

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2620

(SENATE AUTHORS: WIKLUND and Port)

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Introduction and first reading
Referred to Health and Human Services

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to human services; Department of Human Services Office of Inspector

1.3 General and operations policy provisions; modifying provisions on home and

1.4 community-based services licensing, behavioral health licensing, background

1.5 studies, Department of Corrections reconsiderations, anti-kickback laws, and

1.6 human services judges personal data protection; amending Minnesota Statutes

1.7 2024, sections 142E.51, subdivisions 5, 6; 144.651, subdivision 2; 245A.04,

1.8 subdivisions 1, 7; 245A.16, subdivision 1; 245A.242, subdivision 2; 245C.05, by

1.9 adding a subdivision; 245C.08, subdivision 3; 245C.22, subdivision 5; 245D.02,

1.10 subdivision 4a; 245G.05, subdivision 1; 245G.06, subdivisions 1, 2a, 3a; 245G.07,

1.11 subdivision 2; 245G.08, subdivision 6; 245G.09, subdivision 3; 245G.11,

1.12 subdivision 11; 245G.18, subdivision 2; 245G.19, subdivision 4, by adding a

1.13 subdivision; 245G.22, subdivisions 1, 14, 15; 256.98, subdivision 1; 256B.12;

1.14 480.40, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter

1.15 609; repealing Minnesota Statutes 2024, section 245A.11, subdivision 8.

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

1.17 Section 1. Minnesota Statutes 2024, section 142E.51, subdivision 5, is amended to read:

1.18 Subd. 5. **Administrative disqualification of child care providers caring for children**

1.19 **receiving child care assistance.** (a) The department shall pursue an administrative

1.20 disqualification, if the child care provider is accused of committing an intentional program

1.21 violation, in lieu of a criminal action when it has not been pursued. Intentional program

1.22 violations include intentionally making false or misleading statements; receiving or providing

1.23 a kickback, as defined in subdivision 6, paragraph (b); intentionally misrepresenting,

1.24 concealing, or withholding facts; and repeatedly and intentionally violating program

1.25 regulations under this chapter. Intent may be proven by demonstrating a pattern of conduct

1.26 that violates program rules under this chapter.

1.27 (b) To initiate an administrative disqualification, the commissioner must send written

1.28 notice using a signature-verified confirmed delivery method to the provider against whom

the action is being taken. Unless otherwise specified under this chapter or Minnesota Rules, chapter 3400, the commissioner must send the written notice at least 15 calendar days before the adverse action's effective date. The notice shall state (1) the factual basis for the agency's determination, (2) the action the agency intends to take, (3) the dollar amount of the monetary recovery or recoupment, if known, and (4) the provider's right to appeal the agency's proposed action.

(c) The provider may appeal an administrative disqualification by submitting a written request to the state agency. A provider's request must be received by the state agency no later than 30 days after the date the commissioner mails the notice.

(d) The provider's appeal request must contain the following:

(1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the dollar amount involved for each disputed item;

(2) the computation the provider believes to be correct, if applicable;

(3) the statute or rule relied on for each disputed item; and

(4) the name, address, and telephone number of the person at the provider's place of business with whom contact may be made regarding the appeal.

(e) On appeal, the issuing agency bears the burden of proof to demonstrate by a preponderance of the evidence that the provider committed an intentional program violation.

(f) The hearing is subject to the requirements of section 142A.20. The human services judge may combine a fair hearing and administrative disqualification hearing into a single hearing if the factual issues arise out of the same or related circumstances and the provider receives prior notice that the hearings will be combined.

(g) A provider found to have committed an intentional program violation and is administratively disqualified must be disqualified, for a period of three years for the first offense and permanently for any subsequent offense, from receiving any payments from any child care program under this chapter.

(h) Unless a timely and proper appeal made under this section is received by the department, the administrative determination of the department is final and binding.

Sec. 2. Minnesota Statutes 2024, section 142E.51, subdivision 6, is amended to read:

Subd. 6. **Prohibited hiring ~~practice~~ practices.** (a) It is prohibited to hire a child care center employee when, as a condition of employment, the employee is required to have one or more children who are eligible for or receive child care assistance, if:

(1) the individual hiring the employee is, or is acting at the direction of or in cooperation with, a child care center provider, center owner, director, manager, license holder, or other controlling individual; and

(2) the individual hiring the employee knows or has reason to know the purpose in hiring the employee is to obtain child care assistance program funds.

(b) Program applicants, participants, and providers are prohibited from receiving or providing a kickback or payment in exchange for obtaining or attempting to obtain child care assistance benefits for their own financial gain. This paragraph does not apply to:

(1) marketing or promotional offerings that directly benefit an applicant or recipient's child or dependent for whom the child care provider is providing child care services; or

(2) child care provider discounts, scholarships, or other financial assistance allowed under section 142E.17, subdivision 7.

(c) An attempt to buy or sell access to a family's child care subsidy benefits to an unauthorized person by an applicant, a participant, or a provider is a kickback, an intentional program violation under subdivision 5, and wrongfully obtaining assistance under section 256.98.

Sec. 3. Minnesota Statutes 2024, section 144.651, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For the purposes of this section, "patient" means a person who is admitted to an acute care inpatient facility for a continuous period longer than 24 hours, for the purpose of diagnosis or treatment bearing on the physical or mental health of that person. For purposes of subdivisions 4 to 9, 12, 13, 15, 16, and 18 to 20, "patient" also means a person who receives health care services at an outpatient surgical center or at a birth center licensed under section 144.615. "Patient" also means a ~~minor person~~ person who is admitted to a residential program as defined in section 253C.01. "Patient" also means a person who is admitted to a residential substance use disorder treatment program licensed according to Minnesota Rules, parts 2960.0430 to 2960.0490. For purposes of subdivisions 1, 3 to 16, 18, 20 and 30, "patient" also means any person who is receiving mental health treatment or substance use disorder treatment on an outpatient basis or in a community support program or other community-based program. "Resident" means a person who is admitted to a nonacute care facility including extended care facilities, nursing homes, and boarding care homes for care required because of prolonged mental or physical illness or disability, recovery from injury or disease, or advancing age. For purposes of all subdivisions except subdivisions 28 and 29, "resident" also means a person who is admitted to a facility licensed as a board

and lodging facility under Minnesota Rules, parts 4625.0100 to 4625.2355, a boarding care home under sections 144.50 to 144.56, or a supervised living facility under Minnesota Rules, parts 4665.0100 to 4665.9900, and ~~which that~~ operates a ~~rehabilitation withdrawal~~ management program licensed under chapter 245F, a residential substance use disorder treatment program licensed under chapter 245G or, an intensive residential treatment services or residential crisis stabilization program licensed under chapter 245I, or a detoxification program licensed under Minnesota Rules, parts 9530.6510 to 9530.6590.

