officers; Compensation; Removal) This section adds one member to the authority's board of directors and requires this member to be affiliated with a health care organization.

Section 5 (amends Minn. Stat. § 136A.27; Policy) This section makes conforming changes.

Section 6 (amends Minn. Stat. § 136A.28; Definitions) This section defines key terms, including "affiliate," "project," "health care organization," "education facility," and "health care facility."

Section 7 (amends Minn. Stat. § 136A.29, subdivision 1; Purpose) This section makes conforming changes.

Section 8 (amends Minn. Stat. § 136A.29, subdivision 3; Employees; office space) This section moves authority employees to a managerial compensation and benefits plan.

Section 9 (amends Minn. Stat. § 136A.29, subdivision 9; Projects; generally) This section requires health care facility projects funded by the authority to comply with state laws governing modification and construction of such facilities.

Section 10 (amends Minn. Stat. § 136A.29, subdivision 9; Revenue bonds; limit) This section establishes that the authority may issue up to \$5 billion in outstanding bonds, an increase from \$2 billion, allocated as: up to \$2.25 billion for higher education projects and up to \$2.75 billion for health care projects at any time.

Section 11 (amends Minn. Stat. § 136A.29, subdivision 10; Revenue bonds; issuance, purpose, conditions) This section makes conforming changes.

Section 12 (amends Minn. Stat. § 136A.29, subdivision 14; Rules for use of projects) This section makes conforming and clarifying changes.

Section 13 (amends Minn. Stat. § 136A.29, subdivision 19; Surety) This section makes technical changes.

Section 14 (amends Minn. Stat. § 136A.29, subdivision 20; Sale, lease, and disposal of property) This section makes technical changes.

Section 15 (amends Minn. Stat. § 136A.29, subdivision 21; Loans) This section makes conforming changes.

Section 16 (amends Minn. Stat. § 136A.29, subdivision 22; Costs, expenses, and other charges) This section provides that the authority may charge participating institutions for the authority's administrative expenses.

Section 17 (adds Minn. Stat. § 136A.29, subdivision 24; Determination of affiliate status) This section establishes that the authority may determine whether an entity meets the definition of "affiliate."

Section 18 (amends Minn. Stat. § 136A.32, subdivision 1; Bonds; generally) This section requires that the authority must secure consent from any city or town with a population greater than 100,000 where a health care facility may be built before the authority may issue bonds for the project.

Section 19 (amends Minn. Stat. § 136A.32, subdivision 4; Provisions of resolutions authorizing bonds) This section provides that the authority may contract with one or more partnerships, corporations or associations, or other bodies to secure payment of revenue bonds.

Section 20 (adds Minn. Stat. § 136A.32, subdivision 4a; Health care certification) This section requires a health care organization to affirm that it will not use bond proceeds to benefit any private party or private equity-funded entity while financing is outstanding.

Section 21 (adds Minn. Stat. § 136A.33; Trust agreement) This section makes technical changes.

Section 22 (adds Minn. Stat. § 136A.34, subdivision 3; Investment) This section permits the authority to invest escrowed bond proceeds in money market funds that invest solely in federally guaranteed debt obligations.

Section 23 (adds Minn. Stat. § 136A.34, subdivision 4; Additional purpose; improvements) This section makes a clarifying change.

Section 24 (adds Minn. Stat. § 136A.36; Revenues) This section provides that the authority may charge different rates, rents, and fees for education projects and health care projects.

Section 25 (adds Minn. Stat. § 136A.38; Bonds eligible for investment) This section makes technical changes.

Section 26 (adds Minn. Stat. § 136A.41; Conflict of interest) This section makes conforming changes.

Section 27 (adds Minn. Stat. § 136A.42; Annual report) This section requires the authority to annually submit a report of its activities to the Minnesota Historical Society and the Legislative Reference Library.

Section 28 (adds Minn. Stat. § 136F.67, subdivision 1; Authorization) This section makes a conforming change.

Section 29 (adds Minn. Stat. § 354B.20, subdivision 7; Employing unit) This section makes a conforming change.

Section 30 (Revisor Instruction) This section directs the revisor of statutes to renumber statutes governing the Minnesota Higher Education Facilities Authority in a new chapter, 15D.

Section 31 (Repealer) This section repeals Minnesota Statutes, section 136A.29, subdivision 4, which provides that pursuant to a mutual agreement, the authority and the Office of Higher Education may share staff, office space, equipment, supplies, and materials.

ARTICLE 5 PHARMACY BENEFITS

Section 1 (adds Minn. Stat. § 62Q.83; Formulary Changes)

Subdivision 1. Definitions. This subdivision defines key terms applicable to the new prohibition on formulary changes, including “drug,” “enrollee,” “formulary,” “health plan,” “pharmacy benefit manager,” and “prescription.”

Subdivision 2. Formulary changes. This subdivision prohibits health plans from removing a drug from the formulary or moving it into a higher-cost benefit category for an enrollee who was previously prescribed that drug, for the remainder of the enrollee’s plan year. There are two exceptions to this prohibition, contained in paragraphs (b) and (c). Paragraph (b) provides exceptions for drugs that have been deemed unsafe by the United States Food and Drug Administration (FDA), withdrawn by the FDA or the drug’s manufacturer, or subject to warnings or recommended changes by independent research or guidelines due to previously unknown and imminent patient harm. Paragraph (c) excepts formulary changes for a brand-name drug if the health plan adds a lower-cost generic or biosimilar equivalent to the formulary and notifies prescribers, pharmacists, and affected enrollees at least 60 days before making the change.

Section 2 (amends Minn. Stat. § 256B.0625, subdivision 13; Drugs) This section extends the prohibition on formulary development from the new section 62Q.83 to the medical assistance (MA) program. Under this language, MA is permitted to alter its formulary, except that the program must maintain the same level of coverage for an enrollee for a drug prescribed to that enrollee earlier in the calendar year until the next January 1. This section incorporates the same exceptions for MA as section 1 of the bill gives to private market plan formularies. It is effective upon the later of January 1, 2026, or federal approval.

Section 3 (amends Minn. Stat. § 256B.0625, subdivision 13c; Formulary committee) This section delays the sunset date on the medical assistance program’s Formulary Committee from June 30, 2027, to June 30, 2029.

Section 4 (amends Minn. Stat. § 256B.0625, subdivision 13d; Drug formulary) This section requires the commissioner of human services to provide written notice to enrollees affected by a change to the medical assistance program’s formulary. The notice must be provided within ten calendar days of the commissioner’s determination to change the formulary. The section further requires the commissioner to annually report information to the legislature on the effects of formulary changes on medical assistance enrollees.

Section 5 (amends Minn. Stat. § 256B.0625, subdivision 13e; Payment rates) This section modifies the medical assistance program’s determination of the ingredient cost of a drug for purposes of pharmacy payment rates. Specifically, it provides that the ingredient cost for a drug is the lower of (1) the National Average Drug Acquisition Cost, (2) the Minnesota actual acquisition cost, and (3) the maximum allowable cost. The Minnesota actual acquisition cost is determined by a periodic survey of enrolled pharmacy providers. The section further eliminates the commissioner of human services’ authorization to establish maximum

allowable cost rates for specialty pharmacy products that are lower than the ingredient cost formulas. It also directs the commissioner to contract with a vendor to create the Minnesota actual acquisition cost through a periodic survey. This section is effective January 1, 2027, or upon federal approval, whichever is later.

Section 6 (amends Minn. Stat. § 256B.064, subdivision 1a; Grounds for sanctions) This section authorizes the commissioner of human services to impose sanctions against a pharmacy provider for failure to respond to a survey, as described in the bill’s amendments to section 256B.0625, subdivision 13e, to create the Minnesota actual acquisition cost.

Section 7 (amends Minn. Stat. § 256B.69, subdivision 6d; Prescription drugs) This section clarifies that any contracts the commissioner enters into with managed care plans for medical assistance must require the plans to enter into contracts with the state’s selected pharmacy benefit manager vendor to administer the pharmacy benefit.

Section 8 (adds Minn. Stat. § 256B.69, subdivision 6i; Directed pharmacy dispensing payment)

Paragraph (a) This paragraph requires the commissioner to establish a directed pharmacy dispensing payment of \$4.50 per filled prescription for “eligible outpatient retail pharmacies” in Minnesota. The payment is in addition to any other dispensing fee the pharmacy receives and must not result in any reduction of other payments.

Paragraph (b) This paragraph defines “eligible outpatient retail pharmacy” as a pharmacy licensed under Minnesota Statutes, chapter 151, that is not owned (directly or indirectly) by a licensed pharmacy benefit manager or health carrier and that: (1) is located in a medically underserved area or primarily serves a medically underserved population (as defined by the federal Health Resources and Services Administration); or (2) shares common ownership with 12 or fewer Minnesota pharmacies.

Paragraph (c) This paragraph requires a pharmacy to submit an attestation form, developed by the commissioner of human services, to qualify for the directed pharmacy dispensing payment.

Paragraph (d) This paragraph requires managed care plans, county-based purchasing plans, and any pharmacy benefit managers under contract with these entities, to pay the directed pharmacy dispensing payment to eligible outpatient retail pharmacies. It further directs the commissioner to monitor this requirement’s effect on access to pharmaceutical services, and provides that this subdivision expires if federal approval is not received.

Paragraph (e) This paragraph provides that the subdivision expires on December 31, 2026.

Effective Date. This section is effective July 1, 2025, or upon federal approval, whichever is later. The commissioner must notify the revisor of statutes when federal approval is obtained.

Section 9 (adds Minn. Stat. § 256B.696; State Pharmacy Benefit Manager)

Subdivision 1. Definitions. This subdivision defines key terms used in this section, including “managed care plans,” “managed care enrollees,” and “state pharmacy benefit manager.”

Subdivision 2. Procurement process. This subdivision requires the commissioner of human services to select a single pharmacy benefit manager (PBM) via a competitive procurement process. It mandates that the commissioner enter into a master contract with the selected PBM, which must prohibit the PBM from requiring enrollees to obtain specialty drugs from a pharmacy owned or affiliated with the PBM. This subdivision further requires each applicant for the state PBM contract to disclose potential conflicts of interest and certain contractual or financial relationships.

Subdivision 3. Drug coverage. This subdivision requires the commissioner to approve or disapprove all managed care plan utilization review requirements for prescription drugs, as well as reimbursement rates and fees. The single PBM selected is responsible for processing all pharmacy claims under the medical assistance managed care program. Accordingly, this subdivision requires managed care plans to exclusively use the single PBM for these services. This subdivision further directs the commissioner to increase transparency in the program when the commissioner is administering this new section of law.

Subdivision 4. Prescription drug disclosures. This subdivision requires the state PBM to disclose to the commissioner, upon request, all sources of payment it receives for prescription drugs provided under managed care. It also directs managed care plans to report administrative costs for pharmacy services, and mandates quarterly reporting by the state PBM to the commissioner with detailed information on negotiated prices, rebates, and other data required by the commissioner.

Subdivision 5. Program authority. This subdivision authorizes the commissioner, in consultation with the Formulary Committee, to develop a preferred drug list, negotiate prices in place of the state PBM, and manage a drug formulary for managed care enrollees. It further allows the commissioner to contract with other entities to perform these duties.

Subdivision 6. Pharmacies. This subdivision permits the commissioner to review contracts between the state PBM and pharmacies. The commissioner may amend contract terms that do not comply with this section or the master contract between the commissioner and the state PBM.

Subdivision 7. Federal approval. This subdivision requires the commissioner to seek any necessary federal approvals to implement this section.

Effective date. This provision states that this section is effective January 1, 2027, or upon federal approval, whichever is later, except that subdivision 7 (relating to federal approval) is effective the day following final enactment.

ARTICLE 6 HUMAN SERVICES HEALTH CARE FINANCE

Section 1 (amends Minn. Stat. § 62A.673, subdivision 2; Definitions) This section provides that the definition of “telehealth,” for purposes of the section (relating to coverage of services provided through telehealth), includes, until July 1, 2028, audio-only communication between a health care provider and a patient if the communication is a scheduled appointment and the standard of care for that particular service can be met through the use of audio-only communication or if, for substance use disorder treatment services and mental health services, the communication was initiated by the enrollee while in an emergency or crisis situation.

Section 2 (amends Minn. Stat. § 62M.17, subdivision 2; Effect of change in prior authorization clinical criteria) This section clarifies that the section’s provisions, as they apply to the medical assistance program and MinnesotaCare program, operate on a calendar (in alignment with those programs’ operation) instead of on a plan year (as private plans operate).

Section 3 (adds Minn. Stat. § 256.9657, subdivision 2b; Hospital assessment) This section imposes a new assessment on hospitals that participate in Minnesota’s medical assistance program. The assessment is based on the total inpatient patient days as well as on a percentage of each hospital’s net outpatient revenue, as reported on the hospital’s Medicare cost report. The commissioner of human services must annually notify hospitals of their estimated assessment amounts by October 15. The commissioner must provide a quarterly invoice to hospitals of their assessment amount, and apply a uniform percentage reduction if collections exceed the amount needed for the nonfederal share of directed payments under section 256B.1974 (a new section of law created in the bill establishing the hospital directed payment program).

The section provides for various exemptions and reductions from the hospital assessment (e.g., Hennepin Healthcare, Mayo Rochester, and Gillette Children’s Hospital), as necessary to ensure federal funding for the assessment and new directed payment program. The assessment is effective on the later of January 1, 2026, or upon federal approval of both this provision and the changes in sections 256B.1973 and 256B.1974.

Section 4 (adds Minn. Stat. § 256.969, subdivision 2b; Hospital payment rates) This section modifies hospital payment rates such that, effective January 1, 2028, medical assistance and managed care organizations increase payment rates for inpatient behavioral health services provided by hospitals paid under the diagnosis-related group (DRG) methodology.

Section 5 (amends Minn. Stat. § 256B.0625, subdivision 3b; Telehealth services) Existing law requires medical assistance to cover medically necessary services and consultations

delivered by a health care provider through telehealth in the same manner as if the service was delivered through in-person contact. These telehealth services must be paid at the full allowable rate for the same in-person services. However, audio-only communication between the health care provider and patient is currently only covered until July 1, 2025. This section temporarily extends medical assistance coverage for audio-only communications between a health care provider and patient from the current July 1, 2025, sunset date until July 1, 2028.

Section 6 (amends Minn. Stat. § 256B.0625, subdivision 17a; Payment for ambulance services) This section increases payment rates for ambulance services covered by fee-for-service and managed care medical assistance by 15 percent statewide. The section further increases rates by an additional 10 percent for ambulance services performed by providers with a base of operations outside the metropolitan counties and outside Duluth, Mankato, Moorhead, St. Cloud, and Rochester.

Section 7 (amends Minn. Stat. § 256B.0625, subdivision 25c; Applicability of utilization review provisions) This section clarifies that the provisions of 62M.18 apply to the commissioner of human services. The reference to the section in existing law created ambiguity as to the applicability of that section to chapters 256B and 256L. This section makes a technical change to add the language directly into chapter 256B to remove the ambiguity.

