

NINETY-THIRD DAY

St. Paul, Minnesota, Thursday, April 21, 2022

The Senate met at 11:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Isaacson imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Jen Collins.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators were present:

Abeler	Draheim	Ingebrigtsen	Mathews	Rosen
Anderson	Duckworth	Isaacson	McEwen	Ruud
Bakk	Dziedzic	Jasinski	Miller	Senjem
Benson	Eaton	Johnson	Murphy	Tomassoni
Bigham	Eichorn	Johnson Stewart	Nelson	Torres Ray
Carlson	Eken	Kent	Newman	Utke
Chamberlain	Fateh	Kiffmeyer	Newton	Weber
Champion	Frentz	Klein	Osmek	Westrom
Clausen	Gazelka	Koran	Pappas	Wiger
Coleman	Goggin	Kunesh	Port	Wiklund
Cwodzinski	Hawj	Lang	Pratt	
Dahms	Hoffman	Limmer	Putnam	
Dibble	Housley	López Franzen	Rarick	
Dornink	Howe	Marty	Rest	

Pursuant to Rule 14.1, the President announced the following members intend to vote under Rule 40.7: Anderson, Benson, Clausen, Gazelka, Johnson, Kent, Miller, Newton, Rosen, and Tomassoni.

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

February 28, 2022

The Honorable David J. Osmek
President of the Senate

Dear Senator Osmek:

The following appointment is hereby respectfully submitted to the Senate for confirmation as required by law:

METROPOLITAN COUNCIL

John Pacheco, Jr., 3900 Upton Ave. S., Minneapolis, in the county of Hennepin, effective March 1, 2022, for a term expiring on January 2, 2023.

(Referred to the Committee on Local Government Policy.)

March 7, 2022

The Honorable David J. Osmek
President of the Senate

Dear Senator Osmek:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES

William Faber, 501 W. College Dr., Brainerd, in the county of Crow Wing, effective March 7, 2022 for a term expiring on December 31, 2025.

Seth Moore, 27 Store Rd., Grand Portage, in the county of Cook, effective March 7, 2022, for a term expiring on December 31, 2025.

(Referred to the Committee on Environment and Natural Resources Policy and Legacy Finance.)

March 9, 2022

The Honorable David J. Osmek
President of the Senate

Dear Senator Osmek:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

BOARD OF THE PERPICH CENTER FOR ARTS EDUCATION

Paul Hustoles, 120 Center St., Mankato, in the county of Blue Earth, effective March 9, 2022, for a term expiring on January 5, 2026.

93RD DAY]

THURSDAY, APRIL 21, 2022

6961

Rebecca Lynn Petersen, 320 W. Beech Ave., Fergus Falls, in the county of Otter Tail, effective March 9, 2022, for a term expiring on January 1, 2024.

(Referred to the Committee on Education Finance and Policy.)

April 5, 2022

The Honorable David J. Osmek
President of the Senate

Dear Senator Osmek:

The following appointments are hereby respectfully submitted to the Senate for confirmation as required by law:

BOARD OF ANIMAL HEALTH

Erica Sawatzke, 32687 County Rd. 28 S., Farwell, in the county of Pope, effective April 5, 2022, for a term expiring on January 5, 2026.

Alex Stade, 14571 Prairie Grass Dr. N.W., Prior Lake, in the county of Scott, effective April 5, 2022, for a term expiring on January 5, 2026.

(Referred to the Committee on Agriculture and Rural Development Finance and Policy.)

Sincerely,
Tim Walz, Governor

April 21, 2022

The Honorable David J. Osmek
President of the Senate

Dear Senator Osmek:

Pursuant to Senate Rule 8.2, the following appointments have been withdrawn from the following committee and placed on the Confirmation Calendar:

From the Committee on Education Finance and Policy, to which was referred the following appointment as reported in the Journal for April 6, 2021:

DEPARTMENT OF EDUCATION
COMMISSIONER
Heather Mueller

From the Committee on Energy and Utilities Finance and Policy, to which was referred the following appointment as reported in the Journal for April 6, 2021:

PUBLIC UTILITIES COMMISSION
COMMISSIONER
John Tuma

From the Committee on Environment and Natural Resources Policy and Legacy Finance, to which were referred the following appointments as reported in the Journal for April 6, 2021:

LESSARD-SAMS OUTDOOR HERITAGE COUNCIL

David Hartwell
Jamie Swenson

From the Committee on Housing Finance and Policy, to which was referred the following appointment as reported in the Journal for April 6, 2021:

MINNESOTA HOUSING FINANCE AGENCY

Melanie Benjamin

Sincerely,
Cal R. Ludeman
Secretary of the Senate

REPORTS OF COMMITTEES

Senator Housley moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 3636, 4508, and 4043. The motion prevailed.

Senator Rosen from the Committee on Finance, to which was re-referred

S.F. No. 4113: A bill for an act relating to education finance; promoting literacy; providing for a statewide reading proficiency goal; requiring access to menstrual products in schools; providing for operating capital revenue to fund school district purchases of menstrual products; reorganizing the regional centers of excellence; requiring elementary education teacher candidates to receive instruction in the Language Essentials for Teachers of Reading and Spelling program; requiring a report; appropriating money; amending Minnesota Statutes 2020, sections 120B.11, by adding a subdivision; 120B.115; 120B.122, by adding a subdivision; 121A.21; 122A.06, subdivision 4; 122A.092, subdivision 5; 124E.03, subdivision 2; 126C.10, subdivisions 13, 13a, 14; Laws 2021, First Special Session chapter 13, article 11, section 4; proposing coding for new law in Minnesota Statutes, chapter 120B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, delete section 5

Page 9, delete sections 9, 10, and 11

Page 13, line 8, after "teachers" insert ", with priority given to those"

Page 13, line 12, after the period, insert "For teachers who have enrolled but not yet completed LETRS training as of June 30, 2025, funds may be encumbered and expended until June 30, 2027, for those teachers to complete LETRS training."

Page 13, delete section 14

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete everything after the first semicolon

Page 1, delete line 4

Page 1, line 7, delete "requiring a report;"

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Rosen from the Committee on Finance, to which was re-referred

S.F. No. 3052: A bill for an act relating to education finance; requiring school districts to provide access to menstrual products for students; increasing operating capital revenue to fund school district purchases of menstrual products; appropriating money; amending Minnesota Statutes 2020, sections 121A.21; 126C.10, subdivisions 13, 13a, 14.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, delete section 5 and insert:

"Sec. 5. Laws 2021, First Special Session chapter 13, article 1, section 10, subdivision 2, is amended to read:

Subd. 2. **General education aid.** For general education aid under Minnesota Statutes, section 126C.13, subdivision 4:

	7,569,266,000		
\$	<u>7,484,917,000</u>	2022
	7,804,527,000		
\$	<u>7,644,819,000</u>	2023

The 2022 appropriation includes \$717,326,000 for 2021 and ~~\$6,851,940,000~~ \$6,767,591,000 for 2022.

The 2023 appropriation includes ~~\$734,520,000~~ \$725,148,000 for 2022 and ~~\$7,070,007,000~~ \$6,919,671,000 for 2023.

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

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Rosen from the Committee on Finance, to which was re-referred

S.F. No. 4165: A bill for an act relating to the operation of state government; modifying human services provisions in children and family services, behavioral health, community supports, licensing,

continuing care for older adults, and direct care and treatment; modifying health provisions related to public pools, hospital construction, and hospice care; modifying expiration dates for various mandated reports from the commissioner of human services; amending Minnesota Statutes 2020, sections 15A.0815, subdivision 2; 62N.25, subdivision 5; 62Q.1055; 62Q.37, subdivision 7; 62Q.47; 144.1222, subdivision 2d; 144A.351, subdivision 1; 144A.75, subdivision 12; 145.4716, by adding a subdivision; 148F.11, by adding a subdivision; 169A.70, subdivisions 3, 4; 245.4661, subdivision 10; 245.4882, by adding a subdivision; 245.4889, subdivision 3, by adding a subdivision; 245A.11, subdivisions 2, 2a, 7, 7a, by adding a subdivision; 245A.14, subdivision 14; 245A.19; 245C.04, subdivision 1; 245D.10, subdivision 3a; 245D.12; 245F.03; 245F.04, subdivision 1; 245G.01, by adding a subdivision; 245G.05, subdivision 2; 245G.06, subdivision 3, by adding a subdivision; 245G.12; 245G.22, subdivision 2; 253B.18, subdivision 6; 254A.19, subdivisions 1, 3, by adding subdivisions; 254B.01, subdivision 5, by adding subdivisions; 254B.03, subdivisions 1, 5; 254B.04, subdivision 2a, by adding subdivisions; 256.01, subdivision 29, by adding a subdivision; 256.0112, by adding a subdivision; 256.021, subdivision 3; 256.042, subdivision 5; 256.045, subdivision 3; 256.9657, subdivision 8; 256.975, subdivision 11; 256B.0561, subdivision 4; 256B.057, subdivision 12; 256B.0659, subdivision 19; 256B.0757, subdivisions 1, 2, 3, 4, 5, 8; 256B.0911, subdivision 5; 256B.0949, subdivision 17; 256B.49, subdivision 23; 256B.4911, subdivision 4; 256B.4914, subdivision 8, as amended; 256B.493, subdivisions 2, 4, 5, 6, by adding subdivisions; 256B.69, subdivision 9d; 256D.09, subdivision 2a; 256E.28, subdivision 6; 256E.33, subdivisions 1, 2; 256E.35, subdivisions 1, 2, 4a, 6, 7; 256G.02, subdivision 6; 256I.04, subdivision 3; 256K.26, subdivisions 2, 6, 7; 256K.45, subdivision 6, by adding subdivisions; 256L.12, subdivision 8; 256P.02, by adding a subdivision; 256P.04, subdivision 11; 256Q.06, by adding a subdivision; 256R.18; 257.0725; 260.012; 260.775; 260B.157, subdivisions 1, 3; 260C.001, subdivision 3; 260C.007, subdivision 27; 260C.151, subdivision 6; 260C.152, subdivision 5; 260C.175, subdivision 2; 260C.176, subdivision 2; 260C.178, subdivision 1; 260C.181, subdivision 2; 260C.193, subdivision 3; 260C.201, subdivisions 1, 2; 260C.202; 260C.203; 260C.204; 260C.221; 260C.513; 260C.607, subdivisions 2, 5; 260C.613, subdivisions 1, 5; 260E.20, subdivision 1; 260E.24, subdivision 6; 260E.38, subdivision 3; 268.19, subdivision 1; 299A.299, subdivision 1; 518A.77; 626.557, subdivision 12b; Minnesota Statutes 2021 Supplement, sections 15.01; 15.06, subdivision 1; 43A.08, subdivision 1a; 62A.673, subdivision 2; 144.551, subdivision 1; 148F.11, subdivision 1; 245.467, subdivisions 2, 3; 245.4871, subdivision 21; 245.4876, subdivisions 2, 3; 245.4885, subdivision 1; 245.4889, subdivision 1; 245.735, subdivision 3; 245A.03, subdivision 7; 245C.05, subdivision 5; 245I.02, subdivisions 19, 36; 245I.03, subdivision 9; 245I.04, subdivision 4; 245I.05, subdivision 3; 245I.08, subdivision 4; 245I.09, subdivision 2; 245I.10, subdivisions 2, 6; 245I.20, subdivision 5; 245I.23, subdivision 22; 254A.03, subdivision 3; 254A.19, subdivision 4; 254B.03, subdivision 2; 254B.04, subdivision 1; 254B.05, subdivisions 4, 5; 256.01, subdivision 42; 256.042, subdivision 4; 256B.0622, subdivision 2; 256B.0625, subdivision 3b; 256B.0671, subdivision 6; 256B.0911, subdivisions 3a, 3f; 256B.0946, subdivision 1; 256B.0947, subdivisions 2, 6; 256B.0949, subdivisions 2, 13; 256B.69, subdivision 9f; 256L.03, subdivision 2; 256P.01, subdivision 6a; 256P.06, subdivision 3; 260C.157, subdivision 3; 260C.212, subdivisions 1, 2; 260C.605, subdivision 1; 260C.607, subdivision 6; Laws 2009, chapter 79, article 13, section 3, subdivision 10, as amended; Laws 2020, First Special Session chapter 7, section 1, subdivision 1, as amended; Laws 2021, First Special Session chapter 7, article 2, section 74, by adding a subdivision; article 10, sections 1; 3; article 11, section 38; Laws 2021, First Special Session chapter 8, article 6, section 1, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 245A; 245D; 245I; 256B; proposing coding for new law as Minnesota Statutes, chapter 256T; repealing Minnesota Statutes 2020, sections 169A.70, subdivision 6; 245.981; 245G.22, subdivision 19; 246.0136; 246.131; 246B.03, subdivision 2;

246B.035; 252.025, subdivision 7; 252.035; 254A.02, subdivision 8a; 254A.04; 254A.16, subdivision 6; 254A.19, subdivisions 1a, 2; 254B.04, subdivisions 2b, 2c; 254B.041, subdivision 2; 254B.14, subdivisions 1, 2, 3, 4, 6; 256.01, subdivision 31; 256.975, subdivision 12; 256B.0638, subdivision 7; 256B.0943, subdivisions 8, 8a, 10, 12, 13; Minnesota Statutes 2021 Supplement, sections 254A.19, subdivision 5; 254B.14, subdivision 5; 256B.0943, subdivisions 1, 2, 3, 4, 5, 5a, 6, 7, 9, 11; Laws 1998, chapter 382, article 1, section 23; Minnesota Rules, parts 9530.7000, subparts 1, 2, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 17a, 19, 20, 21; 9530.7005; 9530.7010; 9530.7012; 9530.7015, subparts 1, 2a, 4, 5, 6; 9530.7020, subparts 1, 1a, 2; 9530.7021; 9530.7022, subpart 1; 9530.7025; 9530.7030, subpart 1.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber each section of Minnesota Statutes listed in column A with the number listed in column B. The revisor shall also make necessary grammatical and cross-reference changes consistent with the renumbering.

Column A

256D.051, subdivision 20

256D.051, subdivision 21

256D.051, subdivision 22

256D.051, subdivision 23

256D.051, subdivision 24

256D.0512

256D.0515

256D.0516

256D.053

Column B

256D.60, subdivision 1

256D.60, subdivision 2

256D.60, subdivision 3

256D.60, subdivision 4

256D.60, subdivision 5

256D.61

256D.62

256D.63

256D.64

Sec. 2. **REPEALER.**

Minnesota Statutes 2020, section 256D.055, is repealed."

Delete the title and insert:

"A bill for an act relating to human services; instructing the revisor of statutes to renumber statutes related to the Supplemental Nutrition Assistance Program and Minnesota food assistance program; repealing Minnesota Statutes 2020, section 256D.055."

And when so amended the bill do pass. Amendments adopted. Report adopted.

Senator Kiffmeyer from the Committee on State Government Finance and Policy and Elections, to which was re-referred

S.F. No. 4045: A bill for an act relating to rare diseases; modifying provisions governing the Rare Disease Advisory Council; instructing the revisor of statutes to renumber certain statutes; appropriating money; amending Minnesota Statutes 2020, section 137.68.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 16, delete "house" and insert "provide meeting and office space and administrative support to" and after "council" insert "but does not have authority over the work of the advisory council"

Page 1, line 18, delete "and" and insert ". Except for initial members, members"

Page 1, line 19, strike "and " and insert a period and after "legislature" insert "are"

Page 1, line 22, delete "15.059" and insert "15.0597"

Page 2, line 26, after the period, insert "Members appointed under this paragraph serve until their successors are appointed."

Page 2, line 31, delete "Notwithstanding section 15.059,"

Page 3, line 1, strike "that"

Page 3, line 2, strike everything after "(b)"

Page 3, line 3, strike "chairperson"

Page 3, line 5, after "for" insert "up to two full"

Page 3, after line 6, insert:

"(g) Members may be removed as provided in section 15.059, subdivision 4.

"(h) Public members serve without compensation, but may have expenses reimbursed as provided in Minnesota Statutes, section 15.059, subdivision 3. Legislative members may receive per diem according to the rules of their respective bodies."

Page 4, after line 24, insert:

"(c) Legislative members may not deliberate about or vote on decisions related to the issuance of grants of state money."

Page 4, after line 33, insert:

"Sec. 2. INITIAL MEMBERS AND FIRST MEETING; MINNESOTA RARE DISEASE ADVISORY COUNCIL.

Public members serving on the University of Minnesota's Advisory Council on Rare Diseases on June 30, 2022, are the initial public members of the Minnesota Rare Disease Advisory Council. The terms of the members begin on July 1, 2022. The governor must designate six members to serve a two-year term; six members to serve a three-year term; and five members to serve a four-year term. The governor may appoint additional members under Minnesota Statutes, section 137.68, subdivision 2, paragraph (b), clause (13), and must set their terms so that roughly one-third of the members' terms expire after two years, one-third after three years, and one-third after four years. Legislative members of the University of Minnesota's Advisory Council on Rare Disease serve on the Minnesota Rare Disease Advisory Council until appointing authorities appoint successors. The person serving as chair of the executive subcommittee of the University of Minnesota's Advisory Council on Rare Diseases shall convene the first meeting of the Minnesota Rare Disease Advisory Council by September 1, 2022."

Renumber the sections in sequence

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

Senator Kiffmeyer from the Committee on State Government Finance and Policy and Elections, to which was re-referred

S.F. No. 3636: A bill for an act relating to civil law; amending process for and approval of transfer of structured settlement payment rights; requiring structured settlement purchase companies to register and provide a surety bond; requiring disclosures to payees; prohibiting certain practices; authorizing enforcement of prohibited practices and judicial sanctions; requiring judicial consideration of best interest factors; authorizing appointment of attorney evaluator; amending Minnesota Statutes 2020, section 549.30, subdivisions 1, 5, 6, 7, 9, 13, 15, 17, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 549; repealing Minnesota Statutes 2020, sections 549.30, subdivision 3; 549.31; 549.32; 549.33; 549.34.

Reports the same back with the recommendation that the bill be amended as follows:

Page 6, line 16, delete "automatically expires" and insert "expires"

Page 6, line 31, delete "A fee of \$....." and insert "\$200"

Page 6, line 32, after "an" insert "initial registration" and after "application" insert "and \$115" and delete "registration or"

Page 6, after line 32, insert:

"EFFECTIVE DATE. This section is effective January 1, 2023."

Page 12, line 18, delete everything after the period

Page 12, line 19, delete everything before the comma and insert "For applications made under this section on or after January 1, 2023"

Page 16, line 2, after "Sections 1" insert "to 17 and 19"

And when so amended the bill do pass and be re-referred to the Committee on Finance.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Senator Kiffmeyer from the Committee on State Government Finance and Policy and Elections, to which was referred

S.F. No. 4508: A bill for an act relating to higher education; requesting the Board of Regents establish a special commission to review intercollegiate athletics.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 2020, section 144E.01, subdivision 1, is amended to read:

Subdivision 1. **Membership.** (a) The Emergency Medical Services Regulatory Board consists of the following members, all of whom must work in Minnesota, except for the ~~person~~ persons listed in clause ~~(14)~~ (8):

- (1) an emergency physician certified by the American Board of Emergency Physicians;
- (2) a ~~representative of Minnesota hospitals~~ hospital administrator who does not have direct oversight or management of a licensed ambulance service;
- (3) a representative of ~~fire chiefs~~ a licensed ambulance service with a base of operation located in a fire department;
- (4) a ~~full-time firefighter who serves as an emergency medical responder on or within a nontransporting or nonregistered agency and who is a member of a professional firefighter's union~~ representative of a licensed ambulance service with a base of operation located in a hospital;
- (5) a ~~volunteer firefighter who serves as an emergency medical responder on or within a nontransporting or nonregistered agency~~ representative of a licensed ambulance service owned by a municipality;
- (6) ~~an~~ a volunteer ambulance attendant currently practicing on a licensed ambulance service who is a paramedic or, an advanced emergency medical technician, or an emergency medical technician;
- (7) an ~~ambulance director for a licensed ambulance service~~ emergency medical technician instructor who meets the requirements of section 144E.283 and is affiliated with an education program approved by the board under section 144E.285;
- (8) ~~a representative of sheriffs;~~
- (9) ~~a member of a community health board to represent community health services;~~
- (10) ~~two representatives of regional emergency medical services programs, one of whom must be from the metropolitan regional emergency medical services program;~~

~~(11) a registered nurse currently practicing in a hospital emergency department;~~

~~(12) a pediatrician, certified by the American Board of Pediatrics, with experience in emergency medical services;~~

~~(13) a family practice physician who is currently involved in emergency medical services;~~

~~(14) a three public member members who resides in Minnesota; and~~

~~(15) (9) the commissioners of health and public safety or their designees.~~

(b) The governor shall appoint members under paragraph (a). Appointments under paragraph (a), clauses (1) to ~~(9) and (11) to (13)~~ (8), are subject to the advice and consent of the senate. In making appointments under paragraph (a), clauses (1) to ~~(9) and (11) to (13)~~ (8), the governor shall consider recommendations of the American College of Emergency Physicians, the Minnesota Hospital Association, the Minnesota and State Fire Chief's Association, the Minnesota Ambulance Association, the Minnesota Emergency Medical Services Association, the Minnesota State Sheriff's Association, the Association of Minnesota Counties, the Minnesota Nurses Association, and the Minnesota chapter of the Academy of Pediatrics.

(c) At least ~~seven~~ five members appointed under paragraph (a), clauses (1) to (8), must reside outside of the seven-county metropolitan area, as defined in section 473.121.

Sec. 2. Minnesota Statutes 2020, section 144E.01, subdivision 4, is amended to read:

Subd. 4. **Compensation; terms.** (a) Membership terms, compensation, and removal of members appointed under subdivision 1, are governed by section 15.0575.

(b) Notwithstanding section 15.0575, subdivision 2, the terms of members shall be three years.

(c) A member of the board may not serve more than two terms."

Page 1, line 10, before the first "The" insert "If the commission is established," and before "include" insert "must"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "modifying provisions governing the Emergency Medical Services Regulatory Board;"

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Higher Education Finance and Policy.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Senator Ingebrigtsen from the Committee on Environment and Natural Resources Finance, to which was referred

S.F. No. 4043: A bill for an act relating to natural resources; providing environment and natural resources trust fund appropriation extensions.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this act. The appropriations are from the environment and natural resources trust fund and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this act mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023. Any unencumbered balance remaining in the first year does not cancel and is available for the second year or until the end of the appropriation. These are onetime appropriations.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 2. **MINNESOTA RESOURCES**

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>70,881,000</u>
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This appropriation is from the environment and natural resources trust fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Definition**

"Trust fund" means the Minnesota environment and natural resources trust fund established under the Minnesota Constitution, article XI, section 14.

<u>Subd. 3. Foundational Natural Resource Data and Information</u>		<u>-0-</u>		<u>5,491,000</u>
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(a) Efficacy of Urban Archery Hunting to Manage Deer

\$201,000 the second year is from the trust fund to the Board of Trustees of the Minnesota State Colleges and Universities for Bemidji State University to conduct an analysis of deer survival, habitat use, and hunter data in the city of Bemidji to improve special archery hunt management practices in urban areas of the state.

(b) Improving Golden-Winged Warbler Conservation and Habitat Restoration

\$197,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota for the Natural Resources Research Institute in Duluth to develop restoration and habitat management guidelines for protecting the imperiled golden-winged warbler by assessing habitat use and behavior of this species.

(c) Strategic Framework to Guide Local Water Storage Implementation

\$200,000 the second year is from the trust fund to the Board of Water and Soil Resources to create a framework for prioritizing water storage projects throughout the state. The framework will use existing data and local stakeholder input, be scalable, and emphasize projects that provide multiple benefits, including for water quality, flood control, and habitat.

(d) Status of Minnesota Blueberries and Related Berry Species

\$191,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota, Duluth, to assess how land management practices impact the genetic health and reproduction of several native edible blueberry and related berry species of Minnesota. This appropriation is available until June 30, 2026, by which time the project must be completed and final products delivered.

(e) Distribution and Movements of Fishers in Southern Minnesota

\$212,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota for the Natural Resources Research Institute in Duluth to determine the distribution, status, and habitat use of fishers in southern Minnesota to inform fisher management.

(f) Protecting Minnesota's Spruce-Fir Forests from Tree-Killing Budworm

\$189,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to evaluate conditions contributing to Minnesota's uniquely high population of the native and lethal spruce budworm to provide better management options for protecting the state's spruce-balsam fir forests.

(g) Restoration of Eastern Hemlock, Minnesota's Endangered Tree Species

\$199,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to develop guidelines for restoring eastern hemlock, Minnesota's only endangered tree species, by testing methods and seed sources at different sites across northern Minnesota.

(h) Maximizing Lowland Conifer Ecosystem Services - Phase 2

\$315,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to continue monitoring forested peatland hydrology and wildlife, conduct new wildlife and habitat surveys, and quantify carbon storage to assess trade-offs in management decisions.

(i) Establishing a Center for Prion Research and Outreach

\$3,000,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to form a multidisciplinary center to perform coordinated research on the detection,

prevention, and treatment of chronic wasting and other prion diseases threatening wildlife across Minnesota. Money appropriated in this paragraph may also be spent on a strategic plan, capital equipment, and staff as approved in the work plan required under Minnesota Statutes, section 116P.05. Money appropriated in this paragraph may not be spent on activities unless they are directly related to and necessary for the purposes of this paragraph. Money appropriated in this paragraph must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for the purposes of this paragraph. This appropriation is subject to Minnesota Statutes, section 116P.10. This is a onetime appropriation and is available until June 30, 2026.

(j) Sweetening the Crop: Perennial Flax for Ecosystem Benefits

\$490,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to produce, select, and evaluate how perennial flax provides pollinator and other ecosystem services while enhancing yield for oilseed, fiber, and honey production.

(k) Beavers, Trees, and Climate - Increasing Floodplain Forest Resilience

\$297,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the National Park Service, Mississippi National River and Recreation Area, to identify solutions for saving floodplain wildlife habitat from beaver herbivory, changes in climate, and emerald ash borer.

Subd. 4. **Water Resources**

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3,744,000

(a) Scaling a Market-Driven Water-Quality Solution for Row-Crop Farming

\$476,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to work with farmers to accelerate adoption of grain-camelina rotations in targeted watersheds as a scalable and market-driven way to enhance stewardship of soil, water, and wildlife.

(b) Methods to Destroy PFAS in Landfill Leachates

\$200,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to develop and examine methods for destruction of per- and polyfluoroalkyl substances (PFAS) in landfill leachate. This appropriation is subject to Minnesota Statutes, section 116P.10.

(c) High Temperature Anaerobic Digestion of Sewage Sludge

\$208,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to demonstrate that high temperature anaerobic digestion is effective at treating sewage sludge and preventing disease-causing microorganisms and antibiotic resistance genes from being released into the environment.

(d) Mitigating Cyanobacterial Blooms and Toxins Using Clay-Algae Flocculation

\$264,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota for St. Anthony Falls Laboratory to develop and test a clay-algae flocculation method to mitigate cyanobacterial blooms that can contaminate drinking water and cause mass fish mortality. This appropriation is subject to Minnesota Statutes, section 116P.10.

(e) Changing Winters and Game Fish in Minnesota Lakes

\$200,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota for the Large Lakes

Observatory in Duluth to determine how changing winter conditions such as ice cover, snowfall patterns, and water quality affect Minnesota's game fish populations.

(f) Rainy River Drivers of Lake of the Woods Algal Blooms

\$526,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the United States Geological Survey, Upper Midwest Water Science Center, to guide the reduction of phosphorus inputs to Lake of the Woods by examining sources, mobility, and storage of sediment-bound phosphorus in the Rainy River. This appropriation is available until June 30, 2026, by which time the project must be completed and final products delivered.