Sec. 4. Minnesota Statutes 2024, section 245A.04, subdivision 1, is amended to read:

Subdivision 1. **Application for licensure.** (a) An individual, organization, or government entity that is subject to licensure under section 245A.03 must apply for a license. The application must be made on the forms and in the manner prescribed by the commissioner. The commissioner shall provide the applicant with instruction in completing the application and provide information about the rules and requirements of other state agencies that affect the applicant. An applicant seeking licensure in Minnesota with headquarters outside of Minnesota must have a program office located within 30 miles of the Minnesota border. An applicant who intends to buy or otherwise acquire a program or services licensed under this chapter that is owned by another license holder must apply for a license under this chapter and comply with the application procedures in this section and section 245A.043.

The commissioner shall act on the application within 90 working days after a complete application and any required reports have been received from other state agencies or departments, counties, municipalities, or other political subdivisions. The commissioner shall not consider an application to be complete until the commissioner receives all of the required information.

When the commissioner receives an application for initial licensure that is incomplete because the applicant failed to submit required documents or that is substantially deficient because the documents submitted do not meet licensing requirements, the commissioner shall provide the applicant written notice that the application is incomplete or substantially deficient. In the written notice to the applicant the commissioner shall identify documents that are missing or deficient and give the applicant 45 days to resubmit a second application that is substantially complete. An applicant's failure to submit a substantially complete application after receiving notice from the commissioner is a basis for license denial under section 245A.043.

(b) An application for licensure must identify all controlling individuals as defined in section 245A.02, subdivision 5a, and must designate one individual to be the authorized

agent. The application must be signed by the authorized agent and must include the authorized agent's first, middle, and last name; mailing address; and email address. By submitting an application for licensure, the authorized agent consents to electronic communication with the commissioner throughout the application process. The authorized agent must be authorized to accept service on behalf of all of the controlling individuals. A government entity that holds multiple licenses under this chapter may designate one authorized agent for all licenses issued under this chapter or may designate a different authorized agent for each license. Service on the authorized agent is service on all of the controlling individuals. It is not a defense to any action arising under this chapter that service was not made on each controlling individual. The designation of a controlling individual as the authorized agent under this paragraph does not affect the legal responsibility of any other controlling individual under this chapter.

(c) An applicant or license holder must have a policy that prohibits license holders, employees, subcontractors, and volunteers, when directly responsible for persons served by the program, from abusing prescription medication or being in any manner under the influence of a chemical that impairs the individual's ability to provide services or care. The license holder must train employees, subcontractors, and volunteers about the program's drug and alcohol policy before the employee, subcontractor, or volunteer has direct contact, as defined in section 245C.02, subdivision 11, with a person served by the program.

(d) An applicant and license holder must have a program grievance procedure that permits persons served by the program and their authorized representatives to bring a grievance to the highest level of authority in the program.

(e) The commissioner may limit communication during the application process to the authorized agent or the controlling individuals identified on the license application and for whom a background study was initiated under chapter 245C. Upon implementation of the provider licensing and reporting hub, applicants and license holders must use the hub in the manner prescribed by the commissioner. The commissioner may require the applicant, except for child foster care, to demonstrate competence in the applicable licensing requirements by successfully completing a written examination. The commissioner may develop a prescribed written examination format.

(f) When an applicant is an individual, the applicant must provide:

(1) the applicant's taxpayer identification numbers including the Social Security number or Minnesota tax identification number, and federal employer identification number if the applicant has employees;

(2) at the request of the commissioner, a copy of the most recent filing with the secretary of state that includes the complete business name, if any;

(3) if doing business under a different name, the doing business as (DBA) name, as registered with the secretary of state;

(4) if applicable, the applicant's National Provider Identifier (NPI) number and Unique Minnesota Provider Identifier (UMPI) number; and

(5) at the request of the commissioner, the notarized signature of the applicant or authorized agent.

(g) When an applicant is an organization, the applicant must provide:

(1) the applicant's taxpayer identification numbers including the Minnesota tax identification number and federal employer identification number;

(2) at the request of the commissioner, a copy of the most recent filing with the secretary of state that includes the complete business name, and if doing business under a different name, the doing business as (DBA) name, as registered with the secretary of state;

(3) the first, middle, and last name, and address for all individuals who will be controlling individuals, including all officers, owners, and managerial officials as defined in section 245A.02, subdivision 5a, and the date that the background study was initiated by the applicant for each controlling individual;

(4) if applicable, the applicant's NPI number and UMPI number;

(5) the documents that created the organization and that determine the organization's internal governance and the relations among the persons that own the organization, have an interest in the organization, or are members of the organization, in each case as provided or authorized by the organization's governing statute, which may include a partnership agreement, bylaws, articles of organization, organizational chart, and operating agreement, or comparable documents as provided in the organization's governing statute; and

(6) the notarized signature of the applicant or authorized agent.

(h) When the applicant is a government entity, the applicant must provide:

(1) the name of the government agency, political subdivision, or other unit of government seeking the license and the name of the program or services that will be licensed;

(2) the applicant's taxpayer identification numbers including the Minnesota tax identification number and federal employer identification number;

(3) a letter signed by the manager, administrator, or other executive of the government entity authorizing the submission of the license application; and

(4) if applicable, the applicant's NPI number and UMPI number.

(i) At the time of application for licensure or renewal of a license under this chapter, the applicant or license holder must acknowledge on the form provided by the commissioner if the applicant or license holder elects to receive any public funding reimbursement from the commissioner for services provided under the license that:

(1) the applicant's or license holder's compliance with the provider enrollment agreement or registration requirements for receipt of public funding may be monitored by the commissioner as part of a licensing investigation or licensing inspection; and

(2) noncompliance with the provider enrollment agreement or registration requirements for receipt of public funding that is identified through a licensing investigation or licensing inspection, or noncompliance with a licensing requirement that is a basis of enrollment for reimbursement for a service, may result in:

(i) a correction order or a conditional license under section 245A.06, or sanctions under section 245A.07;

(ii) nonpayment of claims submitted by the license holder for public program reimbursement;

(iii) recovery of payments made for the service;

(iv) disenrollment in the public payment program; or

(v) other administrative, civil, or criminal penalties as provided by law.

Sec. 5. Minnesota Statutes 2024, section 245A.04, subdivision 7, is amended to read:

Subd. 7. **Grant of license; license extension.** (a) If the commissioner determines that the program complies with all applicable rules and laws, the commissioner shall issue a license consistent with this section or, if applicable, a temporary change of ownership license under section 245A.043. At minimum, the license shall state:

(1) the name of the license holder;

(2) the address of the program;

(3) the effective date and expiration date of the license;

(4) the type of license;

8.1 (5) the maximum number and ages of persons that may receive services from the program;
8.2 and

8.3 (6) any special conditions of licensure.

8.4 (b) The commissioner may issue a license for a period not to exceed two years if:

8.5 (1) the commissioner is unable to conduct the observation required by subdivision 4,
8.6 paragraph (a), clause (3), because the program is not yet operational;

8.7 (2) certain records and documents are not available because persons are not yet receiving
8.8 services from the program; and

8.9 (3) the applicant complies with applicable laws and rules in all other respects.