Section 8 (amends Minn. Stat. § 256B.0625, subdivision 30; Other clinic services) This section specifies the establishment of organization encounter rates, as well as the scope of services, under the section for acquisitions and mergers of federally qualified health clinics. It further provides that reimbursement for federally qualified health clinics for mental health targeted case management services is limited to: (1) only those services described in subdivision 20 (on mental health case management) and provided in accordance with contracts executed with counties authorized to subcontract for such services; and (2) the clinic's actual incurred costs as separately reported on the clinic's Cost Report submitted to CMS. In addition, this section requires counties contracting with federally qualified health clinics for mental health targeted case management to be responsible for the nonfederal share of the cost of the provided mental health targeted case management services.

Section 9 (amends Minn. Stat. § 256B.0625, subdivision 54; Services provided in birth centers) This section increases the reimbursement rate paid in the medical assistance program for facility services provided by a birth center. The current rate is the lower of billed charges or 70 percent of the statewide average for a facility payment rate made to a hospital for an uncomplicated vaginal birth. This section would increase the rate to 100 percent of that statewide average. It similarly increases the reimbursement rate for facility services provided to a newborn by a birth center from 70 percent of the statewide average paid for a hospital providing nursery care to 100 percent of the average.

Paragraph (e) of the section expressly requires reimbursement for licensed health professionals in birth centers to be made for the full range of maternity and newborn care services within those professionals' scopes of practice, regardless of where those services are performed. The paragraph additionally requires the commissioner of human services to review the current birth center reimbursement and develop revisions to payment practices to ensure reimbursement for the full range of maternity and newborn care services.

Section 10 (adds Minn. Stat. § 256B.0625, subdivision 54a; Home birth) This section adds a new subdivision to section 256B.0625 requiring the medical assistance and MinnesotaCare programs to cover birth services provided at home. The new subdivision defines “birth services” as “prenatal, labor, birth, and postpartum services,” and limits coverage for birth services to instances when the following conditions are met:

1. the birth services are provided by an eligible provider experienced and licensed in the provision of such services;
2. the patient is a low-risk patient for birth services; and
3. the recipient has a plan of care that includes a signed consent form, visits and tests, and a plan for transfer to a hospital as needed.

The section establishes reimbursement rate requirements for birth services provided under the new subdivision. Specifically, it states that all eligible providers must be reimbursed at the same level as a physician providing those same services and allows an additional payment for supplies used in connection with the birth services. This additional payment amount is based on the facility payment rate received by a hospital for an uncomplicated vaginal delivery.

The section is effective on January 1, 2026, or upon federal approval, whichever is later.

Section 11 (amends Minn. Stat. § 256B.0757, subdivision 5; Payments) This section makes a conforming change to remove behavioral health home services from the requirements of subdivision 5, to align with the new language relating to behavioral health home services in Subdivision 5a.

Section 12 (adds Minn. Stat. § 256B.0757, subdivision 5a; Payments for behavioral health home services) This section establishes a single statewide reimbursement rate for behavioral health home services, effective January 1, 2028, or upon federal approval, whichever is later. The rate must be no less than \$425 per member, per month, and is adjusted annually by the Medicare Economic Index. The Department of Human Services (DHS) must also review and update the rate at least every four years.

Section 13 (adds Minn. Stat. § 256B.1973, subdivision 9; Interaction with Other Directed Payments) This section clarifies that a hospital participating in the existing directed payment program under section 256B.1973 is also eligible to participate in the new hospital directed payment program under section 256B.1974. However, a provider participating in the new hospital directed payment program must not receive a directed payment under section 256B.1973 for the same classes of services also covered by section 256B.1974. A provider eligible for both programs must notify the commissioner of human services of its election to participate within 30 days of the enactment of this new subdivision.

Section 14 (adds Minn. Stat. § 256B.1974; Hospital Directed Payment Program)

Subdivision 1. Definitions. This subdivision defines terms used throughout this section, including “health plan” and “hospital.”

Subdivision 2. Required conditions for program. This subdivision makes implementation of the new hospital directed payment program contingent on the satisfaction of all requirements necessary for the collection of an assessment under section 256.9657. It requires the new program to conform with the requirements for permissible directed managed care organization expenditures under section 256B.6928, subdivision 5.

Subdivision 3. Commissioner's duties; state-directed fee schedule requirement. This subdivision requires the commissioner of human services to set quarterly payment amounts for each participating hospital, using an average commercial payer rate or another federally approved method. The commissioner must ensure the quarterly payment amounts maximize the amount generated by the hospital assessment for allowable directed payments and does not result in payments exceeding federal limits.

Subdivision 4. Health plan duties; submission of claims. This subdivision requires health plans to submit paid claims data for hospital services to the commissioner in accordance with the health plan's medical assistance managed care contract. The subdivision further expressly allows hospitals to validate the health plans' claims-level details for accuracy.

Subdivision 5. Health plan duties; directed payment add-on. This subdivision mandates that health plans pass through the directed payment funds it receives from the commissioner to the hospital, in an amount equal to the payment amounts the plan received from the commissioner. It further prohibits health plans from recouping or offsetting such a directed payment, and from adjusting a hospital's reimbursement rate in any manner to account for the directed payments.

Subdivision 6. Hospital duties; quarterly supplemental directed payment add-on. This subdivision prohibits hospitals from (1) negotiating or setting rates in a way that factors in the new directed payment; or (2) passing assessment costs on to patients or non-MA payers. A hospital violating these restrictions is ineligible for further directed payments for the remainder of the rate year.

Subdivision 7. State minimum policy goals established. This subdivision requires that the new directed payment program aligns with the state's broader policy goals for medical assistance enrollees. It specifically directs the commissioner, in consultation with the Minnesota Hospital Association, to submit a methodology to measure access and achievement of these goals to CMS.

Subdivision 8. Administrative review. This subdivision directs the commissioner to consult annually with a permanent select committee established by the Minnesota Hospital Association to review and provide feedback on the program's payment amounts.

Effective Date. This section is effective on the later of January 1, 2026, or upon federal approval of both this section and the changes in section 256.9657, subdivision 2b.

Section 15 (adds Minn. Stat. § 256B.1975; Hospital Directed Payment Program Account)

Subdivision 1. Account established; appropriation. This subdivision establishes the hospital directed payment program account in the special revenue fund. All revenues from the new hospital assessment are deposited in this account and annually appropriated to the commissioner of human services for making the nonfederal share of payments under section 256B.1974. This subdivision also prohibits any transfers from this account to any other fund, except as necessary to make payments required under section 256B.1974.

Subdivision 2. Reports to the legislature. This subdivision requires the commissioner to annually report, beginning January 15, 2027, on the uses of money in the new hospital directed payment program account. The report must also include metrics and outcomes of the state's medical assistance policy goals in section 256B.1674, subdivision 7. This section is effective on the later of January 1, 2026, or upon federal approval of the new assessment in section 256.9657, subdivision 2b.

Section 16 (amends Minn. Stat. § 256B.76, subdivision 1; Reimbursement adjustments)

This section eliminates obsolete ratable reductions to conform with the updated payment rates for physician and professional services governed by the changes in section 6 of the bill (relating to setting rates equal to 100 percent of the Medicare Physician Fee Schedule). Implementation is contingent upon federal approval.

Section 17 (amends Minn. Stat. § 256B.76, subdivision 6; Medicare relative value units) This section makes conforming changes to transition all reimbursement rates for physician and professional services to at least 100 percent of the corresponding rates in the Medicare Physician Fee Schedule, effective January 1, 2026 (or upon federal approval).

Section 18 (amends Minn. Stat. § 256B.761; Reimbursement for Mental Health Services) This section increases reimbursement rates for mental health services. Specifically, it requires, effective January 1, 2026 (or upon federal approval), that the commissioner of human services establish market-based payment rates for children's therapeutic services and supports, child and family psychoeducation services, clinical care consultation services, and mental health certified family peer specialist services. The section further directs the commissioner, effective January 1, 2027, to establish market-based payment rates for adult day treatment services, adult rehabilitative mental health services, adult mental health peer support specialist services, dialectical behavioral therapy, and other identified mental health services.

Section 19 (amends Minn. Stat. § 256B.766; Reimbursement for Basic Care Services) This section establishes a reimbursement rate for phototherapy services in the medical assistance program. Specifically, effective for services provided on or after July 1, 2025, reimbursement for phototherapy services provided at home must include a \$520 fee per patient episode as well as a daily rental rate for the phototherapy light equipment. The equipment rental rate is set to equal the Medicare rate, accomplished by the inclusion of a cross-reference to section 256B.766, subdivision 12. This section requires the commissioner of human services to annually adjust the \$520 service fee based on inflation.

Section 20 (adds Minn. Stat. § 256B.768; Medicare Rate Alignment) This section transitions all reimbursement rates for physician and professional services to at least 100 percent of the corresponding rates in the Medicare Physician Fee Schedule, effective January 1, 2026 (or upon federal approval). It also instructs DHS to increase managed care plan capitation payments to reflect these rate increases.

Section 21 (amends Minn. Stat. § 295.50, subdivision 3; Gross revenues) This section expands the definition of “gross revenues” as it applies to a tax on wholesale drug distributors, such that the applicable revenue taxed includes the amount of any rebate provided by the distributor to a customer, including a rebate provided under a contractual obligation.

Section 22 (amends Minn. Stat. § 295.52, subdivision 1; Hospital tax) This section increases the tax on hospitals from 1.8 percent to 2 percent.

Section 23 (amends Minn. Stat. § 295.52, subdivision 1a; Surgical center tax) This section increases the tax on surgical centers from 1.8 percent to 2 percent.

Section 24 (amends Minn. Stat. § 295.52, subdivision 2; Provider tax) This section increases the tax on health care providers from 1.8 percent to 2 percent.

Section 25 (amends Minn. Stat. § 295.52, subdivision 3; Wholesale drug distributor tax) This section increases the tax on wholesale drug distributors from 1.8 percent to 2 percent.

Section 26 (amends Minn. Stat. § 295.52, subdivision 4; Use tax; legend drugs) This section increases the tax on persons that receive legend drugs for resale or use in Minnesota (other than from a wholesale drug distributor) from 1.8 percent to 2 percent. This tax does not apply to purchases by an individual for personal consumption.

Section 27 (adds Minn. Stat. § 295.525; MCO Assessment on Health Plan Companies)

Subdivision 1. Definitions. This subdivision defines key terms including “base year,” “enrollee,” “health plan,” and “plan-to-plan enrollee” for purposes of the new section of law being added.

Subdivision 2. MCO assessment. This subdivision imposes an annual assessment on health plan companies for calendar years 2026 to 2029. This assessment constitutes a “health care-related tax” for purposes of federal regulations, which regulations impose specific requirements for such taxes if the state imposing the taxes wants to use the funds as state funds for medical assistance that will be “matched” by the federal government. Among the federal regulations is a ratio of how such assessments must be imposed on MA enrollees as compared to non-MA enrollees. This ratio provides the basis for the assessment’s calculation, as detailed in paragraphs (b) and (c) of this subdivision. That subdivision provides for different assessment amounts based on the number of enrollees in a specific health plan, and on MA enrollees in the plan as well as non-MA enrollees in the plan. This subdivision further imposes a penalty on unpaid assessment amounts, and directs the commissioner of human services to annually

modify the rate of assessment such that the annual assessment equals 2.8 percent of the health plan companies' aggregate gross revenue.

Subdivision 3. Assessment computation; collection. This subdivision describes the process under which the commissioner of human services will obtain necessary information to calculate the assessment amounts and perform the calculation. This subdivision further provides that the commissioner must collect the assessment in four equal installments, and authorizes the commissioner to waive penalties for past due assessment payments under certain circumstances.

Subdivision 4. MCO assessment expenditures. This subdivision requires all revenue from the MCO assessment to be deposited in the health care access fund and be used exclusively to provide nonfederal funds for medical assistance. The subdivision also requires the commissioner to report annually to all health plan companies. The report must identify the assessment amounts and account for expenditures from the health care access fund.

Section 28 (uncodified; Direction to Commissioner of Human Services; Enhanced Federal Reimbursement for Family Planning Services in Medical Assistance) This section directs the commissioner of human services to make the necessary systems modifications in order for the commissioner to claim enhanced federal reimbursement for all family planning services under the medical assistance program.

Section 29 (uncodified; Implementation of Hospital Assessment and Directed Payment Program) This section requires the commissioner to begin the necessary claims analysis to calculate the hospital assessment and make the new directed payments to hospitals. The commissioner must consult with the Minnesota Hospital Association to submit a request for federal approval to implement the new hospital assessment and directed payment program. The commissioner must make materials related to such federal approval available for public review both before and after federal approval. This section is effective the day following final enactment.

Section 30 (uncodified; Federal Approval; Waivers) This section directs the commissioner of human services to request, as necessary, federal approval for the MCO assessment. This direction includes express authorization to seek a waiver of the federal broad-based and uniformity requirements for health care-related taxes.

Section 31 (uncodified; Budget Neutrality; Rate Adjustments) This section requires the commissioner of human services to annually determine the difference between (1) the actual costs or forecasted costs to the medical assistance and MinnesotaCare programs attributable to certain provider reimbursement rate increases contained in this bill, and (2) the revenue generated by the MCO assessment imposed under section 295.525, subdivision 2, including federal financial participation. The section directs the commissioner, if the cumulative costs attributable to the rate increases exceed assessment revenue, to accordingly reduce the costs to the medical assistance and MinnesotaCare program resulting from the rate increases on a uniform basis.

Section 32 (uncodified; Trend Limit; Calculation) This section authorizes the commissioner of human services, from January 1, 2027, to June 30, 2029, to limit the trend increase in rates paid to managed care plans and county-based purchasing plans by an amount equal to the value of a .35 percent reduction in trend in the medical assistance program. This section further directs the commissioner to, in consultation with the commissioner of management and budget, reduce the forecasted trend growth in managed care for medical assistance expenditures in fiscal years 2027, 2028, and 2029.

Section 33 (Appropriation) This section appropriates \$10,000,000 in fiscal year 2027, from the health care access fund to the commissioner of human services for increases to payments for inpatient behavioral health services provided by hospitals paid under the DRG methodology (as directed by another provision contained in this article).

Section 34 (Repealer) This section repeals Minnesota Statutes, section 256B.0625, subdivision 38, which specifies different payment percentages for certain mental health services delivered by masters-prepared mental health professionals and physician assistants. This repeal is effective January 1, 2027 (or upon federal approval).

ARTICLE 7 HUMAN SERVICES HEALTH CARE POLICY

Section 1 (amends Minn. Stat. § 62Q.522, subdivision 1; Definitions) This section updates the definition of “contraceptive service” to remove the existing carve-out of vasectomies. The result is that health plan companies must cover vasectomies in their health plans. This change is effective January 1, 2026, and applies to all health plans offered, issued, or renewed on or after that date.

Section 2 (amends Minn. Stat. § 256B.0371, subdivision 3; Contingent contract with dental administrator) This section amends the existing contingent contract requirements for a single dental administrator in MA managed care, MA fee-for-service, and MinnesotaCare. It delays the earliest start date for administering dental services under a single contract from January 1, 2026, to January 1, 2030, and removes the statutory requirement that the dental administrator pay contracted dental providers at the rates specified in other MA and MinnesotaCare statutes.