(g) Increased Intense Rain and Flooding in Minnesota's Watersheds

\$192,000 the second year is from the trust fund to the Science Museum of Minnesota for the St. Croix Watershed Research Station to partner with local communities to determine the causes of increased flooding and the most cost-effective solutions for reducing flood risk in the Cottonwood River watershed and other agricultural watersheds in southern Minnesota.

(h) Removing CECs from Stormwater with Biofiltration

\$439,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota for the St. Anthony Falls Laboratory to optimize designs for removing contaminants of emerging concern (CECs) from stormwater runoff with biofiltration and to develop guidance on biofiltration use for Minnesota stormwater managers.

(i) Is the Tire Chemical 6PPDq Killing Minnesota's Fish?

\$354,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to optimize detection methods, determine environmental occurrence, and evaluate risk to Minnesota's fish populations of the toxic tire-derived chemical 6PPDq.

(j) Mitigation Strategies for Agroplastic PFAS and Microplastic Contamination

\$169,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota for the West Central Research and Outreach Center, Morris, to study plastic use in the agricultural supply chain and to research and communicate strategies to reduce impacts of this plastic use, including water and land contamination from microplastics, PFAS, and related compounds.

(k) Innovative Technology for PFAS Destruction in Drinking Water

\$350,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota for the Southern Research and Outreach Center to develop and demonstrate a treatment process based on continuous liquid-phase plasma discharge technology to destroy per- and polyfluoroalkyl substances (PFAS) in drinking water. This appropriation is subject to Minnesota Statutes, section 116P.10.

(l) PFAS Contaminant Mitigation Using Hybrid Engineered Wetlands

\$366,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with St. Louis County to design, implement, and evaluate an innovative method for protecting water resources through mitigation of per- and polyfluoroalkyl substances (PFAS) from landfill leachate using engineered wetland treatment systems.

Subd. 5. Environmental Education**-0-****3,005,000****(a) Teacher Field School: Stewardship through Nature-Based Education**

\$310,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Hamline University to create an immersive, research-backed field school for teachers to use nature-based education to benefit student well-being and academic outcomes while increasing stewardship habits.

(b) Increasing K-12 Student Learning to Develop Environmental Awareness, Appreciation, and Interest

\$1,000,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Osprey Wilds Environmental Learning Center to partner with Minnesota's five other accredited residential environmental learning centers to provide needs-based scholarships to at least 25,000 K-12 students statewide for immersive multiday environmental learning experiences.

(c) Expanding Access to Wildlife Learning Bird by Bird

\$200,000 the second year is from the trust fund to the commissioner of natural resources to engage young people from diverse communities in wildlife conservation through bird-watching in schools, outdoor leadership training, and participating in neighborhood bird walks.

(d) Engaging a Diverse Public in Environmental Stewardship

\$200,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Great River Greening to increase participation in natural resources restoration efforts through volunteer, internship, and youth engagement activities

that target diverse audiences more accurately reflecting local demographic and socioeconomic conditions in Minnesota.

(e) LCCMR Stories: Sharing Minnesota's Biggest Environmental Investment

\$200,000 the second year is from the trust fund to the Science Museum of Minnesota to enhance public education about the results of Legislative-Citizen Commission on Minnesota Resources-recommended research, including through a free online interactive map, in-depth videos, and public events.

(f) Bugs Below Zero: Engaging Citizens in Winter Research

\$198,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to raise awareness about the winter life of bugs, inspire learning about stream food webs, and engage citizen scientists in research and environmental stewardship.

(g) ESTEP: Earth Science Teacher Education Project

\$317,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the Minnesota Science Teachers Association to provide professional development for Minnesota science teachers in environmental and earth science to strengthen environmental education in schools.

(h) YES! Students Take Action to Complete Eco Projects

\$199,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Prairie Woods Environmental Learning Center, in partnership with Ney Nature Center and Laurentian Environmental Center, to empower Minnesota youth to connect with natural resource experts, identify ecological

challenges, and take action to complete innovative projects in their communities.

(i) Increasing Diversity in Environmental Careers

\$182,000 the second year is from the trust fund to the commissioner of natural resources, in cooperation with Conservation Corps Minnesota and Iowa, to encourage a diversity of students to pursue careers in the environment and natural resources through internships, mentorships, and fellowships with the Department of Natural Resources, the Board of Water and Soil Resources, and the Pollution Control Agency.

(j) Diversity and Access to Wildlife-Related Opportunities

\$199,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to broaden the state's conservation constituency by researching diverse communities' values about nature and wildlife experiences and identifying barriers to engagement.

Subd. 6. Aquatic and Terrestrial Invasive Species

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4,174,000

(a) Minnesota Invasive Terrestrial Plants and Pests Center

\$4,000,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to support the Minnesota Invasive Terrestrial Plants and Pests Center to fund high-priority research projects to better manage invasive plants, pathogens, and pests on Minnesota's natural and agricultural lands. This appropriation is subject to Minnesota Statutes, section 116P.10. This appropriation is available until June 30, 2027, by which time the project must be completed and final products delivered.

(b) Purple Loosestrife Biocontrol Citizen Science Program

\$174,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the Wild Rivers Conservancy to protect and restore native ecosystems by identifying purple loosestrife in priority management areas and engaging, educating, and empowering citizens to use an approved purple loosestrife biocontrol in Minnesota's St. Croix River watershed.

Subd. 7. Air Quality and Renewable Energy

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1,253,000

(a) Using Minnesota Timber to Mitigate Landfill Methane Emissions

\$753,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota for the Natural Resources Research Institute in Duluth to design, develop, and test biochar-based landfill covers to reduce methane emissions in Minnesota through natural biological processes. This appropriation is subject to Minnesota Statutes, section 116P.10.

(b) Green Solar Cells from a Minnesota Natural Resource

\$330,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to develop an efficient, low cost, and nontoxic pyrite solar cell and conduct a feasibility study for using Iron Range resources to manufacture this product. This appropriation is subject to Minnesota Statutes, section 116P.10.

(c) Morris GHG Emissions Inventory and Mitigation Strategies

\$170,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Morris to conserve natural resources by conducting a greenhouse gas (GHG) emissions inventory of city and county operations as part of the Morris Model partnership, implementing policy to achieve targeted reductions, and disseminating findings. This appropriation

is available until June 30, 2026, by which time the project must be completed and final products delivered.

Subd. 8. Methods to Protect, Restore, and Enhance Land, Water, and Habitat

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10,861,000

(a) Minnesota's Volunteer Rare Plant Conservation Corps

\$515,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota for the Minnesota Landscape Arboretum to partner with the Department of Natural Resources and the Minnesota Native Plant Society to establish and train a volunteer corps to survey, monitor, and bank seed from Minnesota's rare plant populations and enhance the effectiveness and efficiencies of conservation efforts.

(b) Conservation Corps Veterans Service Corps Program

\$1,339,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Conservation Corps Minnesota to create a Veterans Service Corps program to accelerate natural resource restorations in Minnesota while providing workforce development opportunities for the state's veterans.

(c) Conservation Cooperative for Working Lands

\$750,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Pheasants Forever Inc. to increase adoption of voluntary conservation practices on working lands in Minnesota by hiring personnel to provide technical assistance to farmers and landowners while also attracting federal matching funds.

(d) Root River Habitat Restoration Project

\$537,000 the second year is from the trust fund to the commissioner of natural resources

for an agreement with Eagle Bluff Environmental Learning Center to restore flood-damaged Root River stream bank and instream habitat and incorporate monitoring into the center's curriculum to evaluate the restoration's success.

(e) Hastings Lake Rebecca Park Area

\$1,200,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Hastings to develop an ecological-based master plan for Lake Rebecca Park and to enhance habitat quality and construct passive recreational facilities consistent with the master plan. No funds for implementation may be spent until the master plan is complete.

(f) River Habitat Restoration and Recreation in Melrose

\$350,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Melrose to conduct habitat restoration and create fishing, canoeing, and camping opportunities along a segment of the Sauk River within the city of Melrose and to provide public education about stream restoration, fish habitat, and the importance of natural areas.

(g) Restoring Forests and Savannas Using Silvopasture - Phase 2

\$414,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Great River Greening to continue to partner with the University of Minnesota and the Sustainable Farming Association to demonstrate, evaluate, and increase adoption of the combined use of intensive tree, forage, and livestock management as a method to restore threatened oak savanna habitats.

(h) Mitigating the Effects of Visitor Use Patterns

\$310,000 the second year is from the trust fund to the commissioner of natural resources

for an agreement with the Superior Hiking Trail Association to rehabilitate and renew Superior Hiking Trail campsites, trailheads, and trail segments for a more resilient future amid unprecedented use.

(i) PFAS Fungal-Wood Chip Filtering System

\$189,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to identify, develop, and field-test various types of waste wood chips and fungi to sequester and degrade PFAS leachate from contaminated waste sites. This appropriation is subject to Minnesota Statutes, section 116P.10.

(j) Phytoremediation for Extracting Deicing Salt

\$365,000 the second year is from the trust fund to the Board of Regents of the University of Minnesota to protect lands and waters from contamination by collaborating with the Department of Transportation to develop methods for using native plants to remediate roadside deicing salt.

(k) Mustinka River Fish and Wildlife Habitat Corridor Rehabilitation

\$2,692,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the Bois de Sioux Watershed District to permanently rehabilitate a straightened reach of the Mustinka River to a naturally functioning stream channel and floodplain corridor for water, fish, and wildlife benefits.

(l) Bohemian Flats Savanna Restoration

\$200,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Minneapolis Park and Recreation Board to restore an area of compacted urban turf within Bohemian Flats Park and adjacent to the Mississippi River to an oak savanna ecosystem.

(m) Watershed and Forest Restoration: What a Match!

\$2,000,000 the second year is from the trust fund to the Board of Water and Soil Resources, in cooperation with soil and water conservation districts, the Mille Lacs Band of Ojibwe, and the Department of Natural Resources, to accelerate tree planting on privately owned, protected lands for water-quality protection and carbon sequestration.

Subd. 9. Land Acquisition, Habitat, and Recreation

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26,646,000

(a) Mesabi Trail: Wahlsten Road (CR 26) to Tower

\$1,307,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the St. Louis and Lake Counties Regional Railroad Authority to acquire, engineer, and construct a segment of the Mesabi Trail beginning at the intersection of Wahlsten Road (CR 26) and Benson Road in Embarrass and extending to Tower.

(b) The Missing Link: Gull Lake Trail, Fairview Township

\$1,394,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Fairview Township to complete the Gull Lake Trail by engineering and constructing the trail's final segment through Fairview Township in the Brainerd Lakes area.

(c) Pierz Park and Campground Expansion Project

\$200,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Pierz to purchase land adjacent to a city-owned park and campground for conservation and recreational uses and to create a master plan for the park and campground to serve regional natural resource and recreational needs.

(d) Redhead Mountain Bike Park

\$1,285,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the Minnesota Discovery Center to enhance outdoor recreational opportunities by adding trails and recreational amenities to the Redhead Mountain Bike Park in Chisholm.

(e) Environmental Learning Classroom with Trails

\$82,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Mountain Iron-Buhl Public Schools to build an outdoor classroom pavilion, accessible trails, and a footbridge within the Mountain Iron-Buhl School Forest to conduct environmental education that cultivates a lasting conservation ethic.

(f) Local Parks, Trails, and Natural Areas Grant Programs

\$4,000,000 the second year is from the trust fund to the commissioner of natural resources to solicit, rank, and fund competitive matching grants for local parks, trail connections, and natural and scenic areas under Minnesota Statutes, section 85.019. This appropriation is for local nature-based recreation, connections to regional and state natural areas, and recreation facilities and may not be used for athletic facilities such as sport fields, courts, and playgrounds.

(g) St. Louis River Re-Connect

\$1,200,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Duluth to expand recreational access along the St. Louis River and estuary by implementing the St. Louis River National Water Trail outreach plan, designing and constructing upgrades and extensions to the Waabizheshikana Trail, and installing interpretive features that describe the cultural and ecological significance of the area.

(h) Native Prairie Stewardship and Prairie Bank Easement Acquisition

\$500,000 the second year is from the trust fund to the commissioner of natural resources to provide technical stewardship assistance to private landowners, restore and enhance native prairie protected by easements in the native prairie bank, and acquire easements for the native prairie bank in accordance with Minnesota Statutes, section 84.96, including preparing initial baseline property assessments. Up to \$60,000 of this appropriation may be deposited in the natural resources conservation easement stewardship account created under Minnesota Statutes, section 84.69, proportional to the number of easements acquired.

(i) Minnesota State Parks and State Trails Acquisitions

\$1,600,000 the second year is from the trust fund to the commissioner of natural resources to acquire high-priority inholdings from willing sellers within the legislatively authorized boundaries of state parks, recreation areas, and trails to protect Minnesota's natural heritage, enhance outdoor recreation, and improve the efficiency of public land management.

(j) Silver Bay Multimodal Trailhead Project

\$1,650,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Silver Bay to develop a multimodal trailhead center to provide safe access to the Superior, Gitchi-Gami, and C.J. Ramstad/North Shore trails; Black Beach Park; and other recreational destinations.

(k) Minnesota State Trails Development

\$6,022,000 the second year is from the trust fund to the commissioner of natural resources to expand recreational opportunities on Minnesota state trails by rehabilitating and

enhancing existing state trails and replacing or repairing existing state trail bridges.

(l) Brookston Campground, Boat Launch, and Outdoor Recreational Facility

\$453,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Brookston to build a campground, boat launch, and outdoor recreation area on the banks of the St. Louis River in northeastern Minnesota. Before any trust fund dollars are spent, the city must demonstrate that all funds to complete the project are secured and a fiscal agent must be approved in the work plan.

(m) Silver Lake Trail Connection

\$727,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Virginia to design, engineer, and construct a multiuse trail that will connect Silver Lake Trail to a new Miners Entertainment and Convention Center and provide lighting on Bailey Lake Trail.

(n) Preserving the Avon Hills with Reverse-Bidding Easements

\$1,604,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Saint John's University, in cooperation with Minnesota Land Trust, to use a reverse-bid ranking system to permanently protect, restore, and enhance habitat in the Avon Hills area of Stearns County. Of this amount, up to \$192,000 is for use by Minnesota Land Trust in a monitoring fund as approved in the work plan and subject to Minnesota Statutes, section 116P.20. An annual financial report is required for any monitoring, management, and enforcement fund, including expenditures from the fund. A proposed list of acquisitions and restorations must be provided in the work plan. This appropriation is available until June 30, 2027, by which

time the project must be completed and final products delivered.

(o) Floodwood Campground Improvement Project

\$816,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Floodwood to upgrade the Floodwood Campground and connecting trails to provide high-quality nature and recreation experience for people of all ages.

(p) SNA Habitat Restoration, Public Engagement, and Protection

\$1,000,000 the second year is from the trust fund to the commissioner of natural resources for the scientific and natural areas (SNA) program to restore and enhance exceptional habitat on SNAs; increase public involvement and outreach; and strategically acquire lands that meet criteria for SNAs under Minnesota Statutes, section 86A.05, from willing sellers.

(q) Ranier Safe Harbor/Transient Dock - Phase 2

\$1,113,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Ranier to construct a safe harbor and transient dock to accommodate watercraft of many sizes to improve public access for boat recreation on Rainy Lake. Before trust fund dollars are spent, a fiscal agent must be approved in the work plan. Before any trust fund dollars are spent, the city must demonstrate that all funds to complete the project are secured. Any revenue generated from selling products or assets developed or acquired with this appropriation must be repaid to the trust fund unless a plan is approved for reinvestment of income in the project as provided under Minnesota Statutes, section 116P.10.

(r) Prospector ATV Trails

\$944,000 the second year is from the trust fund to the commissioner of natural resources

for an agreement with the city of Ely to work with the Prospector ATV Club to extend and upgrade several sections of the Prospector ATV trail system.

(s) City of Biwabik Recreation Area

\$749,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with the city of Biwabik to reconstruct and renovate Biwabik Recreation Area's access road, parking area, and bathroom facilities.

Subd. 10. Emerging Issues

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15,575,000

(a) Aggregate Resource Mapping

\$500,000 the second year is from the trust fund to the commissioner of natural resources for continued mapping of the aggregate resource potential in the state of Minnesota and to make the information available in print and electronic format to local units of government for use in planning and zoning.

(b) Leaded Gasoline Contamination Analysis

\$200,000 the second year is from the trust fund to the commissioner of administration for a grant to the city of Paynesville to procure an analysis of the extent of leaded gasoline contamination in or near the cities of Paynesville, Foley, Alexandria, and Blaine, and of the threat posed by the contamination to each city's drinking water supply. The vendor selected to perform the analysis must use the same methodology to conduct the analysis for each city and must produce findings that are comparable between cities. The cities must work cooperatively to select a vendor. By January 15, 2024, the city administrator of the city of Paynesville must report the results of the analysis to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources.

(c) Living Snow Fence Program

\$500,000 the second year is from the trust fund to the commissioner of transportation for contracts to build and improve living snow fences consisting of trees, shrubs, native grasses, and wildflowers. Money appropriated in this paragraph may only be used to acquire and plant trees native to Minnesota. This appropriation is available until June 30, 2026.

(d) Forest Data Inventory

\$500,000 the second year is from the trust fund to the commissioner of natural resources for an enhanced forest inventory on county and private lands.

(e) Conservation Reserve Program State Incentives

\$1,000,000 the second year is from the trust fund to the Board of Water and Soil Resources to provide onetime state incentive payments to enrollees in the federal Conservation Reserve Program (CRP) during the continuous enrollment period and to enroll land in conservation easements consistent with Minnesota Statutes, section 103F.515. The board may establish payment rates based on land valuation and on environmental benefit criteria, including but not limited to surface water or groundwater pollution reduction, drinking water protection, soil health, pollinator and wildlife habitat, and other conservation enhancements. The board may use state funds to implement the program and to provide technical assistance to landowners or their agents to fulfill enrollment and contract provisions. The board must consult with the commissioners of agriculture, health, natural resources, and the Pollution Control Agency and the United States Department of Agriculture in establishing program criteria. This appropriation is available until June 30, 2026.

(f) Ditch Improvements for Control of Water Levels

\$500,000 the second year is from the trust fund to the commissioner of natural resources for grants to counties and townships for repair and maintenance of ditches not included within a public ditch system that provide water level control of lakes and wetlands to prevent erosion.

(g) Pipeline Conservation Program

\$500,000 the second year is from the trust fund to the Board of Water and Soil Resources to award grants to nonprofit organizations with a conservation mission and to secondary and postsecondary schools as part of a conservation curriculum to plant pipeline rights-of-way and easements with native vegetation, pollinator-friendly forbs, or legumes to protect a diversity of pollinators. Before a grant is disbursed, a grant applicant must enter an agreement with a pipeline operator that allows access to the right-of-way or easement for the project. Habitat restoration and enhancement are eligible for grants under this paragraph. Grants awarded under this paragraph may be for up to 75 percent of the costs of a project. This appropriation is available until June 30, 2024.

(h) Groundwater Storage and Recovery Database

\$421,000 the second year is from the trust fund to the commissioner of natural resources to complete a centralized aquifer property database to provide needed data for site characterization.

(i) Replacement of Drought-Killed Seedlings

\$1,500,000 the second year is from the trust fund to the commissioner of natural resources to replace drought-killed seedlings on Department of Natural Resources-managed lands and to administer grants to Tribal, county, and private forestland owners to replace drought-killed seedlings on their land. Seedling replacement includes site prep,

replanting, and tending seedlings. This appropriation is available until June 30, 2027.

(j) Rural and Farmstead Ring Levies

\$360,000 the second year is from the trust fund to the commissioner of natural resources for grants to assist in constructing rural and farmstead ring levees for flood protection in the Red River watershed. A grant may not exceed 50 percent of the cost of the project.

(k) Replacing Failing Septic Systems to Protect Groundwater

\$2,000,000 the second year is from the trust fund to the Board of Water and Soil Resources to provide grants to rural landowners to replace failing septic systems that inadequately protect groundwater. Rural landowners, as defined in Minnesota Statutes, section 17.117, subdivision 4, with income below 300 percent of the federal poverty guidelines for the applicable family size, shall be eligible for a grant under this paragraph. A grant awarded under this paragraph shall not exceed the lesser of \$5,000 or 35 percent of the cost of replacing the failed or failing septic system. The issuance of a loan under Minnesota Statutes, section 17.117, for the purpose of replacing a failed septic system, shall not preclude a rural landowner from obtaining a grant under this paragraph or vice versa. This appropriation is available until June 30, 2025.

(l) Healthy Soils Best Management Program

\$2,000,000 the second year is from the trust fund to the commissioner of agriculture for a healthy soil best management practices grant program that will: increase the quantity of organic carbon in soil through practices, including but not limited to reduced tillage, cover cropping, manure management, precision agriculture, crop rotations, and changes in grazing management; integrate perennial vegetation into management of agricultural lands; reduce nitrous oxide and

methane emissions through changes to livestock, soil management, or nutrient optimization; increase the usage of precision agricultural practices; enable the development of site-specific management plans; or enable the purchase of equipment, technology, subscriptions, technical assistance, seeds, seedlings, or amendments that will further any of the purposes of soil health.

(m) Forever Green

\$2,000,000 the second year is from the trust fund to the commissioner of agriculture for grants to the Board of Regents of the University of Minnesota to fund the Forever Green Agriculture Initiative and protect the state's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter-annual crops into existing agricultural practices.

(n) Pig's Eye Landfill Task Force

\$800,000 the second year is from the trust fund to the commissioner of the Pollution Control Agency to establish a Pig's Eye Landfill Task Force to coordinate efforts to remediate and restore the Pig's Eye Landfill Superfund site and address perfluoroalkyl and polyfluoroalkyl substances (PFAS) contamination of Battle Creek, Pig's Eye Lake, and nearby groundwater. The task force must be made up of at least the commissioner of the Pollution Control Agency, the commissioner of natural resources, the commissioner of health, a representative from the Metropolitan Council, a representative from the city of St. Paul, a representative from Ramsey County, a representative from Dakota County, and representatives from relevant federal agencies. The task force is subject to Minnesota Statutes, section 15.059, subdivision 6. The task force must submit an annual report to the chairs and ranking

minority members of the legislative committees and divisions with jurisdiction over the environment and natural resources on the status of the task force's work. The final report is due February 15, 2026. The task force expires June 30, 2026. This appropriation is available until June 30, 2026.

(o) Aquaculture Plan

\$100,000 the second year is from the trust fund to the commissioner of agriculture to provide technical assistance and leadership in the development of a comprehensive and well-documented state aquaculture plan. The commissioner must provide the state aquaculture plan to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance and policy by February 15, 2023.

(p) Noxious Weeds Prevention Grants

\$1,000,000 the second year is from the trust fund to the commissioner of agriculture for grants to local units of government and Tribal Nations for noxious weed detection, control, and management.

(q) Developing Markets for Continuous Living Cover Crops

\$500,000 the second year is from the trust fund to the commissioner of agriculture for grants to organizations in Minnesota to develop enterprises, supply chains, and markets for continuous living cover crops and cropping systems in the early stage of commercial development, including but not limited to regenerative poultry silvopasture systems, Kernza perennial grain, winter camelina, and elderberry.

(r) Demonstration Project for Using Bioethanol in Diesel Engines to Reduce Greenhouse Gas Emissions

\$800,000 the second year is from the trust fund to the commissioner of agriculture for a grant to perform an in-state demonstration of at least two vehicles that have converted

diesel engines to run on Minnesota-produced bioethanol and to quantify greenhouse gas emissions, criteria pollution, and operating cost reduction. Data collected will be used to inform project partners of the total economic and environmental benefit to the state of Minnesota.

(s) Veterinary Disease Testing for Wild Cervidae

\$150,000 the second year is from the trust fund to the commissioner of agriculture for a grant to the Board of Regents of the University of Minnesota to purchase equipment for the Veterinary Diagnostic Laboratory to test for chronic wasting disease in the wild Cervidae population.

(t) Emerging Issues Account

\$244,000 the second year is from the trust fund to an emerging issues account authorized in Minnesota Statutes, section 116P.08, subdivision 4, paragraph (d).

(u) Work Plans Not Required

Notwithstanding anything to the contrary in this act or in Minnesota Statutes, chapter 116P, a work plan shall not be required for any of the projects described in this subdivision. However, all other requirements applicable to the use of environment and natural resources trust fund money remain in force, including the obligation to submit progress reports under Minnesota Statutes, section 116P.05, subdivision 2, and to comply with applicable reporting requirements under Minnesota Statutes, section 116P.16.

Subd. 11. Administrative; 2022 Contract Agreement Reimbursement

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132,000

(a) \$132,000 the second year is from the trust fund to the commissioner of natural resources, at the direction of the Legislative-Citizen Commission on Minnesota Resources, for expenses incurred in preparing and administering contracts,

including for the agreements specified in this section.

(b) \$78,000 is transferred from the amount appropriated under Laws 2021, First Special Session chapter 6, article 5, section 2, subdivision 4, paragraph (b), to the appropriation in paragraph (a) of this subdivision. The commissioner must provide documentation to the Legislative-Citizen Commission on Minnesota Resources on the expenditure of these funds.

Subd. 12. Availability of Appropriations

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the work plan approved by the Legislative-Citizen Commission on Minnesota Resources. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Costs that are directly related to and necessary for an appropriation, including financial services, human resources, information services, rent, and utilities, are eligible only if the costs can be clearly justified and individually documented specific to the appropriation's purpose and would not be generated by the recipient but for receipt of the appropriation. No broad allocations for costs in either dollars or percentages are allowed. Unless otherwise provided, the amounts in this section are available for three years beginning July 1, 2022, and ending June 30, 2025, when projects must be completed and final products delivered. For acquisition of real property, the appropriations in this section are available for an additional fiscal year if a binding contract for acquisition of the real property is entered into before the expiration date of the appropriation. If a project receives a federal award, the period of the appropriation is extended to equal the federal

award period to a maximum trust fund appropriation length of six years.

Subd. 13. Data Availability Requirements Data

Data collected by the projects funded under this section must conform to guidelines and standards adopted by Minnesota IT Services. Spatial data must also conform to additional guidelines and standards designed to support data coordination and distribution that have been published by the Minnesota Geospatial Information Office. Descriptions of spatial data must be prepared as specified in the state's geographic metadata guideline and must be submitted to the Minnesota Geospatial Information Office. All data must be accessible and free to the public unless made private under the Data Practices Act, Minnesota Statutes, chapter 13. To the extent practicable, summary data and results of projects funded under this section should be readily accessible on the Internet and identified as having received funding from the environment and natural resources trust fund.

Subd. 14. Project Requirements

(a) Except as provided in subdivision 10, paragraph (u), as a condition of accepting an appropriation under this section, an agency or entity receiving an appropriation or a party to an agreement from an appropriation must comply with paragraphs (b) to (l) and Minnesota Statutes, chapter 116P, and must submit a work plan and annual or semiannual progress reports in the form determined by the Legislative-Citizen Commission on Minnesota Resources for any project funded in whole or in part with funds from the appropriation. Modifications to the approved work plan and budget expenditures must be made through the amendment process established by the Legislative-Citizen Commission on Minnesota Resources.

(b) A recipient of money appropriated in this section that conducts a restoration using

funds appropriated in this section must use native plant species according to the Board of Water and Soil Resources' native vegetation establishment and enhancement guidelines and include an appropriate diversity of native species selected to provide habitat for pollinators throughout the growing season as required under Minnesota Statutes, section 84.973.