8.10 (c) A decision by the commissioner to issue a license does not guarantee that any person
8.11 or persons will be placed or cared for in the licensed program.

8.12 (d) Except as provided in paragraphs (i) and (j), the commissioner shall not issue a
8.13 license if the applicant, license holder, or an affiliated controlling individual has:

8.14 (1) been disqualified and the disqualification was not set aside and no variance has been
8.15 granted;

8.16 (2) been denied a license under this chapter or chapter 142B within the past two years;

8.17 (3) had a license issued under this chapter or chapter 142B revoked within the past five
8.18 years; or

8.19 (4) failed to submit the information required of an applicant under subdivision 1,
8.20 paragraph (f), (g), or (h), after being requested by the commissioner.

8.21 When a license issued under this chapter or chapter 142B is revoked, the license holder
8.22 and each affiliated controlling individual with a revoked license may not hold any license
8.23 under chapter 245A for five years following the revocation, and other licenses held by the
8.24 applicant or license holder or licenses affiliated with each controlling individual shall also
8.25 be revoked.

8.26 (e) Notwithstanding paragraph (d), the commissioner may elect not to revoke a license
8.27 affiliated with a license holder or controlling individual that had a license revoked within
8.28 the past five years if the commissioner determines that (1) the license holder or controlling
8.29 individual is operating the program in substantial compliance with applicable laws and rules
8.30 and (2) the program's continued operation is in the best interests of the community being
8.31 served.

(f) Notwithstanding paragraph (d), the commissioner may issue a new license in response to an application that is affiliated with an applicant, license holder, or controlling individual that had an application denied within the past two years or a license revoked within the past five years if the commissioner determines that (1) the applicant or controlling individual has operated one or more programs in substantial compliance with applicable laws and rules and (2) the program's operation would be in the best interests of the community to be served.

(g) In determining whether a program's operation would be in the best interests of the community to be served, the commissioner shall consider factors such as the number of persons served, the availability of alternative services available in the surrounding community, the management structure of the program, whether the program provides culturally specific services, and other relevant factors.

(h) The commissioner shall not issue or reissue a license under this chapter if an individual living in the household where the services will be provided as specified under section 245C.03, subdivision 1, has been disqualified and the disqualification has not been set aside and no variance has been granted.

(i) Pursuant to section 245A.07, subdivision 1, paragraph (b), when a license issued under this chapter has been suspended or revoked and the suspension or revocation is under appeal, the program may continue to operate pending a final order from the commissioner. If the license under suspension or revocation will expire before a final order is issued, a temporary provisional license may be issued provided any applicable license fee is paid before the temporary provisional license is issued.

(j) Notwithstanding paragraph (i), when a revocation is based on the disqualification of a controlling individual or license holder, and the controlling individual or license holder is ordered under section 245C.17 to be immediately removed from direct contact with persons receiving services or is ordered to be under continuous, direct supervision when providing direct contact services, the program may continue to operate only if the program complies with the order and submits documentation demonstrating compliance with the order. If the disqualified individual fails to submit a timely request for reconsideration, or if the disqualification is not set aside and no variance is granted, the order to immediately remove the individual from direct contact or to be under continuous, direct supervision remains in effect pending the outcome of a hearing and final order from the commissioner.

(k) Unless otherwise specified by statute, all licenses issued under this chapter expire at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must ~~apply for and be granted~~ comply with the requirements in section 245A.10 and be reissued

a new license to operate the program or the program must not be operated after the expiration date. Adult foster care, family adult day services, child foster residence setting, and community residential services license holders must apply for and be granted a new license to operate the program or the program must not be operated after the expiration date. Upon implementation of the provider licensing and reporting hub, licenses may be issued each calendar year.

(l) The commissioner shall not issue or reissue a license under this chapter if it has been determined that a Tribal licensing authority has established jurisdiction to license the program or service.

(m) The commissioner of human services may coordinate and share data with the commissioner of children, youth, and families to enforce this section.

Sec. 6. Minnesota Statutes 2024, section 245A.16, subdivision 1, is amended to read:

Subdivision 1. **Delegation of authority to agencies.** (a) County agencies that have been designated by the commissioner to perform licensing functions and activities under section 245A.04; to recommend denial of applicants under section 245A.05; to issue correction orders, to issue variances, and recommend a conditional license under section 245A.06; or to recommend suspending or revoking a license or issuing a fine under section 245A.07, shall comply with rules and directives of the commissioner governing those functions and with this section. The following variances are excluded from the delegation of variance authority and may be issued only by the commissioner:

(1) dual licensure of child foster residence setting and community residential setting;

(2) until the responsibility for family child foster care transfers to the commissioner of children, youth, and families under Laws 2023, chapter 70, article 12, section 30, dual licensure of family child foster care and family adult foster care;

(3) until the responsibility for family child care transfers to the commissioner of children, youth, and families under Laws 2023, chapter 70, article 12, section 30, dual licensure of family adult foster care and family child care;

(4) adult foster care or community residential setting maximum capacity;

(5) adult foster care or community residential setting minimum age requirement;

(6) child foster care maximum age requirement;

(7) variances regarding disqualified individuals;

11.1 (8) the required presence of a caregiver in the adult foster care residence during normal
11.2 sleeping hours;

11.3 (9) variances to requirements relating to chemical use problems of a license holder or a
11.4 household member of a license holder; and

11.5 (10) variances to section 142B.46 for the use of a cradleboard for a cultural
11.6 accommodation.

11.7 (b) Once the respective responsibilities transfer from the commissioner of human services
11.8 to the commissioner of children, youth, and families, under Laws 2023, chapter 70, article
11.9 12, section 30, the commissioners of human services and children, youth, and families must
11.10 both approve a variance for dual licensure of family child foster care and family adult foster
11.11 care or family adult foster care and family child care. Variances under this paragraph are
11.12 excluded from the delegation of variance authority and may be issued only by both
11.13 commissioners.

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

11.16 ~~(d) A~~ (c) An adult foster care, family adult day services, child foster residence setting,
11.17 or community residential services license issued under this section may be issued for up to
11.18 two years until implementation of the provider licensing and reporting hub. Upon
11.19 implementation of the provider licensing and reporting hub, licenses may be issued each
11.20 calendar year.

11.21 ~~(e)~~ (d) During implementation of chapter 245D, the commissioner shall consider:

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

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

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

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

11.29 ~~(f)~~ (e) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or
11.30 successor provisions; and section 245D.061 or successor provisions, for family child foster
11.31 care programs providing out-of-home respite, as identified in section 245D.03, subdivision
11.32 1, paragraph (b), clause (1), is excluded from the delegation of authority to county agencies.