Section 3 (adds Minn. Stat. § 256B.0625, subdivision 77; Vasectomies) This section codifies existing coverage of vasectomies in the medical assistance and MinnesotaCare programs. It further provides that coverage must comply with the requirements for vasectomy coverage in section 62Q.522, except where compliance would disrupt the state’s access to federal financial participation for medical assistance coverage.

Section 4 (adds Minn. Stat. § 256B.76, subdivision 1a; Certain long-term ambulatory electrocardiogram monitoring services) This section requires the medical assistance and MinnesotaCare programs to cover long-term ambulatory electrocardiogram monitoring services on and after January 1, 2026. These devices are external cardiac monitoring patches that patients wear for 48 hours or longer. The coverage required by this bill includes the provision of such devices as well as the interpretation of data gathered by them to detect heart

arrhythmias. The reimbursement rate for such services must be at least 100 percent of the Medicare Physician Fee Schedule's rate.

ARTICLE 8 BEHAVIORAL HEALTH

Section 1 (amends Minn. Stat. § 245.4661, subdivision 2; Program design and implementation) This section requires adult mental health initiatives to utilize adult mental health initiative funding only after all other eligible funding sources have been applied.

Section 2 (amends Minn. Stat. § 245.4661, subdivision 6; Duties of commissioner) This section removes the requirement that the commissioner of human services must consider certain criteria when awarding grants for adult mental health initiatives.

Section 3 (amends Minn. Stat. § 245.4661, subdivision 7; Duties of adult mental health initiative board) This section modifies the duties of the adult mental health initiative board by removing the required submission of certain data and information to the commissioner of human services. This section also allows oral reports to meet the submission requirements for services provided to American Indians in Tribal Nations or urban Indian communities.

Section 4 (amends Minn. Stat. § 245.4871, subdivision 5; Child) This section modifies the definition of "child" within the children's mental health act to allow targeted case management services to be paid at the children's rate for services, rather than at the adult rate.

Section 5 (amends Minn. Stat. § 245.4889, subdivision 1; Establishment and authority) This section adds evidence-based interventions for youth and young adults at risk of developing or experiencing an early episode of bipolar disorder to the list of services that are eligible for children's mental health grants.

Section 6 (amends Minn. Stat. § 245.4905; First Episode of Psychosis and Early Episode of Bipolar Disorder Grant Program) This section modifies the first episode of psychosis grant program to also include early episode of bipolar disorder.

Section 7 (Mental Health Collaboration Hub Innovation Pilot Program) This section directs the commissioner of human services to provide funding and technical assistance to, and establish a data sharing agreement with, the Mental Health Collaboration Hub for the development of a pilot project to develop and implement innovative care pathways and care facility decompression strategies. Provides certain requirements for the pilot project, along with requiring the Hub to report on how the grant funds were spent and provide a summary on the impact of the pilot project.

Section 8 (Psychiatric Residential Treatment Facility Report) This section directs the commissioner of human services to produce a report on amending the state medical assistance plan, updating the rate methodology, and modifying licensing standards for psychiatric residential treatment facilities.

ARTICLE 9 BEHAVIORAL HEALTH POLICY

Section 1 (amends Minn. Stat. § 144.651, subdivision 2; Definitions) This section exempts intensive residential treatment services and residential crisis stabilization services from specific rights in the health care bill of rights, including grievances, married residents, transfers and discharges, treatment plans, and restraints.

Section 2 (amends Minn. Stat. § 245.462, subdivision 4; Case management services provider) This section adds case managers with a bachelor's degree that is not in one of the behavioral sciences or a related field to those who must meet additional requirements to provide adult mental health case management services. Adds to these additional requirements by including 80 hours of training and a demonstration of competencies. Modifies the continuing education and supervision hours requirements for case management associates and removes the reference to "case management mentor."

Section 3 (amends Minn. Stat. § 245.462, subdivision 20; Mental illness) This section modifies the definition of "person with serious and persistent mental illness" within the Adult Mental Health Act and adds a definition within "mental illness" for a "person with a complex post-traumatic stress disorder."

Section 4 (amends Minn. Stat. § 245.4661, subdivision 9; Services and programs) This section allows the purchase and renovation of vehicles by mobile crisis teams to provide protected transport to be eligible for adult mental health grants.

Section 5 (amends Minn. Stat. § 245.467, subdivision 4; Referral for case management) This section requires certain mental health providers to inform clients with a complex post-traumatic stress disorder of the availability and potential benefits of case management.

Section 6 (amends Minn. Stat. § 245.469; Emergency Services) This section modifies emergency services within the Adult Mental Health Act.

Subdivision 1. This subdivision states that clients must not be charged for emergency services provided and that emergency service providers must meet the provider entity standards for crisis services under section 256B.0624, subdivision 4. Removes the requirement that providers not delay the provision of services to a client because of a client's unwillingness or inability to pay.

Subdivision 2. This subdivision extends the requirement that service providers of emergency services provide immediate direct access to a mental health professional during regular business hours to children with mental illness.

Subdivision 3. This subdivision removes the requirement that the commissioner of human services develop a phone number to route calls to crisis services and instead requires the commissioner to promote the 988 Lifeline.

Section 7 (amends Minn. Stat. § 245.4711, subdivision 1; Availability of case management services) This section requires county boards to provide case management services to adults with a complex post-traumatic stress disorder and requires services provided to adults eligible for medical assistance to be billed to the medical assistance program.

Section 8 (amends Minn. Stat. § 245.4711, subdivision 4; Individual community support plan) This section requires adults with a complex post-traumatic stress disorder to be involved in all phases of development and implementation of an individual community support plan.

Section 9 (amends Minn. Stat. § 245.4712, subdivision 1; Availability of community support services) This section requires county boards to provide or contract for sufficient community support services to meet the needs of adults with complex post-traumatic stress disorder.

Section 10 (amends Minn. Stat. § 245.4712, subdivision 3; Benefits assistance) This section requires county boards to offer to help adults with a complex post-traumatic stress disorder in applying for state and federal benefits.

Section 11 (amends Minn. Stat. § 245.4871, subdivision 4; Case management service provider) This section requires that case managers providing children’s mental health case management services must be a mental health practitioner or have at least a bachelor’s degree in one of the behavioral sciences. Provides that a case manager who is not a mental health practitioner and does not have a bachelor’s degree or who has a bachelor’s degree not in one of the behavioral sciences or a related field must meet additional requirements. Adds to these additional requirements by including 80 hours of training and a demonstration of competencies.

Section 12 (adds Minn. Stat. § 245.4871, subdivision 7a; Clinical supervision) This section defines “clinical supervision” for the purposes of the Children’s Mental Health Act.

Section 13 (amends Minn. Stat. § 245.4881, subdivision 3; Duties of case manager) This section requires a children’s mental health case manager, with the child and parent or legal guardian’s consent, to complete a written functional assessment.

Section 14 (amends Minn. Stat. § 245.4901, subdivision 3; Allowable grant activities and related expenses) This section modifies the allowable grant activities for school-linked behavioral health grants.

Section 15 (adds Minn. Stat. § 245.4904; Intermediate School District Behavioral Health Grant Program) This section codifies the intermediate school district behavioral health grant program originally passed in 2017 session law.

Subdivision 1. This subdivision establishes the grant program to improve behavioral health outcomes for youth attending a qualifying school unit and to build the capacity of schools to support student and teacher needs in the classroom.

Subdivision 2. This subdivision provides that an eligible applicant is an intermediate school district and a partner entity or provider with a demonstrated capacity to serve youth and that meets certain requirements.

Subdivision 3. This subdivision specifies allowable grant activities and related expenses and requires that grantees must obtain all available third-party reimbursement as a condition of receiving grant funds.

Subdivision 4. This subdivision requires grants to be awarded to qualifying school units proportionately.

Subdivision 5. This subdivision requires grantees to provide data to the commissioner of human services and requires the commissioner to consult with grantees to develop outcome measures.

Section 16 (amends Minn. Stat. §245.4907, subdivision 3; Allowable grant activities) This section modifies the allowable grant activities for the mental health certified family peer specialist grant program to include continuing education for certified family peer specialists.

Section 17 (amends Minn. Stat. § 245.50; Exceptions) This section allows a person on probation or parole to receive mental health, chemical health, or detoxification services in bordering states.

Section 18 (adds Minn. Stat. § 245.50, subdivision 6; Contract notice) This section requires a Minnesota mental health, chemical health, or detoxification facility that enters into a contract with a bordering state for mental health, chemical health, or detoxification services to provide the commissioner of human services with a copy of the contract within 30 days, along with any amendments.

Section 19 (amends Minn. Stat. § 245I.05, subdivision 3; Initial training) This section requires that training on psychotropic medications and medication side effects must include tardive dyskinesia for mental health rehabilitation workers, mental health behavioral aides, or mental health practitioners.

Section 20 (amends Minn. Stat. § 245I.05, subdivision 5; Additional training for medication administration) This section requires that training on psychotropic medications and side effects must include tardive dyskinesia for a staff person working for a mental health provider who is not a licensed prescriber, registered nurse, or licensed practical nurse.

Section 21 (amends Minn. Stat. § 245I.06, subdivision 3; Treatment supervision and direct observation of mental health rehabilitation workers and mental health behavioral aides) This section removes the requirement that a staff person performing the direct observation of a mental health behavioral aide or a mental health rehabilitation worker to approve of the progress note for observed treatment services.

Section 22 (amends Minn. Stat. § 245I.11, subdivision 5; Medication administration in residential programs) This section requires a license holder to monitor the effectiveness of

medications, side effects, and adverse reactions, including symptoms and signs of tardive dyskinesia, for each client.

Section 23 (amends Minn. Stat. § 245I.12, subdivision 5; Client grievances) This section allows clients to voice grievances and recommend changes in policies and services, and to voice those grievances free from restraint, interference, coercion, discrimination, or reprisal.

Section 24 (amends Minn. Stat. § 245I.23, subdivision 7; Intensive residential treatment services assessment and treatment planning) This section modifies the time in which a level of care assessment for intensive residential treatment services needs to be completed from within five days of a client's admission to ten days.

Section 25 (amends Minn. Stat. § 256B.0616, subdivision 4; Family peer support program providers) This section makes conforming changes by removing "specialist" from the subdivision and adding "family" to the title.

Section 26 (amends Minn. Stat. § 256B.0616, subdivision 5; Certified family peer specialist training and certification) This section modifies certified family peer specialist training and certification requirements to allow the commissioner of human services to approve the use of an existing training process and to allow candidates to have lived experience as a youth with mental illness as part of the qualifications. Requires initial training to be delivered by the commissioner or by a third-party organization approved by the commissioner.

Section 27 (amends Minn. Stat. § 256B.0622, subdivision 3a; Provider certification and contract requirements for assertive community treatment) This section requires a certified ACT team to ensure that overall treatment supervision is provided by a qualified team member, and available during and after regular business hours and on weekends and holidays.

Section 28 (amends Minn. Stat. § 256B.0622, subdivision 7a; Assertive community treatment team staff requirements and roles) This section allows the team leader of an ACT team to also be a clinical trainee or mental health practitioner, rather than just a mental health professional.

Section 29 (amends Minn. Stat. § 256B.0625, subdivision 20; Mental health case management) This section provides that medical assistance covers case management services for persons with a complex post-traumatic stress disorder.

Section 30 (amends Minn. Stat. § 256L.03, subdivision 5; Cost-sharing) This section prohibits co-payments, coinsurance, and deductibles from applying to mobile crisis intervention.

Section 31 (amends Laws 2023, chapter 70, article 20, section 2, subdivision 7, paragraph (b); Online behavioral health program locator) This section requires the vendor of the online behavioral health program locator selected by the commissioner of human services to be based in Minnesota beginning July 1, 2025.

ARTICLE 10

CHILDREN'S MENTAL HEALTH TERMINOLOGY

Section 1 (amends Minn. Stat. § 62Q.527, subdivision 1; Definitions) This section removes the definition of “emotional disturbance” and modifies the definition of “mental illness.”

Section 2 (amends Minn. Stat. § 62Q.527, subdivision 2; Required coverage for antipsychotic drugs) This section removes the reference to “emotional disturbance.”

Section 3 (amends Minn. Stat. § 62Q.527, subdivision 3; Continuing care) This section removes the reference to “emotional disturbance.”

Section 4 (amends Minn. Stat. § 121A.61, subdivision 3; Policy components) This section replaces “emotional disturbance” with “mental illness.”

Section 5 (amends Minn. Stat. § 128C.02, subdivision 5; Rules for open enrollees) This section removes the reference to “emotional disturbance.”

Section 6 (amends Minn. Stat. § 142G.02, subdivision 56; Learning disabled) This section replaces “emotional disturbance” with “mental illness.”

Section 7 (amends Minn. Stat. § 142G.27, subdivision 4; Good cause exemptions for not attending orientation) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 8 (amends Minn. Stat. § 142G.42, subdivision 3; Ill or incapacitated) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 9 (amends Minn. Stat. § 245.462, subdivision 4; Case management service provider) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 10 (amends Minn. Stat. § 245.4682, subdivision 3; Projects for coordination of care) This section removes references to “emotional disturbance.”

Section 11 (amends Minn. Stat. § 245.4835, subdivision 2; Failure to maintain expenditures) This section removes the reference to “emotional disturbance.”

Section 12 (amends Minn. Stat. § 245.4863; Integrated Co-Occurring Disorder Treatment) This section removes the reference to “emotional disturbance.”

Section 13 (amends Minn. Stat. § 245.487, subdivision 2; Findings) This section replaces “emotionally disturbed” with “mental illness” and “severe emotional disturbance” with “serious mental illness.”

Section 14 (amends Minn. Stat. § 245.4871, subdivision 3; Case management services) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 15 (amends Minn. Stat. § 245.4871, subdivision 4; Case management service provider) This section replaces “severe emotional disturbance” with “serious mental illness” and “emotional disturbance” with “mental illness.”

Section 16 (amends Minn. Stat. § 245.4871, subdivision 6; Child with serious mental illness) This section replaces “severe emotional disturbance” with “serious mental illness” and “emotional disturbance” with “mental illness.”

Section 17 (amends Minn. Stat. § 245.4871, subdivision 13; Education and prevention services) This section replaces “emotional disturbances” with “mental illnesses.”

Section 18 (amends Minn. Stat. § 245.4871, subdivision 15; Mental illness) This section replaces “emotional disturbance” with “mental illness.”

Section 19 (amends Minn. Stat. § 245.4871, subdivision 17; Family community support services) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 20 (amends Minn. Stat. § 245.4871, subdivision 19; Individual family community support plan) This section replaces “severe emotional disturbance” with “serious mental illness” and “emotional disturbance” with “mental illness.”

Section 21 (amends Minn. Stat. § 245.4871, subdivision 21; Individual treatment plan) This section replaces “emotional disturbance” with “mental illness.”