(c) For all restorations conducted with money appropriated under this section, a recipient must prepare an ecological restoration and management plan that, to the degree practicable, is consistent with the highest-quality conservation and ecological goals for the restoration site. Consideration should be given to soil, geology, topography, and other relevant factors that would provide the best chance for long-term success and durability of the restoration project. The plan must include the proposed timetable for implementing the restoration, including site preparation, establishment of diverse plant species, maintenance, and additional enhancement to establish the restoration; identify long-term maintenance and management needs of the restoration and how the maintenance, management, and enhancement will be financed; and take advantage of the best-available science and include innovative techniques to achieve the best restoration.

(d) An entity receiving an appropriation in this section for restoration activities must provide an initial restoration evaluation at the completion of the appropriation and an evaluation three years after the completion of the expenditure. Restorations must be evaluated relative to the stated goals and standards in the restoration plan, current science, and, when applicable, the Board of Water and Soil Resources' native vegetation establishment and enhancement guidelines. The evaluation must determine whether the restorations are meeting planned goals,

identify any problems with implementing the restorations, and, if necessary, give recommendations on improving restorations. The evaluation must be focused on improving future restorations.

(e) All restoration and enhancement projects funded with money appropriated in this section must be on land permanently protected by a conservation easement or public ownership.

(f) A recipient of money from an appropriation under this section must give consideration to contracting with Conservation Corps Minnesota for contract restoration and enhancement services.

(g) All conservation easements acquired with money appropriated under this section must:

(1) be permanent;

(2) specify the parties to an easement in the easement;

(3) specify all provisions of an agreement that are permanent;

(4) be sent to the Legislative-Citizen Commission on Minnesota Resources in an electronic format at least ten business days before closing;

(5) include a long-term monitoring and enforcement plan and funding for monitoring and enforcing the easement agreement; and

(6) include requirements in the easement document to protect the quantity and quality of groundwater and surface water through specific activities such as keeping water on the landscape, reducing nutrient and contaminant loading, and not permitting artificial hydrological modifications.

(h) For any acquisition of lands or interest in lands, a recipient of money appropriated under this section must not agree to pay more

than 100 percent of the appraised value for a parcel of land using this money to complete the purchase, in part or in whole, except that up to ten percent above the appraised value may be allowed to complete the purchase, in part or in whole, using this money if permission is received in advance of the purchase from the Legislative-Citizen Commission on Minnesota Resources.

(i) For any acquisition of land or interest in land, a recipient of money appropriated under this section must give priority to high-quality natural resources or conservation lands that provide natural buffers to water resources.

(j) For new lands acquired with money appropriated under this section, a recipient must prepare an ecological restoration and management plan in compliance with paragraph (c), including sufficient funding for implementation unless the work plan addresses why a portion of the money is not necessary to achieve a high-quality restoration.

(k) To ensure public accountability for using public funds, a recipient of money appropriated under this section must, within 60 days of the transaction, provide to the Legislative-Citizen Commission on Minnesota Resources documentation of the selection process used to identify parcels acquired and provide documentation of all related transaction costs, including but not limited to appraisals, legal fees, recording fees, commissions, other similar costs, and donations. This information must be provided for all parties involved in the transaction. The recipient must also report to the Legislative-Citizen Commission on Minnesota Resources any difference between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal, if a state-certified or state-reviewed appraisal was conducted.

(l) A recipient of an appropriation from the trust fund under this section must acknowledge financial support from the environment and natural resources trust fund in project publications, signage, and other public communications and outreach related to work completed using the appropriation. Acknowledgment may occur, as appropriate, through use of the trust fund logo or inclusion of language attributing support from the trust fund. Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section, must satisfy all reporting and other requirements incumbent upon constitutionally dedicated funding recipients as provided in Minnesota Statutes, section 3.303, subdivision 10, and chapter 116P.

(m) A recipient of an appropriation from the trust fund under this section that is receiving funding to conduct children's services, as defined in Minnesota Statutes, section 299C.61, subdivision 7, must certify to the Legislative-Citizen Commission on Minnesota Resources, as part of the required work plan, that criminal background checks for background check crimes, as defined in Minnesota Statutes, section 299C.61, subdivision 2, are performed on all employees, contractors, and volunteers that have or may have access to a child to whom the recipient provides children's services using the appropriation.

Subd. 15. Payment Conditions and Capital Equipment Expenditures

(a) All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures made on or after July 1, 2022, or the date the work plan is approved, whichever is later, are eligible for reimbursement unless otherwise provided in this section. Periodic payments must be made

upon receiving documentation that the deliverable items articulated in the approved work plan have been achieved, including partial achievements as evidenced by approved progress reports. Reasonable amounts may be advanced to projects to accommodate cash-flow needs or match federal money. The advances must be approved as part of the work plan. No expenditures for capital equipment are allowed unless expressly authorized in the project work plan.

(b) Single-source contracts as specified in the approved work plan are allowed.

Subd. 16. Purchasing Recycled and Recyclable Materials

A political subdivision, public or private corporation, or other entity that receives an appropriation under this section must use the appropriation in compliance with Minnesota Statutes, section 16C.0725, regarding purchasing recycled, repairable, and durable materials, and Minnesota Statutes, section 16C.073, regarding purchasing and using paper stock and printing.

Subd. 17. Energy Conservation and Sustainable Building Guidelines

A recipient to whom an appropriation is made under this section for a capital improvement project must ensure that the project complies with the applicable energy conservation and sustainable building guidelines and standards contained in law, including Minnesota Statutes, sections 16B.325, 216C.19, and 216C.20, and rules adopted under those sections. The recipient may use the energy planning, advocacy, and State Energy Office units of the Department of Commerce to obtain information and technical assistance on energy conservation and alternative-energy development relating to planning and constructing the capital improvement project.

Subd. 18. Accessibility

Structural and nonstructural facilities must meet the design standards in the Americans with Disabilities Act (ADA) accessibility guidelines.

Subd. 19. Carryforward; Extensions

(a) The availability of the appropriation under Laws 2019, First Special Session chapter 4, article 2, section 2, subdivision 9, paragraph (e), National Loon Center, is extended to June 30, 2024.

(b) The availability of the transfers for the following projects is extended to June 30, 2024:

(1) Laws 2021, First Special Session chapter 6, article 5, section 2, subdivision 20, paragraph (a), clause (1), for the Unprecedented Change Threatens Minnesota's Pristine Lakes project;

(2) Laws 2021, First Special Session chapter 6, article 5, section 2, subdivision 20, paragraph (a), clause (2), for the Wastewater Pond Optimization project;

(3) Laws 2021, First Special Session chapter 6, article 5, section 2, subdivision 20, paragraph (a), clause (3), for the Applied Research in State Mineral and Water Resources project;

(4) Laws 2021, First Special Session chapter 6, article 5, section 2, subdivision 20, paragraph (a), clause (4), for the Chloride Pollution Reduction project;

(5) Laws 2021, First Special Session chapter 6, article 5, section 2, subdivision 20, paragraph (a), clause (5), for the CWD Prion Research in Soils project;

(6) Laws 2021, First Special Session chapter 6, article 5, section 2, subdivision 20,

paragraph (b), clauses (1) and (2), Lawns to Legumes;

(7) Laws 2021, First Special Session chapter 6, article 5, section 2, subdivision 20, paragraph (c), clauses (1) to (8), Emerging Issues Account; and

(8) Laws 2021, First Special Session chapter 6, article 6, section 2, subdivision 19, paragraph (a), clauses (1) to (4), for the Forest Health Research, Development and Demonstration project at the Natural Resources Research Institute.

(c) Notwithstanding Minnesota Statutes, section 16A.28, or any other law to the contrary, the availability of any appropriation or grant of money from the environment and natural resources trust fund that would otherwise cancel, lapse, or expire on June 30, 2022, is extended to June 30, 2023, if the recipient or grantee:

(1) by May 15, 2022, notifies the Legislative-Citizen Commission on Minnesota Resources in the manner specified by the commission that the recipient or grantee intends to avail itself of the extension available under this subdivision; and

(2) modifies the applicable work plan where required by Minnesota Statutes, section 116P.05, subdivision 2, in accordance with the work plan amendment procedures adopted under that section.

(d) The commission must notify the commissioner of management and budget and the commissioner of natural resources of any extension granted under paragraph (c).

EFFECTIVE DATE. Subdivision 18 is effective the day following final enactment.

Sec. 3. SALE OF CERTAIN PARCELS; CITY OF BUHL.

Notwithstanding the Legislative Commission on Minnesota Resources project agreement between the city of Buhl and the Department of Energy and Economic Development entered into on April

15, 1987, or any other provision of law, the city of Buhl may plat and sell for development portions of the area subject to the agreement so long as grant money received under the agreement was not used to improve the parcels sold. Replacement is not required for land sold under this section.

EFFECTIVE DATE. This section is effective retroactively from April 15, 1987, the day after the governing body of the city of Buhl and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3."

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "appropriating money from environment and natural resources trust fund;"

Page 1, line 3, before the period, insert "; facilitating sale of certain parcels of land by city of Buhl"

Amend the title numbers accordingly

And when so amended the bill do pass and be re-referred to the Committee on Finance.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Senator Rosen from the Committee on Finance, to which was re-referred

S.F. No. 4410: A bill for an act relating to state government; modifying provisions governing community supports, continuing care for older adults, health care, behavioral health, child welfare, economic assistance, and background studies; establishing a Department of Behavioral Health; establishing certain grants; appropriating money; amending Minnesota Statutes 2020, sections 13.46, subdivision 7; 15A.0815, subdivision 2; 144.294, subdivision 2; 144G.45, subdivision 7; 245C.02, subdivision 17a, by adding a subdivision; 245C.04, subdivision 4a, by adding subdivisions; 245C.10, by adding subdivisions; 252.275, subdivisions 4c, 8; 256B.057, subdivision 9; 256B.0625, subdivision 17a; 256B.0659, subdivisions 1, 12, 19, 24; 256B.4911, by adding a subdivision; 256B.4914, subdivisions 8, as amended, 9, as amended; 256B.5012, by adding subdivisions; 256B.85, by adding a subdivision; 256E.35, subdivisions 1, 2, 4a, 6, 7; 256I.05, by adding a subdivision; 256K.45, subdivision 6, by adding subdivisions; 256P.02, by adding a subdivision; 256P.03, subdivision 2; 256R.02, subdivisions 16, 24, 26, 29, 34, by adding subdivisions; 256R.23, subdivisions 2, 3; 256R.24, subdivision 1; 256R.25; 256S.16; 256S.201, subdivision 3; 256S.213, subdivision 1; 626.5571, subdivision 1; Minnesota Statutes 2021 Supplement, sections 15.01; 15.06, subdivision 1; 43A.08, subdivision 1a; 245C.03, by adding subdivisions; 256B.0625, subdivision 17; 256B.0659, subdivision 17a; 256B.49, subdivision 28; 256B.4914, subdivision 5, as amended; 256B.85, subdivisions 7, 7a; 256B.851, subdivision 5; 256P.02, subdivisions 1a, 2; 256S.205; 256S.21; 297E.02, subdivision 3; Laws 2014, chapter 312, article 27, section 75; Laws 2021, First Special Session chapter 7, article 14, section 21, subdivision 4; article 16, section 2, subdivisions 1, 24, 29; article 17, section 14; Laws 2021, First Special Session chapter 8, article 6, section 1, subdivision 7; Laws 2022, chapter 33, section 1, subdivisions 3, 4, 5a, 5b, 5c, 5d, 5f, 10, 10a, 10c, 12, 14; by adding a subdivision; Laws 2022, chapter 40, sections 6; 7; proposing coding for new law in Minnesota Statutes, chapters 256; 256B; 626; proposing coding for new law as Minnesota Statutes,

chapter 256T; repealing Minnesota Statutes 2021 Supplement, section 256S.2101; Laws 2022, chapter 33, section 1, subdivision 9.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

COMMUNITY SUPPORTS

Section 1. Minnesota Statutes 2020, section 252.275, subdivision 4c, is amended to read:

Subd. 4c. **Review of funds; reallocation.** (a) After each quarter, the commissioner shall review county program expenditures. The commissioner may reallocate unexpended money at any time among those counties which have earned their full allocation.

(b) For each fiscal year, the commissioner shall determine if actual statewide expenditures by county boards are less than the fiscal year appropriation to provide semi-independent living services under this section. If actual statewide expenditures by county boards are less than the fiscal year appropriation to provide semi-independent living services under this section, the unexpended amount must be carried forward to the next fiscal year and allocated to grants in equal amounts to the eight organizations defined in section 268A.01, subdivision 8, to expand services to support people with disabilities who are ineligible for medical assistance to live in their own homes and communities by providing accessibility modifications, independent living services, and public health program facilitation.

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

Sec. 2. Minnesota Statutes 2020, section 252.275, subdivision 8, is amended to read:

Subd. 8. **Use of federal funds and transfer of funds to medical assistance.** (a) The commissioner shall make every reasonable effort to maximize the use of federal funds for semi-independent living services.

~~(b) The commissioner shall reduce the payments to be made under this section to each county from January 1, 1994, to June 30, 1996, by the amount of the state share of medical assistance reimbursement for services other than residential services provided under the home and community-based waiver program under section 256B.092 from January 1, 1994 to June 30, 1996, for clients for whom the county is financially responsible and who have been transferred by the county from the semi-independent living services program to the home and community-based waiver program. Unless otherwise specified, all reduced amounts shall be transferred to the medical assistance state account.~~

~~(c) For fiscal year 1997, the base appropriation available under this section shall be reduced by the amount of the state share of medical assistance reimbursement for services other than residential services provided under the home and community-based waiver program authorized in section 256B.092 from January 1, 1995, to December 31, 1995, for persons who have been transferred from the semi-independent living services program to the home and community-based waiver program.~~

The base appropriation for the medical assistance state account shall be increased by the same amount.

~~(d) For purposes of calculating the guaranteed floor under subdivision 4b and to establish the calendar year 1996 allocations, each county's original allocation for calendar year 1995 shall be reduced by the amount transferred to the state medical assistance account under paragraph (b) during the six months ending on June 30, 1995. For purposes of calculating the guaranteed floor under subdivision 4b and to establish the calendar year 1997 allocations, each county's original allocation for calendar year 1996 shall be reduced by the amount transferred to the state medical assistance account under paragraph (b) during the six months ending on December 31, 1995.~~

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 3. [256.4791] COMMUNITY ORGANIZATIONS GRANT PROGRAM.

Subdivision 1. Establishment. The commissioner of human services shall establish the community organizations grant program to address violence prevention and provide street outreach services.

Subd. 2. Applications. Organizations seeking grants under this section shall apply to the commissioner. The grant applicant must include a description of the project that the applicant is proposing, the amount of money that the applicant is seeking, and a proposed budget describing how the applicant will spend the grant money.

Subd. 3. Eligible applicants. To be eligible for a grant under this section, applicants must address violence prevention, connect with youth and community members, and provide street outreach services. Applicants must also be focused on prevention, intervention, and restorative practices within the community, which may include:

- (1) providing trauma-responsive care; and
- (2) access to individual and group therapy services or community healing.

Subd. 4. Use of grant money. Grant recipients must use the funds to address violence prevention, connect with youth and community members, and provide street outreach services.

Subd. 5. Reporting. Grant recipients must provide an annual report to the commissioner in a manner specified by the commissioner on the activities and outcomes of the project funded by the grant program.

Sec. 4. [256.4792] EMPLOYMENT FOR PERSONS EXPERIENCING HOMELESSNESS OR SUBSTANCE USE DISORDER.

(a) Nonprofit organizations, licensed providers, and other entities that receive funding from the commissioner of human services to address homelessness or provide services to individuals experiencing homelessness must incorporate into their program the facilitation of full- or part-time employment and provide or make available employment services for each client to the extent appropriate for each client.

(b) Nonprofit organizations, licensed providers, and other entities that receive funding from the commissioner of human services to provide substance use disorder services or treatment must incorporate into their program the facilitation of full- or part-time employment and provide or make available employment services for each client to the extent appropriate for each client.

Sec. 5. [256.4795] RESIDENTIAL SETTING CLOSURE PREVENTION GRANTS.

Subdivision 1. **Residential setting closure prevention grants established.** The commissioner of human services shall establish a grant program to reduce the risk of residential settings in financial distress from closing. The commissioner shall limit expenditures under this subdivision to the amount appropriated for this purpose.

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

(b) "At risk of closure" or "at risk of closing" means a residential setting is in significant financial distress, and, in the judgment of the commissioner, the setting will close without additional funding from the commissioner.

(c) "Residential setting" means any of the following: a nursing facility; an assisted living facility with a majority of residents receiving services funded by medical assistance; a setting exempt from assisted living facility licensure under section 144G.08, subdivision 7, clauses (10) to (13), with a majority of residents receiving services funded by medical assistance; an intermediate care facility for persons with developmental disabilities; or an adult foster care setting, a community residential setting, or an integrated community supports setting.

Subd. 3. **Eligibility.** (a) A license holder operating a residential setting in significant financial distress may apply to the commissioner for a grant under this section to relieve its immediate financial distress.

(b) Lead agencies that suspect a residential setting is in significant financial distress may refer the license holder to the commissioner for consideration by the commissioner for grant funding under this section. Upon a referral from a lead agency under this section, the commissioner shall immediately solicit an application from the license holder, providing individualized technical assistance to the license holder regarding the application process.

(c) The commissioner must give priority for closure prevention grants to residential settings that are the most significantly at risk of closing in violation of the applicable notice requirements prior to the termination of services.

Subd. 4. **Criteria and limitations.** (a) Within available appropriations for this purpose, the commissioner must award sufficient funding to a residential setting at risk of closure to ensure that the residential setting remains open long enough to comply with the applicable termination of services notification requirements.

(b) The commissioner may award additional funding to a residential setting at risk of closure if, in the judgment of the commissioner, the residential setting is likely to remain open and financially viable after receiving time-limited additional funding from the commissioner.

(c) Before receiving any additional funding under paragraph (b), grantees must work with the commissioner to develop a business plan and corrective action plan to reduce the risk of future financial distress. No residential setting may receive additional funding under paragraph (b) more than once.

Subd. 5. **Interagency coordination.** The commissioner must coordinate the grant activities under this section with any other impacted state agencies and lead agencies.

Subd. 6. **Administrative funding.** The commissioner may use up to 6.5 percent of the grant amounts awarded for the commissioner's costs related to administration of this program.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 6. Minnesota Statutes 2020, section 256B.0659, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in paragraphs (b) to (r) have the meanings given unless otherwise provided in text.

(b) "Activities of daily living" means grooming, dressing, bathing, transferring, mobility, positioning, eating, and toileting.

(c) "Behavior," effective January 1, 2010, means a category to determine the home care rating and is based on the criteria found in this section. "Level I behavior" means physical aggression ~~towards~~ toward self, others, or destruction of property that requires the immediate response of another person.

(d) "Complex health-related needs," effective January 1, 2010, means a category to determine the home care rating and is based on the criteria found in this section.

(e) "Critical activities of daily living," effective January 1, 2010, means transferring, mobility, eating, and toileting.

(f) "Dependency in activities of daily living" means a person requires assistance to begin and complete one or more of the activities of daily living.

(g) "Extended personal care assistance service" means personal care assistance services included in a service plan under one of the home and community-based services waivers authorized under chapter 256S and sections 256B.092, subdivision 5, and 256B.49, which exceed the amount, duration, and frequency of the state plan personal care assistance services for participants who:

(1) need assistance provided periodically during a week, but less than daily will not be able to remain in their homes without the assistance, and other replacement services are more expensive or are not available when personal care assistance services are to be reduced; or

(2) need additional personal care assistance services beyond the amount authorized by the state plan personal care assistance assessment in order to ensure that their safety, health, and welfare are provided for in their homes.

(h) "Health-related procedures and tasks" means procedures and tasks that can be delegated or assigned by a licensed health care professional under state law to be performed by a personal care assistant.

(i) "Instrumental activities of daily living" means activities to include meal planning and preparation; basic assistance with paying bills; shopping for food, clothing, and other essential items; performing household tasks integral to the personal care assistance services; communication by telephone and other media; and traveling, including to medical appointments and to participate in the community. For purposes of this paragraph, traveling includes driving and accompanying the recipient in the recipient's chosen mode of transportation and according to the recipient's personal care assistance care plan.

(j) "Managing employee" has the same definition as Code of Federal Regulations, title 42, section 455.

(k) "Qualified professional" means a professional providing supervision of personal care assistance services and staff as defined in section 256B.0625, subdivision 19c.

(l) "Personal care assistance provider agency" means a medical assistance enrolled provider that provides or assists with providing personal care assistance services and includes a personal care assistance provider organization, personal care assistance choice agency, class A licensed nursing agency, and Medicare-certified home health agency.

(m) "Personal care assistant" or "PCA" means an individual employed by a personal care assistance agency who provides personal care assistance services.

(n) "Personal care assistance care plan" means a written description of personal care assistance services developed by the personal care assistance provider according to the service plan.

(o) "Responsible party" means an individual who is capable of providing the support necessary to assist the recipient to live in the community.

(p) "Self-administered medication" means medication taken orally, by injection, nebulizer, or insertion, or applied topically without the need for assistance.

(q) "Service plan" means a written summary of the assessment and description of the services needed by the recipient.

(r) "Wages and benefits" means wages and salaries, the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation, mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and contributions to employee retirement accounts.

EFFECTIVE DATE. This section is effective within 90 days following federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 7. Minnesota Statutes 2020, section 256B.0659, subdivision 12, is amended to read:

Subd. 12. **Documentation of personal care assistance services provided.** (a) Personal care assistance services for a recipient must be documented daily by each personal care assistant, on a

time sheet form approved by the commissioner. All documentation may be web-based, electronic, or paper documentation. The completed form must be submitted on a monthly basis to the provider and kept in the recipient's health record.

(b) The activity documentation must correspond to the personal care assistance care plan and be reviewed by the qualified professional.

(c) The personal care assistant time sheet must be on a form approved by the commissioner documenting time the personal care assistant provides services in the home. The following criteria must be included in the time sheet:

- (1) full name of personal care assistant and individual provider number;
- (2) provider name and telephone numbers;
- (3) full name of recipient and either the recipient's medical assistance identification number or date of birth;
- (4) consecutive dates, including month, day, and year, and arrival and departure times with a.m. or p.m. notations;
- (5) signatures of recipient or the responsible party;
- (6) personal signature of the personal care assistant;
- (7) any shared care provided, if applicable;
- (8) a statement that it is a federal crime to provide false information on personal care service billings for medical assistance payments; ~~and~~
- (9) dates and location of recipient stays in a hospital, care facility, or incarceration; and
- (10) any time spent traveling, as described in subdivision 1, paragraph (i), including start and stop times with a.m. and p.m. designations, the origination site, and the destination site.

EFFECTIVE DATE. This section is effective within 90 days following federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 8. Minnesota Statutes 2021 Supplement, section 256B.0659, subdivision 17a, is amended to read:

Subd. 17a. **Enhanced rate.** An enhanced rate of ~~107.5~~ 143 percent of the rate paid for personal care assistance services shall be paid for services provided to persons who qualify for ten or more hours of personal care assistance services per day when provided by a personal care assistant who meets the requirements of subdivision 11, paragraph (d). Any change in the eligibility criteria for the enhanced rate for personal care assistance services as described in this subdivision and referenced in subdivision 11, paragraph (d), does not constitute a change in a term or condition for individual providers as defined in section 256B.0711, and is not subject to the state's obligation to meet and negotiate under chapter 179A.

Sec. 9. Minnesota Statutes 2020, section 256B.0659, subdivision 19, is amended to read:

Subd. 19. **Personal care assistance choice option; qualifications; duties.** (a) Under personal care assistance choice, the recipient or responsible party shall:

(1) recruit, hire, schedule, and terminate personal care assistants according to the terms of the written agreement required under subdivision 20, paragraph (a);

(2) develop a personal care assistance care plan based on the assessed needs and addressing the health and safety of the recipient with the assistance of a qualified professional as needed;

(3) orient and train the personal care assistant with assistance as needed from the qualified professional;

(4) ~~effective January 1, 2010,~~ supervise and evaluate the personal care assistant with the qualified professional, who is required to visit the recipient at least every 180 days;

(5) monitor and verify in writing and report to the personal care assistance choice agency the number of hours worked by the personal care assistant and the qualified professional;

(6) engage in an annual face-to-face reassessment to determine continuing eligibility and service authorization; ~~and~~

(7) use the same personal care assistance choice provider agency if shared personal assistance care is being used; and

(8) ensure that a personal care assistant driving the recipient under subdivision 1, paragraph (i), has a valid driver's license and the vehicle used is registered and insured according to Minnesota law.

(b) The personal care assistance choice provider agency shall:

(1) meet all personal care assistance provider agency standards;

(2) enter into a written agreement with the recipient, responsible party, and personal care assistants;

(3) not be related as a parent, child, sibling, or spouse to the recipient or the personal care assistant; and

(4) ensure arm's-length transactions without undue influence or coercion with the recipient and personal care assistant.

(c) The duties of the personal care assistance choice provider agency are to:

(1) be the employer of the personal care assistant and the qualified professional for employment law and related regulations including, but not limited to, purchasing and maintaining workers' compensation, unemployment insurance, surety and fidelity bonds, and liability insurance, and submit any or all necessary documentation including, but not limited to, workers' compensation, unemployment insurance, and labor market data required under section 256B.4912, subdivision 1a;

(2) bill the medical assistance program for personal care assistance services and qualified professional services;

(3) request and complete background studies that comply with the requirements for personal care assistants and qualified professionals;

(4) pay the personal care assistant and qualified professional based on actual hours of services provided;

(5) withhold and pay all applicable federal and state taxes;

(6) verify and keep records of hours worked by the personal care assistant and qualified professional;

(7) make the arrangements and pay taxes and other benefits, if any, and comply with any legal requirements for a Minnesota employer;

(8) enroll in the medical assistance program as a personal care assistance choice agency; and

(9) enter into a written agreement as specified in subdivision 20 before services are provided.

EFFECTIVE DATE. This section is effective within 90 days following federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 10. Minnesota Statutes 2020, section 256B.0659, subdivision 24, is amended to read:

Subd. 24. **Personal care assistance provider agency; general duties.** A personal care assistance provider agency shall:

(1) enroll as a Medicaid provider meeting all provider standards, including completion of the required provider training;

(2) comply with general medical assistance coverage requirements;

(3) demonstrate compliance with law and policies of the personal care assistance program to be determined by the commissioner;

(4) comply with background study requirements;

(5) verify and keep records of hours worked by the personal care assistant and qualified professional;

(6) not engage in any agency-initiated direct contact or marketing in person, by phone, or other electronic means to potential recipients, guardians, or family members;

(7) pay the personal care assistant and qualified professional based on actual hours of services provided;

(8) withhold and pay all applicable federal and state taxes;

(9) document that the agency uses a minimum of 72.5 percent of the revenue generated by the medical assistance rate for personal care assistance services for employee personal care assistant wages and benefits. The revenue generated by the qualified professional and the reasonable costs associated with the qualified professional shall not be used in making this calculation;

(10) make the arrangements and pay unemployment insurance, taxes, workers' compensation, liability insurance, and other benefits, if any;

(11) enter into a written agreement under subdivision 20 before services are provided;

(12) report suspected neglect and abuse to the common entry point according to section 256B.0651;

(13) provide the recipient with a copy of the home care bill of rights at start of service;

(14) request reassessments at least 60 days prior to the end of the current authorization for personal care assistance services, on forms provided by the commissioner;

(15) comply with the labor market reporting requirements described in section 256B.4912, subdivision 1a; ~~and~~

(16) document that the agency uses the additional revenue due to the enhanced rate under subdivision 17a for the wages and benefits of the PCAs whose services meet the requirements under subdivision 11, paragraph (d); and

(17) ensure that a personal care assistant driving a recipient under subdivision 1, paragraph (i), has a valid driver's license and the vehicle used is registered and insured according to Minnesota law.