12.1 Sec. 7. Minnesota Statutes 2024, section 245A.242, subdivision 2, is amended to read:

12.2 Subd. 2. **Emergency overdose treatment.** (a) A license holder must maintain a supply
12.3 of opiate antagonists as defined in section 604A.04, subdivision 1, available for emergency
12.4 treatment of opioid overdose and must have a written standing order protocol by a physician
12.5 who is licensed under chapter 147, advanced practice registered nurse who is licensed under
12.6 chapter 148, or physician assistant who is licensed under chapter 147A, that permits the
12.7 license holder to maintain a supply of opiate antagonists on site. A license holder must
12.8 require staff to undergo training in the specific mode of administration used at the program,
12.9 which may include intranasal administration, intramuscular injection, or both, before the
12.10 staff has direct contact, as defined in section 245C.02, subdivision 11, with a person served
12.11 by the program.

12.12 (b) Notwithstanding any requirements to the contrary in Minnesota Rules, chapters 2960
12.13 and 9530, and Minnesota Statutes, chapters 245F, 245G, and 245I:

12.14 (1) emergency opiate antagonist medications are not required to be stored in a locked
12.15 area and staff and adult clients may carry this medication on them and store it in an unlocked
12.16 location;

12.17 (2) staff persons who only administer emergency opiate antagonist medications only
12.18 require the training required by paragraph (a), which any knowledgeable trainer may provide.
12.19 The trainer is not required to be a registered nurse or part of an accredited educational
12.20 institution; and

12.21 (3) nonresidential substance use disorder treatment programs that do not administer
12.22 client medications beyond emergency opiate antagonist medications are not required to
12.23 have the policies and procedures required in section 245G.08, subdivisions 5 and 6, and
12.24 must instead describe the program's procedures for administering opiate antagonist
12.25 medications in the license holder's description of health care services under section 245G.08,
12.26 subdivision 1.

12.27 Sec. 8. Minnesota Statutes 2024, section 245C.05, is amended by adding a subdivision to
12.28 read:

12.29 Subd. 9. **Electronic signature.** For documentation requiring a signature under this
12.30 chapter, use of an electronic signature as defined under section 325L.02, paragraph (h), is
12.31 allowed.

13.1 Sec. 9. Minnesota Statutes 2024, section 245C.08, subdivision 3, is amended to read:

13.2 Subd. 3. **Arrest and investigative information.** (a) For any background study completed
13.3 under this section, if the commissioner has reasonable cause to believe the information is
13.4 pertinent to the disqualification of an individual, the commissioner also may review arrest
13.5 and investigative information from:

13.6 (1) the Bureau of Criminal Apprehension;

13.7 (2) the commissioners of children, youth, and families; health; and human services;

13.8 (3) a ~~county attorney~~ prosecutor;

13.9 ~~(4) a county sheriff;~~

13.10 ~~(5) (4)~~ a county agency;

13.11 ~~(6) (5)~~ a ~~local chief of police~~ law enforcement agency;

13.12 ~~(7) (6)~~ other states;

13.13 ~~(8) (7)~~ the courts;

13.14 ~~(9) (8)~~ the Federal Bureau of Investigation;

13.15 ~~(10) (9)~~ the National Criminal Records Repository; and

13.16 ~~(11) (10)~~ criminal records from other states.

13.17 (b) Except when specifically required by law, the commissioner is not required to conduct
13.18 more than one review of a subject's records from the Federal Bureau of Investigation if a
13.19 review of the subject's criminal history with the Federal Bureau of Investigation has already
13.20 been completed by the commissioner and there has been no break in the subject's affiliation
13.21 with the entity that initiated the background study.

13.22 (c) If the commissioner conducts a national criminal history record check when required
13.23 by law and uses the information from the national criminal history record check to make a
13.24 disqualification determination, the data obtained is private data and cannot be shared with
13.25 private agencies or prospective employers of the background study subject.

13.26 (d) If the commissioner conducts a national criminal history record check when required
13.27 by law and uses the information from the national criminal history record check to make a
13.28 disqualification determination, the license holder or entity that submitted the study is not
13.29 required to obtain a copy of the background study subject's disqualification letter under
13.30 section 245C.17, subdivision 3.

14.1 Sec. 10. Minnesota Statutes 2024, section 245C.22, subdivision 5, is amended to read:

14.2 Subd. 5. **Scope of set-aside.** (a) If the commissioner sets aside a disqualification under
14.3 this section, the disqualified individual remains disqualified, but may hold a license and
14.4 have direct contact with or access to persons receiving services. Except as provided in
14.5 paragraph (b), the commissioner's set-aside of a disqualification is limited solely to the
14.6 licensed program, applicant, or agency specified in the set aside notice under section 245C.23.
14.7 For personal care provider organizations, financial management services organizations,
14.8 community first services and supports organizations, unlicensed home and community-based
14.9 organizations, and consumer-directed community supports organizations, the commissioner's
14.10 set-aside may further be limited to a specific individual who is receiving services. For new
14.11 background studies required under section 245C.04, subdivision 1, paragraph (h), if an
14.12 individual's disqualification was previously set aside for the license holder's program and
14.13 the new background study results in no new information that indicates the individual may
14.14 pose a risk of harm to persons receiving services from the license holder, the previous
14.15 set-aside shall remain in effect.

14.16 (b) If the commissioner has previously set aside an individual's disqualification for one
14.17 or more programs or agencies, and the individual is the subject of a subsequent background
14.18 study for a different program or agency, the commissioner shall determine whether the
14.19 disqualification is set aside for the program or agency that initiated the subsequent
14.20 background study. A notice of a set-aside under paragraph (c) shall be issued within 15
14.21 working days if all of the following criteria are met:

14.22 (1) the subsequent background study was initiated in connection with a program licensed
14.23 or regulated under the same provisions of law and rule for at least one program for which
14.24 the individual's disqualification was previously set aside by the commissioner;

14.25 (2) the individual is not disqualified for an offense specified in section 245C.15,
14.26 subdivision 1 or 2;

14.27 (3) the commissioner has received no new information to indicate that the individual
14.28 may pose a risk of harm to any person served by the program; and

14.29 (4) the previous set-aside was not limited to a specific person receiving services.

14.30 (c) Notwithstanding paragraph (b), clause (2), for an individual who is employed in the
14.31 substance use disorder field, if the commissioner has previously set aside an individual's
14.32 disqualification for one or more programs or agencies in the substance use disorder treatment
14.33 field, and the individual is the subject of a subsequent background study for a different
14.34 program or agency in the substance use disorder treatment field, the commissioner shall set

aside the disqualification for the program or agency in the substance use disorder treatment field that initiated the subsequent background study when the criteria under paragraph (b), clauses (1), (3), and (4), are met and the individual is not disqualified for an offense specified in section 245C.15, subdivision 1. A notice of a set-aside under paragraph (d) shall be issued within 15 working days.

(d) When a disqualification is set aside under paragraph (b), the notice of background study results issued under section 245C.17, in addition to the requirements under section 245C.17, shall state that the disqualification is set aside for the program or agency that initiated the subsequent background study. The notice must inform the individual that the individual may request reconsideration of the disqualification under section 245C.21 on the basis that the information used to disqualify the individual is incorrect.