Section 22 (amends Minn. Stat. § 245.4871, subdivision 22; Legal representative) This section replaces “emotional disturbance” with “mental illness.”

Section 23 (amends Minn. Stat. § 245.4871, subdivision 22; Mental health services) This section replaces “emotional disturbances” with “mental illnesses.”

Section 24 (amends Minn. Stat. § 245.4871, subdivision 29; Outpatient services) This section replaces “emotional disturbances” with “mental illnesses.”

Section 25 (amends Minn. Stat. § 245.4871, subdivision 31; Professional home-based family treatment) This section replaces “emotional disturbance” with “mental illness” and “out-of-home placement” with “residential treatment or therapeutic foster care.” Requires that services must be coordinated with other services provided to the child and the child’s family.

Section 26 (amends Minn. Stat. § 245.4871, subdivision 32; Residential treatment) This section replaces “emotional disturbance” with “mental illness.”

Section 27 (amends Minn. Stat. § 245.4871, subdivision 34; Therapeutic support of foster care) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 28 (amends Minn. Stat. § 245.4873, subdivision 2; State level; coordination) This section replaces “emotional disturbances” with “mental illnesses.”

Section 29 (amends Minn. Stat. § 245.4874, subdivision 1; Duties of county board) This section replaces “severe emotional disturbance” with “serious mental illness” and “out-of-home placement” with “residential treatment or therapeutic foster care.” Removes the requirement for a county board to provide screening of children admitted to acute care hospital inpatient treatment or information admission to a regional treatment center.

Section 30 (amends Minn. Stat. § 245.4875, subdivision 5; Local children’s advisory council) This section replaces “severe emotional disturbance” with “serious mental illness” and “emotional disturbance” with “mental illness.”

Section 31 (amends Minn. Stat. § 245.4876, subdivision 4; Referral for case management) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 32 (amends Minn. Stat. § 245.4876, subdivision 5; Consent for services or for release of information) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 33 (amends Minn. Stat. § 245.4877; Education and Prevention Services) This section replaces “emotional disturbance” with “mental illness.”

Section 34 (amends Minn. Stat. § 245.488, subdivision 1; Availability of outpatient services) This section replaces “emotional disturbance” with “mental illness.”

Section 35 (amends Minn. Stat. § 245.488, subdivision 3; Mental health crisis services) This section replaces “emotional disturbance” with “mental illness.”

Section 36 (amends Minn. Stat. § 245.4881, subdivision 1; Availability of case management services) This section replaces “severe emotional disturbance” with “serious mental illness” and “emotional disturbance” with “mental illness.”

Section 37 (amends Minn. Stat. § 245.4881, subdivision 4; Individual family community support plan) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 38 (amends Minn. Stat. § 245.4882, subdivision 1; Availability of residential treatment services) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 39 (amends Minn. Stat. § 245.4882, subdivision 5; Specialized residential treatment services) This section replaces “emotional disturbance” with “mental illness.”

Section 40 (amends Minn. Stat. § 245.4884; Family Community Support Services) This section replaces “severe emotional disturbance” with “serious mental illness” and “out-of-home placement” with “residential treatment or therapeutic foster care.”

Section 41 (amends Minn. Stat. § 245.4885, subdivision 1; Admission criteria) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 42 (amends Minn. Stat. § 245.4889, subdivision 1; Establishment and authority) This section replaces “emotional disturbance” with “mental illness,” “severe emotional disturbance” with “serious mental illness,” and “out-of-home placement” with “residential treatment or therapeutic foster care.”

Section 43 (amends Minn. Stat. § 245.4907, subdivision 2; Eligible applicants) This section replaces “emotional disturbance” with “mental illness” and “severe emotional disturbance” with “serious mental illness.”

Section 44 (amends Minn. Stat. § 245.491, subdivision 2; Purpose) This section adds “mental illness.”

Section 45 (amends Minn. Stat. § 245.492, subdivision 3; Children with emotional or behavioral disturbances) This section replaces “emotional disturbances” with “mental illnesses.”

Section 46 (amends Minn. Stat. § 245.697, subdivision 2a; Subcommittee on Children’s Mental Health) This section replaces “emotional disturbance” with “mental illness.”

Section 47 (amends Minn. Stat. § 245.814, subdivision 3; Compensation provisions) This section makes technical changes and replaces “out-of-home” with “providers’.”

Section 48 (amends Minn. Stat. § 245.826; Use of Restrictive Techniques and Procedures in Facilities Serving Children with Mental Illness) This section replaces “emotionally disturbed” with “mental illnesses.”

Section 49 (amends Minn. Stat. § 245.91, subdivision 2; Agency) This section removes the reference to “emotional disturbance.”

Section 50 (amends Minn. Stat. § 245.91, subdivision 4; Facility or program) This section removes the references to “emotional disturbance.”

Section 51 (amends Minn. Stat. § 245.92; Office of Ombudsman; Creation; Qualifications; Function) This section removes the reference to “emotional disturbance.”

Section 52 (amends Minn. Stat. § 245.94, subdivision 1; Powers) This section removes the reference to “emotional disturbance.”

Section 53 (amends Minn. Stat. § 245A.03, subdivision 2; Exclusion from licensure) This section replaces “emotional disturbance” with “mental illness.”

Section 54 (amends Minn. Stat. § 245A.26, subdivision 1; Definitions) This section replaces “emotional disturbance” with “mental illness.”

Section 55 (amends Minn. Stat. § 245A.26, subdivision 2; Scope and applicability) This section replaces “emotional disturbance” with “mental illness.”

Section 56 (amends Minn. Stat. § 246C.12, subdivision 4; Staff safety training) This section replaces “persons” with “adults and children” and removes the reference to “severe emotional disturbance.”

Section 57 (amends Minn. Stat. § 252.27, subdivision 1; County of financial responsibility) This section replaces “emotional disturbance” with “mental illness.”

Section 58 (amends Minn. Stat. § 256B.02, subdivision 11; Related condition) This section removes the reference to “emotional disturbance.”

Section 59 (amends Minn. Stat. § 256B.055, subdivision 12; Children with disabilities) This section replaces “emotional disturbance” with “mental illness.”

Section 60 (amends Minn. Stat. § 256B.0616, subdivision 1; Scope) This section replaces “emotional disturbance” with “mental illness” and “severe emotional disturbance” with “serious mental illness.”

Section 61 (amends Minn. Stat. § 256B.0757, subdivision 2; Eligible individual) This section removes the reference to “emotional disturbance.”

Section 62 (amends Minn. Stat. § 256B.0943, subdivision 1; Definitions) This section removes the reference to “emotional disturbance” and makes conforming changes.

Section 63 (amends Minn. Stat. § 256B.0943, subdivision 3; Determination of client eligibility) This section replaces “emotional disturbance” with “mental illness.”

Section 64 (amends Minn. Stat. § 256B.0943, subdivision 9; Service delivery criteria) This section removes the reference to “emotional disturbance.”

Section 65 (amends Minn. Stat. § 256B.0943, subdivision 12; Excluded services) This section replaces “emotional disturbance” with “mental illness.”

Section 66 (amends Minn. Stat. § 256B.0943, subdivision 13; Exception to excluded services) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 67 (amends Minn. Stat. § 256B.0945, subdivision 1; Residential services; provider qualifications) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 68 (amends Minn. Stat. § 256B.0946, subdivision 6; Excluded services) This section makes a conforming change to correct a cross-reference.

Section 69 (amends Minn. Stat. § 256B.0947, subdivision 3a; Required service components) This section makes a conforming change to correct a cross-reference.

Section 70 (amends Minn. Stat. § 256B.69, subdivision 23; Alternative services; elderly persons and persons with a disability) This section replaces “emotional disturbance” with “mental illness.”

Section 71 (amends Minn. Stat. § 256B.77, subdivision 7a; Eligible individuals) This section replaces “severe emotional disturbance” with “serious mental illness.”

Section 72 (amends Minn. Stat. § 260B.157, subdivision 3; Juvenile treatment screening team) This section replaces “emotional disturbance” with “mental illness.”

Section 73 (amends Minn. Stat. § 260C.007, subdivision 16; Mental illness) This section replaces “emotional disturbance” with “mental illness.”

Section 74 (amends Minn. Stat. § 260C.007, subdivision 26d; Qualified residential treatment program) This section adds “mental illnesses” to what a qualified residential treatment program must include in its trauma-informed treatment model.

Section 75 (amends Minn. Stat. § 260C.007, subdivision 27b; Residential treatment facility) This section replaces “emotional disturbance” with “mental illness.”

Section 76 (amends Minn. Stat. § 260C.157, subdivision 3; Juvenile treatment screening team) This section replaces “emotional disturbance” with “mental illness.”

Section 77 (amends Minn. Stat. § 260C.201, subdivision 1; Dispositions) This section replaces “emotional disturbance” with “mental illness.”

Section 78 (amends Minn. Stat. § 260C.201, subdivision 2; Written findings) This section replaces “emotional disturbance” with “mental illness.”

Section 79 (amends Minn. Stat. § 260C.301, subdivision 4; Current foster care children) This section replaces “emotional disturbance” with “mental illness.”

Section 80 (amends Minn. Stat. § 260D.01; Child in voluntary Foster Care for Treatment) This section replaces “emotional disturbance” with “mental illness.”

Section 81 (amends Minn. Stat. § 260D.02, subdivision 5; Child in voluntary foster care for treatment) This section replaces “emotional disturbance” with “mental illness.”

Section 82 (amends Minn. Stat. § 260D.02, subdivision 9; Mental illness) This section replaces “emotional disturbance” with “mental illness.”

Section 83 (amends Minn. Stat. § 260D.03, subdivision 1; Voluntary foster care) This section replaces “emotional disturbance” with “mental illness.”

Section 84 (amends Minn. Stat. § 260D.04; Required Information for a Child in Voluntary Foster Care for Treatment) This section replaces “emotional disturbance” with “mental illness.”

Section 85 (amends Minn. Stat. § 260D.06, subdivision 2; Agency report to court; court review) This section replaces “emotional disturbance” with “mental illness.”

Section 86 (amends Minn. Stat. § 260D.07; Required Permanency Review Hearing) This section replaces “emotional disturbance” with “mental illness.”

Section 87 (amends Minn. Stat. § 260E.11, subdivision 3; Report to medical examiner or coroner; notification to local agency and law enforcement; report ombudsman) This section removes the reference to “emotional disturbance.”

Section 88 (amends Minn. Stat. § 295.50, subdivision 9b; Patient services) This section replaces “severe emotional disturbance” with “serious mental illness.”

ARTICLE 11 ASSERTIVE COMMUNITY TREATMENT AND INTENSIVE RESIDENTIAL TREATMENT SERVICES RECODIFICATION

Section 1 (amends Minn. Stat. § 256B.0622, subdivision 1; Scope) This section removes the reference to intensive residential treatment services.

Section 2 (amends Minn. Stat. § 256B.0622, subdivision 8; Medical assistance payment for assertive community treatment services) This section removes the reference to intensive residential treatment services and makes conforming changes.

Section 3 (amends Minn. Stat. § 256B.0622, subdivision 11; Sustainability grants) This section removes the reference to intensive residential treatment services.

Section 4 (amends Minn. Stat. § 256B.0622, subdivision 12; Start-up grants) This section removes the reference to intensive residential treatment services.

Section 5 (adds Minn. Stat. § 256B.0632; Intensive Residential Treatment Services) This section codifies, in its own section, the intensive residential treatment services language removed from the assertive community treatment section.

Section 6 (Repealer) This section repeals a subdivision governing provider entity licensure and contract requirements for intensive residential treatment services from the assertive community treatment section due to the recodification of this language in the new intensive residential treatment services section added in section 5 of this article.

ARTICLE 12
ASSERTIVE COMMUNITY TREATMENT AND INTENSIVE RESIDENTIAL TREATMENT
SERVICES RECODIFICATION CONFORMING CHANGES

Section 1 (amends Minn. Stat. § 148F.11, subdivision 1; Other professionals) This section makes a conforming change due to the recodification of the intensive residential treatment services.

Section 2 (amends Minn. Stat. § 245.4662, subdivision 1; Definitions) This section makes a conforming change due to the recodification of the intensive residential treatment services.

Section 3 (amends Minn. Stat. § 245.4906, subdivision 2; Eligible applicants) This section makes a conforming change due to the recodification of the intensive residential treatment services.

Section 4 (amends Minn. Stat. § 254B.04, subdivision 1a; Client eligibility) This section makes a conforming change due to the recodification of the intensive residential treatment services.

Section 5 (amends Minn. Stat. § 254B.05, subdivision 1a; Room and board provider requirements) This section makes a conforming change due to the recodification of the intensive residential treatment services.

Section 6 (amends Minn. Stat. § 256.478, subdivision 2; Eligibility) This section makes a conforming change due to the recodification of the intensive residential treatment services.

Section 7 (amends Minn. Stat. § 256B.0615, subdivision 1; Scope) This section makes a conforming change due to the recodification of the intensive residential treatment services.

Section 8 (amends Minn. Stat. § 256B.0615, subdivision 3; Eligibility) This section makes a conforming change due to the recodification of the intensive residential treatment services.

Section 9 (amends Minn. Stat. § 256B.82; Prepaid Plans and Mental Health Rehabilitative Services) This section makes a conforming change due to the recodification of the intensive residential treatment services.

Section 10 (amends Minn. Stat. § 256D.44, subdivision 5; Special needs) This section makes a conforming change due to the recodification of the intensive residential treatment services.

ARTICLE 13
BACKGROUND STUDIES

Section 1 (amends Minn. Stat. § 245C.13, subdivision 2; Activities pending completion of background study) This section requires that, for background studies affiliated with a licensed child care center or certified license-exempt child care center, the notice of more time needed to complete a study cannot be issued until the commissioner receives a qualifying result for

the individual for the national criminal history check or the criminal history information from the Bureau of Criminal Apprehension.

Section 2 (adds Minn. Stat. § 245C.14, subdivision 4c; Two-year disqualification) This section adds a two-year disqualification for violations of human services and children, youth, and families statutes related to fraud, theft, or program misconduct.

Section 3 (adds Minn. Stat. § 245C.14, subdivision 6; Disqualification from owning, operating, or billing) This section requires the commissioner of human services to disqualify an individual subject to a background study from any position involving ownership, management, or control of a program or billing activities if a completed background study shows a violation of human services or children, youth, and families statutes related to fraud, theft, or program misconduct.

ARTICLE 14

DEPARTMENT OF HUMAN SERVICES PROGRAM INTEGRITY

Section 1 (amends Minn. Stat. § 13.46, subdivision 3; Investigative data) This section allows welfare data to be disclosed to an agent or investigator acting on behalf of a county, state, or federal government, rather than only an agent of the welfare system, in an investigation or prosecution of a criminal, civil, or administrative proceeding. Allows the commissioner of human services to disclose the reduction or withholding of payments.