EFFECTIVE DATE. This section is effective within 90 days following federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 11. **[256B.0909] LONG-TERM CARE DECISION REVIEWS.**

Subdivision 1. **Notice of intent to deny, reduce, suspend, or terminate required.** At least ten calendar days prior to issuing a written notice of action, a lead agency must provide in a format accessible to the person or the person's legal representative, if any, a notice of the lead agency's intent to deny, reduce, suspend, or terminate the person's access to or eligibility for:

(1) home and community-based waivers, including level of care determinations, under sections 256B.092 and 256B.49;

(2) specific home and community-based services available under sections 256B.092 and 256B.49;

(3) consumer-directed community supports;

(4) the following state plan services:

(i) personal care assistance services under section 256B.0625, subdivisions 19a and 19c;

(ii) consumer support grants under section 256.476; or

(iii) community first services and supports under section 256B.85;

(5) semi-independent living services under section 252.275;

(6) relocation targeted case management services available under section 256B.0621, subdivision 2, clause (4);

(7) case management services targeted to vulnerable adults or people with developmental disabilities under section 256B.0924;

(8) case management services targeted to people with developmental disabilities under Minnesota Rules, part 9525.0016; and

(9) necessary diagnostic information to gain access to or determine eligibility under clauses (5) to (8).

Subd. 2. **Opportunity to respond required.** A lead agency must provide the person, or the person's legal representative, if any, the opportunity to respond to the agency's intent to deny, reduce, suspend, or terminate eligibility or access to the services described in subdivision 1. A lead agency must provide the person or the person's legal representative, if any, ten days to respond. If the person or the person's legal representative, if any, responds, the agency must initiate a decision review.

Subd. 3. **Decision review.** (a) A lead agency must initiate a decision review for any person who responds under subdivision 2.

(b) The lead agency must conduct the decision review in a manner that allows an opportunity for interactive communication between the person and a representative of the lead agency who has specific knowledge of the proposed decision and the basis for the decision. The interactive communication must be in a format that is accessible to the recipient, and may include a phone call, written exchange, in-person meeting, or other format as chosen by the person or the person's legal representative, if any.

(c) During the decision review, the representative of the lead agency must provide a thorough explanation of the lead agency's intent to deny, reduce, suspend, or terminate eligibility or access to the services described in subdivision 1 and provide the person or the person's legal representative, if any, an opportunity to ask questions about the decision. If the lead agency's explanation of the decision is based on a misunderstanding of the person's circumstances, incomplete information, missing documentation, or similar missing or inaccurate information, the lead agency must provide the person or the person's legal representative, if any, an opportunity to provide clarifying or additional information.

(d) A person with a representative is not required to participate in the decision review. A person may also have someone of the person's choosing participate in the decision review.

Subd. 4. **Continuation of services.** During the decision review and until the lead agency issues a written notice of action to deny, reduce, suspend, or terminate the eligibility or access, the person must continue to receive covered services.

Subd. 5. **Notice of action.** Following a decision review, a lead agency may issue a notice of action to deny, reduce, suspend, or terminate the eligibility or access after considering the discussions and information provided during the decision review.

Subd. 6. **Appeal rights.** Nothing in this section affects a person's appeal rights under section 245.045.

Sec. 12. **[256B.4909] HOME AND COMMUNITY-BASED SERVICES; HOMEMAKER RATES.**

Subdivision 1. **Application.** (a) Notwithstanding any law to the contrary, the payment methodologies for homemaker services defined in this section apply to those homemaker services offered under:

- (1) home and community-based services waivers under sections 256B.092 and 256B.49;
- (2) alternative care under section 256B.0913;
- (3) essential community supports under section 256B.0922; and
- (4) elderly waiver, elderly waiver customized living, and elderly waiver foster care under chapter 256S.

(b) This section does not change existing waiver policies and procedures.

Subd. 2. **Definition.** For purposes of this section, "homemaker services" means homemaker services and assistance with personal care, homemaker services and cleaning, and homemaker services and home management under chapter 256S and similar services offered under home and community-based services waivers under sections 256B.092 and 256B.49, alternative care under section 256B.0913, and essential community supports under section 256B.0922.

Subd. 3. **Rate methodology.** (a) Beginning January 1, 2023, the rate methodology for each homemaker service must be determined under sections 256S.211, subdivision 1, and 256S.212 to 256S.215, as adjusted by paragraph (b).

(b) As applicable to this section, on November 1, 2024, based on the most recently available wage data by standard occupational classification (SOC) from the Bureau of Labor Statistics, the commissioner shall update for each homemaker service the base wage index in section 256S.212, publish these updated values, and load them into the appropriate rate system.

Sec. 13. Minnesota Statutes 2020, section 256B.4911, subdivision 4, is amended to read:

Subd. 4. Budget exception for persons leaving institutions and crisis residential settings.
(a) The commissioner must establish an institutional and crisis bed consumer-directed community supports budget exception process in the home and community-based services waivers under sections 256B.092 and 256B.49. This budget exception process must be available for any individual who:

(1) is not offered available and appropriate services within 60 days since approval for discharge from the individual's current institutional setting; and

(2) requires services that are more expensive than appropriate services provided in a noninstitutional setting using the consumer-directed community supports option.

(b) Institutional settings for purposes of ~~this exception~~ paragraph (a) include intermediate care facilities for persons with developmental disabilities, nursing facilities, acute care hospitals, Anoka Metro Regional Treatment Center, Minnesota Security Hospital, and crisis beds.

(c) The budget exception under paragraph (a) must be renewed each year as necessary and consistent with the individual's needs and must be limited to no more than the amount of appropriate services provided in a noninstitutional setting as determined by the lead agency managing the individual's home and community-based services waiver. The lead agency must notify the ~~Department of Human Services~~ commissioner of the budget exception.

(d) Consistent with informed choice and informed decision making, the commissioner must establish in the home and community-based services waivers under sections 256B.092 and 256B.49, a consumer-directed community supports budget exception process for individuals living in licensed community residential settings whose cost of residential services may otherwise exceed their available consumer-directed community supports budget. The budget exception process must be available to an individual living in licensed community residential settings.

(e) The budget exceptions under paragraph (d) must be renewed each year as necessary and consistent with the individual's needs and must be limited to no more than the cost of the community residential services previously authorized for the individual. The lead agency must notify the commissioner of the budget exception.

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

Sec. 14. Minnesota Statutes 2020, section 256B.4911, is amended by adding a subdivision to read:

Subd. 6. Services provided by parents and spouses. (a) Upon federal approval, this subdivision limits medical assistance payments under the consumer-directed community supports option for personal assistance services provided by a parent to the parent's minor child or by a spouse. This subdivision applies to the consumer-directed community supports option available under all of the following:

- (1) alternative care program;
- (2) brain injury waiver;
- (3) community alternative care waiver;
- (4) community access for disability inclusion waiver;
- (5) developmental disabilities waiver;
- (6) elderly waiver; and
- (7) Minnesota senior health option.

(b) For the purposes of this subdivision, "parent" means a parent, stepparent, or legal guardian of a minor.

(c) If multiple parents are providing personal assistance services to their minor child or children, each parent may provide up to 40 hours of personal assistance services in any seven-day period regardless of the number of children served. The total number of hours of personal assistance services provided by all of the parents must not exceed 80 hours in a seven-day period regardless of the number of children served.

(d) If only one parent is providing personal assistance services to a minor child or children, the parent may provide up to 60 hours of personal assistance services in a seven-day period regardless of the number of children served.

(e) If a spouse is providing personal assistance services, the spouse may provide up to 60 hours of personal assistance services in a seven-day period.

(f) This subdivision must not be construed to permit an increase in the total authorized consumer-directed community supports budget for an individual.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 15. Minnesota Statutes 2020, section 256B.4914, subdivision 3, as amended by Laws 2022, chapter 33, section 1, is amended to read:

Subd. 3. **Applicable services.** Applicable services are those authorized under the state's home and community-based services waivers under sections 256B.092 and 256B.49, including the following, as defined in the federally approved home and community-based services plan:

- (1) 24-hour customized living;
- (2) adult day services;
- (3) adult day services bath;
- (4) community residential services;
- (5) customized living;
- (6) day support services;
- (7) employment development services;
- (8) employment exploration services;
- (9) employment support services;
- (10) family residential services;
- (11) individualized home supports;

(12) individualized home supports with family training;

(13) individualized home supports with training;

(14) integrated community supports;

(15) night supervision;

(16) positive support services;

(17) prevocational services;

(18) residential support services;

(19) ~~respite services;~~

~~(20)~~ transportation services; and

~~(21)~~ (20) other services as approved by the federal government in the state home and community-based services waiver plan.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 16. Minnesota Statutes 2020, section 256B.4914, subdivision 4, as amended by Laws 2022, chapter 33, section 1, is amended to read:

Subd. 4. **Data collection for rate determination.** (a) Rates for applicable home and community-based waived services, including customized rates under subdivision 12, are set by the rates management system.

(b) Data and information in the rates management system must be used to calculate an individual's rate.

(c) Service providers, with information from the coordinated service and support plan and oversight by lead agencies, shall provide values and information needed to calculate an individual's rate in the rates management system. The determination of service levels must be part of a discussion with members of the support team as defined in section 245D.02, subdivision 34. This discussion must occur prior to the final establishment of each individual's rate. The values and information include:

(1) shared staffing hours;

(2) individual staffing hours;

(3) direct registered nurse hours;

(4) direct licensed practical nurse hours;

(5) staffing ratios;

(6) information to document variable levels of service qualification for variable levels of reimbursement in each framework;

(7) shared or individualized arrangements for unit-based services, including the staffing ratio;

(8) number of trips and miles for transportation services; and

(9) service hours provided through monitoring technology.

(d) Updates to individual data must include:

(1) data for each individual that is updated annually when renewing service plans; and

(2) requests by individuals or lead agencies to update a rate whenever there is a change in an individual's service needs, with accompanying documentation.

(e) Lead agencies shall review and approve all services reflecting each individual's needs, and the values to calculate the final payment rate for services with variables under subdivisions 6 to 9a 9 for each individual. Lead agencies must notify the individual and the service provider of the final agreed-upon values and rate, and provide information that is identical to what was entered into the rates management system. If a value used was mistakenly or erroneously entered and used to calculate a rate, a provider may petition lead agencies to correct it. Lead agencies must respond to these requests. When responding to the request, the lead agency must consider:

(1) meeting the health and welfare needs of the individual or individuals receiving services by service site, identified in their coordinated service and support plan under section 245D.02, subdivision 4b, and any addendum under section 245D.02, subdivision 4c;

(2) meeting the requirements for staffing under subdivision 2, paragraphs (h), (n), and (o); and meeting or exceeding the licensing standards for staffing required under section 245D.09, subdivision 1; and

(3) meeting the staffing ratio requirements under subdivision 2, paragraph (o), and meeting or exceeding the licensing standards for staffing required under section 245D.31.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 17. Minnesota Statutes 2021 Supplement, section 256B.4914, subdivision 5, as amended by Laws 2022, chapter 33, section 1, is amended to read:

Subd. 5. **Base wage index; establishment and updates.** (a) The base wage index is established to determine staffing costs associated with providing services to individuals receiving home and community-based services. For purposes of calculating the base wage, Minnesota-specific wages taken from job descriptions and standard occupational classification (SOC) codes from the Bureau of Labor Statistics as defined in the Occupational Handbook must be used.

(b) The commissioner shall update the base wage index in subdivision 5a, publish these updated values, and load them into the rate management system as follows:

(1) on January 1, 2022, based on wage data by SOC from the Bureau of Labor Statistics available as of December 31, 2019;

(2) on January 1, 2023, based on wage data by SOC from the Bureau of Labor Statistics available as of December 31, 2020;

~~(3) on November 1, 2024~~ January 1, 2025, based on wage data by SOC from the Bureau of Labor Statistics available as of December 31, ~~2021~~ 2022; and

~~(3)~~ (4) on ~~July 1, 2026~~ January 1, 2027, and every two years thereafter, based on wage data by SOC from the Bureau of Labor Statistics available ~~30~~ 24 months and one day prior to the scheduled update.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 18. Minnesota Statutes 2020, section 256B.4914, subdivision 8, as amended by Laws 2022, chapter 33, section 1, subdivision 8, is amended to read:

Subd. 8. **Unit-based services with programming; component values and calculation of payment rates.** (a) For the purpose of this section, unit-based services with programming include employment exploration services, employment development services, employment support services, individualized home supports with family training, individualized home supports with training, and positive support services provided to an individual outside of any service plan for a day program or residential support service.

(b) Component values for unit-based services with programming are:

(1) competitive workforce factor: 4.7 percent;

(2) supervisory span of control ratio: 11 percent;

(3) employee vacation, sick, and training allowance ratio: 8.71 percent;

(4) employee-related cost ratio: 23.6 percent;

(5) program plan support ratio: 15.5 percent;

(6) client programming and support ratio: 4.7 percent, updated as specified in subdivision 5b;

(7) general administrative support ratio: 13.25 percent;

(8) program-related expense ratio: 6.1 percent; and

(9) absence and utilization factor ratio: 3.9 percent.

(c) A unit of service for unit-based services with programming is 15 minutes, except for individualized home supports with training where a unit of service is one hour or 15 minutes.

(d) Payments for unit-based services with programming must be calculated as follows, unless the services are reimbursed separately as part of a residential support services or day program payment rate:

- (1) determine the number of units of service to meet a recipient's needs;
- (2) determine the appropriate hourly staff wage rates derived by the commissioner as provided in subdivisions 5 and 5a;
- (3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the product of one plus the competitive workforce factor;
- (4) for a recipient requiring customization for deaf and hard-of-hearing language accessibility under subdivision 12, add the customization rate provided in subdivision 12 to the result of clause (3);
- (5) multiply the number of direct staffing hours by the appropriate staff wage;
- (6) multiply the number of direct staffing hours by the product of the supervisory span of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);
- (7) combine the results of clauses (5) and (6), and multiply the result by one plus the employee vacation, sick, and training allowance ratio. This is defined as the direct staffing rate;
- (8) for program plan support, multiply the result of clause (7) by one plus the program plan support ratio;
- (9) for employee-related expenses, multiply the result of clause (8) by one plus the employee-related cost ratio;
- (10) for client programming and supports, multiply the result of clause (9) by one plus the client programming and support ratio;
- (11) this is the subtotal rate;
- (12) sum the standard general administrative support ratio, the program-related expense ratio, and the absence and utilization factor ratio;
- (13) divide the result of clause (11) by one minus the result of clause (12). This is the total payment amount;
- (14) for services provided in a shared manner, divide the total payment in clause (13) as follows:
 - (i) for employment exploration services, divide by the number of service recipients, not to exceed five;
 - (ii) for employment support services, divide by the number of service recipients, not to exceed six; and

(iii) for individualized home supports with training and individualized home supports with family training, divide by the number of service recipients, not to exceed ~~two~~ three; and

(15) adjust the result of clause (14) by a factor to be determined by the commissioner to adjust for regional differences in the cost of providing services.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever occurs later, except paragraph (c) is effective July 1, 2022. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 19. Minnesota Statutes 2020, section 256B.4914, subdivision 9, as amended by Laws 2022, chapter 33, section 1, is amended to read:

Subd. 9. Unit-based services without programming; component values and calculation of payment rates. (a) For the purposes of this section, unit-based services without programming include individualized home supports without training and night supervision provided to an individual outside of any service plan for a day program or residential support service. Unit-based services without programming do not include respite.

(b) Component values for unit-based services without programming are:

(1) competitive workforce factor: 4.7 percent;

(2) supervisory span of control ratio: 11 percent;

(3) employee vacation, sick, and training allowance ratio: 8.71 percent;

(4) employee-related cost ratio: 23.6 percent;

(5) program plan support ratio: 7.0 percent;

(6) client programming and support ratio: 2.3 percent, updated as specified in subdivision 5b;

(7) general administrative support ratio: 13.25 percent;

(8) program-related expense ratio: 2.9 percent; and

(9) absence and utilization factor ratio: 3.9 percent.

(c) A unit of service for unit-based services without programming is 15 minutes.

(d) Payments for unit-based services without programming must be calculated as follows unless the services are reimbursed separately as part of a residential support services or day program payment rate:

(1) determine the number of units of service to meet a recipient's needs;

(2) determine the appropriate hourly staff wage rates derived by the commissioner as provided in subdivisions 5 to 5a;

(3) except for subdivision 5a, clauses (1) to (4), multiply the result of clause (2) by the product of one plus the competitive workforce factor;

(4) for a recipient requiring customization for deaf and hard-of-hearing language accessibility under subdivision 12, add the customization rate provided in subdivision 12 to the result of clause (3);

(5) multiply the number of direct staffing hours by the appropriate staff wage;

(6) multiply the number of direct staffing hours by the product of the supervisory span of control ratio and the appropriate supervisory staff wage in subdivision 5a, clause (1);

(7) combine the results of clauses (5) and (6), and multiply the result by one plus the employee vacation, sick, and training allowance ratio. This is defined as the direct staffing rate;

(8) for program plan support, multiply the result of clause (7) by one plus the program plan support ratio;

(9) for employee-related expenses, multiply the result of clause (8) by one plus the employee-related cost ratio;

(10) for client programming and supports, multiply the result of clause (9) by one plus the client programming and support ratio;

(11) this is the subtotal rate;

(12) sum the standard general administrative support ratio, the program-related expense ratio, and the absence and utilization factor ratio;

(13) divide the result of clause (11) by one minus the result of clause (12). This is the total payment amount;

(14) for individualized home supports without training provided in a shared manner, divide the total payment amount in clause (13) by the number of service recipients, not to exceed ~~two~~ three; and

(15) adjust the result of clause (14) by a factor to be determined by the commissioner to adjust for regional differences in the cost of providing services.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 20. Minnesota Statutes 2020, section 256B.4914, subdivision 10, as amended by Laws 2022, chapter 33, section 1, is amended to read:

Subd. 10. **Evaluation of information and data.** (a) The commissioner shall, within available resources, conduct research and gather data and information from existing state systems or other outside sources on the following items:

(1) differences in the underlying cost to provide services and care across the state;

(2) mileage, vehicle type, lift requirements, incidents of individual and shared rides, and units of transportation for all day services, which must be collected from providers using the rate management worksheet and entered into the rates management system; and

(3) the distinct underlying costs for services provided by a license holder under sections 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided by a license holder certified under section 245D.33.

(b) The commissioner, in consultation with stakeholders, shall review and evaluate the following values already in subdivisions 6 to ~~9a~~ 9, or issues that impact all services, including, but not limited to:

(1) values for transportation rates;

(2) values for services where monitoring technology replaces staff time;

(3) values for indirect services;

(4) values for nursing;

(5) values for the facility use rate in day services, and the weightings used in the day service ratios and adjustments to those weightings;

(6) values for workers' compensation as part of employee-related expenses;

(7) values for unemployment insurance as part of employee-related expenses;

(8) direct care workforce labor market measures;

(9) any changes in state or federal law with a direct impact on the underlying cost of providing home and community-based services;

(10) outcome measures, determined by the commissioner, for home and community-based services rates determined under this section; and

(11) different competitive workforce factors by service, as determined under subdivision 10b.

(c) The commissioner shall report to the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over health and human services policy and finance with the information and data gathered under paragraphs (a) and (b) on January 15, 2021, with a full report, and a full report once every four years thereafter.

(d) Beginning July 1, 2022, the commissioner shall renew analysis and implement changes to the regional adjustment factors once every six years. Prior to implementation, the commissioner shall consult with stakeholders on the methodology to calculate the adjustment.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 21. Minnesota Statutes 2020, section 256B.4914, subdivision 10a, as amended by Laws 2022, chapter 33, section 1, is amended to read:

Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure that wage values and component values in subdivisions 5 to ~~9a~~ 9 reflect the cost to provide the service. As determined by the commissioner, in consultation with stakeholders identified in subdivision 17, a provider enrolled to provide services with rates determined under this section must submit requested cost data to the commissioner to support research on the cost of providing services that have rates determined by the disability waiver rates system. Requested cost data may include, but is not limited to:

- (1) worker wage costs;
- (2) benefits paid;
- (3) supervisor wage costs;
- (4) executive wage costs;
- (5) vacation, sick, and training time paid;
- (6) taxes, workers' compensation, and unemployment insurance costs paid;
- (7) administrative costs paid;
- (8) program costs paid;
- (9) transportation costs paid;
- (10) vacancy rates; and
- (11) other data relating to costs required to provide services requested by the commissioner.

(b) At least once in any five-year period, a provider must submit cost data for a fiscal year that ended not more than 18 months prior to the submission date. The commissioner shall provide each provider a 90-day notice prior to its submission due date. If a provider fails to submit required reporting data, the commissioner shall provide notice to providers that have not provided required data 30 days after the required submission date, and a second notice for providers who have not provided required data 60 days after the required submission date. The commissioner shall temporarily suspend payments to the provider if cost data is not received 90 days after the required submission date. Withheld payments shall be made once data is received by the commissioner.

(c) The commissioner shall conduct a random validation of data submitted under paragraph (a) to ensure data accuracy.

(d) The commissioner shall analyze cost data submitted under paragraph (a) and, in consultation with stakeholders identified in subdivision 17, may submit recommendations on component values and inflationary factor adjustments to the chairs and ranking minority members of the legislative committees with jurisdiction over human services once every four years beginning January 1, 2021. The commissioner shall make recommendations in conjunction with reports submitted to the legislature according to subdivision 10, paragraph (c).

(e) The commissioner shall release cost data in an aggregate form, and cost data from individual providers shall not be released except as provided for in current law.

(f) The commissioner, in consultation with stakeholders identified in subdivision 17, shall develop and implement a process for providing training and technical assistance necessary to support provider submission of cost documentation required under paragraph (a).

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 22. Minnesota Statutes 2020, section 256B.4914, subdivision 12, as amended by Laws 2022, chapter 33, section 1, is amended to read:

Subd. 12. **Customization of rates for individuals.** (a) For persons determined to have higher needs based on being deaf or hard-of-hearing, the direct-care costs must be increased by an adjustment factor prior to calculating the rate under subdivisions 6 to ~~9a~~ 9. The customization rate with respect to deaf or hard-of-hearing persons shall be \$2.50 per hour for waiver recipients who meet the respective criteria as determined by the commissioner.

(b) For the purposes of this section, "deaf and hard-of-hearing" means:

(1) the person has a developmental disability and:

(i) an assessment score which indicates a hearing impairment that is severe or that the person has no useful hearing;

(ii) an expressive communications score that indicates the person uses single signs or gestures, uses an augmentative communication aid, or does not have functional communication, or the person's expressive communications is unknown; and

(iii) a communication score which indicates the person comprehends signs, gestures, and modeling prompts or does not comprehend verbal, visual, or gestural communication, or that the person's receptive communication score is unknown; or

(2) the person receives long-term care services and has an assessment score that indicates the person hears only very loud sounds, the person has no useful hearing, or a determination cannot be made; and the person receives long-term care services and has an assessment that indicates the person communicates needs with sign language, symbol board, written messages, gestures, or an interpreter; communicates with inappropriate content, makes garbled sounds or displays echolalia, or does not communicate needs.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 23. Minnesota Statutes 2020, section 256B.4914, subdivision 14, as amended by Laws 2022, chapter 33, section 1, is amended to read:

Subd. 14. **Exceptions.** (a) In a format prescribed by the commissioner, lead agencies must identify individuals with exceptional needs that cannot be met under the disability waiver rate system. The commissioner shall use that information to evaluate and, if necessary, approve an alternative payment rate for those individuals. Whether granted, denied, or modified, the commissioner shall respond to all exception requests in writing. The commissioner shall include in the written response the basis for the action and provide notification of the right to appeal under paragraph (h).

(b) Lead agencies must act on an exception request within 30 days and notify the initiator of the request of their recommendation in writing. A lead agency shall submit all exception requests along with its recommendation to the commissioner.

(c) An application for a rate exception may be submitted for the following criteria:

(1) an individual has service needs that cannot be met through additional units of service;

(2) an individual's rate determined under subdivisions 6 to ~~9a~~ 9 is so insufficient that it has resulted in an individual receiving a notice of discharge from the individual's provider; or

(3) an individual's service needs, including behavioral changes, require a level of service which necessitates a change in provider or which requires the current provider to propose service changes beyond those currently authorized.

(d) Exception requests must include the following information:

(1) the service needs required by each individual that are not accounted for in subdivisions 6 to ~~9a~~ 9;

(2) the service rate requested and the difference from the rate determined in subdivisions 6 to ~~9a~~ 9;

(3) a basis for the underlying costs used for the rate exception and any accompanying documentation; and

(4) any contingencies for approval.

(e) Approved rate exceptions shall be managed within lead agency allocations under sections 256B.092 and 256B.49.

(f) Individual disability waiver recipients, an interested party, or the license holder that would receive the rate exception increase may request that a lead agency submit an exception request. A lead agency that denies such a request shall notify the individual waiver recipient, interested party, or license holder of its decision and the reasons for denying the request in writing no later than 30 days after the request has been made and shall submit its denial to the commissioner in accordance

with paragraph (b). The reasons for the denial must be based on the failure to meet the criteria in paragraph (c).

(g) The commissioner shall determine whether to approve or deny an exception request no more than 30 days after receiving the request. If the commissioner denies the request, the commissioner shall notify the lead agency and the individual disability waiver recipient, the interested party, and the license holder in writing of the reasons for the denial.

(h) The individual disability waiver recipient may appeal any denial of an exception request by either the lead agency or the commissioner, pursuant to sections 256.045 and 256.0451. When the denial of an exception request results in the proposed demission of a waiver recipient from a residential or day habilitation program, the commissioner shall issue a temporary stay of demission, when requested by the disability waiver recipient, consistent with the provisions of section 256.045, subdivisions 4a and 6, paragraph (c). The temporary stay shall remain in effect until the lead agency can provide an informed choice of appropriate, alternative services to the disability waiver.

(i) Providers may petition lead agencies to update values that were entered incorrectly or erroneously into the rate management system, based on past service level discussions and determination in subdivision 4, without applying for a rate exception.

(j) The starting date for the rate exception will be the later of the date of the recipient's change in support or the date of the request to the lead agency for an exception.

(k) The commissioner shall track all exception requests received and their dispositions. The commissioner shall issue quarterly public exceptions statistical reports, including the number of exception requests received and the numbers granted, denied, withdrawn, and pending. The report shall include the average amount of time required to process exceptions.

(l) Approved rate exceptions remain in effect in all cases until an individual's needs change as defined in paragraph (c).

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 24. Minnesota Statutes 2020, section 256B.493, subdivision 4, is amended to read:

Subd. 4. **Review and approval process.** (a) To be considered for conditional approval, an application must include:

(1) a description of the proposed closure plan, which must identify the home or homes and occupied beds for which a planned closure rate adjustment is requested;

(2) the proposed timetable for any proposed closure, including the proposed dates for notification to residents and the affected lead agencies, commencement of closure, and completion of closure;

(3) the proposed relocation plan jointly developed by the counties of financial responsibility, the residents and their legal representatives, if any, who wish to continue to receive services from

the provider, and the providers for current residents of any adult foster care home or community residential setting designated for closure; and

(4) documentation in a format approved by the commissioner that all the adult foster care homes or community residential settings receiving a planned closure rate adjustment under the plan have accepted joint and several liability for recovery of overpayments under section 256B.0641, subdivision 2, for the facilities designated for closure under this plan.