Sec. 11. Minnesota Statutes 2024, section 245D.02, subdivision 4a, is amended to read:

Subd. 4a. **Community residential setting.** "Community residential setting" means a residential program as identified in section 245A.11, subdivision 8, where residential supports and services identified in section 245D.03, subdivision 1, paragraph (c), clause (3), items (i) and (ii), are provided to adults, as defined in section 245A.02, subdivision 2, and the license holder is the owner, lessor, or tenant of the facility licensed according to this chapter, and the license holder does not reside in the facility.

EFFECTIVE DATE. This section is effective August 1, 2025.

Sec. 12. Minnesota Statutes 2024, section 245G.05, subdivision 1, is amended to read:

Subdivision 1. **Comprehensive assessment.** A comprehensive assessment of the client's substance use disorder must be administered face-to-face by an alcohol and drug counselor within five calendar days from the day of service initiation for a residential program or by the end of the fifth day on which a treatment service is provided in a nonresidential program. The number of days to complete the comprehensive assessment excludes the day of service initiation. If the comprehensive assessment is not completed within the required time frame, the person-centered reason for the delay and the planned completion date must be documented in the client's file. The comprehensive assessment is complete upon a qualified staff member's dated signature. If the client previously received a comprehensive assessment ~~that authorized the treatment service~~, an alcohol and drug counselor may use the comprehensive assessment for requirements of this subdivision but must document a review of the comprehensive assessment and update the comprehensive assessment as clinically necessary to ensure

16.1 compliance with this subdivision within applicable timelines. An alcohol and drug counselor
16.2 must sign and date the comprehensive assessment review and update.

16.3 Sec. 13. Minnesota Statutes 2024, section 245G.06, subdivision 1, is amended to read:

16.4 Subdivision 1. **General.** Each client must have a person-centered individual treatment
16.5 plan developed by an alcohol and drug counselor within ten days from the day of service
16.6 initiation for a residential program, by the end of the tenth day on which a treatment session
16.7 has been provided from the day of service initiation for a client in a nonresidential program,
16.8 not to exceed 30 days. Opioid treatment programs must complete the individual treatment
16.9 plan within ~~21~~ 14 days from the day of service initiation. The number of days to complete
16.10 the individual treatment plan excludes the day of service initiation. The individual treatment
16.11 plan must be signed by the client and the alcohol and drug counselor and document the
16.12 client's involvement in the development of the plan. The individual treatment plan is
16.13 developed upon the qualified staff member's dated signature. Treatment planning must
16.14 include ongoing assessment of client needs. An individual treatment plan must be updated
16.15 based on new information gathered about the client's condition, the client's level of
16.16 participation, and on whether methods identified have the intended effect. A change to the
16.17 plan must be signed by the client and the alcohol and drug counselor. If the client chooses
16.18 to have family or others involved in treatment services, the client's individual treatment plan
16.19 must include how the family or others will be involved in the client's treatment. If a client
16.20 is receiving treatment services or an assessment via telehealth and the alcohol and drug
16.21 counselor documents the reason the client's signature cannot be obtained, the alcohol and
16.22 drug counselor may document the client's verbal approval or electronic written approval of
16.23 the treatment plan or change to the treatment plan in lieu of the client's signature.

16.24 Sec. 14. Minnesota Statutes 2024, section 245G.06, subdivision 2a, is amended to read:

16.25 Subd. 2a. **Documentation of treatment services.** The license holder must ensure that
16.26 the staff member who provides the treatment service documents in the client record the
16.27 date, type, and amount of each treatment service provided to a client and the client's response
16.28 to each treatment service within seven days of providing the treatment service. In addition
16.29 to the other requirements of this subdivision, if a guest speaker presents information during
16.30 a treatment service, the alcohol and drug counselor who provided the service and is
16.31 responsible for the information presented by the guest speaker must document the name of
16.32 the guest speaker, date of service, time the presentation began, time the presentation ended,
16.33 and a summary of the topic presentation.

17.1 Sec. 15. Minnesota Statutes 2024, section 245G.06, subdivision 3a, is amended to read:

17.2 Subd. 3a. **Frequency of treatment plan reviews.** (a) A license holder must ensure that
17.3 the alcohol and drug counselor responsible for a client's treatment plan completes and
17.4 documents a treatment plan review that meets the requirements of subdivision 3 in each
17.5 client's file, according to the frequencies required in this subdivision. All ASAM levels
17.6 referred to in this chapter are those described in section 254B.19, subdivision 1.

17.7 (b) For a client receiving residential ASAM level 3.3 or 3.5 high-intensity services or
17.8 residential hospital-based services, a treatment plan review must be completed once every
17.9 14 days.

17.10 (c) For a client receiving residential ASAM level 3.1 low-intensity services or any other
17.11 residential level not listed in paragraph (b), a treatment plan review must be completed once
17.12 every 30 days.

17.13 (d) For a client receiving nonresidential ASAM level 2.5 partial hospitalization services,
17.14 a treatment plan review must be completed once every 14 days.

17.15 (e) For a client receiving nonresidential ASAM level 1.0 outpatient or 2.1 intensive
17.16 outpatient services or any other nonresidential level not included in paragraph (d), a treatment
17.17 plan review must be completed once every 30 days.

17.18 (f) For a client receiving nonresidential opioid treatment program services according to
17.19 section 245G.22, a treatment plan review must be completed:

17.20 (1) weekly for the ten weeks following completion of the treatment plan; and

17.21 (2) monthly thereafter.

17.22 Treatment plan reviews must be completed more frequently when clinical needs warrant.

17.23 (g) The ten-week time frame in paragraph (f), clause (1), may include a client's previous
17.24 time at another opioid treatment program licensed in Minnesota under section 245G.22 if:

17.25 (1) the client was enrolled in the other opioid treatment program immediately prior to
17.26 admission to the license holder's program;

17.27 (2) the client did not miss taking a daily dose of medication to treat an opioid use disorder;
17.28 and

17.29 (3) the license holder obtains from the previous opioid treatment program the client's
17.30 number of days in comprehensive treatment, discharge summary, amount of daily milligram
17.31 dose of medication for opioid use disorder, and previous three drug abuse test results.

(g) ~~(h)~~ Notwithstanding paragraphs (e) and (f), clause (2), for a client in a nonresidential program with a treatment plan that clearly indicates less than five hours of skilled treatment services will be provided to the client each month, a treatment plan review must be completed once every 90 days. Treatment plan reviews must be completed more frequently when clinical needs warrant.