Section 2 (amends Minn. Stat. § 245.095, subdivision 5; Withholding of payments) This section adds additional reasons for the commissioner of human services to withhold payments, including if the commissioner determines that:

- (1) the individual, entity, or an associated individual or entity was convicted of a crime in state or federal court that involves fraud or theft against a program administered by the commissioner of human services or another Minnesota state or federal agency;
- (2) the provider is operating after a Minnesota state or federal agency orders the suspension, revocation, or decertification of the provider's license;
- (3) the provider, vendor, associated individual, or associated entity has a background study disqualification under chapter 245C that has not been set aside and for which no variance has been issued, except under certain circumstances; and
- (4) by a preponderance of the evidence that the provider, vendor, individual, associated individual, or associated entity intentionally provided materially false information on the provider's billing forms.

Section 3 (adds Minn. Stat. § 245.095, subdivision 6; Data practices) This section allows the commissioner of human services to exchange information, including claims data, with state or federal agencies, professional boards, departments, or programs for the purpose of investigations or prosecutions related to suspected fraud or exclusion from a program administered by a state or federal agency.

Section 4 (amends Minn. Stat. § 245A.04, subdivision 1; Application for licensure) This section prohibits the completion of an application for licensure if the applicant or controlling individual is the subject of a pending administrative, civil, or criminal investigation until the investigation has closed or the related legal proceedings are complete.

Section 5 (amends Minn. Stat. § 245A.05; Denial of Application) This section allows the commissioner of human services to deny a license if an applicant or controlling individual is the subject of a pending administrative, civil, or criminal investigation.

Section 6 (amends Minn. Stat. § 245A.07, subdivision 2; Temporary immediate suspension) This section allows the commissioner of human services to temporarily suspend a license for a controlling individual's actions, rather than just a license holder. Expands the criminal charge provision to include offenses involving fraud or theft against a program administered by a state or federal agency, instead of programs just administered by the commissioner of human services. Allows the commissioner to temporarily suspend a license if the license holder or controlling individual is the subject of a pending administrative, civil, or criminal investigation or subject to an administrative or civil action related to fraud against a program administered by a state or federal agency.

Section 7 (adds Minn. Stat. § 254B.06, subdivision 5; Prohibition of duplicative claim submission) This section requires submissions for time-based claims to follow the guidelines in the Centers for Medicare and Medicaid Services' Healthcare Common Procedure Coding System and the American Medical Association's Current Procedural Terminology. Requires that more than half of the duration of a time-based code must be spent performing the service and specifies what constitutes a duplicative claim submission. Allows a provider to round up to the next whole number of service units only when more than one and one-half times the defined value of the code has occurred, and no additional time increment code exists.

Section 8 (amends Minn. Stat. § 256.983, subdivision 4; Funding) This section changes the requirement for the commissioners of human services and children, youth, and families to maintain program compliance for when a county or Tribal agency fails to comply with fraud prevention investigation program guidelines or fails to meet the cost-effectiveness standards from any consecutive three-month period to any quarter.

Section 9 (amends Minn. Stat. § 256B.04, subdivision 21; Provider enrollment) This section allows the commissioner of human services, at the commissioner's discretion, to revalidate any other Medicaid-only provider type the commissioner deems "high risk." Provides that the statute of limitations for recovery from a surety bond purchased by a durable medical equipment provider or supplier is six years from the date the debt is affirmed by a final agency decision.

Section 10 (amends Minn. Stat. § 256B.0659, subdivision 21; Requirements for provider enrollment of personal care assistance provider agencies) This section provides that the statute of limitations for recovery from a surety bond purchased by a personal care assistance provider agency is six years from the date the debt is affirmed by a final agency decision.

Section 11 (amends Minn. Stat. § 256B.85, subdivision 12; Requirements for enrollment of CFSS agency-providers) This section provides that the statute of limitations for recovery from a surety bond purchased by a CFSS agency-provider is six years from the date the debt is affirmed by a final agency decision.

ARTICLE 15

DEPARTMENT OF HUMAN SERVICES OFFICE OF THE INSPECTOR GENERAL POLICY

Section 1 (amends Minn. Stat. § 142E.51, subdivision 5; Administrative disqualification of child care providers caring for children receiving child care assistance) This section modifies what constitutes an intentional program violation for administrative disqualifications of child care providers caring for children receiving child care assistance (CCAP) by adding when a provider receives or provides a kickback.

Section 2 (amends Minn. Stat. § 142E.51, subdivision 6; Prohibited hiring practices) This section prohibits CCAP program applicants, participants, and providers from receiving or providing a kickback and provides that an attempt to buy or sell access to a family's child care subsidy benefits constitutes a kickback, intentional program violation, and wrongfully obtaining assistance.

Section 3 (amends Minn. Stat. § 245A.04, subdivision 1; Application for licensure) This section requires license holders to train staff on the drug and alcohol policy before the staff member has direct contact with a person served by the program.

Section 4 (amends Minn. Stat. § 245A.04, subdivision 7; Grant of license; license extension) This section modifies requirements for the reissuance of licenses and requires adult foster care, family adult day services, child foster residence setting, and community residential services license holders to apply for and be granted a new license to operate the program. Allows licenses to be issued each calendar year upon the implementation of the provider licensing and reporting hub.

Section 5 (amends Minn. Stat. § 245A.16, subdivision 1; Delegation of authority to agencies) This section allows licenses for adult foster care, family adult day services, child foster residence setting, or community residential services to be issued for up to two years until the implementation of the provider licensing and reporting hub. Provides that upon the implementation of the hub, licenses may be issued each calendar year. Removes duplicative language.

Section 6 (amends Minn. Stat. § 245A.242, subdivision 2; Emergency overdose treatment) This section requires that a license holder must require staff to have training on the use of opiate antagonists before the staff member has direct contact with a person served by the program.

Section 7 (adds Minn. Stat. § 245C.05, subdivision 9; Electronic signature) This section allows the use of electronic signatures for human services background studies.

Section 8 (amends Minn. Stat. § 245C.08, subdivision 3; Arrest and investigative information) This section modifies the list of entities that the commissioner of human services may review arrest and investigative information from for background studies.

Section 9 (amends Minn. Stat. § 245C.22, subdivision 5; Scope of set-aside) This section modifies the types of organizations for which a disqualification set-aside may be limited to a specific individual who is receiving services to include financial management services organizations, community first services and supports organizations, unlicensed home and community-based organizations, and consumer-directed community support organizations.

Section 10 (amends Minn. Stat. § 245D.02, subdivision 4a; Community residential setting) This section removes an obsolete reference and specifies that a community residential setting serves adults.

Section 11 (amends Minn. Stat. § 256.98, subdivision 1; Wrongfully obtaining assistance) This section provides that receiving or providing any prohibited payment, including a kickback, or submitting or aiding or abetting the submission of a willfully false claim for child care assistance constitutes wrongfully obtaining assistance.

Section 12 (amends Minn. Stat. § 256B.064, subdivision 1a; Grounds for sanctions) This section allows the commissioner of human services to impose sanctions against an individual or entity that receives payment from medical assistance if that individual or entity solicits or receives any remuneration or pays or offers to pay any remuneration. States that a criminal conviction is not required to impose sanctions.

Section 13 (amends Minn. Stat. § 256B.12; Legal Representation) This section allows the attorney general or county attorney to represent the state agency or agency for prosecutions under the new human services programs crimes statute.

Section 14 (adds Minn. Stat. § 609.542; Human Services Crimes) This section establishes human services programs crimes for a person who intentionally offers or pays any remuneration, including any kickback, bribe, or rebate, or who intentionally solicits or receives any remuneration related to federal health care programs, behavioral health programs, and child care assistance programs.

Subdivision 1. This subdivision defines “federal health care program” by referencing federal law.

Subdivision 2. This subdivision provides that a person is guilty of a crime and may be sentenced according to subdivision 5 if the person intentionally offers or pays any remuneration directly or indirectly, overtly or covertly, in cash or in kind to another person (1) to induce that person to apply for or receive an item or service or (2) in return for purchasing, leasing, ordering, or arranging for or inducing the purchasing, leasing, or ordering of any good, facility, service, or item.

Subdivision 3. This subdivision provides that a person is guilty of a crime and may be sentenced according to subdivision 5 if the person intentionally solicits or receives any

remuneration directly or indirectly, overtly or covertly, in cash or in kind (1) in return for applying or receiving a human services benefit, service, or grant or (2) in return for purchasing, leasing, ordering, or arranging for or inducing the purchasing, leasing, or ordering of any good, facility, service, or item.

Subdivision 4. This subdivision provides that this section does not apply to remuneration exempted under federal anti-kickback law or to authorized incentives and other payments in the child care assistance program.

Subdivision 5. This subdivision provides that a person convicted under subdivisions 2 or 3 of this section may be sentenced pursuant to the theft statute.

Subdivision 6. This subdivision allows the value of money, property, or benefit received or solicited within a six-month period to be aggregated.

Subdivision 7. This subdivision provides what constitutes a false claim.

Section 15 (amends Laws 2023, chapter 70, article 7, section 34, the effective date) This section amends the effective date for changes to background study 15-year disqualifications for drug offenses to make it effective the day following final enactment.

Section 16 (Modification of Definitions) This section allows the commissioner of human services, for purposes of implementing the provider licensing and reporting hub, to modify definitions in specified statutory chapters until August 31, 2028.

Section 17 (Repealer) This section repeals an obsolete provision related to the licensing of community residential settings.

ARTICLE 16 ECONOMIC SUPPORTS

Section 1 (adds Minn. Stat. § 142A.03, subdivision 35; Electronic benefits transfer; contracting and procurement) This section exempts the commissioner of children, youth, and families from contract term limits for the issuance of public benefits through an electronic benefit transfer system.

Section 2 (adds Minn. Stat. § 142F.141; Prepared Meals Food Relief Grants) This section codifies the prepared meals food relief grant program that was originally passed in 2023.

Subdivision 1. This subdivision establishes a prepared meals grant program to provide hunger relief to Minnesotans experiencing food insecurity and who have difficulty preparing meals due to limited mobility, disability, or limited resources.

Subdivision 2. This subdivision provides that eligible grantees are nonprofit organizations and federally recognized American Indian Tribes or Bands located in Minnesota with a demonstrated history of providing and distributing prepared meals.

Requires eligible grantees to prepare food in a licensed commercial kitchen and to distribute meals according to ServSafe guidelines. Prohibits individuals or nonprofit organizations affiliated with Feeding Our Future from receiving grant funds under this section.

Subdivision 3. This subdivision requires applicants to apply to the commissioner of children, youth, and families.

Subdivision 4. This subdivision requires grant funds to be used to fund a prepared meals program that primarily targets individuals 18 years of age or older and under 61 years of age. Prohibits grantees from receiving funding from other state and federal meal programs for activities funded under this section.

Subdivision 5. This subdivision requires the commissioner of children, youth, and families to develop a process for determining eligible grantees and which applicants the commissioner must prioritize.

Subdivision 6. This subdivision requires grantees to retain certain documentation and report on the use of funds. Requires ineligible expenditure amounts to be repaid to the commissioner and deposited into the general fund.

Section 3 (adds Minn. Stat. § 142F.16; Regional Food Bank Grants) This section establishes regional food bank grants.

Subdivision 1. This subdivision establishes regional food bank grants to regional food banks and American Indian Tribes or Bands in Minnesota to increase the availability of food to individuals and families in need.

Subdivision 2. This subdivision requires the commissioner of children, youth, and families to distribute appropriated funds to regional food banks and federally recognized American Indian Tribes or Bands in Minnesota in accordance with the federal The Emergency Food Assistance Program (TEFAP) formula and the guidelines of the United States Department of Agriculture. Allows the commissioner to increase or decrease a recipient's proportionate amount.

Subdivision 3. This subdivision requires regional food banks to purchase, transport, and coordinate the distribution of food to TEFAP providers. Requires American Indian Tribes or Bands to purchase, transport, and coordinate the distribution of food to individuals and families in need. Allows grant funds to be used to purchase personal hygiene products.

Subdivision 4. This subdivision imposes reporting requirements on regional food banks and American Indian Tribes or Bands receiving grant funds. Requires ineligible expenditure amounts to be repaid to the commissioner and deposited into the general fund.

Section 4 (Family Supportive Housing Grant Program) This section creates the family supportive housing grant program.

Subdivision 1. This subdivision establishes the family support housing grant program to award competitive grants to applicants who operate supportive housing for families.

Subdivision 2. This subdivision defines applicable terms, such as “family,” “family permanent supportive housing,” and “resident.”

Subdivision 3. This subdivision provides that eligible applicants must be currently operating family permanent supportive housing and are nonprofit organizations or Tribal governments.

Subdivision 4. This subdivision requires applicants to include the number of families they estimate to serve in their application and requires that each grantee provide a report to the commissioner of human services on how many families the grantee served and what services were provided. Requires the commissioner to use best efforts to ensure that 60 percent of the families served are within the seven-county metropolitan area and 40 percent are outside the seven-county metropolitan area. Also requires the commissioner to use best efforts to ensure that ten percent of the overall families served are members of Minnesota’s Tribal Nations.

Subdivision 5. This subdivision requires grant funds to be used for the services described in subdivision 6.

Subdivision 6. This subdivision describes the specialized family support services that grantees must provide to families.

ARTICLE 17 CHILD PROTECTION AND WELFARE

Section 1 (amends Minn. Stat. § 142A.03, subdivision 2; Duties of the commissioner) This section allows the commissioner of children, youth, and families to contract with a child-placing agency or a Minnesota Tribal social services agency to provide permanency services for children in out-of-home care whose interests would be best served by a transfer of permanent legal and physical custody to a relative.

Section 2 (amends Minn. Stat. § 260.810, subdivision 1; Payments) This section modifies grant payment timelines under the Minnesota Indian Family Preservation Act (MIFPA) from waiting on the receipt of a quarterly report, to quarterly.

Section 3 (amends Minn. Stat. § 260.810, subdivision 2; Reporting) This section modifies MIFPA grant reporting requirements from quarterly reports to a requirement that the commissioner of children, youth, and families work with Tribal and urban Indian organizations to establish report requirements and timelines.

Section 4 (amends Minn. Stat. § 260.821, subdivision 2; Special focus grants) This section removes the maximum award amount from MIFPA special focus grants.

Section 5 (Direction to Commissioner of Children, Youth, and Families; Child Welfare Fiscal Analysis) directs the commissioner of children, youth, and families to contract with a third-party consultant to conduct a child welfare fiscal analysis.

Subdivision 1. This subdivision requires the commissioner to contract with a third-party consultant to conduct a fiscal analysis to identify and make recommendations on how to best utilize all available child welfare funding streams and federal resources.

Subdivision 2. This subdivision requires the commissioner to select an independent third-party consultant with input from stakeholders and requires the consultant to have expertise in and experience with child welfare systems and conducting fiscal analyses.

Subdivision 3. This subdivision provides what the consultant must evaluate when conducting the fiscal analysis.

Subdivision 4. This subdivision requires the consultant to engage with stakeholders as the consultant deems appropriate.

Subdivision 5. This subdivision requires the consultant to submit a report to the commissioner and legislature by June 30, 2027, that makes recommendations and provides the results of the fiscal analysis.