(b) In reviewing and approving closure proposals, the commissioner shall give first priority to proposals that:

(1) target counties and geographic areas which have:

(i) need for other types of services;

(ii) need for specialized services;

(iii) higher than average per capita use of foster care settings where the license holder does not reside; or

(iv) residents not living in the geographic area of their choice;

(2) demonstrate savings of medical assistance expenditures; ~~and~~

(3) demonstrate that alternative services are based on the recipient's choice of provider and are consistent with federal law, state law, and federally approved waiver plans;

(4) demonstrate alternative services based on the recipient's choices are available and secured at time of closure application; and

(5) provide proof of referral to the regional Center for Independent Living for resident transition support.

The commissioner shall ~~also consider~~ prioritize consideration of any information provided by service recipients, their legal representatives, family members, or the lead agency on the impact of the planned closure on the recipients and the services they need.

(c) The commissioner shall select proposals that best meet the criteria established in this subdivision for planned closure of adult foster care or community residential settings. The commissioner shall notify license holders of the selections conditionally approved by the commissioner. Approval of closure is obtained following confirmation that every individual impacted by the planned closure has an established plan to continue services in an equivalent residential setting or in a less restrictive setting in the community of their choice.

(d) For each proposal conditionally approved by the commissioner, a contract must be established between the commissioner, the counties of financial responsibility, and the participating license holder.

Sec. 25. Minnesota Statutes 2020, section 256B.493, subdivision 5, is amended to read:

Subd. 5. **Notification of conditionally approved proposal.** (a) Once the license holder receives notification from the commissioner that the proposal has been conditionally approved, the license holder shall provide written notification within five working days to:

(1) the lead agencies responsible for authorizing the licensed services for the residents of the affected adult foster care settings; and

(2) current and prospective residents, any legal representatives, and family members involved.

(b) This notification must occur at least 45 90 days prior to the implementation of the closure proposal.

Sec. 26. Minnesota Statutes 2020, section 256B.493, is amended by adding a subdivision to read:

Subd. 5a. Notification of conditionally approved proposal to Centers for Independent Living. (a) Once conditional approval has been sent to the license holder, the commissioner shall provide written notice within five working days to the regional Center for Independent Living.

(b) The commissioner must provide in the written notice the number of persons affected by closure, location of group homes, provider information, and contact information of persons or current guardians to coordinate transition support of residents.

Sec. 27. Minnesota Statutes 2020, section 256B.493, is amended by adding a subdivision to read:

Subd. 5b. Approval for planned closure. The commissioner may finalize approval of conditional applications for planned closure after the license holder takes the following actions and submits proof of documentation to the commissioner:

(1) all parties were provided notice within five business days of receiving conditional approval and residents, support team, and family members were provided 90 days' notice prior to the implementation of the closure proposal;

(2) information regarding rights to appeal service termination and seek a temporary order to stay the termination of services according to the procedures in section 256.045, subdivision 4a or 6, paragraph (c), were provided to the resident, family, and support team at time of closure notice;

(3) residents were provided options to live in the geographic community of their own choice; and

(4) residents were provided options to live in a community residential or own-home setting with the services and supports of their choice.

Sec. 28. Minnesota Statutes 2020, section 256B.493, subdivision 6, is amended to read:

Subd. 6. **Adjustment to rates.** (a) For purposes of this section, the commissioner shall establish enhanced medical assistance payment rates under sections 256B.092 and 256B.49 to facilitate an orderly transition for persons with disabilities from adult foster care or community residential settings to other community-based settings.

(b) The enhanced payment rate shall be effective the day after the first resident has moved until the day the last resident has moved, not to exceed six months.

Sec. 29. Minnesota Statutes 2020, section 256B.493, is amended by adding a subdivision to read:

Subd. 7. **Termination of license or satellite license upon approved closure date.** Following approval of a planned closure, the commissioner shall confirm termination of licensure for the residence location, whether satellite or home and community-based license for single residence as referenced in section 245D.23. The commissioner must provide written notice confirming termination of licensure to the provider.

Sec. 30. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision to read:

Subd. 19. **ICF/DD rate increase effective July 1, 2022.** (a) Effective July 1, 2022, the daily operating payment rate for a class A intermediate care facility for persons with developmental disabilities is increased by \$50.

(b) Effective July 1, 2022, the daily operating payment rate for a class B intermediate care facility for persons with developmental disabilities is increased by \$50.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 31. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision to read:

Subd. 20. **ICF/DD minimum daily operating payment rates.** (a) The minimum daily operating payment rate for a class A intermediate care facility for persons with developmental disabilities is \$300.

(b) The minimum daily operating payment rate for a class B intermediate care facility for persons with developmental disabilities is \$400.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 32. Minnesota Statutes 2021 Supplement, section 256B.85, subdivision 7, is amended to read:

Subd. 7. **Community first services and supports; covered services.** Services and supports covered under CFSS include:

(1) assistance to accomplish activities of daily living (ADLs), instrumental activities of daily living (IADLs), and health-related procedures and tasks through hands-on assistance to accomplish the task or constant supervision and cueing to accomplish the task;

(2) assistance to acquire, maintain, or enhance the skills necessary for the participant to accomplish activities of daily living, instrumental activities of daily living, or health-related tasks;

(3) expenditures for items, services, supports, environmental modifications, or goods, including assistive technology. These expenditures must:

(i) relate to a need identified in a participant's CFSS service delivery plan; and

(ii) increase independence or substitute for human assistance, to the extent that expenditures would otherwise be made for human assistance for the participant's assessed needs;

(4) observation and redirection for behavior or symptoms where there is a need for assistance;

(5) back-up systems or mechanisms, such as the use of pagers or other electronic devices, to ensure continuity of the participant's services and supports;

(6) services provided by a consultation services provider as defined under subdivision 17, that is under contract with the department and enrolled as a Minnesota health care program provider;

(7) services provided by an FMS provider as defined under subdivision 13a, that is an enrolled provider with the department;

(8) CFSS services provided by a support worker who is a parent, stepparent, or legal guardian of a participant under age 18, or who is the participant's spouse. ~~These support workers shall not.~~ Covered services under this clause are subject to the limitations described in subdivision 7b; and

~~(i) provide any medical assistance home and community-based services in excess of 40 hours per seven-day period regardless of the number of parents providing services, combination of parents and spouses providing services, or number of children who receive medical assistance services; and~~

~~(ii) have a wage that exceeds the current rate for a CFSS support worker including the wage, benefits, and payroll taxes; and~~

(9) worker training and development services as described in subdivision 18a.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 33. Minnesota Statutes 2021 Supplement, section 256B.85, subdivision 7a, is amended to read:

Subd. 7a. **Enhanced rate.** An enhanced rate of ~~107.5~~ 143 percent of the rate paid for CFSS must be paid for services provided to persons who qualify for ten or more hours of CFSS per day when provided by a support worker who meets the requirements of subdivision 16, paragraph (e). Any change in the eligibility criteria for the enhanced rate for CFSS as described in this subdivision and referenced in subdivision 16, paragraph (e), does not constitute a change in a term or condition for individual providers as defined in section 256B.0711, and is not subject to the state's obligation to meet and negotiate under chapter 179A.

Sec. 34. Minnesota Statutes 2020, section 256B.85, is amended by adding a subdivision to read:

Subd. 7b. **Services provided by parents and spouses.** (a) This subdivision applies to services and supports described in subdivision 7, clause (8).

(b) If multiple parents are support workers providing CFSS services to their minor child or children, each parent may provide up to 40 hours of medical assistance home and community-based services in any seven-day period regardless of the number of children served. The total number of hours of medical assistance home and community-based services provided by all of the parents must not exceed 80 hours in a seven-day period regardless of the number of children served.

(c) If only one parent is a support worker providing CFSS services to the parent's minor child or children, the parent may provide up to 60 hours of medical assistance home and community-based services in a seven-day period regardless of the number of children served.

(d) If a spouse is a support worker providing CFSS services, the spouse may provide up to 60 hours of medical assistance home and community-based services in a seven-day period.

(e) Paragraphs (b) to (d) must not be construed to permit an increase in either the total authorized service budget for an individual or the total number of authorized service units.

(f) A parent or spouse must not receive a wage that exceeds the current rate for a CFSS support worker, including the wage, benefits, and payroll taxes.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 35. Minnesota Statutes 2021 Supplement, section 256B.851, subdivision 5, is amended to read:

Subd. 5. **Payment rates; component values.** (a) The commissioner must use the following component values:

- (1) employee vacation, sick, and training factor, 8.71 percent;
- (2) employer taxes and workers' compensation factor, 11.56 percent;
- (3) employee benefits factor, 12.04 percent;
- (4) client programming and supports factor, 2.30 percent;
- (5) program plan support factor, 7.00 percent;
- (6) general business and administrative expenses factor, 13.25 percent;
- (7) program administration expenses factor, 2.90 percent; and
- (8) absence and utilization factor, 3.90 percent.

(b) For purposes of implementation, the commissioner shall use the following implementation components:

- (1) personal care assistance services and CFSS: ~~75.45~~ 83.5 percent;
- (2) enhanced rate personal care assistance services and enhanced rate CFSS: ~~75.45~~ 83.5 percent;
- and
- (3) qualified professional services and CFSS worker training and development: ~~75.45~~ 83.5 percent.

EFFECTIVE DATE. This section is effective January 1, 2023, or 60 days following federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 36. Minnesota Statutes 2020, section 256I.04, subdivision 3, is amended to read:

Subd. 3. **Moratorium on development of housing support beds.** (a) Agencies shall not enter into agreements for new housing support beds with total rates in excess of the MSA equivalent rate except:

(1) for establishments licensed under chapter 245D provided the facility is needed to meet the census reduction targets for persons with developmental disabilities at regional treatment centers;

(2) up to 80 beds in a single, specialized facility located in Hennepin County that will provide housing for chronic inebriates who are repetitive users of detoxification centers and are refused placement in emergency shelters because of their state of intoxication, and planning for the specialized facility must have been initiated before July 1, 1991, in anticipation of receiving a grant from the Housing Finance Agency under section 462A.05, subdivision 20a, paragraph (b);

(3) notwithstanding the provisions of subdivision 2a, for up to 226 supportive housing units in Anoka, Carver, Dakota, Hennepin, or Ramsey, Scott, or Washington County for homeless adults with a disability, including but not limited to mental illness, a history of substance abuse, or human immunodeficiency virus or acquired immunodeficiency syndrome. For purposes of this ~~section~~ clause, "homeless adult" means a person who is (i) living on the street or in a shelter or (ii) discharged from a regional treatment center, community hospital, or residential treatment program and has no appropriate housing available and lacks the resources and support necessary to access appropriate housing. ~~At least 70 percent of the supportive housing units must serve homeless adults with mental illness, substance abuse problems, or human immunodeficiency virus or acquired immunodeficiency syndrome who are about to be or, within the previous six months, have been discharged from a regional treatment center, or a state-contracted psychiatric bed in a community hospital, or a residential mental health or chemical dependency treatment program.~~ If a person meets the requirements of subdivision 1, paragraph (a) or (b), and receives a federal or state housing subsidy, the housing support rate for that person is limited to the supplementary rate under section 256I.05, subdivision 1a, ~~and is determined by subtracting the amount of the person's countable income that exceeds the MSA equivalent rate from the housing support supplementary service rate.~~ A resident in a demonstration project site who no longer participates in the demonstration program shall retain eligibility for a housing support payment in an amount determined under section 256I.06, subdivision 8, using the MSA equivalent rate. ~~Service funding under section 256I.05, subdivision 1a, will end~~

~~June 30, 1997, if federal matching funds are available and the services can be provided through a managed care entity. If federal matching funds are not available, then service funding will continue under section 256I.05, subdivision 1a;~~

(4) for an additional two beds, resulting in a total of 32 beds, for a facility located in Hennepin County providing services for recovering and chemically dependent men that has had a housing support contract with the county and has been licensed as a board and lodge facility with special services since 1980;

(5) for a housing support provider located in the city of St. Cloud, or a county contiguous to the city of St. Cloud, that operates a 40-bed facility, that received financing through the Minnesota Housing Finance Agency Ending Long-Term Homelessness Initiative and serves chemically dependent clientele, providing 24-hour-a-day supervision;

(6) for a new 65-bed facility in Crow Wing County that will serve chemically dependent persons, operated by a housing support provider that currently operates a 304-bed facility in Minneapolis, and a 44-bed facility in Duluth;

(7) for a housing support provider that operates two ten-bed facilities, one located in Hennepin County and one located in Ramsey County, that provide community support and 24-hour-a-day supervision to serve the mental health needs of individuals who have chronically lived unsheltered; and

(8) for a facility authorized for recipients of housing support in Hennepin County with a capacity of up to 48 beds that has been licensed since 1978 as a board and lodging facility and that until August 1, 2007, operated as a licensed chemical dependency treatment program.

(b) An agency may enter into a housing support agreement for beds with rates in excess of the MSA equivalent rate in addition to those currently covered under a housing support agreement if the additional beds are only a replacement of beds with rates in excess of the MSA equivalent rate which have been made available due to closure of a setting, a change of licensure or certification which removes the beds from housing support payment, or as a result of the downsizing of a setting authorized for recipients of housing support. The transfer of available beds from one agency to another can only occur by the agreement of both agencies.

Sec. 37. Minnesota Statutes 2020, section 256I.05, is amended by adding a subdivision to read:

Subd. 1s. **Supplemental rate; Douglas County.** Notwithstanding the provisions in this section, a county agency shall negotiate a supplemental rate for up to 20 beds in addition to the rate specified in subdivision 1, not to exceed the maximum rate allowed under subdivision 1a, including any legislatively authorized inflationary adjustments, for a housing support provider located in Douglas County that operates two facilities and provides room and board and supplementary services to adult males recovering from substance use disorder, mental illness, or housing instability.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 38. Laws 2014, chapter 312, article 27, section 75, is amended to read:

Sec. 75. PROVIDER RATE AND GRANT INCREASES EFFECTIVE JULY 1, 2014.

(a) The commissioner of human services shall increase reimbursement rates, grants, allocations, individual limits, and rate limits, as applicable, by five percent for the rate period beginning July 1, 2014, for services rendered on or after July 1, 2014. County or tribal contracts for services, grants, and programs under paragraph (b) must be amended to pass through these rate increases by September 1, 2014.

(b) The rate changes described in this section must be provided to:

(1) home and community-based waived services for persons with developmental disabilities, including consumer-directed community supports, under Minnesota Statutes, section 256B.092;

(2) waived services under community alternatives for disabled individuals, including consumer-directed community supports, under Minnesota Statutes, section 256B.49;

(3) community alternative care waived services, including consumer-directed community supports, under Minnesota Statutes, section 256B.49;

(4) brain injury waived services, including consumer-directed community supports, under Minnesota Statutes, section 256B.49;

(5) home and community-based waived services for the elderly under Minnesota Statutes, section 256B.0915;

(6) nursing services and home health services under Minnesota Statutes, section 256B.0625, subdivision 6a;

(7) personal care services and qualified professional supervision of personal care services under Minnesota Statutes, section 256B.0625, subdivisions 6a and 19a;

(8) private duty nursing services under Minnesota Statutes, section 256B.0625, subdivision 7;

(9) community first services and supports under Minnesota Statutes, section 256B.85;

(10) essential community supports under Minnesota Statutes, section 256B.0922;

(11) day training and habilitation services for adults with developmental disabilities under Minnesota Statutes, sections 252.41 to 252.46, ~~including the additional cost to counties of the rate adjustments on day training and habilitation services, provided as a social service;~~

(12) alternative care services under Minnesota Statutes, section 256B.0913;

(13) living skills training programs for persons with intractable epilepsy who need assistance in the transition to independent living under Laws 1988, chapter 689;

(14) semi-independent living services (SILS) under Minnesota Statutes, section 252.275;

(15) consumer support grants under Minnesota Statutes, section 256.476;

(16) family support grants under Minnesota Statutes, section 252.32;

(17) housing access grants under Minnesota Statutes, section 256B.0658;

(18) self-advocacy grants under Laws 2009, chapter 101;

(19) technology grants under Laws 2009, chapter 79;

(20) aging grants under Minnesota Statutes, sections 256.975 to 256.977 and 256B.0917;

(21) deaf and hard-of-hearing grants, including community support services for deaf and hard-of-hearing adults with mental illness who use or wish to use sign language as their primary means of communication under Minnesota Statutes, section 256.01, subdivision 2;

(22) deaf and hard-of-hearing grants under Minnesota Statutes, sections 256C.233, 256C.25, and 256C.261;

(23) Disability Linkage Line grants under Minnesota Statutes, section 256.01, subdivision 24;

(24) transition initiative grants under Minnesota Statutes, section 256.478;

(25) employment support grants under Minnesota Statutes, section 256B.021, subdivision 6; and

(26) grants provided to people who are eligible for the Housing Opportunities for Persons with AIDS program under Minnesota Statutes, section 256B.492.

(c) A managed care plan or county-based purchasing plan receiving state payments for the services grants and programs in paragraph (b) must include these increases in their payments to providers. To implement the rate increase in paragraph (a), capitation rates paid by the commissioner to managed care plans and county-based purchasing plans under Minnesota Statutes, section 256B.69, shall reflect a five percent increase for the services and programs specified in paragraph (b) for the period beginning July 1, 2014.

(d) Counties shall increase the budget for each recipient of consumer-directed community supports by the amount in paragraph (a) on July 1, 2014.

(e) To receive the rate increase described in this section, providers under paragraphs (a) and (b) must submit to the commissioner documentation that identifies a quality improvement project that the provider will implement by June 30, 2015. Documentation must be provided in a format specified by the commissioner. Projects must:

(1) improve the quality of life of home and community-based services recipients in a meaningful way;

(2) improve the quality of services in a measurable way; or

(3) deliver good quality service more efficiently while using the savings to enhance services for the participants served.

Providers listed in paragraph (b), clauses (7), (9), (10), and (13) to (26), are not subject to this requirement.

(f) For a provider that fails to submit documentation described in paragraph (e) by a date or in a format specified by the commissioner, the commissioner shall reduce the provider's rate by one percent effective January 1, 2015.

(g) Providers that receive a rate increase under paragraph (a) shall use 80 percent of the additional revenue to increase compensation-related costs for employees directly employed by the program on or after July 1, 2014, except:

(1) persons employed in the central office of a corporation or entity that has an ownership interest in the provider or exercises control over the provider; and

(2) persons paid by the provider under a management contract.

This requirement is subject to audit by the commissioner.

(h) Compensation-related costs include:

(1) wages and salaries;

(2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation, and mileage reimbursement;

(3) the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, pensions, and contributions to employee retirement accounts; and

(4) other benefits provided and workforce needs, including the recruiting and training of employees as specified in the distribution plan required under paragraph (m).

(i) For public employees under a collective bargaining agreement, the increase for wages and benefits is available and pay rates must be increased only to the extent that the increases comply with laws governing public employees' collective bargaining. Money received by a provider for pay increases for public employees under paragraph (g) must be used only for pay increases implemented between July 1, 2014, and August 1, 2014.

(j) For a provider that has employees that are represented by an exclusive bargaining representative, the provider shall obtain a letter of acceptance of the distribution plan required under paragraph (m), in regard to the members of the bargaining unit, signed by the exclusive bargaining agent. Upon receipt of the letter of acceptance, the provider shall be deemed to have met all the requirements of this section in regard to the members of the bargaining unit. Upon request, the provider shall produce the letter of acceptance for the commissioner.

(k) The commissioner shall amend state grant contracts that include direct personnel-related grant expenditures to include the allocation for the portion of the contract related to employee compensation. Grant contracts for compensation-related services must be amended to pass through these adjustments by September 1, 2014, and must be retroactive to July 1, 2014.

(l) The Board on Aging and its area agencies on aging shall amend their grants that include direct personnel-related grant expenditures to include the rate adjustment for the portion of the grant

related to employee compensation. Grants for compensation-related services must be amended to pass through these adjustments by September 1, 2014, and must be retroactive to July 1, 2014.

(m) A provider that receives a rate adjustment under paragraph (a) that is subject to paragraph (g) shall prepare, and upon request submit to the commissioner, a distribution plan that specifies the amount of money the provider expects to receive that is subject to the requirements of paragraph (g), including how that money will be distributed to increase compensation for employees. The commissioner may recover funds from a provider that fails to comply with this requirement.

(n) By January 1, 2015, the provider shall post the distribution plan required under paragraph (m) for a period of at least six weeks in an area of the provider's operation to which all eligible employees have access and shall provide instructions for employees who do not believe they have received the wage and other compensation-related increases specified in the distribution plan. The instructions must include a mailing address, e-mail address, and telephone number that the employee may use to contact the commissioner or the commissioner's representative.

(o) For providers with rates established under Minnesota Statutes, section 256B.4914, and with a historical rate established under Minnesota Statutes, section 256B.4913, subdivision 4a, paragraph (b), that is greater than the rate established under Minnesota Statutes, section 256B.4914, the requirements in paragraph (g) must only apply to the portion of the rate increase that exceeds the difference between the rate established under Minnesota Statutes, section 256B.4914, and the banding value established under Minnesota Statutes, section 256B.4913, subdivision 4a, paragraph (b).

Sec. 39. Laws 2021, First Special Session chapter 7, article 17, section 14, is amended to read:

Sec. 14. **TASK FORCE ON ~~ELIMINATING~~ SUBMINIMUM WAGES.**

Subdivision 1. **Establishment; purpose.** The Task Force on ~~Eliminating~~ Subminimum Wages is established to develop a plan and make recommendations to ~~phase out payment of subminimum wages to people with disabilities on or before August 1, 2025~~ promote independence and increase opportunities for people with disabilities to earn competitive wages.

Subd. 2. **Definitions.** For the purposes of this section, "subminimum wage" means wages authorized under section 14(c) of the federal Fair Labor Standards Act, Minnesota Statutes, section 177.28, subdivision 5, or Minnesota Rules, parts 5200.0030 and 5200.0040.

Subd. 3. **Membership.** (a) The task force consists of ~~16~~ 20 members, appointed as follows:

- (1) the commissioner of human services or a designee;
- (2) the commissioner of labor and industry or a designee;
- (3) the commissioner of education or a designee;
- (4) the commissioner of employment and economic development or a designee;

(5) a representative of the Department of Employment and Economic Development's Vocational Rehabilitation Services Division appointed by the commissioner of employment and economic development;

(6) one member appointed by the Minnesota Disability Law Center;

(7) one member appointed by The Arc of Minnesota;

(8) ~~three~~ four members who are persons with disabilities appointed by the commissioner of human services, at least one of whom ~~must be~~ is neurodiverse, ~~and~~ at least one of whom ~~must have~~ has a significant physical disability, and at least one of whom at the time of the appointment is being paid a subminimum wage;

(9) two representatives of employers authorized to pay subminimum wage and one representative of an employer who successfully transitioned away from payment of subminimum wages to people with disabilities, appointed by the commissioner of human services;

(10) one member appointed by the Minnesota Organization for Habilitation and Rehabilitation;

(11) one member appointed by ARRM;~~and~~

(12) one member appointed by the State Rehabilitation Council; and

(13) three members who are parents or guardians of persons with disabilities appointed by the commissioner of human services, at least one of whom is a parent or guardian of a person who is neurodiverse, at least one of whom is a parent or guardian of a person with a significant physical disability, and at least one of whom is a parent or guardian of a person being paid a subminimum wage as of the date of the appointment.

(b) To the extent possible, membership on the task force under paragraph (a) shall reflect geographic parity throughout the state and representation from Black, Indigenous, and communities of color.

Subd. 4. **Appointment deadline; first meeting; chair.** Appointing authorities must complete member selections by January 1, 2022. The commissioner of human services shall convene the first meeting of the task force by February 15, 2022. The task force shall select a chair from among its members at its first meeting.

Subd. 5. **Compensation.** Members shall be compensated and may be reimbursed for expenses as provided in Minnesota Statutes, section 15.059, subdivision 3.

Subd. 6. **Duties; plan and recommendations.** The task force shall:

(1) develop a plan to ~~phase out the payment of subminimum wages to people with disabilities by August 1, 2025~~ promote independence and increase opportunities for people with disabilities to earn competitive wages;

(2) consult with and advise the commissioner of human services on statewide plans for ~~limiting~~ reducing reliance on subminimum wages in medical assistance home and community-based services waivers under Minnesota Statutes, sections 256B.092 and 256B.49;

(3) engage with employees with disabilities paid subminimum wages and conduct community education on the payment of subminimum wages to people with disabilities in Minnesota;

(4) identify and collaborate with employees, employers, businesses, organizations, agencies, and stakeholders ~~impacted by the phase out of subminimum wage~~ on how to implement the plan and create sustainable work opportunities for employees with disabilities;

(5) propose a plan to establish and evaluate benchmarks for measuring annual progress toward ~~eliminating~~ reducing reliance on subminimum wages;

(6) propose a plan to monitor and track outcomes of employees with disabilities, including those who transition to competitive employment;

(7) identify initiatives, investment, training, and services designed to improve wages, reduce unemployment rates, and provide support and sustainable work opportunities for persons with disabilities;

(8) identify benefits to the state ~~in eliminating~~ in reducing reliance on subminimum ~~wage by August 1, 2025~~ wages;

(9) identify barriers to ~~eliminating subminimum wage by August 1, 2025~~ wages, including the cost of implementing and providing ongoing employment services, training, and support for employees with disabilities ~~and~~, the cost of paying minimum ~~wage~~ wages to employees with disabilities, and the potential impact on persons with disabilities who would be unable to find sustainable employment in the absence of a subminimum wage or who would not choose competitive employment;

(10) make recommendations to eliminate the barriers identified in clause (9); and

(11) identify and make recommendations for sustainable financial support, funding, and resources for ~~eliminating~~ reducing reliance on subminimum ~~wage by August 1, 2025~~ wages.

Subd. 7. Duties; provider reinvention grants. (a) The commissioner of human services shall establish a provider reinvention grant program to promote independence and increase opportunities for people with disabilities to earn competitive wages. The commissioner shall make the grants available to at least the following:

(1) providers of disability services under Minnesota Statutes, sections 256B.092 and 256B.49, for developing and implementing a business plan to shift the providers' business models away from paying waiver participants subminimum wages;

(2) organizations to develop peer-to-peer mentoring for people with disabilities who have successfully transitioned to earning competitive wages;

(3) organizations to facilitate provider-to-provider mentoring to promote shifting away from paying employees with disabilities a subminimum wage; and

(4) organizations to conduct family outreach and education on working with people with disabilities who are transitioning from subminimum wage employment to competitive employment.

(b) The provider reinvention grant program must be competitive. The commissioner of human services must develop criteria for evaluating responses to requests for proposals. Criteria for evaluating grant applications must be finalized no later than November 1, 2021. The commissioner

of human services shall administer grants in compliance with Minnesota Statutes, sections 16B.97 and 16B.98, and related policies set forth by the Department of Administration's Office of Grants Management.

(c) Grantees must work with the commissioner to develop their business model and, as a condition of receiving grant funds, grantees must fully phase out the use of subminimum wage by April 1, 2024, unless the grantee receives a waiver from the commissioner of human services for a demonstrated need.

(d) Of the total amount available for provider reinvention grants, the commissioner may award up to 25 percent of the grant funds to providers who have already successfully shifted their business model away from paying employees with disabilities subminimum wages to provide provider-to-provider mentoring to providers receiving a provider reinvention grant.