Sec. 16. Minnesota Statutes 2024, section 245G.07, subdivision 2, is amended to read:

Subd. 2. **Additional treatment service.** A license holder may provide or arrange the following additional treatment service as a part of the client's individual treatment plan:

(1) relationship counseling provided by a qualified professional to help the client identify the impact of the client's substance use disorder on others and to help the client and persons in the client's support structure identify and change behaviors that contribute to the client's substance use disorder;

(2) therapeutic recreation to allow the client to participate in recreational activities without the use of mood-altering chemicals and to plan and select leisure activities that do not involve the inappropriate use of chemicals;

(3) stress management and physical well-being to help the client reach and maintain an appropriate level of health, physical fitness, and well-being;

(4) living skills development to help the client learn basic skills necessary for independent living;

(5) employment or educational services to help the client become financially independent;

(6) socialization skills development to help the client live and interact with others in a positive and productive manner;

(7) room, board, and supervision at the treatment site to provide the client with a safe and appropriate environment to gain and practice new skills; and

(8) peer recovery support services must be provided one-to-one and face-to-face, including through the Internet, by a recovery peer qualified according to section 245I.04, subdivision 18. Peer recovery support services must be provided according to sections 254B.05, subdivision 5, and 254B.052.

Sec. 17. Minnesota Statutes 2024, section 245G.08, subdivision 6, is amended to read:

Subd. 6. **Control of drugs.** A license holder must have and implement written policies and procedures developed by a registered nurse that contain:

(1) a requirement that each drug must be stored in a locked compartment. A Schedule II drug, as defined by section 152.02, subdivision 3, must be stored in a separately locked compartment, permanently affixed to the physical plant or medication cart;

(2) a documentation system which that accounts for all ~~scheduled drugs each shift~~ schedule II to V drugs listed in section 152.02, subdivisions 3 to 6;

(3) a procedure for recording the client's use of medication, including the signature of the staff member who completed the administration of the medication with the time and date;

(4) a procedure to destroy a discontinued, outdated, or deteriorated medication;

(5) a statement that only authorized personnel are permitted access to the keys to a locked compartment;

(6) a statement that no legend drug supply for one client shall be given to another client; and

(7) a procedure for monitoring the available supply of an opiate antagonist as defined in section 604A.04, subdivision 1, on site and replenishing the supply when needed.

Sec. 18. Minnesota Statutes 2024, section 245G.09, subdivision 3, is amended to read:

Subd. 3. **Contents.** (a) Client records must contain the following:

(1) documentation that the client was given:

(i) information on client rights and responsibilities; and grievance procedures; on the day of service initiation;

(ii) information on tuberculosis, and HIV; and that the client was provided within 72 hours of service initiation;

(iii) an orientation to the program abuse prevention plan required under section 245A.65, subdivision 2, paragraph (a), clause (4). If the client has an opioid use disorder, the record must contain documentation that the client was provided within 24 hours of admission or, for clients who would benefit from a later orientation, 72 hours; and

(iv) opioid educational information material according to section 245G.04, subdivision 3, on the day of service initiation;

(2) an initial services plan completed according to section 245G.04;

(3) a comprehensive assessment completed according to section 245G.05;

(4) an individual abuse prevention plan according to sections 245A.65, subdivision 2, and 626.557, subdivision 14, when applicable;

(5) an individual treatment plan according to section 245G.06, subdivisions 1 and 1a;

(6) documentation of treatment services, significant events, appointments, concerns, and treatment plan reviews according to section 245G.06, subdivisions 2a, 2b, 3, and 3a; and

(7) a summary at the time of service termination according to section 245G.06, subdivision 4.

(b) For a client that transfers to another of the license holder's licensed treatment locations, the license holder is not required to complete new documents or orientation for the client, except that the client must receive an orientation to the new location's grievance procedure, program abuse prevention plan, and maltreatment of minor and vulnerable adults reporting procedures.

Sec. 19. Minnesota Statutes 2024, section 245G.11, subdivision 11, is amended to read:

Subd. 11. **Individuals with temporary permit.** An individual with a temporary permit from the Board of Behavioral Health and Therapy may provide substance use disorder treatment ~~service~~ services and complete comprehensive assessments, individual treatment plans, treatment plan reviews, and service discharge summaries according to this subdivision if they meet the requirements of either paragraph (a) or (b).

(a) An individual with a temporary permit must be supervised by a licensed alcohol and drug counselor assigned by the license holder. The supervising licensed alcohol and drug counselor must document the amount and type of supervision provided at least on a weekly basis. The supervision must relate to the clinical practice.

(b) An individual with a temporary permit must be supervised by a clinical supervisor approved by the Board of Behavioral Health and Therapy. The supervision must be documented and meet the requirements of section 148F.04, subdivision 4.

Sec. 20. Minnesota Statutes 2024, section 245G.18, subdivision 2, is amended to read:

Subd. 2. **Alcohol and drug counselor qualifications.** In addition to the requirements specified in section 245G.11, subdivisions 1 and 5, an alcohol and drug counselor providing treatment service to an adolescent must have:

~~(1) an additional 30 hours of training or classroom instruction or one three-credit semester college course in adolescent development. This~~ The training, classroom instruction, or

21.1 college course must be completed no later than six months after the counselor first provides
21.2 treatment services to adolescents and need only be completed one time; and. The training
21.3 must be interactive and must not consist only of reading information. An alcohol and drug
21.4 counselor who is also qualified as a mental health professional under section 245I.04,
21.5 subdivision 2, is exempt from the requirement in this subdivision.

21.6 ~~(2) at least 150 hours of supervised experience as an adolescent counselor, either as a~~
21.7 ~~student or as a staff member.~~

21.8 Sec. 21. Minnesota Statutes 2024, section 245G.19, subdivision 4, is amended to read:

21.9 Subd. 4. **Additional licensing requirements.** During the times the license holder is
21.10 responsible for the supervision of a child, except for license holders described in subdivision
21.11 5, the license holder must meet the following standards:

21.12 (1) child and adult ratios in Minnesota Rules, part 9502.0367;

21.13 (2) day care training in section 142B.70;

21.14 (3) behavior guidance in Minnesota Rules, part 9502.0395;

21.15 (4) activities and equipment in Minnesota Rules, part 9502.0415;

21.16 (5) physical environment in Minnesota Rules, part 9502.0425;

21.17 (6) physical space requirements in section 142B.72; and

21.18 (7) water, food, and nutrition in Minnesota Rules, part 9502.0445, unless the license
21.19 holder has a license from the Department of Health.

21.20 Sec. 22. Minnesota Statutes 2024, section 245G.19, is amended by adding a subdivision
21.21 to read:

21.22 Subd. 5. **Child care license exemption.** (a) License holders that only provide supervision
21.23 of children for less than three hours a day while the child's parent is in the same building
21.24 or contiguous building as allowed by the exclusion from licensure in section 245A.03,
21.25 subdivision 2, paragraph (a), clause (6), are exempt from the requirements of subdivision
21.26 4, if the requirements of this subdivision are met.

21.27 (b) During the times the license holder is responsible for the supervision of the child,
21.28 there must always be a staff member present that is responsible for supervising the child
21.29 who is trained in cardiopulmonary resuscitation (CPR) and first aid. This staff person must
21.30 be able to immediately contact the child's parent at all times.