Subdivision 6. This subdivision allows Minnesota’s Tribal Nations to elect to participate in the fiscal analysis and provides that the Tribal Nations that choose to participate have control over the data they choose to share.

Section 6 (Scan of and Report on Out-of-School and Youth Programming) This section requires the commissioner of children, youth, and families to conduct a scan of out-of-school and youth programming for youth under 21 years of age and provides what the scan must include. Requires the commissioner to collaborate with community organizations and programming providers when conducting the scan and to provide a report to the legislature that includes the commissioner’s findings and finance and policy recommendations.

ARTICLE 18 CHILD PROTECTION AND WELFARE POLICY

Section 1 (amends Minn. Stat. § 142B.01, subdivision 15; Individual who is related) This section amends the definition of “individual who is related” within the children, youth, and families licensing chapter to include an individual who, prior to the child’s placement in the individual’s home, is an important friend of the child or the child’s parent or custodian for the purposes of family child foster care. Defines an important individual as an individual with whom the child has resided or had significant contact or who has a significant relationship to the child or the child’s parent or custodian.

Section 2 (amends Minn. Stat. § 142B.05, subdivision 3; Foster care by an individual who is related to a child; license required) This section allows an individual who is related to the child to obtain foster care licensure through a county agency or private agency licensed by the commissioner of children, youth, and families. Provides who must be licensed within a household and that background studies must be conducted on household members according to section 245C.03, subdivision 1 (background study; individuals to be studied).

Section 3 (amends Minn. Stat. § 142B.47; Training on Risk of Sudden Unexpected Infant Death and Abusive Head Trauma for Child Foster Care Providers) This section allows licensed child foster care providers who are individuals related to the child and who only care for a relative child to document completion of the training on reducing the risk of sudden unexpected infant death and abusive head trauma within 30 days of licensure, rather than before they assist in the care of infants or children.

Section 4 (amends Minn. Stat. § 142B.51, subdivision 2; Child passenger restraint systems; training requirement) This section allows licensed child foster care providers who are individuals related to the child, and who only serves a relative child, to document completion of the training on the proper use and installation of child restraint systems in motor vehicles within 30 days of licensure, rather than before they transport a child in a motor vehicle.

Section 5 (amends Minn. Stat. § 142B.80; Child Foster Care Training Requirement; Mental Health Training; Fetal Alcohol Spectrum Disorders Training) This section exempts child foster care license holders who are individuals related to the child who only serve a relative child who does not have fetal alcohol spectrum disorder from the requirement that one hour of training on fetal alcohol spectrum disorders must be included in annual training.

Section 6 (adds Minn. Stat. § 142B.81; Child Foster Care Training; Relative Caregivers) This section requires a child foster care license holder who is an individual related to the child to complete a minimum of six hours of in-service training per year in specific areas.

Section 7 (adds Minn. Stat. § 245C.02, subdivision 16b; Relative) This section adds the definition of “relative” into the background studies chapter and provides that for purposes of background studies for child foster care licensure, a person is a relative if the person was known to the child or the child’s parent before the child is placed in foster care.

Section 8 (amends Minn. Stat. § 245C.15, subdivision 4a; Licensed family foster setting disqualifications) This section removes assault in the first degree from the list of permanent licensed family foster setting disqualifications and moves it to a five-year disqualification. Provides that when an individual is a relative of the child in foster care, that individual is disqualified for seven years for a termination of parental rights, rather than 20 years. Provides that for five-year disqualifications, the disqualification begins from the date of the alleged violation when the individual is a relative of the child in foster care.

Section 9 (amends Minn. Stat. § 260.65; Noncustodial Parents; Relative Placement) This section makes clarifying changes.

Section 10 (amends Minn. Stat. § 260.66, subdivision 1; Emergency removal or placement permitted) This section makes a technical correction.

Section 11 (amends Minn. Stat. § 260.691, subdivision 1; Establishment and duties) This section provides for the establishment of the African American Child and Family Well-Being Advisory Council within the Department of Children, Youth, and Families and removes the duty of the Council to assist the Cultural and Ethnic Communities Leadership Council.

Section 12 (amends Minn. Stat. § 260.692; African American Child and Family Well-Being Unit) This section updates the African American Child Well-Being Unit terminology to include “family.”

Section 13 (amends Minn. Stat. § 260C.001, subdivision 2; Juvenile protection proceedings) This section adds inquiring about a child’s heritage, including the child’s Tribal lineage and the child’s race, culture, and ethnicity, to the list of activities that ensure appropriate permanency planning for children in foster care.

Section 14 (amends Minn. Stat. § 260C.007, subdivision 19; Habitual truant) This section provides that for the purposes of educational neglect, “habitual truant” means a child under 12 years of age who has been absent from school for seven school days without lawful excuse and where the presumption of educational neglect is rebutted based on a showing of clear and convincing evidence that the child’s absence is not due to the failure of the child’s parent, guardian, or custodian.

Section 15 (amends Minn. Stat. §260C.150, subdivision 3; Identifying parents of child; diligent efforts; data) This section requires a responsible social services agency to make diligent efforts to inquire about a child’s heritage, including the child’s Tribal lineage and the child’s race, culture, and ethnicity.

Section 16 (amends Minn. Stat. § 260C.202, subdivision 2; Court review for a child placed in foster care) This section removes the requirement for the court to conduct an annual review for a child in extended foster care and moves the language to a new subdivision.

Section 17 (amends Minn. Stat. § 260C.204; Permanency Progress Review for Children in Foster Care for Six Months) This section prohibits a responsible social services agency from defining a foster family as the permanent home for a child until:

- (1) the inquiry and Tribal notice requirements are satisfied;
- (2) the inquiry about the child’s heritage, including their race, culture, and ethnicity, has been completed; and
- (3) the court has determined that reasonable or active efforts toward completing the relative search requirements have been made.

Section 18 (amends Minn. Stat. § 260C.212, subdivision 1; Out-of-home placement plan) This section removes the requirement that an out-of-home placement plan must be prepared within 30 days after a child is placed in foster care. Requires the out-of-home placement plan to be on a form developed by the commissioner of children, youth, and families. Moves the

language from paragraph (e) regarding the out-of-home placement plan summary to a new paragraph (b). Adds the requirement that an out-of-home placement plan summary must be prepared within 30 days after a child is placed in foster care and an out-of-home placement plan must be prepared within 60 days of placement. Makes additional clarifying changes, including what must be included in the out-of-home placement plan.

Section 19 (amends Minn. Stat. § 260C.212, subdivision 1a; Out-of-home placement plan update) This section makes conforming changes related to the out-of-home placement plan summary and placement plan timeline changes made in section 18.

Section 20 (amends Minn. Stat. § 260C.221, subdivision 2; Relative notice requirements) This section modifies the required notifications provided by the responsible social services agency to relatives of a child in need of protection or services, including how to access respite care, strategies for leveraging natural supports, and ways to include resource and substitute caregivers in the child’s case plan; that the relative has a choice between county or private agencies; and information on access to legal services and support.

Section 21 (amends Minn. Stat. § 260C.223, subdivision 1; Program; goals) This section modifies the goals of concurrent permanency planning to include the establishment of a foster parent for a child, rather than developing a group of families who will work towards reunification and serve as a permanent family for children.

Section 22 (amends Minn. Stat. § 260C.223, subdivision 2; Development of guidelines and protocols) This section prohibits a responsible social services agency from making a foster family the permanent home for a child until:

- (1) the inquiry and Tribal notice requirements are satisfied;
- (2) the inquiry about the child’s heritage, including their race, culture, and ethnicity, has been completed; and
- (3) the court has determined that reasonable or active efforts toward completing the relative search requirements have been made.

Section 23 (amends Minn. Stat. § 260C.329, subdivision 8; Hearing) This section modifies language to allow a petition for the reestablishment of the legal parent and child relationship to be granted when a child is not currently adopted, rather than “has not been adopted.”

Section 24 (amends Minn. Stat. § 260C.452, subdivision 4; Administrative or court review of placements) This section replaces “green card” with “permanent resident card.”

Section 25 (amends Minn. Stat. § 260E.03, subdivision 15; Neglect) This section modifies the definition of “neglect” within the reporting maltreatment of minors chapter to clarify that a child who has a mental, physical, or emotional condition is not considered neglected solely because the child remains in an emergency department or hospital setting due to a lack of access to necessary services and the child cannot be safely discharged to their family.

Section 26 (amends Minn. Stat. § 260E.09; Reporting Requirements) This section requires a local welfare agency or the agency responsible for assessing or investigating a maltreatment

report to ask the maltreatment reporter if the reporter is aware of the child's heritage, including the child's Tribal lineage and the child's race, culture, and ethnicity.

Section 27 (amends Minn. Stat. § 260E.20, subdivision 1; General duties) This section adds a noncaregiver human trafficking assessment into the local welfare agency maltreatment response paths. Requires the agency to ask the child, if age appropriate, the child's parents, extended family, and maltreatment reporter about the child's heritage, including the child's Tribal lineage and the child's race, culture, and ethnicity.

Section 28 (amends Minn. Stat. § 260E.24, subdivision 1; Timing) This section adds a noncaregiver human trafficking assessment into the local welfare agency maltreatment response paths.

Section 29 (amends Minn. Stat. § 260E.24, subdivision 2; Determination after family assessment or a noncaregiver human trafficking assessment) This section adds a noncaregiver human trafficking assessment into the local welfare agency maltreatment response paths.

Section 30 (adds Minn. Stat. § 260E.291; Reporting of School Attendance Concerns) This section requires the reporting of school attendance concerns.

Subdivision 1. This subdivision provides when reports are required.

Paragraph (a) This paragraph requires mandated reporters to immediately report to the local welfare agency, the Tribal social services agency, or designated partner if a child required to be enrolled in school has at least seven unexcused absences in the current school year and is at risk of educational neglect.

Paragraph (b) This paragraph allows any person to voluntarily report if a child required to be enrolled in school has at least seven unexcused absences in the current school year and is at risk of educational neglect.

Paragraph (c) This paragraph requires an oral report to be made immediately by telephone or otherwise, and if made by a mandated reporter, to be followed up with a report in writing within 72 hours. Provides what the report must contain and allows a voluntary reporter to refuse to provide their name and address if the report is otherwise sufficient.

Subdivision 2. This subdivision requires a local welfare agency or designated partner to provide a child welfare response for a report that alleges a child enrolled in school has seven or more unexcused absences. Requires the agency or designated partner to offer services to the child and the child's family to address school attendance concerns and requires the services to be culturally and linguistically appropriate. Requires a report of educational neglect to be made if the family has not engaged in the services and the child's unexcused absences continue.

Section 31 (Revisor Instruction) This section requires the revisor of statutes to make technical corrections in sections 260C.203 and 260C.204, by changing paragraphs to subdivisions, clauses to paragraphs, and items to clauses.

ARTICLE 19 EARLY CARE AND LEARNING

Section 1 (amends Minn. Stat. § 142A.76, subdivision 2; Establishment) This section provides that the Office of Restorative Practices is established within the Department of Children, Youth, and Families rather than the Department of Public Safety.

Section 2 (amends Minn. Stat. § 142A.76, subdivision 3; Director; other staff) This section replaces a reference to the commissioner of public safety with the commissioner of children, youth, and families for the Office of Restorative Practices.

Section 3 (amends Minn. Stat. § 142D.31, subdivision 2; Program components) This section changes the maximum amount for a TEACH scholarship from \$10,000 to an amount per year consistent with national TEACH requirements. Expands eligibility for TEACH scholarships to individuals employed by a certified child care program or a Head Start program and modifies the matching requirements for family child care providers.

Section 4 (amends Minn. Stat. § 142E.03, subdivision 3; Redeterminations) This section requires that, beginning May 25, 2026, child care assistance program (CCAP) redetermination of eligibility must be extended 12 months from the eligible child's arrival date when a new eligible child is added to the family.

Section 5 (amends Minn. Stat. § 142E.11, subdivision 1; General authorization requirements) This section, beginning March 2, 2026, eliminates the "scheduled reporter" designation by prohibiting county agencies from requiring certain families to report information related to CCAP eligibility more frequently than every 12 months.

Section 6 (amends Minn. Stat. § 142E.11, subdivision 2; Maintain steady child care authorizations) This section makes conforming changes related to the elimination of the scheduled reporter designation.

Section 7 (amends Minn. Stat. § 142E.13, subdivision 2; Extended eligibility and redetermination) This section makes conforming changes related to extending the CCAP redetermination of eligibility when a new child is added to the family.

Section 8 (amends Minn. Stat. § 142E.15, subdivision 1; Fee schedule) This section modifies CCAP co-payments by capping the highest co-payment at 6.9% of a family's adjusted gross income.

Section 9 (amends Minn. Stat. § 142E.16, subdivision 3; Training required) This section requires a legal, nonlicensed family child care provider who is unrelated to the child they care for to complete two hours of training in caring for children every 12 months.

Section 10 (amends Minn. Stat. § 142E.16, subdivision 7; Record-keeping requirement) This section requires child care providers receiving CCAP payments to submit data on child enrollment and attendance.

Section 11 (amends Minn. Stat. § 245.975, subdivision 1; Creation and appointment) This section explicitly establishes the Office of the Ombudsperson for Family Child Care Providers.

Section 12 (Eliminating Schedule Reporter Designation) This section directs the commissioner of children, youth, and families to allocate additional basic sliding fee child care money for calendar years 2026 and 2027 to account for eliminating the schedule reporter designation in CCAP.

Section 13 (Revisor Instruction) This section directs the revisor of statutes to recodify the quality parenting initiative grant program in the Department of Children, Youth, and Families statutes.

Section 14 (Revisor Instruction) This section directs the revisor of statutes to recodify an early childhood literacy program for children participating in Head Start in the Minnesota Department of Education statutes.

Section 15 (Revisor Instruction) This section directs the revisor of statutes to recodify the educate parents partnership in the Department of Children, Youth, and Families statutes.

ARTICLE 20 CHILDREN AND FAMILIES LICENSING POLICY

Section 1 (amends Minn. Stat. § 142B.10, subdivision 14; Grant of license; license extension) This section requires a license holder to pay any applicable fees for a license to be reissued and removes the requirement that a license holder must apply for a new license. Provides that child foster care license holders must apply for a new license after the license expires and that licenses may be issued each calendar year upon the implementation of the provider licensing and reporting hub.

Section 2 (amends Minn. Stat. § 142B.16, subdivision 2; Reconsideration of correction orders) This section prohibits the commissioner of children, youth, and families from publicly posting a correction order on the department's website until certain conditions have been met.

Section 3 (amends Minn. Stat. § 142B.171, subdivision 2; Documented technical assistance) This section removes the prohibition on the commissioner of children, youth, and families publicly publishing documented technical assistance on the department's website.

Section 4 (adds Minn. Stat. § 142B.181; Posting Licensing Actions on Department Website) This section requires the commissioner of children, youth, and families to post a summary document for each licensing action issued to a child care provider and prohibits the commissioner from posting any communication, including letters, from the commissioner to

the provider. Requires the commissioner to remove a summary document from the website within ten days of the length of time that the document is required to be posted under federal regulations.