Subd. 8. **Report.** By February 15, 2023, the task force shall submit to the chairs and ranking minority members of the committees and divisions in the senate and house of representatives with jurisdiction over employment and wages and over health and human services a report with recommendations to ~~eliminate by August 1, 2025, the payment of subminimum wage~~ increase opportunities for people with disabilities to earn competitive wages, and any changes to statutes, laws, or rules required to implement the recommendations of the task force. The task force must include in the report a recommendation concerning continuing the task force beyond its scheduled expiration.

Subd. 9. **Administrative support.** The commissioner of human services shall provide meeting space and administrative services to the task force.

Subd. 10. **Expiration.** The task force shall conclude their duties and expire on March 31, 2024.

EFFECTIVE DATE. This section is effective the day following final enactment. The commissioner of human services must make the additional appointments required under this section within 30 days following final enactment.

Sec. 40. Laws 2022, chapter 33, section 1, subdivision 5a, is amended to read:

Subd. 5a. **Base wage index; calculations.** The base wage index must be calculated as follows:

(1) for supervisory staff, 100 percent of the median wage for community and social services specialist (SOC code 21-1099), with the exception of the supervisor of positive supports professional, positive supports analyst, and positive supports specialist, which is 100 percent of the median wage for clinical counseling and school psychologist (SOC code 19-3031);

(2) for registered nurse staff, 100 percent of the median wage for registered nurses (SOC code 29-1141);

(3) for licensed practical nurse staff, 100 percent of the median wage for licensed practical nurses (SOC code 29-2061);

(4) for residential asleep-overnight staff, the minimum wage in Minnesota for large employers, with the exception of asleep-overnight staff for family residential services, which is 36 percent of the minimum wage in Minnesota for large employers;

(5) for residential direct care staff, the sum of:

(i) 15 percent of the subtotal of 50 percent of the median wage for home health and personal care aide (SOC code 31-1120); 30 percent of the median wage for nursing assistant (SOC code 31-1131); and 20 percent of the median wage for social and human services aide (SOC code 21-1093); and

(ii) 85 percent of the subtotal of 40 percent of the median wage for home health and personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant (SOC code 31-1014); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

(6) for adult day services staff, 70 percent of the median wage for nursing assistant (SOC code 31-1131); and 30 percent of the median wage for home health and personal care aide (SOC code 31-1120);

(7) for day support services staff and prevocational services staff, 20 percent of the median wage for nursing assistant (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 60 percent of the median wage for social and human services aide (SOC code 21-1093);

(8) for positive supports analyst staff, 100 percent of the median wage for substance abuse, behavioral disorder, and mental health counselor (SOC code 21-1018);

(9) for positive supports professional staff, 100 percent of the median wage for clinical counseling and school psychologist (SOC code 19-3031);

(10) for positive supports specialist staff, 100 percent of the median wage for psychiatric technicians (SOC code 29-2053);

(11) for individualized home supports with family training staff, 20 percent of the median wage for nursing aide (SOC code 31-1131); 30 percent of the median wage for community social service specialist (SOC code 21-1099); 40 percent of the median wage for social and human services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric technician (SOC code 29-2053);

(12) for individualized home supports with training services staff, 40 percent of the median wage for community social service specialist (SOC code 21-1099); 50 percent of the median wage for social and human services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric technician (SOC code 29-2053);

(13) for employment support services staff, 50 percent of the median wage for rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for community and social services specialist (SOC code 21-1099);

(14) for employment exploration services staff, 50 percent of the median wage for ~~rehabilitation counselor (SOC code 21-1015)~~ education, guidance, school, and vocational counselors (SOC code 21-1012); and 50 percent of the median wage for community and social services specialist (SOC code 21-1099);

(15) for employment development services staff, 50 percent of the median wage for education, guidance, school, and vocational counselors (SOC code 21-1012); and 50 percent of the median wage for community and social services specialist (SOC code 21-1099);

(16) for individualized home support without training staff, 50 percent of the median wage for home health and personal care aide (SOC code 31-1120); and 50 percent of the median wage for nursing assistant (SOC code 31-1131); and

(17) for night supervision staff, 40 percent of the median wage for home health and personal care aide (SOC code 31-1120); 20 percent of the median wage for nursing assistant (SOC code 31-1131); 20 percent of the median wage for psychiatric technician (SOC code 29-2053); and 20 percent of the median wage for social and human services aide (SOC code 21-1093); ~~and~~

(18) for respite staff, ~~50 percent of the median wage for home health and personal care aide (SOC code 31-1131); and 50 percent of the median wage for nursing assistant (SOC code 31-1014).~~

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 41. Laws 2022, chapter 33, section 1, subdivision 5b, is amended to read:

Subd. 5b. **Standard component value adjustments.** The commissioner shall update the client and programming support, transportation, and program facility cost component values as required in subdivisions 6 to ~~9~~ 9 for changes in the Consumer Price Index. The commissioner shall adjust these values higher or lower, publish these updated values, and load them into the rate management system as follows:

(1) on January 1, 2022, by the percentage change in the CPI-U from the date of the previous update to the data available on December 31, 2019;

(2) on January 1, 2023, by the percentage change in the CPI-U from the date of previous update to the data available on December 31, 2021;

(3) ~~on November 1, 2024~~ January 1, 2025, by the percentage change in the CPI-U from the date of the previous update to the data available as of December 31, ~~2021~~ 2023; and

~~(3)~~ (4) ~~on July 1, 2026~~ January 1, 2027, and every two years thereafter, by the percentage change in the CPI-U from the date of the previous update to the data available ~~30~~ 12 months and one day prior to the scheduled update.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 42. Laws 2022, chapter 33, section 1, subdivision 5c, is amended to read:

Subd. 5c. **Removal of after-framework adjustments.** Any rate adjustments applied to the service rates calculated under this section outside of the cost components and rate methodology specified in this section shall be removed from rate calculations upon implementation of the updates under subdivisions 5 ~~and~~, 5b, and 5f.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 43. Laws 2022, chapter 33, section 1, subdivision 5d, is amended to read:

Subd. 5d. **Unavailable data for updates and adjustments.** If Bureau of Labor Statistics occupational codes or Consumer Price Index items specified in subdivisions 5 ~~or~~, 5b, or 5f are unavailable in the future, the commissioner shall recommend to the legislature codes or items to update and replace.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 44. Laws 2022, chapter 33, section 1, is amended by adding a subdivision to read:

Subd. 5f. **Competitive workforce factor adjustments.** (a) On January 1, 2023, and every two years thereafter, the commissioner shall update the competitive workforce factor to equal the differential between:

(1) the most recently available wage data by SOC code for the weighted average wage for direct care staff for residential services and direct care staff for day services; and

(2) the most recently available wage data by SOC code of the weighted average wage of comparable occupations.

(b) For each update of the competitive workforce factor, the update shall not decrease the competitive workforce factor by more than 2.0. If the competitive workforce factor is less than or equal to zero, then the competitive workforce factor is zero.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 45. Laws 2022, chapter 33, section 1, subdivision 10c, is amended to read:

Subd. 10c. **Reporting and analysis of competitive workforce factor.** (a) Beginning February 1, ~~2021~~ 2024, and every two years thereafter, the commissioner shall report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health and human services policy and finance an analysis of the competitive workforce factor.

(b) The report must include ~~recommendations to update the competitive workforce factor using:~~

(1) the most recently available wage data by SOC code for the weighted average wage for direct care staff for residential services and direct care staff for day services;

(2) the most recently available wage data by SOC code of the weighted average wage of comparable occupations; and

(3) workforce data as required under subdivision 10b.

~~(c) The commissioner shall not recommend an increase or decrease of the competitive workforce factor from the current value by more than two percentage points. If, after a biennial analysis for the next report, the competitive workforce factor is less than or equal to zero, the commissioner shall recommend a competitive workforce factor of zero.~~ This subdivision expires upon submission of the calendar year 2030 report.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 46. Laws 2022, chapter 40, section 6, is amended to read:

Sec. 6. COMMISSIONER OF HUMAN SERVICES; TEMPORARY STAFFING POOL; APPROPRIATION.

(a) The commissioner of human services shall establish a temporary emergency staffing pool for congregate settings and for providers or recipients of home- and community-based services experiencing staffing crises. Vendor contracts may include retention bonuses, sign-on bonuses, and payment for hours on call. The commissioner may pay for necessary training, travel, and lodging expenses of the temporary staff. Contracts for temporary staffing executed under this section: (1) should minimize the recruitment away from providers' current workforces; and (2) may not be executed with an individual until at least 30 days since the individual was last employed in Minnesota by one of the types of facilities, providers, or individuals listed in paragraph (g).

(b) Temporary staff, at the request of the commissioner, may be deployed to providers of home- and community-based services, individual recipients of home- and community-based services, and long-term care facilities and other congregate care residential facilities and programs experiencing an emergency staffing crisis on or after the effective date of this section. Temporary staff must be provided at no cost to the provider, individual recipient, facility, or program receiving the temporary staff.

(c) Members of the temporary staffing pool under this section are not state employees.

(d) The commissioner must coordinate the activities under this section with any other impacted state agencies, to appropriately prioritize locations to deploy contracted temporary staff.

(e) The commissioner must give priority for deploying staff to providers, individual recipients, facilities, and programs with the most significant staffing crises and where, but for this assistance, residents or service recipients would be at significant risk of injury due to the need to transfer to another a facility or a hospital for adequately staffed care.

(f) A provider, individual recipient, facility, or program may seek onetime assistance per setting or individual service recipient from the temporary staffing pool only after the provider, individual recipient, facility, or program has used all resources available to obtain temporary staff but is unable to meet the provider's, individual's, facility's, or program's temporary staffing needs. A provider, individual, facility, or program may apply for temporary staff for up to 21 days. Applicants must submit a proposed plan for ensuring resident safety at the end of that time period.

(g) Providers, individuals, facilities, and programs eligible to obtain temporary staff from the temporary staffing pool include:

- (1) nursing facilities;
- (2) assisted living facilities;
- (3) intermediate care facilities for persons with developmental disabilities;
- (4) adult foster care ~~or~~, community residential settings, or integrated community supports settings;
- (5) licensed substance use disorder treatment facilities;
- (6) unlicensed county-based substance use disorder treatment facilities;
- (7) licensed facilities for adults with mental illness;
- (8) licensed detoxification programs;
- (9) licensed withdrawal management programs;
- (10) licensed children's residential facilities;
- (11) licensed child foster residence settings;
- (12) unlicensed, Tribal-certified facilities that perform functions similar to the licensed facilities listed in this paragraph;
- (13) boarding care homes;
- (14) board and lodging establishments serving people with disabilities or disabling conditions;
- (15) board and lodging establishments with special services;
- (16) supervised living facilities;
- (17) supportive housing;
- (18) sober homes;
- (19) community-based halfway houses for people exiting the correctional system;
- (20) shelters serving people experiencing homelessness;

- (21) drop-in centers for people experiencing homelessness;
- (22) homeless outreach services for unsheltered individuals;
- (23) shelters for people experiencing domestic violence; ~~and~~
- (24) temporary isolation spaces for people who test positive for COVID-19;
- (25) individuals who use consumer-directed community supports;
- (26) individuals who use the personal care assistance choice program;
- (27) personal care assistance provider agencies;
- (28) individuals who use the community first services and supports budget model;
- (29) agency-providers of community first services and supports; and
- (30) providers of individualized home supports.

(h) Notwithstanding Minnesota Statutes, chapter 16C, the commissioner may maintain, extend, or renew contracts for temporary staffing entered into on or after September 1, 2020. The commissioner may also enter into new contracts with eligible entities for temporary staff deployed in the temporary staffing pool. The commissioner may use up to 6.5 percent of this funding for the commissioner's costs related to administration of this program.

(i) The commissioner shall seek all allowable FEMA reimbursement for the costs of this activity.

Sec. 47. PERSONAL CARE ASSISTANCE ENHANCED RATE FOR PERSONS WHO USE CONSUMER-DIRECTED COMMUNITY SUPPORTS.

The commissioner of human services shall increase the annual budgets for participants who use consumer-directed community supports under Minnesota Statutes, sections 256B.0913, subdivision 5, clause (17); 256B.092, subdivision 1b, paragraph (a), clause (4); 256B.49, subdivision 16, paragraph (c); and chapter 256S, by 43 percent for participants who are determined by assessment to be eligible for ten or more hours of personal care assistance services or community first services and supports per day when the participant uses direct support services provided by a worker employed by the participant who has completed training identified in Minnesota Statutes, section 256B.0659, subdivision 11, paragraph (d), or 256B.85, subdivision 16, paragraph (e).

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 48. RATE INCREASE FOR CERTAIN HOME CARE SERVICES.

(a) Effective January 1, 2023, or upon federal approval, whichever is later, the commissioner of human services shall increase payment rates for home health aide visits by 14 percent from the rates in effect on December 31, 2022. The commissioner must apply the annual rate increases under

Minnesota Statutes, section 256B.0653, subdivision 8, to the rates resulting from the application of the rate increases under this paragraph.

(b) Effective January 1, 2023, or upon federal approval, whichever is later, the commissioner shall increase payment rates for respiratory therapy under Minnesota Rules, part 9505.0295, subpart 2, item E, and for home health services and home care nursing services under Minnesota Statutes, section 256B.0651, subdivision 2, clauses (1) to (3), except home health aide visits, by 38.8 percent from the rates in effect on December 31, 2022. The commissioner must apply the annual rate increases under Minnesota Statutes, sections 256B.0653, subdivision 8, and 256B.0654, subdivision 5, to the rates resulting from the application of the rate increase under this paragraph.

Sec. 49. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; ADDITIONAL DWRS RATE INCREASES.

(a) In addition to the rate increases described in the amendments contained in this act to Minnesota Statutes, section 256B.4914, the commissioner shall further adjust the rates as described in paragraphs (b) to (f) until the net increase in the rates established under Minnesota Statutes, section 256B.4914, as amended in this act, and under this section are equivalent to a three-year appropriation of \$253,001,000 for fiscal years 2023, 2024, and 2025. The commissioner shall apply the rate changes in this section after applying other changes contained in this act. The commissioner shall apply the rate changes in this section in the order presented in the following paragraphs. If the three-year appropriation target is reached after applying the provisions of a paragraph, the commissioner shall not apply the provisions in the remaining paragraphs.

(b) Notwithstanding Minnesota Statutes, section 256B.4914, subdivision 5, paragraph (b), clause (2), as added by amendment in this act, on January 1, 2023, the commissioner shall adjust the data used to update the base wage index by using up to the most recently available wage data by SOC code from the Bureau of Labor Statistics. If the estimated cost of fully implementing the rate adjustment in this paragraph exceeds the three-year appropriation target, the commissioner shall proportionately reduce the estimated change to the wage index to reach the target.

(c) Notwithstanding Minnesota Statutes, section 256B.4914, subdivision 5b, clause (2), as added by amendment in this act, on January 1, 2023, the commissioner shall adjust the data used to update the client and programming support, transportation, and program facility cost component values by using up to the most recently available data. If the estimated cost of fully implementing the rate adjustment in this paragraph exceeds the three-year appropriation target, the commissioner shall proportionately reduce the estimated change to component values to reach the target.

(d) Notwithstanding the provision in Minnesota Statutes, section 256B.4914, subdivision 5f, paragraph (a), as added by amendment in this act, requiring a biennial update of the competitive workforce factor, on January 1, 2024, the commissioner shall update the competitive workforce factor. If the estimated cost of fully implementing the rate adjustment in this paragraph exceeds the three-year appropriation target, the commissioner shall cap the increase in the competitive workforce factor to reach the target.

(e) Notwithstanding the provision in Minnesota Statutes, section 256B.4914, subdivision 5, paragraph (b), as amended in this act, on January 1, 2024, the commissioner shall update the base wage index in Minnesota Statutes, section 256B.4914, subdivision 5a, based on the most recently

available wage data by SOC from the Bureau of Labor Statistics. If the estimated cost of fully implementing the rate adjustment in this paragraph exceeds the three-year appropriation target, the commissioner shall proportionately reduce the estimated change to component values to reach the target.

(f) Notwithstanding the provision in Minnesota Statutes, section 256B.4914, subdivision 5b, as amended in this act, on January 1, 2024, the commissioner shall update the client and programming support, transportation, and program facility cost component values based on the most recently available wage data by SOC from the Bureau of Labor Statistics. If the estimated cost of fully implementing the rate adjustment in this paragraph exceeds the three-year appropriation target, the commissioner shall proportionately reduce the estimated change to component values to reach the target.

Sec. 50. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; APPLICATION OF ICF/DD RATE INCREASES.

The commissioner of human services shall apply the rate increases under Minnesota Statutes, section 256B.5012, subdivisions 19 and 20, as follows:

(1) apply Minnesota Statutes, section 256B.5012, subdivision 19; and

(2) apply any required rate increase as required under Minnesota Statutes, section 256B.5012, subdivision 20, to the results of clause (1).

Sec. 51. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; BUDGET EXCEPTIONS FOR COMMUNITY RESIDENTIAL SETTINGS.

The commissioner of human services must take steps to inform individuals, families, and lead agencies of the amendments to Minnesota Statutes, section 256B.4911, subdivision 4, and widely disseminate easily understood instructions for quickly applying for a budget exception under that section.

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

Sec. 52. DIRECTION TO COMMISSIONER; DISABILITY WAIVER SHARED SERVICES RATES.

The commissioner of human services shall establish a rate system for shared homemaker services and shared chore services provided under Minnesota Statutes, sections 256B.092 and 256B.49. For two persons sharing services, the rate paid to a provider must not exceed 1-1/2 times the rate paid for serving a single individual, and for three persons sharing services, the rate paid to a provider must not exceed two times the rate paid for serving a single individual. These rates apply only when all of the criteria for the shared service have been met.

Sec. 53. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; SHARED SERVICES.

(a) By December 1, 2022, the commissioner of human services shall seek any necessary changes to home and community-based services waiver plans regarding sharing services in order to:

(1) permit shared services for more services, including chore, homemaker, and night supervision;

(2) permit shared services for some services for higher ratios, including individualized home supports without training, individualized home supports with training, and individualized home supports with family training for a ratio of one staff person to three recipients;

(3) ensure that individuals who are seeking to share services permitted under the waiver plans in an own-home setting are not required to live in a licensed setting in order to share services so long as all other requirements are met; and

(4) issue guidance for shared services, including:

(i) informed choice for all individuals sharing the services;

(ii) guidance for when multiple shared services by different providers occur in one home and how lead agencies and individuals shall determine that shared service is appropriate to meet the needs, health, and safety of each individual for whom the lead agency provides case management or care coordination; and

(iii) guidance clarifying that an individual's decision to share services does not reduce any determination of the individual's overall or assessed needs for services.

(b) The commissioner shall develop or provide guidance outlining:

(1) instructions for shared services support planning;

(2) person-centered approaches and informed choice in shared services support planning; and

(3) required contents of shared services agreements.

(c) The commissioner shall seek and utilize stakeholder input for any proposed changes to waiver plans and any shared services guidance.

Sec. 54. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; LIFE-SHARING SERVICES.

Subdivision 1. **Recommendations required.** The commissioner of human services shall develop recommendations for establishing life sharing as a covered medical assistance waiver service.

Subd. 2. **Definition.** For the purposes of this section, "life sharing" means a relationship-based living arrangement between an adult with a disability and an individual or family in which they share their lives and experiences while the adult with a disability receives support from the individual or family using person-centered practices.

Subd. 3. **Stakeholder engagement and consultation.** (a) The commissioner must proactively solicit participation in the development of the life-sharing medical assistance service through a robust stakeholder engagement process that results in the inclusion of a racially, culturally, and geographically diverse group of interested stakeholders from each of the following groups:

(1) providers currently providing or interested in providing life-sharing services;

(2) people with disabilities accessing or interested in accessing life-sharing services;

(3) disability advocacy organizations; and

(4) lead agencies.

(b) The commissioner must proactively seek input into and assistance with the development of recommendations for establishing the life-sharing service from interested stakeholders.

(c) The commissioner must provide a method for the commissioner and interested stakeholders to cofacilitate public meetings. The first meeting must occur before January 31, 2023. The commissioner must host the cofacilitated meetings at least monthly through December 31, 2023. All meetings must be accessible to all interested stakeholders, recorded, and posted online within one week of the meeting date.

Subd. 4. **Required topics to be discussed during development of the recommendations.** The commissioner and the interested stakeholders must discuss the following topics:

(1) the distinction between life sharing and adult family foster care;

(2) successful life-sharing models used in other states;

(3) services and supports that could be included in a life-sharing service;

(4) potential barriers to providing or accessing life-sharing services;

(5) solutions to remove identified barriers to providing or accessing life-sharing services;

(6) potential medical assistance payment methodologies for life-sharing services;

(7) expanding awareness of the life-sharing model; and

(8) draft language for legislation necessary to define and implement life-sharing services.

Subd. 5. **Report to the legislature.** By December 31, 2023, the commissioner must provide to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over direct care services a report summarizing the discussions between the commissioner and the interested stakeholders and the commissioner's recommendations. The report must also include any draft legislation necessary to define and implement life-sharing services.

Sec. 55. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; REASSESSMENT FREQUENCY.**

By January 1, 2023, the commissioner of human services shall seek federal approval to streamline medical assistance service eligibility determinations for people with disabilities by using less-frequent disability service needs assessments or streamlined annual reevaluations for people whose disability-related needs are not likely to change and less-frequent or streamlined reassessment is chosen by the participant.

Sec. 56. **REPEALER.**

Laws 2022, chapter 33, section 1, subdivision 9a, is repealed.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

ARTICLE 2

CONTINUING CARE FOR OLDER ADULTS

Section 1. Minnesota Statutes 2020, section 256R.02, subdivision 16, is amended to read:

Subd. 16. **Dietary costs.** ~~"Dietary costs" means the costs for the salaries and wages of the dietary supervisor, dietitians, chefs, cooks, dishwashers, and other employees assigned to the kitchen and dining room, and associated fringe benefits and payroll taxes. Dietary costs also includes~~ the salaries or fees of dietary consultants, dietary supplies, and food preparation and serving.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 2. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to read:

Subd. 16a. **Dietary labor costs.** "Dietary labor costs" means the costs for the salaries and wages of the dietary supervisor, dietitians, chefs, cooks, dishwashers, and other employees assigned to the kitchen and dining room, and associated fringe benefits and payroll taxes.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 3. Minnesota Statutes 2020, section 256R.02, subdivision 24, is amended to read:

Subd. 24. **Housekeeping costs.** ~~"Housekeeping costs" means the costs for the salaries and wages of the housekeeping supervisor, housekeepers, and other cleaning employees and associated fringe benefits and payroll taxes. It also includes~~ the cost of housekeeping supplies, including, but not limited to, cleaning and lavatory supplies and contract services.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 4. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to read:

Subd. 24a. **Housekeeping labor costs.** "Housekeeping labor costs" means the costs for the salaries and wages of the housekeeping supervisor, housekeepers, and other cleaning employees, and associated fringe benefits and payroll taxes.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 5. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to read:

Subd. 25b. **Known cost change factor.** "Known cost change factor" means 1.00 plus the forecasted percentage change in the CPI-U index from July 1 of the reporting period to July 1 of the rate year as determined by the national economic consultant used by the commissioner of management and budget.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 6. Minnesota Statutes 2020, section 256R.02, subdivision 26, is amended to read:

Subd. 26. **Laundry costs.** "Laundry costs" means the costs for the salaries and wages of the laundry supervisor and other laundry employees, associated fringe benefits, and payroll taxes. It also includes the costs of linen and bedding, the laundering of resident clothing, laundry supplies, and contract services.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 7. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to read:

Subd. 26a. **Laundry labor costs.** "Laundry labor costs" means the costs for the salaries and wages of the laundry supervisor and other laundry employees, and associated fringe benefits and payroll taxes.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 8. Minnesota Statutes 2020, section 256R.02, subdivision 29, is amended to read:

Subd. 29. **Maintenance and plant operations costs.** "Maintenance and plant operations costs" means the costs for the salaries and wages of the maintenance supervisor, engineers, heating plant employees, and other maintenance employees and associated fringe benefits and payroll taxes. It also includes identifiable costs for maintenance and operation of the building and grounds, including, but not limited to, fuel, electricity, medical waste and garbage removal, water, sewer, supplies, tools, and repairs.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 9. Minnesota Statutes 2020, section 256R.02, is amended by adding a subdivision to read:

Subd. 29a. **Maintenance and plant operations labor costs.** "Maintenance and plant operations labor costs" means the costs for the salaries and wages of the maintenance supervisor, engineers, heating-plant employees, and other maintenance employees, and associated fringe benefits and payroll taxes.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 10. Minnesota Statutes 2020, section 256R.02, subdivision 34, is amended to read:

Subd. 34. **Other care-related costs.** "Other care-related costs" means the sum of activities costs, other direct care costs, raw food costs, dietary labor costs, housekeeping labor costs, laundry labor costs, maintenance and plant operations labor costs, therapy costs, and social services costs.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 11. Minnesota Statutes 2020, section 256R.23, subdivision 2, is amended to read:

Subd. 2. **Calculation of direct care cost per standardized day.** Each facility's direct care cost per standardized day is the product of the facility's direct care costs and the known cost change factor, divided by the sum of the facility's standardized days. A facility's direct care cost per standardized day is the facility's cost per day for direct care services associated with a case mix index of 1.00.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 12. Minnesota Statutes 2020, section 256R.23, subdivision 3, is amended to read:

Subd. 3. **Calculation of other care-related cost per resident day.** Each facility's other care-related cost per resident day is the product of its other care-related costs and the known cost change factor, divided by the sum of the facility's resident days.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 13. Minnesota Statutes 2020, section 256R.24, subdivision 1, is amended to read:

Subdivision 1. **Determination of other operating cost per day.** Each facility's other operating cost per day is the product of its other operating costs and the known cost change factor, divided by the sum of the facility's resident days.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 14. Minnesota Statutes 2020, section 256R.25, is amended to read:

256R.25 EXTERNAL FIXED COSTS PAYMENT RATE.

- (a) The payment rate for external fixed costs is the sum of the amounts in paragraphs (b) to (o).
- (b) For a facility licensed as a nursing home, the portion related to the provider surcharge under section 256.9657 is equal to \$8.86 per resident day. For a facility licensed as both a nursing home and a boarding care home, the portion related to the provider surcharge under section 256.9657 is equal to \$8.86 per resident day multiplied by the result of its number of nursing home beds divided by its total number of licensed beds.
- (c) The portion related to the licensure fee under section 144.122, paragraph (d), is the amount of the fee divided by the sum of the facility's resident days.
- (d) The portion related to development and education of resident and family advisory councils under section 144A.33 is \$5 per resident day divided by 365.
- (e) The portion related to scholarships is determined under section 256R.37.
- (f) The portion related to planned closure rate adjustments is as determined under section 256R.40, subdivision 5, and Minnesota Statutes 2010, section 256B.436.
- (g) The portion related to consolidation rate adjustments shall be as determined under section 144A.071, subdivisions 4c, paragraph (a), clauses (5) and (6), and 4d.
- (h) The portion related to single-bed room incentives is as determined under section 256R.41.
- (i) The portions related to real estate taxes, special assessments, and payments made in lieu of real estate taxes directly identified or allocated to the nursing facility are the allowable amounts divided by the sum of the facility's resident days. Allowable costs under this paragraph for payments made by a nonprofit nursing facility that are in lieu of real estate taxes shall not exceed the amount which the nursing facility would have paid to a city or township and county for fire, police, sanitation services, and road maintenance costs had real estate taxes been levied on that property for those purposes.
- (j) The portion related to employer health insurance costs is the product of the allowable costs and the known cost change factor, divided by the sum of the facility's resident days.
- (k) The portion related to the Public Employees Retirement Association is the allowable costs divided by the sum of the facility's resident days.
- (l) The portion related to quality improvement incentive payment rate adjustments is the amount determined under section 256R.39.
- (m) The portion related to performance-based incentive payments is the amount determined under section 256R.38.
- (n) The portion related to special dietary needs is the amount determined under section 256R.51.