22.1 Sec. 23. Minnesota Statutes 2024, section 245G.22, subdivision 1, is amended to read:

22.2 Subdivision 1. **Additional requirements.** (a) An opioid treatment program licensed
22.3 under this chapter must also: (1) comply with the requirements of this section and Code of
22.4 Federal Regulations, title 42, part 8; (2) be registered as a narcotic treatment program with
22.5 the Drug Enforcement Administration; (3) be accredited through an accreditation body
22.6 approved by the Division of Pharmacologic Therapy of the Center for Substance Abuse
22.7 Treatment; (4) be certified through the Division of Pharmacologic Therapy of the Center
22.8 for Substance Abuse Treatment; and (5) hold a license from the Minnesota Board of
22.9 Pharmacy or ~~equivalent agency~~ meet the requirements for dispensing by a practitioner in
22.10 section 151.37, subdivision 2, and Minnesota Rules, parts 6800.9950 to 6800.9954.

22.11 (b) A license holder operating under the dispensing by practitioner requirements in
22.12 section 151.37, subdivision 2, and Minnesota Rules, parts 6800.9950 to 6800.9954, must
22.13 maintain documentation that the practitioner responsible for complying with the above
22.14 statute and rules has signed a statement attesting that they are the practitioner responsible
22.15 for complying with the applicable statutes and rules. If more than one person is responsible
22.16 for compliance, all practitioners must sign a statement.

22.17 ~~(b)~~ (c) Where a standard in this section differs from a standard in an otherwise applicable
22.18 administrative rule or statute, the standard of this section applies.

22.19 Sec. 24. Minnesota Statutes 2024, section 245G.22, subdivision 14, is amended to read:

22.20 Subd. 14. **Central registry.** ~~(a)~~ A license holder must comply with requirements to
22.21 submit information and necessary consents to the state central registry for each client
22.22 admitted, as specified by the commissioner. The license holder must submit data concerning
22.23 medication used for the treatment of opioid use disorder. The data must be submitted in a
22.24 method determined by the commissioner and the original information must be kept in the
22.25 client's record. The information must be submitted for each client at admission and discharge.
22.26 The program must document the date the information was submitted. The client's failure to
22.27 provide the information shall prohibit participation in an opioid treatment program. The
22.28 information submitted must include the client's:

22.29 (1) full name and all aliases;

22.30 (2) date of admission;

22.31 (3) date of birth;

22.32 (4) Social Security number or Alien Registration Number, if any; and

23.1 (5) current or previous enrollment status in another opioid treatment program;

23.2 ~~(6) government-issued photo identification card number; and~~

23.3 ~~(7) driver's license number, if any.~~

23.4 ~~(b) The requirements in paragraph (a) are effective upon the commissioner's~~

23.5 ~~implementation of changes to the drug and alcohol abuse normative evaluation system or~~

23.6 ~~development of an electronic system by which to submit the data.~~

23.7 Sec. 25. Minnesota Statutes 2024, section 245G.22, subdivision 15, is amended to read:

23.8 Subd. 15. **Nonmedication treatment services; documentation.** (a) The program must
23.9 offer at least 50 consecutive minutes of individual or group therapy treatment services as
23.10 defined in section 245G.07, subdivision 1, paragraph (a), clause (1), per week, for the first
23.11 ten weeks following the day of service initiation, and at least 50 consecutive minutes per
23.12 month thereafter. As clinically appropriate, the program may offer these services cumulatively
23.13 and not consecutively in increments of no less than 15 minutes over the required time period,
23.14 and for a total of 60 minutes of treatment services over the time period, and must document
23.15 the reason for providing services cumulatively in the client's record. The program may offer
23.16 additional levels of service when deemed clinically necessary.

23.17 (b) The ten-week time frame may include a client's previous time at another opioid
23.18 treatment program licensed in Minnesota under this section if:

23.19 (1) the client was enrolled in the other opioid treatment program immediately prior to
23.20 admission to the license holder's program;

23.21 (2) the client did not miss taking a daily dose of medication to treat an opioid use disorder;
23.22 and

23.23 (3) the license holder obtains from the previous opioid treatment program the client's
23.24 number of days in comprehensive maintenance treatment, discharge summary, amount of
23.25 daily milligram dose of medication for opioid use disorder, and previous three drug abuse
23.26 test results.

23.27 ~~(b)~~ (c) Notwithstanding the requirements of comprehensive assessments in section
23.28 245G.05, the assessment must be completed within 21 days from the day of service initiation.

23.29 Sec. 26. Minnesota Statutes 2024, section 256.98, subdivision 1, is amended to read:

23.30 Subdivision 1. **Wrongfully obtaining assistance.** (a) A person who commits any of the
23.31 following acts or omissions with intent to defeat the purposes of sections 145.891 to 145.897,

the MFIP program formerly codified in sections 256.031 to 256.0361, the AFDC program formerly codified in sections 256.72 to 256.871, chapter 142G, 256B, 256D, 256I, 256K, or 256L, child care assistance programs, and emergency assistance programs under section 256D.06, is guilty of theft and shall be sentenced under section 609.52, subdivision 3, clauses (1) to (5):

(1) obtains or attempts to obtain, or aids or abets any person to obtain by means of a willfully false statement or representation, by intentional concealment of any material fact, or by impersonation or other fraudulent device, assistance or the continued receipt of assistance, to include child care assistance or food benefits produced according to sections 145.891 to 145.897 and MinnesotaCare services according to sections 256.9365, 256.94, and 256L.01 to 256L.15, to which the person is not entitled or assistance greater than that to which the person is entitled;

(2) knowingly aids or abets in buying or in any way disposing of the property of a recipient or applicant of assistance without the consent of the county agency; or

(3) obtains or attempts to obtain, alone or in collusion with others, the receipt of payments to which the individual is not entitled as a provider of subsidized child care, ~~or by furnishing or concurring in~~ receiving or providing any prohibited payment, as defined in section 609.542, subdivision 2, including a kickback, or by submitting or aiding or abetting the submission of a willfully false claim for child care assistance.

(b) The continued receipt of assistance to which the person is not entitled or greater than that to which the person is entitled as a result of any of the acts, failure to act, or concealment described in this subdivision shall be deemed to be continuing offenses from the date that the first act or failure to act occurred.

Sec. 27. Minnesota Statutes 2024, section 256B.12, is amended to read:

256B.12 LEGAL REPRESENTATION.

The attorney general or the appropriate county attorney appearing at the direction of the attorney general shall be the attorney for the state agency, and the county attorney of the appropriate county shall be the attorney for the local agency in all matters pertaining hereto. To prosecute under this chapter or sections 609.466 and, 609.52, subdivision 2, and 609.542 or to recover payments wrongfully made under this chapter, the attorney general or the appropriate county attorney, acting independently or at the direction of the attorney general may institute a criminal or civil action.

25.1 Sec. 28. Minnesota Statutes 2024, section 480.40, subdivision 1, is amended to read:

25.2 Subdivision 1. **Definitions.** (a) For purposes of this section and section 480.45, the
25.3 following terms have the meanings given.