Section 5 (amends Minn. Stat. § 142B.30, subdivision 1; Delegation of authority to agencies) This section specifies that a child foster care license may be issued for up to two years until the implementation of the provider licensing and reporting hub, and then licenses may be issued each calendar year.

Section 6 (adds Minn. Stat. § 142B.41, subdivision 14; Staff distribution) This section allows a child care aide in a licensed child care center to be substituted for a teacher during morning arrival and departure times as long as the aide meets certain requirements, and the total arrival and departure time does not exceed 25 percent of the center's daily hours of operation.

Section 7 (amends Minn. Stat. § 142B.51, subdivision 2; Child passenger restraint systems; training requirement) This section updates the child passenger restraint systems training language to apply to programs serving children under nine years old, rather than eight years old, to align with Department of Public Safety (DPS) child passenger restraint systems changes. Removes the emergency relative variance.

Section 8 (amends Minn. Stat. § 142B.65, subdivision 8; Child passenger restraint systems; training requirement) This section updates the child passenger restraint systems training language to apply to programs serving children under nine years old, rather than eight years old, to align with DPS child passenger restraint systems changes.

Section 9 (amends Minn. Stat. § 142B.65, subdivision 9; In-service training) This section modifies training requirements for substitutes and unsupervised volunteers and allows the number of in-service training hours for center directors and staff persons not employed for an entire year to be prorated.

Section 10 (amends Minn. Stat. § 142B.66, subdivision 3; Emergency preparedness) This section changes the requirement for a license holder to update the emergency plan from annually to each calendar year.

Section 11 (amends Minn. Stat. § 142B.70, subdivision 7; Child passenger restraint systems; training requirement) This section updates the child passenger restraint systems training language to apply to programs serving children under nine years old, rather than eight years old, to align with DPS child passenger restraint systems changes.

Section 12 (amends Minn. Stat. § 142B.70, subdivision 8; Training requirement for family and group family child care) This section requires that substitutes and adult caregivers for family and group family day care who provide care for 500 or fewer hours per year must complete a minimum of one hour of training each calendar year and provides what the training must include.

Section 13 (adds Minn. Stat. § 142C.06, subdivision 4; Requirement to post conditional certification) This section requires that a certified, license-exempt child care center publicly

post an order of conditional certification, and any maltreatment investigation memorandum prepared under chapter 260E.

Section 14 (amends Minn. Stat. § 142C.11, subdivision 8; Required policies) This section requires that a certified, license-exempt child care center must have written policies for behavior guidance and supervision.

Section 15 (amends Minn. Stat. § 142C.12, subdivision 1; First aid and cardiopulmonary resuscitation) This section provides specific requirements for CPR and first aid training required for staff of certified, license-exempt child care centers prior to having direct contact with a child.

Section 16 (amends Minn. Stat. § 142C.12, subdivision 6; In-service training) This section requires that substitutes in certified, license-exempt child care centers must complete at least two hours of training each calendar year.

Section 17 (amends Minn. Stat. § 245A.18, subdivision 1; Seat belt and child passenger system use) This section updates the child passenger restraint systems training language to apply to programs serving children under nine years old, rather than eight years old, to align with DPS child passenger restraint systems changes.

Section 18 (Laws 2021, First Special Session, chapter 7, article 2, section 81; Family Child Care Regulation Modernization) This section modifies the modernization of family child care regulations, including changing all the references to the commissioner of human services to the commissioner of children, youth, and families.

Paragraph (a) updates the commissioner to reflect the change to the commissioner of children, youth, and families.

Paragraph (b) requires the proposed new standards to protect the health and safety of children and be child-centered, family friendly, and fair to providers. This requirement was moved from paragraph (c).

Paragraph (c) requires the consultant to work with stakeholders and the Department of Children, Youth, and Families according to the stakeholder engagement process under paragraph (d). Removes the requirement that the proposal be grounded in national regulatory best practices.

Paragraph (d) requires the consultant and commissioner to engage with working groups of licensed family child care providers at least five times throughout the stakeholder engagement process.

Paragraph (e) updates the commissioner to reflect the change to the commissioner of children, youth, and families.

Paragraph (f) pushes the submission of the report by the commissioner to December 1, 2025. Requires the commissioner to engage providers whose primary language is not

English to have those providers review translated materials. Requires the engagement to occur within focus groups or meetings that are held at convenient times for the providers.

Paragraph (g) requires any proposals developed under paragraphs (b) and (c); any presentations, summary documents, engagement invitations, surveys, and drafts of the report used in the stakeholder engagement process or when soliciting input; and the report to be made available in additional languages.

Paragraph (h) prohibits the updated family child care licensing standards and the risk-based model for monitoring compliance with licensing standards from being implemented any earlier than January 1, 2027.

ARTICLE 21

DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

RECODIFICATION CONFORMING CHANGES

Section 1 (amends Minn. Stat. § 3.922, subdivision 1; Creation, membership) This section adds the commissioner of children, youth and families to the Minnesota Indian Affairs Council.

Section 2 (amends Minn. Stat. § 13.41, subdivision 1; Definition) This section adds the commissioner of children, youth, and families to the definition of licensing agency within the licensing data statute.

Section 3 (amends Minn. Stat. § 13.46, subdivision 3; Investigative data) This section requires the commissioner of children, youth, and families to share investigative data with the ombudsman for mental health and developmental disabilities. Allows the commissioner to disclose the existence of an investigation of possible overpayments of public funds to a service provider or recipient.

Section 4 (amends Minn. Stat. §13.46, subdivision 4; Licensing data) This section adds the commissioner of children, youth, and families to the licensing data statute.

Section 5 (amends Minn. Stat. § 13.46, subdivision 9; Fraud) This section allows the commissioner of children, youth, and families to access mental health data in cases of suspected fraud.

Section 6 (amends Minn. Stat. § 13.46, subdivision 10; Responsible authority) This section provides that the responsible authority for the Department of Children, Youth, and Families (DCYF) is the commissioner of children, youth, and families for purposes of the welfare data statute.

Section 7 (amends Minn. Stat. § 13.598, subdivision 10; Employment and training programs; data sharing) This section allows for the sharing of employment and training program data with the commissioner of children, youth, and families.

Section 8 (amends Minn. Stat. § 14.03, subdivision 3; Rulemaking procedures) This section exempts interpretive guidelines developed by the commissioner of children, youth, and families from the definition of a rule.

Section 9 (amends Minn. Stat. § 116L.881; Indian Tribe Plans) This section adds the commissioner of children, youth, and families to the review of Tribal employment and training plans conducted by the commissioner of employment and economic development.

Section 10 (amends Minn. Stat. § 125A.15; Placement in Another District; Responsibility) This section allows the commissioner of children, youth, and families to recommend placement of a child with a disability outside of the school district of residence for services.

Section 11 (amends Minn. Stat. § 125A.744, subdivision 2; Statewide data management system) This section requires the commissioner of education to also cooperate with the commissioner of children, youth, and families when developing a statewide data management system.

Section 12 (amends Minn. Stat. § 127A.11; Monitor Medical Assistance Services for Disabled Students) This section requires the commissioner of education to also cooperate with the commissioner of children, youth, and families when monitoring the cost of health-related, special education services provided by public schools.

Section 13 (amends Minn. Stat. § 127A.70, subdivision 2; Powers and duties; report) This section adds DCYF to the statutory membership of the P-20 partnership.

Section 14 (amends Minn. Stat. § 142A.607, subdivision 14; Notice for caregiver) This section adds a reference to a DCYF statute that matches the currently referenced Department of Human Services (DHS) statute.

Section 15 (amends Minn. Stat. § 142A.609, subdivision 21; Termination notice for caregiver or youth) This section adds a reference to a DCYF statute that matches the currently referenced DHS statute.

Section 16 (amends Minn. Stat. § 142B.41, subdivision 9; Swimming pools; family day care and group family day care providers) This section adds a reference to a DHS statute that matches the currently referenced DCYF statute.

Section 17 (amends Minn. Stat. § 144.061; Early Dental Prevention Initiative) This section requires the commissioner of health to also collaborate with the commissioner of children, youth, and families when implementing a statewide initiative to increase early dental intervention awareness.

Section 18 (amends Minn. Stat. § 144.225, subdivision 2a; Health data associated with birth registration) This section allows the commissioner of children, youth, and families to have access to health data associated with birth registration.

Section 19 (amends Minn. Stat. § 145.895; Department of Human Services) This section requires the commissioner of human services to also cooperate with the commissioner of children, youth, and families to identify eligible individuals.

Section 20 (amends Minn. Stat. § 145.901, subdivision 2; Access to data) This section allows the commissioner of health to access DCYF data to reduce preventable maternal deaths.

Section 21 (amends Minn. Stat. § 145.901, subdivision 4; Classification of data) This section provides that data provided by the commissioner of children, youth, and families to the commissioner of health retains the same classification.

Section 22 (amends Minn. Stat. § 145.9255, subdivision 1; Establishment) This section adds the commissioner of children, youth, and families to whom the commissioner of health must consult to develop and implement the MN ENABL program.

Section 23 (amends Minn. Stat. § 145.9265; Fetal Alcohol Syndrome Effects; Drug-Exposed Infant) This section requires the commissioner of health to also coordinate with the commissioner of children, youth, and families when designing and implementing prevention efforts to reduce the rates of fetal alcohol syndrome.

Section 24 (amends Minn. Stat. § 174.285, subdivision 4; Membership) This section adds the commissioner of children, youth, and families to the Minnesota Council on Transportation Access.

Section 25 (amends Minn. Stat. § 214.104; Health-related Licensing Boards; Substantiated Maltreatment) This section requires health-related licensing boards to also notify the commissioner of children, youth, and families after a finding of substantiated maltreatment of a child.

Section 26 (amends Minn. Stat. § 216C.266, subdivision 2; Sharing energy assistance program data) This section allows the commissioner of commerce to share energy assistance program data with the commissioner of children, youth, and families.

Section 27 (amends Minn. Stat. § 216C.266, subdivision 3; Use of shared data) This section makes conforming changes to the dissemination of energy assistance program data.

Section 28 (amends Minn. Stat. § 241.021, subdivision 2; Facilities for delinquent children and youth; licenses; supervision) This section adds references to DCYF statutes that match the currently referenced DHS statutes.

Section 29 (amends Minn. Stat. § 242.09; Cooperation; Other Agencies) This section adds the commissioner of children, youth, and families to the list of commissioners advising the commissioner of corrections in juvenile corrections.

Section 30 (amends Minn. Stat. § 242.21; Cooperation; State Institutions; Local Police Officers) This section allows the commissioner of corrections to enter into agreement with the commissioner of children, youth, and families for services related to juvenile detention.

Section 31 (amends Minn. Stat. § 242.32, subdivision 1; Community-based programming) This section requires the commissioner of corrections to work with the commissioner of children, youth, and families when developing community-based programming for juvenile offenders.

Section 32 (amends Minn. Stat. § 245.697, subdivision 1; Creation) This section adds a representative from DCYF to the State Advisory Council on Mental Health.

Section 33 (amends Minn. Stat. § 245.697, subdivision 2a; Subcommittee on Children’s Mental Health) This section adds the commissioner of children, youth, and families to the State Advisory Council on Mental Health’s Subcommittee on Children’s Mental Health.

Section 34 (amends Minn. Stat. § 245.814, subdivision 1; Insurance for foster home providers) This section requires the commissioner of children, youth, and families to purchase and provide insurance to individuals licensed as foster home providers.

Section 35 (amends Minn. Stat. § 245.814, subdivision 2; Application of coverage) This section clarifies that foster homes licensed by DCYF are required to have insurance coverage.

Section 36 (amends Minn. Stat. § 245.814, subdivision 3; Compensation provisions) This section provides that if the commissioner of children, youth, and families is unable to obtain insurance for coverage of foster home providers, the appropriation must be returned to the general fund.

Section 37 (amends Minn. Stat. § 245.814, subdivision 4; Liability insurance; Risk pool) This section adds the commissioner of children, youth, and families to existing provision allowing a risk pool to be established for foster parent liability insurance and aligns requirements based on the commissioner responsible for licensing a provider.

Section 38 (amends Minn. Stat. § 245C.02, subdivision 7; Commissioner) This section clarifies that the commissioner within DHS licensing statutes is the commissioner of human services.

Section 39 (amends Minn. Stat. § 245C.02, subdivision 12; License) This section removes the cross-reference and inserts that language within the statute.

Section 40 (amends Minn. Stat. § 245C.02, subdivision 13; License holder) This section removes the cross-reference and inserts that language within the statute.

Section 41 (amends Minn. Stat. § 245C.031, subdivision 9; Guardians ad litem; required checks) This section adds DCYF to the list of agencies determining substantiated maltreatment for guardian ad litem background studies.

Section 42 (amends Minn. Stat. § 245C.033, subdivision 2; State licensing agency data) This section requires the commissioner of human services to provide the courts with data related to a guardian or conservator’s affiliation with DCYF.

Section 43 (amends Minn. Stat. § 245C.05, subdivision 7; Probation officer and corrections agent) This section requires a probation officer or corrections agent to notify the commissioner of human service of an individual's conviction if the individual has been affiliated with DCYF.

Section 44 (amends Minn. Stat. § 245C.07; Study Subject Affiliated with Multiple Facilities) This section allows affiliated background studies for programs licensed by DCYF.

Section 45 (amends Minn. Stat. § 256.88; Social Welfare Fund Established) This section adds the commissioner of children, youth, and families to the list of entities that hold funds under the social welfare fund.

Section 46 (amends Minn. Stat. § 256.89; Fund Deposited in State Treasury) This section adds the commissioner of children, youth, and families to the list of entities that hold funds under the social welfare fund.

Section 47 (amends Minn. Stat. § 256.90; Social Welfare Fund; Use; Disposition; Depositories) This section requires the commissioner of human services to consult with the commissioner of children, youth, and families when filing information about the social welfare fund.

Section 48 (amends Minn. Stat. § 256.91; Purposes) This section authorizes the commissioner of children, youth, and families to pay out disburseable funds from the social welfare fund.

Section 49 (amends Minn. Stat. § 256.92; Commissioners and Executive Board; Accounts) This section allows the commissioner of children, youth, and families to deposit funds under the social welfare fund.

Section 50 (amends Minn. Stat. § 256G.01, subdivision 1; Applicability) This section adds DCYF to the Minnesota human services system governed by chapter 256G.

Section 51 (amends Minn. Stat. § 256G.01, subdivision 3; Program coverage) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 52 (amends Minn. Stat. § 256G.03, subdivision 2; No durational test) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 53 (amends Minn. Stat. § 256G.04, subdivision 2; Moving out of state) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 54 (amends Minn. Stat. § 256G.09, subdivision 2; Financial disputes) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 55 (amends Minn. Stat. § 256G.09, subdivision 3; Commissioner of human services obligations) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 56 (amends Minn. Stat. § 256G.09, subdivision 4; Appeals) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 57 (amends Minn. Stat. § 256G.09, subdivision 5; Payment pending approval) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 58 (amends Minn. Stat. § 256G.10; Derivative Settlement) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 59 (amends Minn. Stat. § 256G.11; No Retroactive Effect) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 60 (amends Minn. Stat. § 256G.12, subdivision 1; Limitation) This section makes a conforming change to add DCYF to the Minnesota human services system.