(o) The portion related to the rate adjustments for border city facilities is the amount determined under section 256R.481.

EFFECTIVE DATE. This section is effective for the rate year beginning January 1, 2024, or upon federal approval, whichever occurs later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 15. Minnesota Statutes 2020, section 256S.16, is amended to read:

256S.16 AUTHORIZATION OF ELDERLY WAIVER SERVICES AND SERVICE RATES.

Subdivision 1. Service rates; generally. A lead agency must use the service rates and service rate limits published by the commissioner to authorize services.

Subd. 2. Shared services; rates. The commissioner shall establish a rate system for shared homemaker services and shared chore services, based on homemaker rates for a single individual under section 256S.215, subdivisions 9 to 11, and the chore rate for a single individual under section 256S.215, subdivision 7. For two persons sharing services, the rate paid to a provider must not exceed 1-1/2 times the rate paid for serving a single individual, and for three persons sharing services, the rate paid to a provider must not exceed two times the rate paid for serving a single individual. These rates apply only when all of the criteria for the shared service have been met.

Sec. 16. Minnesota Statutes 2021 Supplement, section 256S.205, is amended to read:

256S.205 CUSTOMIZED LIVING SERVICES; DISPROPORTIONATE SHARE RATE ADJUSTMENTS.

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

(b) "Application year" means a year in which a facility submits an application for designation as a disproportionate share facility.

(c) ~~"Assisted living facility" or "facility" means an assisted living facility licensed under chapter 144G~~ "Customized living resident" means a resident of a facility who is receiving either 24-hour customized living services or customized living services authorized under the elderly waiver, the brain injury waiver, or the community access for disability inclusion waiver.

(d) "Disproportionate share facility" means ~~an assisted living~~ a facility designated by the commissioner under subdivision 4.

(e) "Facility" means either an assisted living facility licensed under chapter 144G or a setting that is exempt from assisted living licensure under section 144G.08, subdivision 7, clauses (10) to (13).

(f) "Rate year" means January 1 to December 31 of the year following an application year.

Subd. 2. Rate adjustment application. ~~An assisted living~~ A facility may apply to the commissioner for designation as a disproportionate share facility. Applications must be submitted

annually between ~~October~~ September 1 and ~~October 31~~ September 30. The applying facility must apply in a manner determined by the commissioner. The applying facility must document ~~as a percentage the census of elderly waiver participants~~ each of the following on the application:

(1) the number of customized living residents in the facility on September 1 of the application year, broken out by specific waiver program; and

(2) the total number of people residing in the facility on ~~October~~ September 1 of the application year.

Subd. 3. **Rate adjustment eligibility criteria.** Only facilities ~~with a census of at least 80 percent elderly waiver participants~~ satisfying all of the following conditions on ~~October~~ September 1 of the application year are eligible for designation as a disproportionate share facility:

(1) at least 80 percent of the residents of the facility are customized living residents; and

(2) at least 50 percent of the customized living residents are elderly waiver participants.

Subd. 4. **Designation as a disproportionate share facility.** (a) ~~By November~~ October 15 of each application year, the commissioner must designate as a disproportionate share facility a facility that complies with the application requirements of subdivision 2 and meets the eligibility criteria of subdivision 3.

(b) An annual designation is effective for one rate year.

Subd. 5. **Rate adjustment; rate floor.** (a) Notwithstanding the 24-hour customized living monthly service rate limits under section 256S.202, subdivision 2, and the component service rates established under section 256S.201, subdivision 4, the commissioner must establish a rate floor equal to ~~\$119~~ \$139 per resident per day for 24-hour customized living services provided to an elderly waiver participant in a designated disproportionate share facility ~~for the purpose of ensuring the minimal level of staffing required to meet the health and safety needs of elderly waiver participants.~~

(b) The commissioner must apply the rate floor to the services described in paragraph (a) provided during the rate year.

~~(b)~~ (c) The commissioner must adjust the rate floor at least annually in the manner described under section 256S.18, subdivisions 5 and 6.

~~(e)~~ (d) The commissioner shall not implement the rate floor under this section if the customized living rates established under sections 256S.21 to 256S.215 will be implemented at 100 percent on January 1 of the year following an application year.

Subd. 6. **Budget cap disregard.** The value of the rate adjustment under this section must not be included in an elderly waiver client's monthly case mix budget cap.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later, and applies to services provided on or after October 1, 2022, or on or after the date upon which federal approval is obtained, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 17. Minnesota Statutes 2021 Supplement, section 256S.2101, is amended to read:

256S.2101 RATE SETTING; PHASE-IN.

Subdivision 1. **Phase-in for disability waiver customized living rates.** All rates and rate components for community access for disability inclusion customized living and brain injury customized living under section 256B.4914 shall be the sum of ~~ten~~ 27.2 percent of the rates calculated under sections 256S.211 to 256S.215 and ~~90~~ 72.8 percent of the rates calculated using the rate methodology in effect as of June 30, 2017.

Subd. 2. **Phase-in for elderly waiver rates.** Except for home-delivered meals as described in section 256S.215, subdivision 15, all rates and rate components for elderly waiver, elderly waiver customized living, and elderly waiver foster care under this chapter; alternative care under section 256B.0913; and essential community supports under section 256B.0922 shall be the sum of ~~48.8~~ 27.2 percent of the rates calculated under sections 256S.211 to 256S.215, and ~~84.2~~ 72.8 percent of the rates calculated using the rate methodology in effect as of June 30, 2017. The rate for home-delivered meals shall be the sum of the service rate in effect as of January 1, 2019, and the increases described in section 256S.215, subdivision 15.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 18. **NURSING FACILITY FUNDING.**

(a) Effective July 1, 2022, through December 31, 2024, the total payment rate for all facilities reimbursed under this section must be increased by \$28.65 per resident day.

(b) To be eligible to receive a payment under this section, a nursing facility must attest to the commissioner of human services that the additional revenue will be used exclusively to increase compensation-related costs for employees directly employed by the facility on or after July 1, 2022, excluding:

(1) owners of the building and operation;

(2) persons employed in the central office of an entity that has any ownership interest in the nursing facility or exercises control over the nursing facility;

(3) persons paid by the nursing facility under a management contract; and

(4) persons providing separately billable services.

(c) Contracted housekeeping, dietary, and laundry employees providing services on site at the nursing facility are eligible for compensation-related cost increases under this section, provided the agency that employs them submits to the nursing facility proof of the costs of the increases provided to those employees.

(d) For purposes of this section, compensation-related costs include:

(1) permanent new increases to wages and salaries implemented on or after July 1, 2022, and before September 1, 2022, for nursing facility employees;

(2) permanent new increases to wages and salaries implemented on or after July 1, 2022, and before September 1, 2022, for employees in the organization's shared services departments of hospital-attached nursing facilities for the nursing facility allocated share of wages; and

(3) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, PERA, workers' compensation, and pension and employee retirement accounts directly associated with the wage and salary increases in clauses (1) and (2) incurred no later than December 31, 2024, and paid for no later than June 30, 2025.

(e) A facility that receives a rate increase under this section must complete a distribution plan in the form and manner determined by the commissioner. This plan must specify the total amount of money the facility is estimated to receive from this rate increase and how that money will be distributed to increase the allowable compensation-related costs described in paragraph (d) for employees described in paragraphs (b) and (c). This estimate must be computed by multiplying \$28.65 by the sum of the medical assistance and private pay resident days as defined in Minnesota Statutes, section 256R.02, subdivision 45, for the period beginning October 1, 2020, through September 30, 2021, dividing this sum by 365 and multiplying the result by 915. A facility must submit its distribution plan to the commissioner by October 1, 2022. The commissioner may review the distribution plan to ensure that the payment rate adjustment per resident day is used in accordance with this section. The commissioner may allow for a distribution plan amendment under exceptional circumstances to be determined at the sole discretion of the commissioner.

(f) By September 1, 2022, a facility must post the distribution plan summary and leave it posted for a period of at least six months in an area of the facility to which all employees have access. The posted distribution plan summary must be in the form and manner determined by the commissioner. The distribution plan summary must include instructions regarding how to contact the commissioner or the commissioner's representative if an employee believes the employee is covered by paragraph (b) or (c) and has not received the compensation-related increases described in paragraph (d). The instruction to such employees must include the e-mail address and telephone number that may be used by the employee to contact the commissioner's representative. The posted distribution plan summary must demonstrate how the increase in paragraph (a) received by the nursing facility from July 1, 2022, through December 1, 2024, will be used in full to pay the compensation-related costs in paragraph (d) for employees described in paragraphs (b) and (c).

(g) If the nursing facility expends less on new compensation-related costs than the amount that was made available by the rate increase in this section for that purpose, the amount of this rate adjustment must be reduced to equal the amount utilized by the facility for purposes authorized under this section. If the facility fails to post the distribution plan summary in its facility as required, fails to submit its distribution plan to the commissioner by the due date, or uses these funds for unauthorized purposes, these rate increases must be treated as an overpayment and subsequently recovered.

(h) The commissioner shall not treat payments received under this section as an applicable credit for purposes of setting total payment rates under Minnesota Statutes, chapter 256R.

Sec. 19. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; PARTIAL YEAR IMPLEMENTATION OF DISPROPORTIONATE SHARE RATE ADJUSTMENTS.

Subdivision 1. Definitions. For the purposes of this section, the definitions in Minnesota Statutes, section 256S.205, apply.

Subd. 2. Partial year implementation. (a) Notwithstanding the provisions of Minnesota Statutes, section 256S.205, subdivisions 2 to 5, regarding application dates, eligibility dates, designation dates, and payment adjustment dates, during the first partial year of implementation of the amendments in this act to Minnesota Statutes, section 256S.205, a facility may apply between July 1, 2022, and July 31, 2022, to be designated a disproportionate share facility on the basis of the conditions outlined in Minnesota Statutes, section 256S.205, subdivision 3, as of July 1, 2022. The commissioner shall designate disproportionate share facilities by August 15, 2022. Between October 1, 2022, and December 31, 2022, the commissioner shall apply the rate floor under Minnesota Statutes, section 256S.205, as amended in this act, to eligible customized living services provided in disproportionate share facilities between those dates.

Subd. 3. Rate year 2023. Beginning September 1, 2022, the timelines and dates described in Minnesota Statutes, section 256S.205, subdivisions 2 to 4, apply for the purposes of rate year 2023.

Subd. 4. Treatment of prior rate adjustments. (a) The commissioner shall apply rate adjustments required under Minnesota Statutes 2021 Supplement, section 256S.205, until September 30, 2022. Beginning October 1, 2022, the commissioner shall remove all rate adjustments required under Minnesota Statutes 2021 Supplement, section 256S.205.

(b) A disproportionate share facility receiving a rate adjustment under Minnesota Statutes 2021 Supplement, section 256S.205, as of July 1, 2022, may apply for an adjustment under this section.

EFFECTIVE DATE. (a) Subdivisions 1 to 3 are effective July 1, 2022, or upon federal approval, whichever is later, and apply to services provided on or after October 1, 2022, or on or after the date upon which federal approval is obtained, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

(b) Subdivision 4 is effective July 1, 2022.

Sec. 20. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; ELDERLY WAIVER BASE WAGE INDEX ADJUSTMENTS.

On January 1, 2023, the commissioner shall update the base wage indices in Minnesota Statutes, section 256S.212, based on the most recently available Minneapolis-St. Paul-Bloomington, MN-WI MetroSA average wage data from the Bureau of Labor Statistics.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever occurs later. The commissioner of human services shall inform the revisor of statutes when federal approval is obtained.

ARTICLE 3**HEALTH CARE**

Section 1. Minnesota Statutes 2021 Supplement, section 256B.0371, subdivision 4, is amended to read:

Subd. 4. **Dental utilization report.** (a) The commissioner shall submit an annual report beginning March 15, 2022, and ending March 15, 2026, to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance that includes the percentage for adults and children one through 20 years of age for the most recent complete calendar year receiving at least one dental visit for both fee-for-service and the prepaid medical assistance program. The report must include:

(1) statewide utilization for both fee-for-service and for the prepaid medical assistance program;

(2) utilization by county;

(3) utilization by children receiving dental services through fee-for-service and through a managed care plan or county-based purchasing plan;

(4) utilization by adults receiving dental services through fee-for-service and through a managed care plan or county-based purchasing plan.

(b) The report must also include a description of any corrective action plans required to be submitted under subdivision 2.

(c) The initial report due on March 15, 2022, must include the utilization metrics described in paragraph (a) for each of the following calendar years: 2017, 2018, 2019, and 2020.

(d) In the annual report due on March 15, 2023, and in each report due thereafter, the commissioner shall include the following:

(1) the number of dentists enrolled with the commissioner as a medical assistance dental provider and the congressional district or districts in which the dentist provides services;

(2) the number of enrolled dentists who provided fee-for-service dental services to medical assistance or MinnesotaCare patients within the previous calendar year in the following increments: one to nine patients, ten to 100 patients, and over 100 patients;

(3) the number of enrolled dentists who provided dental services to medical assistance or MinnesotaCare patients through a managed care plan or county-based purchasing plan within the previous calendar year in the following increments: one to nine patients, ten to 100 patients, and over 100 patients; and

(4) the number of dentists who provided dental services to a new patient who was enrolled in medical assistance or MinnesotaCare within the previous calendar year.

(e) The report due on March 15, 2023, must include the metrics described in paragraph (d) for each of the following years: 2017, 2018, 2019, 2020, and 2021.

Sec. 2. Minnesota Statutes 2020, section 256B.057, subdivision 9, is amended to read:

Subd. 9. **Employed persons with disabilities.** (a) Medical assistance may be paid for a person who is employed and who:

(1) but for excess earnings or assets, meets the definition of disabled under the Supplemental Security Income program;

(2) meets the asset limits in paragraph (d); and

(3) pays a premium and other obligations under paragraph (e).

(b) For purposes of eligibility, there is a \$65 earned income disregard. To be eligible for medical assistance under this subdivision, a person must have more than \$65 of earned income. Earned income must have Medicare, Social Security, and applicable state and federal taxes withheld. The person must document earned income tax withholding. Any spousal income or assets shall be disregarded for purposes of eligibility and premium determinations.

(c) After the month of enrollment, a person enrolled in medical assistance under this subdivision who:

(1) is temporarily unable to work and without receipt of earned income due to a medical condition, as verified by a physician, advanced practice registered nurse, or physician assistant; or

(2) loses employment for reasons not attributable to the enrollee, and is without receipt of earned income may retain eligibility for up to four consecutive months after the month of job loss. To receive a four-month extension, enrollees must verify the medical condition or provide notification of job loss. All other eligibility requirements must be met and the enrollee must pay all calculated premium costs for continued eligibility.

(d) For purposes of determining eligibility under this subdivision, a person's assets must not exceed \$20,000, excluding:

(1) all assets excluded under section 256B.056;

(2) retirement accounts, including individual accounts, 401(k) plans, 403(b) plans, Keogh plans, and pension plans;

(3) medical expense accounts set up through the person's employer; and

(4) spousal assets, including spouse's share of jointly held assets.

(e) All enrollees must pay a premium to be eligible for medical assistance under this subdivision, except as provided under clause (1), item (i), and clause (5).

(1) An enrollee must pay ~~the greater of a \$35 premium or the premium calculated based on by applying the following sliding premium fee scale to the person's gross earned and unearned income and the applicable family size using a sliding fee scale established by the commissioner, which begins at one percent of income at 100 percent of the federal poverty guidelines and increases to~~

~~7.5 percent of income for those with incomes at or above 300 percent of the federal poverty guidelines.:~~

(i) for enrollees with income less than 200 percent of federal poverty guidelines, the premium shall be zero percent of income;

(ii) for enrollees with income from 200 to 250 percent of federal poverty guidelines, the sliding premium fee scale shall begin at zero percent of income and increase to 2.5 percent;

(iii) for enrollees with income from 250 to 300 percent of federal poverty guidelines, the sliding premium fee scale shall begin at 2.5 percent of income and increase to 4.5 percent;

(iv) for enrollees with income from 300 to 400 percent of federal poverty guidelines, the sliding premium fee scale shall begin at 4.5 percent of income and increase to six percent;

(v) for enrollees with income from 400 to 500 percent of federal poverty guidelines, the sliding premium fee scale shall begin at six percent of income and increase to 7.5 percent; and

(vi) for enrollees with income greater than 500 percent of federal poverty guidelines, the premium shall be 7.5 percent of income.

(2) Annual adjustments in the premium schedule based upon changes in the federal poverty guidelines shall be effective for premiums due in July of each year.

(3) All enrollees who receive unearned income must pay one-half of one percent of unearned income in addition to the premium amount, except as provided under clause (5).

(4) Increases in benefits under title II of the Social Security Act shall not be counted as income for purposes of this subdivision until July 1 of each year.

(5) Effective July 1, 2009, American Indians are exempt from paying premiums as required by section 5006 of the American Recovery and Reinvestment Act of 2009, Public Law 111-5. For purposes of this clause, an American Indian is any person who meets the definition of Indian according to Code of Federal Regulations, title 42, section 447.50.

(f) A person's eligibility and premium shall be determined by the local county agency. Premiums must be paid to the commissioner. All premiums are dedicated to the commissioner.

(g) Any required premium shall be determined at application and redetermined at the enrollee's six-month income review or when a change in income or household size is reported. Enrollees must report any change in income or household size within ten days of when the change occurs. A decreased premium resulting from a reported change in income or household size shall be effective the first day of the next available billing month after the change is reported. Except for changes occurring from annual cost-of-living increases, a change resulting in an increased premium shall not affect the premium amount until the next six-month review.

(h) Premium payment is due upon notification from the commissioner of the premium amount required. Premiums may be paid in installments at the discretion of the commissioner.

(i) Nonpayment of the premium shall result in denial or termination of medical assistance unless the person demonstrates good cause for nonpayment. "Good cause" means an excuse for the enrollee's failure to pay the required premium when due because the circumstances were beyond the enrollee's control or not reasonably foreseeable. The commissioner shall determine whether good cause exists based on the weight of the supporting evidence submitted by the enrollee to demonstrate good cause. Except when an installment agreement is accepted by the commissioner, all persons disenrolled for nonpayment of a premium must pay any past due premiums as well as current premiums due prior to being reenrolled. Nonpayment shall include payment with a returned, refused, or dishonored instrument. The commissioner may require a guaranteed form of payment as the only means to replace a returned, refused, or dishonored instrument.

(j) For enrollees whose income does not exceed 200 percent of the federal poverty guidelines and who are also enrolled in Medicare, the commissioner shall reimburse the enrollee for Medicare Part B premiums under section 256B.0625, subdivision 15, paragraph (a).

Sec. 3. Minnesota Statutes 2020, section 256B.0625, is amended by adding a subdivision to read:

Subd. 13k. **Vaccines and laboratory tests provided by pharmacists.** (a) Medical assistance covers vaccines initiated, ordered, or administered by a licensed pharmacist, according to the requirements of section 151.01, subdivision 27, clause (6), at no less than the rate for which the same services are covered when provided by any other licensed practitioner.

(b) Medical assistance covers laboratory tests ordered and performed by a licensed pharmacist, according to the requirements of section 151.01, subdivision 27, clause (3), at no less than the rate for which the same services are covered when provided by any other licensed practitioner.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 4. Minnesota Statutes 2021 Supplement, section 256B.0625, subdivision 17, is amended to read:

Subd. 17. **Transportation costs.** (a) "Nonemergency medical transportation service" means motor vehicle transportation provided by a public or private person that serves Minnesota health care program beneficiaries who do not require emergency ambulance service, as defined in section 144E.001, subdivision 3, to obtain covered medical services.

(b) Medical assistance covers medical transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by eligible persons in obtaining emergency or nonemergency medical care when paid directly to an ambulance company, nonemergency medical transportation company, or other recognized providers of transportation services. Medical transportation must be provided by:

(1) nonemergency medical transportation providers who meet the requirements of this subdivision;

(2) ambulances, as defined in section 144E.001, subdivision 2;

(3) taxicabs that meet the requirements of this subdivision;

(4) public transit, as defined in section 174.22, subdivision 7; or

(5) not-for-hire vehicles, including volunteer drivers, as defined in section 65B.472, subdivision 1, paragraph (h).

(c) Medical assistance covers nonemergency medical transportation provided by nonemergency medical transportation providers enrolled in the Minnesota health care programs. All nonemergency medical transportation providers must comply with the operating standards for special transportation service as defined in sections 174.29 to 174.30 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the commissioner and reported on the claim as the individual who provided the service. All nonemergency medical transportation providers shall bill for nonemergency medical transportation services in accordance with Minnesota health care programs criteria. Publicly operated transit systems, volunteers, and not-for-hire vehicles are exempt from the requirements outlined in this paragraph.

(d) An organization may be terminated, denied, or suspended from enrollment if:

(1) the provider has not initiated background studies on the individuals specified in section 174.30, subdivision 10, paragraph (a), clauses (1) to (3); or

(2) the provider has initiated background studies on the individuals specified in section 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

(i) the commissioner has sent the provider a notice that the individual has been disqualified under section 245C.14; and

(ii) the individual has not received a disqualification set-aside specific to the special transportation services provider under sections 245C.22 and 245C.23.

(e) The administrative agency of nonemergency medical transportation must:

(1) adhere to the policies defined by the commissioner in consultation with the Nonemergency Medical Transportation Advisory Committee;

(2) pay nonemergency medical transportation providers for services provided to Minnesota health care programs beneficiaries to obtain covered medical services;

(3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled trips, and number of trips by mode; and

(4) by July 1, 2016, in accordance with subdivision 18e, utilize a web-based single administrative structure assessment tool that meets the technical requirements established by the commissioner, reconciles trip information with claims being submitted by providers, and ensures prompt payment for nonemergency medical transportation services.

(f) Until the commissioner implements the single administrative structure and delivery system under subdivision 18e, clients shall obtain their level-of-service certificate from the commissioner

or an entity approved by the commissioner that does not dispatch rides for clients using modes of transportation under paragraph (i), clauses (4), (5), (6), and (7).

(g) The commissioner may use an order by the recipient's attending physician, advanced practice registered nurse, or a medical or mental health professional to certify that the recipient requires nonemergency medical transportation services. Nonemergency medical transportation providers shall perform driver-assisted services for eligible individuals, when appropriate. Driver-assisted service includes passenger pickup at and return to the individual's residence or place of business, assistance with admittance of the individual to the medical facility, and assistance in passenger securement or in securing of wheelchairs, child seats, or stretchers in the vehicle.

Nonemergency medical transportation providers must take clients to the health care provider using the most direct route, and must not exceed 30 miles for a trip to a primary care provider or 60 miles for a trip to a specialty care provider, unless the client receives authorization from the local agency.

Nonemergency medical transportation providers may not bill for separate base rates for the continuation of a trip beyond the original destination. Nonemergency medical transportation providers must maintain trip logs, which include pickup and drop-off times, signed by the medical provider or client, whichever is deemed most appropriate, attesting to mileage traveled to obtain covered medical services. Clients requesting client mileage reimbursement must sign the trip log attesting mileage traveled to obtain covered medical services.

(h) The administrative agency shall use the level of service process established by the commissioner in consultation with the Nonemergency Medical Transportation Advisory Committee to determine the client's most appropriate mode of transportation. If public transit or a certified transportation provider is not available to provide the appropriate service mode for the client, the client may receive a onetime service upgrade.

(i) The covered modes of transportation are:

(1) client reimbursement, which includes client mileage reimbursement provided to clients who have their own transportation, or to family or an acquaintance who provides transportation to the client;

(2) volunteer transport, which includes transportation by volunteers using their own vehicle;

(3) unassisted transport, which includes transportation provided to a client by a taxicab or public transit. If a taxicab or public transit is not available, the client can receive transportation from another nonemergency medical transportation provider;

(4) assisted transport, which includes transport provided to clients who require assistance by a nonemergency medical transportation provider;

(5) lift-equipped/ramp transport, which includes transport provided to a client who is dependent on a device and requires a nonemergency medical transportation provider with a vehicle containing a lift or ramp;

(6) protected transport, which includes transport provided to a client who has received a prescreening that has deemed other forms of transportation inappropriate and who requires a provider: (i) with a protected vehicle that is not an ambulance or police car and has safety locks, a video recorder, and a transparent thermoplastic partition between the passenger and the vehicle driver; and (ii) who is certified as a protected transport provider; and

(7) stretcher transport, which includes transport for a client in a prone or supine position and requires a nonemergency medical transportation provider with a vehicle that can transport a client in a prone or supine position.

(j) The local agency shall be the single administrative agency and shall administer and reimburse for modes defined in paragraph (i) according to paragraphs (m) and (n) when the commissioner has developed, made available, and funded the web-based single administrative structure, assessment tool, and level of need assessment under subdivision 18e. The local agency's financial obligation is limited to funds provided by the state or federal government.

(k) The commissioner shall:

(1) in consultation with the Nonemergency Medical Transportation Advisory Committee, verify that the mode and use of nonemergency medical transportation is appropriate;

(2) verify that the client is going to an approved medical appointment; and

(3) investigate all complaints and appeals.

(l) The administrative agency shall pay for the services provided in this subdivision and seek reimbursement from the commissioner, if appropriate. As vendors of medical care, local agencies are subject to the provisions in section 256B.041, the sanctions and monetary recovery actions in section 256B.064, and Minnesota Rules, parts 9505.2160 to 9505.2245.

(m) Payments for nonemergency medical transportation must be paid based on the client's assessed mode under paragraph (h), not the type of vehicle used to provide the service. The medical assistance reimbursement rates for nonemergency medical transportation services that are payable by or on behalf of the commissioner for nonemergency medical transportation services are:

(1) \$0.22 per mile for client reimbursement;

(2) up to 100 percent of the Internal Revenue Service business deduction rate for volunteer transport;

(3) equivalent to the standard fare for unassisted transport when provided by public transit, and ~~\$14~~ \$12.93 for the base rate and ~~\$1.30~~ \$1.53 per mile when provided by a nonemergency medical transportation provider;

(4) ~~\$13~~ \$15.30 for the base rate and ~~\$1.30~~ \$1.53 per mile for assisted transport;

(5) ~~\$18~~ \$21.15 for the base rate and ~~\$1.55~~ \$1.82 per mile for lift-equipped/ramp transport;

(6) \$75 for the base rate and \$2.40 per mile for protected transport; and

(7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for an additional attendant if deemed medically necessary.

(n) The base rate for nonemergency medical transportation services in areas defined under RUCA to be super rural is equal to 111.3 percent of the respective base rate in paragraph (m), clauses (1) to (7). The mileage rate for nonemergency medical transportation services in areas defined under RUCA to be rural or super rural areas is:

(1) for a trip equal to 17 miles or less, equal to 125 percent of the respective mileage rate in paragraph (m), clauses (1) to (7); and

(2) for a trip between 18 and 50 miles, equal to 112.5 percent of the respective mileage rate in paragraph (m), clauses (1) to (7).

(o) For purposes of reimbursement rates for nonemergency medical transportation services under paragraphs (m) and (n), the zip code of the recipient's place of residence shall determine whether the urban, rural, or super rural reimbursement rate applies.

(p) For purposes of this subdivision, "rural urban commuting area" or "RUCA" means a census-tract based classification system under which a geographical area is determined to be urban, rural, or super rural.