25.4 (b) "Judicial official" means:

25.5 (1) every Minnesota district court judge, senior judge, retired judge, and every judge of
25.6 the Minnesota Court of Appeals and every active, senior, recalled, or retired federal judge
25.7 who resides in Minnesota;

25.8 (2) a justice of the Minnesota Supreme Court;

25.9 (3) employees of the Minnesota judicial branch;

25.10 (4) judicial referees and magistrate judges; and

25.11 (5) current and retired judges and current employees of the Office of Administrative
25.12 Hearings, Department of Human Services Appeals Division, Workers' Compensation Court
25.13 of Appeals, and Tax Court.

25.14 (c) "Personal information" does not include publicly available information. Personal
25.15 information means:

25.16 (1) a residential address of a judicial official;

25.17 (2) a residential address of the spouse, domestic partner, or children of a judicial official;

25.18 (3) a nonjudicial branch issued telephone number or email address of a judicial official;

25.19 (4) the name of any child of a judicial official; and

25.20 (5) the name of any child care facility or school that is attended by a child of a judicial
25.21 official if combined with an assertion that the named facility or school is attended by the
25.22 child of a judicial official.

25.23 (d) "Publicly available information" means information that is lawfully made available
25.24 through federal, state, or local government records or information that a business has a
25.25 reasonable basis to believe is lawfully made available to the general public through widely
25.26 distributed media, by a judicial official, or by a person to whom the judicial official has
25.27 disclosed the information, unless the judicial official has restricted the information to a
25.28 specific audience.

25.29 (e) "Law enforcement support organizations" do not include charitable organizations.

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

26.1 Sec. 29. **[609.542] HUMAN SERVICES PROGRAMS CRIMES.**

26.2 Subdivision 1. **Definition.** For purposes of this section, "federal health care program"
26.3 has the meaning given in United States Code, title 42, section 1320a-7b(f).

26.4 Subd. 2. **Prohibited payments made relating to human services programs.** A person
26.5 is guilty of a crime and may be sentenced as provided in subdivision 5 if the person
26.6 intentionally offers or pays any remuneration, including any kickback, bribe, or rebate,
26.7 directly or indirectly, overtly or covertly, in cash or in kind, to another person:

26.8 (1) to induce that person to apply for, receive, or induce another person to apply for or
26.9 receive an item or service for which payment may be made in whole or in part under a
26.10 federal health care program, state behavioral health program under section 254B.04, or
26.11 family program under chapter 142E; or

26.12 (2) in return for purchasing, leasing, ordering, or arranging for or inducing the purchasing,
26.13 leasing, or ordering of any good, facility, service, or item for which payment may be made
26.14 in whole or in part, or which is administered in whole or in part under a federal health care
26.15 program, state behavioral health program under section 254B.04, or family program under
26.16 chapter 142E.

26.17 Subd. 3. **Receipt of prohibited payments relating to human services programs.** A
26.18 person is guilty of a crime and may be sentenced as provided in subdivision 5 if the person
26.19 intentionally solicits or receives any remuneration, including any kickback, bribe, or rebate,
26.20 directly or indirectly, overtly or covertly, in cash or in kind:

26.21 (1) in return for applying for or receiving a human services benefit, service, or grant for
26.22 which payment may be made in whole or in part under a federal health care program, state
26.23 behavioral health program under section 254B.04, or family program under chapter 142E;
26.24 or

26.25 (2) in return for purchasing, leasing, ordering, or arranging for or inducing the purchasing,
26.26 leasing, or ordering of any good, facility, service, or item for which payment may be made
26.27 in whole or in part under a federal health care program, state behavioral health program
26.28 under section 254B.04, or family program under chapter 142E.

26.29 Subd. 4. **Exemptions.** (a) This section does not apply to remuneration exempted under
26.30 the Anti-Kickback Statute, United States Code, title 42, section 1320a-7b(b)(3), or payment
26.31 made under a federal health care program which is exempt from liability by United States
26.32 Code, title 42, section 1001.952.

26.33 (b) This section does not apply to:

(1) any amount paid by an employer to a bona fide employee for providing covered items or services under chapter 142E while acting in the course and scope of employment; or

(2) child care provider discounts, scholarships, or other financial assistance to families allowed under section 142E.17, subdivision 7.

Subd. 5. **Sentence.** (a) A person convicted under subdivision 2 or 3 may be sentenced pursuant to section 609.52, subdivision 3.

(b) For purposes of sentencing a violation of subdivision 2, "value" means the fair market value of the good, facility, service, or item that was obtained as a direct or indirect result of the prohibited payment.

(c) For purposes of sentencing a violation of subdivision 3, "value" means the amount of the prohibited payment solicited or received.

(d) As a matter of law, a claim for any good, facility, service, or item rendered or claimed to have been rendered in violation of this section is noncompensable and unenforceable at the time the claim is made.

Subd. 6. **Aggregation.** In a prosecution under this section, the value of the money, property, or benefit received or solicited by the defendant within a six-month period may be aggregated and the defendant charged accordingly in applying the provisions of subdivision 5.

Subd. 7. **False claims.** In addition to the penalties provided for in this section, a claim, as defined in section 15C.01, subdivision 2, that includes items or services resulting from a violation of this section constitutes a false or fraudulent claim for purposes of section 15C.02.

EFFECTIVE DATE. This section is effective August 1, 2025, and applies to crimes committed on or after that date.

Sec. 30. MODIFICATION OF DEFINITIONS.

For the purposes of implementing the provider licensing and reporting hub, the commissioner of human services may modify definitions in Minnesota Statutes, chapters 142B, 245A, 245D, 245F, 245G, and 245I, and Minnesota Rules, chapters 2960, 9502, 9520, 9530, 9543, 9555, and 9570. Definitions changed pursuant to this section do not affect the rights, responsibilities, or duties of the commissioner; the Department of Human Services;

- 28.1 programs administered, licensed, certified, or funded by the commissioner; or the programs'
- 28.2 employees or clients. This section expires August 31, 2028.
- 28.3 Sec. 31. **REPEALER.**
- 28.4 Minnesota Statutes 2024, section 245A.11, subdivision 8, is repealed.
- 28.5 **EFFECTIVE DATE.** This section is effective August 1, 2025.

245A.11 SPECIAL CONDITIONS FOR RESIDENTIAL PROGRAMS.

Subd. 8. **Community residential setting license.** (a) The commissioner shall establish provider standards for residential support services that integrate service standards and the residential setting under one license. The commissioner shall propose statutory language and an implementation plan for licensing requirements for residential support services to the legislature by January 15, 2012, as a component of the quality outcome standards recommendations required by Laws 2010, chapter 352, article 1, section 24.

(b) Providers licensed under chapter 245B, and providing, contracting, or arranging for services in settings licensed as adult foster care under Minnesota Rules, parts 9555.5105 to 9555.6265; and meeting the provisions of section 245D.02, subdivision 4a, must be required to obtain a community residential setting license.