Section 61 (amends Minn. Stat. § 260.762, subdivision 2a; Required findings that active efforts were provided) This section adds DCYF to the list of entities a child-placing agency or petitioner should seek assistance from regarding contacting extended family members under the Minnesota Indian Family Preservation Act.

Section 62 (amends Minn. Stat. § 260B.171, subdivision 4; Public inspection of records) This section adds a reference to a DCYF statute that matches the currently referenced DHS statute.

Section 63 (amends Minn. Stat. § 260E.03, subdivision 6; Facility) This section adds a reference to a DCYF statute that matches the currently referenced DHS statute.

Section 64 (amends Minn. Stat. § 260E.11, subdivision 1; Reports of maltreatment in facility) This section adds a reference to a DCYF statute that matches the currently referenced DHS statute.

Section 65 (amends Minn. Stat. § 260E.30, subdivision 4; Mitigating factors in investigating facilities) This section adds a reference to a DCYF statute that matches the currently referenced DHS statute.

Section 66 (amends Minn. Stat. § 260E.33, subdivision 6; Contested case hearing) This section adds a reference to a DCYF statute that matches the currently referenced DHS statute.

Section 67 (amends Minn. Stat. § 261.232; Duties of Commissioners of Human Services and Children, Youth, and Families) This section grants rulemaking authority to the commissioner of children, youth, and families to pay counties and local governments for services.

Section 68 (amends Minn. Stat. § 270B.14, subdivision 1; Disclosure to commissioner of human services) This section removes language related to tax return disclosure requirements and moves this language to a new subdivision.

Section 69 (adds Minn. Stat. § 270B.14, subdivision 24; Disclosure to commissioner of children, youth, and families) This section adds the removed language from section 68.

Section 70 (amends Minn. Stat. § 299C.76, subdivision 1; Definitions) This section adds DHS to the list of agencies that request data from the Bureau of Criminal Apprehension for criminal history checks.

Section 71 (amends Minn. Stat. § 299F.011, subdivision 4a; Day care home regulations) This section adds a reference to a DCYF statute that matches the currently referenced DHS statute and makes conforming changes.

Section 72 (amends Minn. Stat. § 402A.10, subdivision 1a; Balanced set of program measures) This section makes clarifying changes.

Section 73 (amends Minn. Stat. § 402A.10, subdivision 2; Commissioners) This section makes conforming changes to add the commissioner of children, youth, and families.

Section 74 (amends Minn. Stat. § 402A.10, subdivision 4c; Performance improvement plan) This section makes clarifying changes.

Section 75 (amends Minn. Stat. § 402A.12; Establishment of a Performance Management System for Human Services) This section clarifies that the commissioner implementing a performance management system is the commissioner of human services.

Section 76 (amends Minn. Stat. § 402A.16, subdivision 1; Establishment) This section clarifies that the commissioner convening a Human Services Performance Council is the commissioner of human services.

Section 77 (amends Minn. Stat. § 402A.16, subdivision 2; Duties) This section makes conforming changes with adding DCYF to the Human Services Performance Council.

Section 78 (amends Minn. Stat. § 402A.16, subdivision 3; Membership) This section makes conforming changes with adding DCYF to the Human Services Performance Council.

Section 79 (amends Minn. Stat. § 402A.16, subdivision 4; Commissioners' duties) This section makes conforming changes with adding DCYF to the Human Services Performance Council.

Section 80 (amends Minn. Stat. § 402A.18, subdivision 2; Underperforming county; more than one-half of services) This section modifies provisions related to the determination of underperforming counties, and remedies that may be imposed, to include both the commissioner of human services and the commissioner of children, youth, and families.

Section 81 (amends Minn. Stat. § 402A.18, subdivision 3; Conditions prior to imposing remedies) This section makes conforming changes to provisions related to the determination

of underperforming counties by the commissioners of human services and children, youth, and families.

Section 82 (adds Minn. Stat. § 402A.18, subdivision 4; Commissioner jurisdiction) This section makes conforming and clarifying changes to provisions related to the determination of underperforming counties by the commissioners of human services and children, youth, and families.

Section 83 (amends Minn. Stat. § 402A.35, subdivision 1; Requirements for establishing a service delivery authority) This section modifies the requirements for establishing a service delivery authority to include both the commissioner of human services and the commissioner of children, youth, and families.

Section 84 (amends Minn. Stat. § 402A.35, subdivision 4; Process for establishing a service delivery authority) This section modifies the process for establishing a service delivery authority to include both the commissioner of human services and the commissioner of children, youth, and families.

Section 85 (amends Minn. Stat. § 402A.35, subdivision 5; Commissioner authority to seek waivers) This section clarifies that both the commissioner of human services and the commissioner of children, youth, and families have the authority to seek waivers for a proposed service delivery authority. Specifies that such waivers must be approved by the council under section 402A.20 rather than the Legislative Advisory Committee.

Section 86 (amends Minn. Stat. § 462A.2095, subdivision 6; Rent assistance not income) This section provides that rent assistance payments do not count as income, assets, or personal property for the purposes of determining or recertifying eligibility for food support programs.

Section 87 (amends Minn. Stat. § 466.131; Indemnification by State) This section adds corresponding DCYF references to clarify when a municipality is considered an employee of the state for purposes of indemnification provisions.

Section 88 (amends Minn. Stat. § 518.165, subdivision 5; Procedure, criminal history, and maltreatment records background study) This section adds DCYF to list of departments determining substantiated maltreatment.

Section 89 (amends Minn. Stat. § 524.5-106; Subject-Matter Jurisdiction) This section provides that chapters 252A, 259, and 260C exclusively govern the rights, duties, and powers of the commissioner of children, youth, and families with respect to all matters and proceedings arising under those chapters.

Section 90 (amends Minn. Stat. § 524.5-118, subdivision 2; Procedure; maltreatment and state licensing agency checks and criminal history check) This section adds the commissioner of children, youth, and families to a list of entities determining substantiated maltreatment.

Section 91 (amends Minn. Stat. § 595.02, subdivision 2; Exceptions) This section adds a reference to a DCYF statute that matches the currently referenced DHS statute.

Section 92 (amends Minn. Stat. § 626.5533; Reporting Potential Welfare Fraud) This section allows the commissioner of children, youth, and families to receive the reports made by peace officers when the person arrested possesses more than one electronic benefit transfer card and makes conforming changes.

Section 93 (Revisor Instruction) This section requires the revisor of statutes to renumber section 299A.955 as section 142A.765 and make any necessary conforming changes.

Section 94 (Revisor Instruction) This section requires the revisor of statutes to move the subdivisions in section 142E.50 into section 142E.01, renumber in alphabetical order, and make any necessary conforming changes.

Section 95 (Repealer) This section repeals sections 142A.15 (public assistance lien section recodified, but deemed not necessary); 142E.50, subdivisions 2 and 12 (duplicative definitions); 245A.02, subdivision 6d (obsolete child foster care definition); 256G.02, subdivisions 3 and 5 (commissioner and department definitions now obsolete due to adding DCYF to chapter 256G); and 261.003 (obsolete public assistance eligibility section).

ARTICLE 22 MISCELLANEOUS

Section 1 (amends Minn. Stat. § 62E.23, subdivision 1; Administration of plan) This section amends existing law governing the reinsurance program to discontinue reinsurance payments for claims incurred after December 31, 2025. Although the program must not pay claims filed after that date, this section provides that the Minnesota Comprehensive Health Association has until August 15, 2026, to disburse payments for claims under the program.

Section 2 (adds Minn. Stat. § 62V.15; Definitions; Premium subsidy program) This section defines key terms used in the new premium subsidy program established in sections 62V.15 to 62V.17. Such terms include eligible individual, gross premium, net premium, and premium subsidy. Notably, an “eligible individual” means a Minnesota resident who (1) is not receiving a federal advance premium tax credit, (2) is not enrolled in the medical assistance or MinnesotaCare programs, and (3) purchased an individual health plan (either on the MNsure exchange or elsewhere in the Minnesota individual insurance market). In addition, the definition of “premium subsidy” clarifies that the subsidy is a payment to promote the general welfare and is not compensation for any service rendered by the recipient.

Section 3 (adds Minn. Stat. § 62V.16; Payment to health carriers on behalf of eligible individuals)

Subdivision 1. Program established. This subdivision requires the MNsure board, in consultation with the commissioners of commerce and human services, to administer a premium subsidy program for eligible individuals beginning January 1, 2026.

Subdivision 2. Premium subsidy provided. This subdivision requires health carriers to grant a 20 percent premium subsidy to enrollees who meet program criteria. The subsidy is provided by reducing the enrollee's gross premium by 20 percent, such that the enrollee pays the health carrier a net premium incorporating the subsidy amount. The subdivision further specifies that the premium subsidy is not counted toward public program eligibility calculations.

Subdivision 3. Payments to health carriers. This subdivision requires the commissioner of management and budget to reimburse health carriers for the subsidized portion of the premium each month, once the carrier submits an invoice and supporting documentation to MNsure, using a form developed by the board.

Subdivision 4. Assessment. This subdivision imposes an annual assessment on health plan companies beginning in 2026. The commissioner of commerce is directed to establish the annual assessment in an amount to equal the amount necessary for the operation of the premium subsidy program.

Subdivision 5. Data practices. This subdivision provides that government data on an enrollee or health carrier under the premium security program is private data on individuals or nonpublic data, as those terms are defined in section 13.02. The subdivision exempts the total reimbursement requested by a health carrier and the total statement to the health carrier from this requirement, however, stating that such data are public data.

Section 4 (adds Minn. Stat. § 62V.17; Applicability of gross premium) This section requires that, notwithstanding the premium subsidies under section 62V.16, health carriers use the gross premiums for the coverage as the premium base used to calculate any applicable premium taxes.

Section 5 (adds Minn. Stat. § 62V.18; Premium subsidy program account) This section creates the premium subsidy program account in the special revenue fund of the state treasury for the deposit of revenues from the assessment on health plan companies under section 62V.16. This section further annually appropriates money from the new account to MNsure for administration of the premium subsidy program and to MMB for the payment of health carriers in the premium subsidy program.

Section 6 (adds Minn. Stat. § 149A.02, subdivision 42; Green burial) This section defines "green burial" in chapter 149A.

Section 7 (amends Minn. Stat. § 151.741, subdivision 5; Insulin repayment account; annual transfer from health care access fund) This section makes a technical correction to change a reference to the "special revenue fund" to "insulin repayment account" in connection with a statutory annual transfer of funds related to the state's insulin safety net program.

Section 8 (adds Minn. Stat. § 256.01, subdivision 44; Notification of federal approval; report) This section requires the commissioner of human services, for any provision the

commissioner has jurisdiction over that has an effective date contingent upon federal approval, to notify the revisor of statutes of which enacted provisions contain the contingent effective dates and when federal approval is obtained for any of the provisions. Requires the commissioner to provide reports on such provisions to the revisor of statutes, director of House Research, and director of Senate Counsel, Research, and Fiscal Analysis.

Section 9 (amends Minn. Stat. § 256B.051, subdivision 3; Eligibility) This section modifies the eligibility requirements for housing stabilization services to include the requirement that an individual must have income at or below 150 percent of the federal poverty level.

Section 10 (adds Minn. Stat. § 306.991; Green Burials in Public Cemeteries) This section establishes green burial requirements for public cemeteries.

Subdivision 1. This subdivision defines certain terms related to green burials, including “green burial,” “drainage system,” and “water supply well.”

Subdivision 2. This subdivision states that a municipality, town, or other cemetery that allows for green burials must comply with the requirements of this section.

Subdivision 3. This subdivision requires that green burials must have designated locations within a cemetery and provides requirements for those locations.

Subdivision 4. This subdivision requires green burials to be at least three and one-half feet from the base of the grave to the soil horizon and to have three and one-half feet of cover.

Subdivision 5. This subdivision requires green burial plots to be a maximum of 300 burials per acre over a 100-year period.

Section 11 (adds Minn. Stat. § 306.992; Scattering of Hydrolyzed or Cremated Remains) This section defines “cremated remains” and “hydrolyzed remains” and requires a municipality, town, or other cemetery that allows for the scattering of hydrolyzed or cremated remains to designate a location within the cemetery for that purpose.

Section 12 (adds Minn. Stat. § 307.14; Green Burials in Private Cemeteries) This section establishes green burial requirements for private cemeteries.

Subdivision 1. This subdivision defines certain terms related to green burials, including “green burial,” “drainage system,” and “water supply well.”

Subdivision 2. This subdivision states that a person who owns a cemetery that allows for green burials must comply with the requirements of this section.

Subdivision 3. This subdivision requires that green burials must have designated locations within a cemetery and provides requirements for those locations.

Subdivision 4. This subdivision requires green burials to be at least three and one-half feet from the base of the grave to the soil horizon and to have three and one-half feet of cover.

Subdivision 5. This subdivision requires green burial plots to be a maximum of 300 burials per acre over a 100-year period.

Section 13 (adds Minn. Stat. § 307.15; Scattering of Hydrolyzed or Cremated Remains) This section defines “cremated remains” and “hydrolyzed remains” and requires a person who owns a cemetery that allows for the scattering of hydrolyzed or cremated remains to designate a location within the cemetery for that purpose.

Section 14 (amends Laws 2024, chapter 127, article 67, section 6; Commissioner of management and budget) This section makes a technical correction to change a reference to the “special revenue fund” to “insulin repayment account” in connection with a statutory annual transfer of funds related to the state’s insulin safety net program.

Section 15 (Transfers to the Department of Children, Youth, and Families in Uncodified Law) This section allows for the transfers of powers, duties, or responsibilities in any uncodified section of Laws of Minnesota from the Department of Human Services to the Department of Children, Youth, and Families.

Section 16 (Uncodified; Operation within Existing Resources) This section authorizes the board of directors of MNsure to not comply with the requirements of the new Minn. Stat. § 62V.16 until January 1, 2027, as minimally necessary, to operate and administer the premium subsidy program.

Section 17 (Direction to the Commissioner of Children, Youth, and Families; Child Care and Development Block Grant Allocations) This section requires the commissioner of children, youth, and families to make certain allocations out of the child care and development block grant.

Section 18 (Direction to the Commissioner of Children, Youth, and Families; Allocation of TANF-eligible General Fund Expenditures) This section requires the commissioner of children, youth, and families to identify TANF-eligible general fund expenditures and allocate those to the TANF fund.

Section 19 (Revisor Instruction) This section directs the revisor of statutes to, by February 1, 2026, identify any necessary changes to Minnesota Statute or Rules to reflect the expiration of the Minnesota premium security plan and account.

Section 20 (Repealer) This section repeals Minnesota Statutes 2024, sections 62E.21; 62E.22; 62E.23; 62E.24; and 62E.25, effective August 16, 2026. These repealed statutes constitute the existing Minnesota premium security plan and related provisions.



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