

SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION

S.F. No. 1146

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DATE

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OFFICIAL STATUS

02/10/2025

325

Introduction and first reading  
Referred to Human Services

1.1

A bill for an act

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relating to human services licensing; modifying licensing violation actions against

1.3

chapter 245D providers; requiring reports; amending Minnesota Statutes 2024,

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section 245A.06, subdivisions 1a, 2.

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

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Section 1. Minnesota Statutes 2024, section 245A.06, subdivision 1a, is amended to read:

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Subd. 1a. **Correction orders and conditional licenses for programs licensed as home**

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**and community-based services.** (a) For programs licensed under both this chapter and

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chapter 245D, if the license holder operates more than one service site under a single license

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governed by chapter 245D, the order or conditional license issued under this section shall

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be specific to the service site or sites at which the violations of applicable law or rules

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occurred. The order shall not apply to other service sites governed by chapter 245D and

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operated by the same license holder unless the commissioner has included in the order the

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articulable basis for applying the order to another service site.

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(b) If the commissioner has issued more than one license to the license holder under this

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chapter, the conditions imposed under this section shall be specific to the license for the

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program at which the violations of applicable law or rules occurred and shall not apply to

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other licenses held by the same license holder if those programs are being operated in

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substantial compliance with applicable law and rules.

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(c) Prior to issuing a conditional license under this section to a license holder operating

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a program licensed under both this chapter and chapter 245D, the commissioner must inform

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the license holder that their next audit or investigation will lead to a conditional license if

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the provider fails or has any violations.

(d) The commissioner may reduce the length of time of a conditional license for a license holder operating a program licensed under both this chapter and chapter 245D if the license holder demonstrates compliance or progress toward compliance before the conditional license period expires.

(e) Conditional licenses may only be issued to a license holder operating a program licensed under both this chapter and chapter 245D if the license holder fails to implement or follow the requirements of the most recent correction order issued by the commissioner for a violation of this chapter or chapter 245D.

(f) If requested by a license holder operating a program licensed under both this chapter and chapter 245D, the commissioner must refer the license holder to legal assistance or other available technical assistance resources or services when the license holder is subject to an enforcement action.

(g) The commissioner must partner with culturally specific organizations to provide education on licensing requirements and staff, training, and informational assistance services to license holders operating programs licensed under both this chapter and chapter 245D.

(h) By January 1, 2026, and annually thereafter, the commissioner must provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over chapter 245D licensing on the number of correction orders and conditional licenses issued to license holders who operate programs licensed under both this chapter and chapter 245D. The report must include aggregated data on the zip codes of locations, number of employees, and license effective dates for any license holders subject to correction orders and conditional licenses and on the commissioner's efforts to offer collaborative safety process improvements to license holders.

Sec. 2. Minnesota Statutes 2024, section 245A.06, subdivision 2, is amended to read:

Subd. 2. **Reconsideration of correction orders.** (a) If the applicant or license holder believes that the contents of the commissioner's correction order are in error, the applicant or license holder may ask the Department of Human Services to reconsider the parts of the correction order that are alleged to be in error. The request for reconsideration must be made in writing and must be postmarked and sent to the commissioner within 20 calendar days after receipt of the correction order by the applicant or license holder or submitted in the provider licensing and reporting hub within 20 calendar days from the date the commissioner issued the order through the hub, and:

(1) specify the parts of the correction order that are alleged to be in error;

3.1 (2) explain why they are in error; and

3.2 (3) include documentation to support the allegation of error.

3.3 Upon implementation of the provider licensing and reporting hub, the provider must use  
3.4 the hub to request reconsideration. A request for reconsideration does not stay any provisions  
3.5 or requirements of the correction order. The commissioner's disposition of a request for  
3.6 reconsideration is final and not subject to appeal under chapter 14.

3.7 (b) This paragraph applies only to licensed family child care providers. A licensed family  
3.8 child care provider who requests reconsideration of a correction order under paragraph (a)  
3.9 may also request, on a form and in the manner prescribed by the commissioner, that the  
3.10 commissioner expedite the review if:

3.11 (1) the provider is challenging a violation and provides a description of how complying  
3.12 with the corrective action for that violation would require the substantial expenditure of  
3.13 funds or a significant change to their program; and

3.14 (2) describes what actions the provider will take in lieu of the corrective action ordered  
3.15 to ensure the health and safety of children in care pending the commissioner's review of the  
3.16 correction order.

3.17 (c) The commissioner must offer a license holder operating a program licensed under  
3.18 both this chapter and chapter 245D alternative dispute resolution services when the license  
3.19 holder appeals a correction order.