(q) The commissioner, when determining reimbursement rates for nonemergency medical transportation under paragraphs (m) and (n), shall exempt all modes of transportation listed under paragraph (i) from Minnesota Rules, part 9505.0445, item R, subitem (2).

(r) Effective for the first day of each calendar quarter in which the price of gasoline as posted publicly by the United States Energy Information Administration exceeds \$3.00 per gallon, the commissioner shall adjust the rate paid per mile in paragraph (m) by one percent up or down for every increase or decrease of ten cents for the price of gasoline. The increase or decrease must be calculated using a base gasoline price of \$3.00. The percentage increase or decrease must be calculated using the average of the most recently available price of all grades of gasoline for Minnesota as posted publicly by the United States Energy Information Administration.

Sec. 5. Minnesota Statutes 2020, section 256B.0625, subdivision 17a, is amended to read:

Subd. 17a. Payment for ambulance services. (a) Medical assistance covers ambulance services. Providers shall bill ambulance services according to Medicare criteria. Nonemergency ambulance services shall not be paid as emergencies. Effective for services rendered on or after July 1, 2001, medical assistance payments for ambulance services shall be paid at the Medicare reimbursement rate or at the medical assistance payment rate in effect on July 1, 2000, whichever is greater.

(b) Effective for services provided on or after July 1, 2016, medical assistance payment rates for ambulance services identified in this paragraph are increased by five percent. Capitation payments made to managed care plans and county-based purchasing plans for ambulance services provided on or after January 1, 2017, shall be increased to reflect this rate increase. The increased rate described in this paragraph applies to ambulance service providers whose base of operations as defined in section 144E.10 is located:

(1) outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or

(2) within a municipality with a population of less than 1,000.

(c) Effective for the first day of each calendar quarter in which the price of gasoline as posted publicly by the United States Energy Information Administration exceeds \$3.00 per gallon, the commissioner shall adjust the rate paid per mile in paragraphs (a) and (b) by one percent up or down for every increase or decrease of ten cents for the price of gasoline. The increase or decrease must be calculated using a base gasoline price of \$3.00. The percentage increase or decrease must be calculated using the average of the most recently available price of all grades of gasoline for Minnesota as posted publicly by the United States Energy Information Administration.

Sec. 6. Minnesota Statutes 2021 Supplement, section 256B.69, subdivision 9f, is amended to read:

Subd. 9f. **Annual report on provider reimbursement rates.** (a) The commissioner, by December 15 of each year, ~~beginning December 15, 2021,~~ shall submit to the chairs and ranking minority members of the legislative committees with jurisdiction over health care policy and finance a report on managed care and county-based purchasing plan provider reimbursement rates.

(b) The report must include, for each managed care and county-based purchasing plan, the mean and median provider reimbursement rates by county for the calendar year preceding the reporting year, for the five most common billing codes statewide across all plans, in each of the following provider service categories if within the county there are more than three medical assistance enrolled providers providing the specific service within the specific category:

- (1) physician prenatal services;
- (2) physician preventive services;
- (3) physician services other than prenatal or preventive;
- (4) dental services;
- (5) inpatient hospital services;
- (6) outpatient hospital services; ~~and~~
- (7) mental health services; and
- (8) substance use disorder services.

(c) The commissioner shall also include in the report:

(1) the mean and median reimbursement rates across all plans by county for the calendar year preceding the reporting year for the billing codes and provider service categories described in paragraph (b); and

(2) the mean and median fee-for-service reimbursement rates by county for the calendar year preceding the reporting year for the billing codes and provider service categories described in paragraph (b).

Sec. 7. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; ENTERAL NUTRITION AND SUPPLIES.

Notwithstanding Minnesota Statutes, section 256B.766, paragraph (i), but subject to Minnesota Statutes, section 256B.766, paragraph (l), effective for dates of service on or after the effective date of this section through June 30, 2023, the commissioner of human services shall not adjust rates paid for enteral nutrition and supplies.

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

Sec. 8. TEMPORARY TELEPHONE-ONLY TELEHEALTH AUTHORIZATION.

Beginning July 1, 2021, and until the COVID-19 federal public health emergency ends or July 1, 2023, whichever is earlier, telehealth visits, as described in Minnesota Statutes, section 256B.0625, subdivision 3b, provided through telephone may satisfy the face-to-face requirements for reimbursement under the payment methods that apply to a federally qualified health center, rural health clinic, Indian health service, 638 Tribal clinic, and certified community behavioral health clinic, if the service would have otherwise qualified for payment if performed in person.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2021, and expires when the COVID-19 federal public health emergency ends or July 1, 2023, whichever is earlier. The commissioner of human services shall notify the revisor of statutes when this section expires.

ARTICLE 4

BEHAVIORAL HEALTH

Section 1. Minnesota Statutes 2020, section 13.46, subdivision 7, is amended to read:

Subd. 7. **Mental health data.** (a) Mental health data are private data on individuals and shall not be disclosed, except:

(1) pursuant to section 13.05, as determined by the responsible authority for the community mental health center, mental health division, or provider;

(2) pursuant to court order;

(3) pursuant to a statute specifically authorizing access to or disclosure of mental health data or as otherwise provided by this subdivision;

(4) to personnel of the welfare system working in the same program or providing services to the same individual or family to the extent necessary to coordinate services, provided that a health record may be disclosed only as provided under section 144.293;

(5) to a health care provider governed by sections 144.291 to 144.298, to the extent necessary to coordinate services; or

(6) with the consent of the client or patient.

(b) An agency of the welfare system may not require an individual to consent to the release of mental health data as a condition for receiving services or for reimbursing a community mental health center, mental health division of a county, or provider under contract to deliver mental health services.

(c) Notwithstanding section 245.69, subdivision 2, paragraph (f), or any other law to the contrary, ~~the responsible authority~~ for a community mental health center, mental health division of a county, or a mental health provider must disclose mental health data to a law enforcement agency if the law enforcement agency provides the name of a client or patient and communicates that the:

(1) ~~client or patient is currently involved in an emergency interaction with a mental health crisis as defined in section 256B.0624, subdivision 2, paragraph (j), to which the law enforcement agency has responded;~~ and

(2) data is necessary to protect the health or safety of the client or patient or of another person.

The scope of disclosure under this paragraph is limited to the minimum necessary for law enforcement to safely respond to the emergency mental health crisis. Disclosure under this paragraph may include, ~~but is not limited to,~~ the name and telephone number of the psychiatrist, psychologist, therapist, mental health professional, practitioner, or case manager of the client or patient, if known; and strategies to address the mental health crisis. A law enforcement agency that obtains mental health data under this paragraph shall maintain a record of the requestor, the provider of the ~~information~~ data, and the client or patient name. Mental health data obtained by a law enforcement agency under this paragraph are private data on individuals and must not be used by the law enforcement agency for any other purpose. A law enforcement agency that obtains mental health data under this paragraph shall inform the subject of the data that mental health data was obtained.

(d) In the event of a request under paragraph (a), clause (6), a community mental health center, county mental health division, or provider must release mental health data to Criminal Mental Health Court personnel in advance of receiving a copy of a consent if the Criminal Mental Health Court personnel communicate that the:

(1) client or patient is a defendant in a criminal case pending in the district court;

(2) data being requested is limited to information that is necessary to assess whether the defendant is eligible for participation in the Criminal Mental Health Court; and

(3) client or patient has consented to the release of the mental health data and a copy of the consent will be provided to the community mental health center, county mental health division, or provider within 72 hours of the release of the data.

For purposes of this paragraph, "Criminal Mental Health Court" refers to a specialty criminal calendar of the Hennepin County District Court for defendants with mental illness and brain injury where a primary goal of the calendar is to assess the treatment needs of the defendants and to incorporate those treatment needs into voluntary case disposition plans. The data released pursuant to this paragraph may be used for the sole purpose of determining whether the person is eligible for participation in mental health court. This paragraph does not in any way limit or otherwise extend

the rights of the court to obtain the release of mental health data pursuant to court order or any other means allowed by law.

Sec. 2. Minnesota Statutes 2020, section 62N.25, subdivision 5, is amended to read:

Subd. 5. **Benefits.** Community integrated service networks must offer the health maintenance organization benefit set, as defined in chapter 62D, and other laws applicable to entities regulated under chapter 62D. Community networks and chemical dependency facilities under contract with a community network shall use the assessment criteria in ~~Minnesota Rules, parts 9530.6600 to 9530.6655,~~ section 245G.05 when assessing enrollees for chemical dependency treatment.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 3. Minnesota Statutes 2020, section 62Q.1055, is amended to read:

62Q.1055 CHEMICAL DEPENDENCY.

All health plan companies shall use the assessment criteria in ~~Minnesota Rules, parts 9530.6600 to 9530.6655,~~ section 245G.05 when assessing and ~~placing~~ treating enrollees for chemical dependency treatment.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 4. Minnesota Statutes 2020, section 62Q.47, is amended to read:

62Q.47 ALCOHOLISM, MENTAL HEALTH, AND CHEMICAL DEPENDENCY SERVICES.

(a) All health plans, as defined in section 62Q.01, that provide coverage for alcoholism, mental health, or chemical dependency services, must comply with the requirements of this section.

(b) Cost-sharing requirements and benefit or service limitations for outpatient mental health and outpatient chemical dependency and alcoholism services, except for persons ~~placed in seeking~~ placed in seeking chemical dependency services under ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ section 245G.05, must not place a greater financial burden on the insured or enrollee, or be more restrictive than those requirements and limitations for outpatient medical services.

(c) Cost-sharing requirements and benefit or service limitations for inpatient hospital mental health and inpatient hospital and residential chemical dependency and alcoholism services, except for persons ~~placed in seeking~~ placed in seeking chemical dependency services under ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ section 245G.05, must not place a greater financial burden on the insured or enrollee, or be more restrictive than those requirements and limitations for inpatient hospital medical services.

(d) A health plan company must not impose an NQTL with respect to mental health and substance use disorders in any classification of benefits unless, under the terms of the health plan as written and in operation, any processes, strategies, evidentiary standards, or other factors used in applying the NQTL to mental health and substance use disorders in the classification are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards, or other factors used in applying the NQTL with respect to medical and surgical benefits in the same classification.

(e) All health plans must meet the requirements of the federal Mental Health Parity Act of 1996, Public Law 104-204; Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008; the Affordable Care Act; and any amendments to, and federal guidance or regulations issued under, those acts.

(f) The commissioner may require information from health plan companies to confirm that mental health parity is being implemented by the health plan company. Information required may include comparisons between mental health and substance use disorder treatment and other medical conditions, including a comparison of prior authorization requirements, drug formulary design, claim denials, rehabilitation services, and other information the commissioner deems appropriate.

(g) Regardless of the health care provider's professional license, if the service provided is consistent with the provider's scope of practice and the health plan company's credentialing and contracting provisions, mental health therapy visits and medication maintenance visits shall be considered primary care visits for the purpose of applying any enrollee cost-sharing requirements imposed under the enrollee's health plan.

(h) By June 1 of each year, beginning June 1, 2021, the commissioner of commerce, in consultation with the commissioner of health, shall submit a report on compliance and oversight to the chairs and ranking minority members of the legislative committees with jurisdiction over health and commerce. The report must:

(1) describe the commissioner's process for reviewing health plan company compliance with United States Code, title 42, section 18031(j), any federal regulations or guidance relating to compliance and oversight, and compliance with this section and section 62Q.53;

(2) identify any enforcement actions taken by either commissioner during the preceding 12-month period regarding compliance with parity for mental health and substance use disorders benefits under state and federal law, summarizing the results of any market conduct examinations. The summary must include: (i) the number of formal enforcement actions taken; (ii) the benefit classifications examined in each enforcement action; and (iii) the subject matter of each enforcement action, including quantitative and nonquantitative treatment limitations;

(3) detail any corrective action taken by either commissioner to ensure health plan company compliance with this section, section 62Q.53, and United States Code, title 42, section 18031(j); and

(4) describe the information provided by either commissioner to the public about alcoholism, mental health, or chemical dependency parity protections under state and federal law.

The report must be written in nontechnical, readily understandable language and must be made available to the public by, among other means as the commissioners find appropriate, posting the report on department websites. Individually identifiable information must be excluded from the report, consistent with state and federal privacy protections.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 5. Minnesota Statutes 2020, section 144.294, subdivision 2, is amended to read:

Subd. 2. **Disclosure to law enforcement agency.** Notwithstanding section 144.293, subdivisions 2 and 4, a provider must disclose health records relating to a patient's mental health to a law enforcement agency if the law enforcement agency provides the name of the patient and communicates that the:

(1) patient is currently involved in ~~an emergency interaction with~~ a mental health crisis as defined in section 256B.0624, subdivision 2, paragraph (j), to which the law enforcement agency has responded; and

(2) disclosure of the records is necessary to protect the health or safety of the patient or of another person.

The scope of disclosure under this subdivision is limited to the minimum necessary for law enforcement to safely respond to the emergency mental health crisis. The disclosure may include the name and telephone number of the psychiatrist, psychologist, therapist, mental health professional, practitioner, or case manager of the patient, if known; and strategies to address the mental health crisis. A law enforcement agency that obtains health records under this subdivision shall maintain a record of the requestor, the provider of the information, and the patient's name. Health records obtained by a law enforcement agency under this subdivision are private data on individuals as defined in section 13.02, subdivision 12, and must not be used by law enforcement for any other purpose. A law enforcement agency that obtains health records under this subdivision shall inform the patient that health records were obtained.

Sec. 6. Minnesota Statutes 2020, section 169A.70, subdivision 3, is amended to read:

Subd. 3. **Assessment report.** (a) The assessment report must be on a form prescribed by the commissioner and shall contain an evaluation of the convicted defendant concerning the defendant's prior traffic and criminal record, characteristics and history of alcohol and chemical use problems, and amenability to rehabilitation through the alcohol safety program. The report is classified as private data on individuals as defined in section 13.02, subdivision 12.

(b) The assessment report must include:

(1) a diagnosis of the nature of the offender's chemical and alcohol involvement;

(2) an assessment of the severity level of the involvement;

(3) a recommended level of care for the offender in accordance with the criteria contained in ~~rules adopted by the commissioner of human services under section 254A.03, subdivision 3 (chemical dependency treatment rules)~~ section 245G.05;

(4) an assessment of the offender's placement needs;

(5) recommendations for other appropriate remedial action or care, including aftercare services in section 254B.01, subdivision 3, that may consist of educational programs, one-on-one counseling, a program or type of treatment that addresses mental health concerns, or a combination of them; and

(6) a specific explanation why no level of care or action was recommended, if applicable.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 7. Minnesota Statutes 2020, section 169A.70, subdivision 4, is amended to read:

Subd. 4. **Assessor standards; rules; assessment time limits.** A chemical use assessment required by this section must be conducted by an assessor appointed by the court. The assessor must meet the training and qualification requirements of ~~rules adopted by the commissioner of human services under section 254A.03, subdivision 3 (chemical dependency treatment rules)~~ section 245G.11, subdivisions 1 and 5. Notwithstanding section 13.82 (law enforcement data), the assessor shall have access to any police reports, laboratory test results, and other law enforcement data relating to the current offense or previous offenses that are necessary to complete the evaluation. ~~An assessor providing an assessment under this section may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider, except as authorized under section 254A.19, subdivision 3. If an independent assessor is not available, the court may use the services of an assessor authorized to perform assessments for the county social services agency under a variance granted under rules adopted by the commissioner of human services under section 254A.03, subdivision 3.~~ An appointment for the defendant to undergo the assessment must be made by the court, a court services probation officer, or the court administrator as soon as possible but in no case more than one week after the defendant's court appearance. The assessment must be completed no later than three weeks after the defendant's court appearance. If the assessment is not performed within this time limit, the county where the defendant is to be sentenced shall perform the assessment. The county of financial responsibility must be determined under chapter 256G.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 8. Minnesota Statutes 2021 Supplement, section 245.4889, subdivision 1, is amended to read:

Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to make grants from available appropriations to assist:

- (1) counties;
- (2) Indian tribes;
- (3) children's collaboratives under section 124D.23 or 245.493; or
- (4) mental health service providers.

(b) The following services are eligible for grants under this section:

- (1) services to children with emotional disturbances as defined in section 245.4871, subdivision 15, and their families;
- (2) transition services under section 245.4875, subdivision 8, for young adults under age 21 and their families;
- (3) respite care services for children with emotional disturbances or severe emotional disturbances who are at risk of out-of-home placement or already in out-of-home placement in family foster settings as defined in chapter 245A and at risk of change in out-of-home placement or placement

in a residential facility or other higher level of care. Allowable activities and expenses for respite care services are defined under subdivision 4. A child is not required to have case management services to receive respite care services;

(4) children's mental health crisis services;

(5) mental health services for people from cultural and ethnic minorities, including supervision of clinical trainees who are Black, indigenous, or people of color;

(6) children's mental health screening and follow-up diagnostic assessment and treatment;

(7) services to promote and develop the capacity of providers to use evidence-based practices in providing children's mental health services;

(8) school-linked mental health services under section 245.4901;

(9) building evidence-based mental health intervention capacity for children birth to age five;

(10) suicide prevention and counseling services that use text messaging statewide;

(11) mental health first aid training;

(12) training for parents, collaborative partners, and mental health providers on the impact of adverse childhood experiences and trauma and development of an interactive website to share information and strategies to promote resilience and prevent trauma;

(13) transition age services to develop or expand mental health treatment and supports for adolescents and young adults 26 years of age or younger;

(14) early childhood mental health consultation;

(15) evidence-based interventions for youth at risk of developing or experiencing a first episode of psychosis, and a public awareness campaign on the signs and symptoms of psychosis;

(16) psychiatric consultation for primary care practitioners; and

(17) providers to begin operations and meet program requirements when establishing a new children's mental health program. These may be start-up grants.

(c) Services under paragraph (b) must be designed to help each child to function and remain with the child's family in the community and delivered consistent with the child's treatment plan. Transition services to eligible young adults under this paragraph must be designed to foster independent living in the community.

(d) As a condition of receiving grant funds, a grantee shall obtain all available third-party reimbursement sources, if applicable.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 9. Minnesota Statutes 2020, section 245.4889, is amended by adding a subdivision to read:

Subd. 4. **Respite care services.** Respite care services under subdivision 1, paragraph (b), clause (3), include hourly or overnight stays at a licensed foster home or with a qualified and approved family member or friend and may occur at a child's or provider's home. Respite care services may also include the following activities and expenses:

(1) recreational, sport, and nonsport extracurricular activities and programs for the child including camps, clubs, lessons, group outings, sports, or other activities and programs;

(2) family activities, camps, and retreats that the family does together and provide a break from the family's circumstance;

(3) cultural programs and activities for the child and family designed to address the unique needs of individuals who share a common language, racial, ethnic, or social background; and

(4) costs of transportation, food, supplies, and equipment directly associated with approved respite care services and expenses necessary for the child and family to access and participate in respite care services.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 10. Minnesota Statutes 2020, section 245F.03, is amended to read:

245F.03 APPLICATION.

(a) This chapter establishes minimum standards for withdrawal management programs licensed by the commissioner that serve one or more unrelated persons.

(b) This chapter does not apply to a withdrawal management program licensed as a hospital under sections 144.50 to 144.581. A withdrawal management program located in a hospital licensed under sections 144.50 to 144.581 that chooses to be licensed under this chapter is deemed to be in compliance with section 245F.13.

~~(c) Minnesota Rules, parts 9530.6600 to 9530.6655, do not apply to withdrawal management programs licensed under this chapter.~~

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 11. Minnesota Statutes 2020, section 245G.05, subdivision 2, is amended to read:

Subd. 2. **Assessment summary.** (a) An alcohol and drug counselor must complete an assessment summary within three calendar days from the day of service initiation for a residential program and within three calendar days on which a treatment session has been provided from the day of service initiation for a client in a nonresidential program. The comprehensive assessment summary is complete upon a qualified staff member's dated signature. If the comprehensive assessment is used to authorize the treatment service, the alcohol and drug counselor must prepare an assessment summary on the same date the comprehensive assessment is completed. If the comprehensive assessment and assessment summary are to authorize treatment services, the assessor must determine appropriate level of care and services for the client using the ~~dimensions in Minnesota Rules, part 9530.6622~~ criteria established in section 254B.04, subdivision 4, and document the recommendations.

(b) An assessment summary must include:

- (1) a risk description according to section 245G.05 for each dimension listed in paragraph (c);
- (2) a narrative summary supporting the risk descriptions; and
- (3) a determination of whether the client has a substance use disorder.

(c) An assessment summary must contain information relevant to treatment service planning and recorded in the dimensions in clauses (1) to (6). The license holder must consider:

(1) Dimension 1, acute intoxication/withdrawal potential; the client's ability to cope with withdrawal symptoms and current state of intoxication;

(2) Dimension 2, biomedical conditions and complications; the degree to which any physical disorder of the client would interfere with treatment for substance use, and the client's ability to tolerate any related discomfort. The license holder must determine the impact of continued substance use on the unborn child, if the client is pregnant;

(3) Dimension 3, emotional, behavioral, and cognitive conditions and complications; the degree to which any condition or complication is likely to interfere with treatment for substance use or with functioning in significant life areas and the likelihood of harm to self or others;

(4) Dimension 4, readiness for change; the support necessary to keep the client involved in treatment service;

(5) Dimension 5, relapse, continued use, and continued problem potential; the degree to which the client recognizes relapse issues and has the skills to prevent relapse of either substance use or mental health problems; and

(6) Dimension 6, recovery environment; whether the areas of the client's life are supportive of or antagonistic to treatment participation and recovery.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 12. Minnesota Statutes 2020, section 245G.22, subdivision 2, is amended to read:

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

(b) "Diversion" means the use of a medication for the treatment of opioid addiction being diverted from intended use of the medication.

(c) "Guest dose" means administration of a medication used for the treatment of opioid addiction to a person who is not a client of the program that is administering or dispensing the medication.

(d) "Medical director" means a practitioner licensed to practice medicine in the jurisdiction that the opioid treatment program is located who assumes responsibility for administering all medical services performed by the program, either by performing the services directly or by delegating specific responsibility to a practitioner of the opioid treatment program.

(e) "Medication used for the treatment of opioid use disorder" means a medication approved by the Food and Drug Administration for the treatment of opioid use disorder.

(f) "Minnesota health care programs" has the meaning given in section 256B.0636.

(g) "Opioid treatment program" has the meaning given in Code of Federal Regulations, title 42, section 8.12, and includes programs licensed under this chapter.

~~(h) "Placing authority" has the meaning given in Minnesota Rules, part 9530.6605, subpart 21a.~~

~~(h)~~ (h) "Practitioner" means a staff member holding a current, unrestricted license to practice medicine issued by the Board of Medical Practice or nursing issued by the Board of Nursing and is currently registered with the Drug Enforcement Administration to order or dispense controlled substances in Schedules II to V under the Controlled Substances Act, United States Code, title 21, part B, section 821. Practitioner includes an advanced practice registered nurse and physician assistant if the staff member receives a variance by the state opioid treatment authority under section 254A.03 and the federal Substance Abuse and Mental Health Services Administration.

~~(i)~~ (i) "Unsupervised use" means the use of a medication for the treatment of opioid use disorder dispensed for use by a client outside of the program setting.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 13. Minnesota Statutes 2021 Supplement, section 254A.03, subdivision 3, is amended to read:

~~Subd. 3. **Rules for substance use disorder care.** (a) The commissioner of human services shall establish by rule criteria to be used in determining the appropriate level of chemical dependency care for each recipient of public assistance seeking treatment for substance misuse or substance use disorder. Upon federal approval of a comprehensive assessment as a Medicaid benefit, or on July 1, 2018, whichever is later, and notwithstanding the criteria in Minnesota Rules, parts 9530.6600 to 9530.6655, An eligible vendor of comprehensive assessments under section 254B.05 may determine and approve the appropriate level of substance use disorder treatment for a recipient of public assistance. The process for determining an individual's financial eligibility for the behavioral health fund or determining an individual's enrollment in or eligibility for a publicly subsidized health plan is not affected by the individual's choice to access a comprehensive assessment for placement.~~

(b) The commissioner shall develop and implement a utilization review process for publicly funded treatment placements to monitor and review the clinical appropriateness and timeliness of all publicly funded placements in treatment.

(c) If a screen result is positive for alcohol or substance misuse, a brief screening for alcohol or substance use disorder that is provided to a recipient of public assistance within a primary care clinic, hospital, or other medical setting or school setting establishes medical necessity and approval for an initial set of substance use disorder services identified in section 254B.05, subdivision 5. The initial set of services approved for a recipient whose screen result is positive may include any combination of up to four hours of individual or group substance use disorder treatment, two hours of substance use disorder treatment coordination, or two hours of substance use disorder peer support services provided by a qualified individual according to chapter 245G. A recipient must obtain an

assessment pursuant to paragraph (a) to be approved for additional treatment services. ~~Minnesota Rules, parts 9530.6600 to 9530.6655, and~~ A comprehensive assessment pursuant to section 245G.05 ~~are not applicable~~ is not required to receive the initial set of services allowed under this subdivision. A positive screen result establishes eligibility for the initial set of services allowed under this subdivision.

~~(d) Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655,~~ An individual may choose to obtain a comprehensive assessment as provided in section 245G.05. Individuals obtaining a comprehensive assessment may access any enrolled provider that is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision 3, ~~paragraph (d)~~. If the individual is enrolled in a prepaid health plan, the individual must comply with any provider network requirements or limitations. ~~This paragraph expires July 1, 2022.~~

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 14. Minnesota Statutes 2020, section 254A.19, subdivision 1, is amended to read:

Subdivision 1. **Persons arrested outside of home county of residence.** When a chemical use assessment is required ~~under Minnesota Rules, parts 9530.6600 to 9530.6655,~~ for a person who is arrested and taken into custody by a peace officer outside of the person's county of residence, the assessment must be completed by the person's county of residence no later than three weeks after the assessment is initially requested. ~~If the assessment is not performed within this time limit, the county where the person is to be sentenced shall perform the assessment~~ county where the person is detained must facilitate access to an assessor qualified under subdivision 3. The county of financial responsibility is determined under chapter 256G.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 15. Minnesota Statutes 2020, section 254A.19, subdivision 3, is amended to read:

Subd. 3. **Financial conflicts of interest Comprehensive assessments.** ~~(a) Except as provided in paragraph (b), (c), or (d), an assessor conducting a chemical use assessment under Minnesota Rules, parts 9530.6600 to 9530.6655, may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider.~~

~~(b) A county may contract with an assessor having a conflict described in paragraph (a) if the county documents that:~~

~~(1) the assessor is employed by a culturally specific service provider or a service provider with a program designed to treat individuals of a specific age, sex, or sexual preference;~~

~~(2) the county does not employ a sufficient number of qualified assessors and the only qualified assessors available in the county have a direct or shared financial interest or a referral relationship resulting in shared financial gain with a treatment provider; or~~

~~(3) the county social service agency has an existing relationship with an assessor or service provider and elects to enter into a contract with that assessor to provide both assessment and treatment under circumstances specified in the county's contract, provided the county retains responsibility for making placement decisions.~~

~~(e) The county may contract with a hospital to conduct chemical assessments if the requirements in subdivision 1a are met.~~

~~An assessor under this paragraph may not place clients in treatment. The assessor shall gather required information and provide it to the county along with any required documentation. The county shall make all placement decisions for clients assessed by assessors under this paragraph.~~

~~(d) An eligible vendor under section 254B.05 conducting a comprehensive assessment for an individual seeking treatment shall approve the nature, intensity level, and duration of treatment service if a need for services is indicated, but the individual assessed can access any enrolled provider that is licensed to provide the level of service authorized, including the provider or program that completed the assessment. If an individual is enrolled in a prepaid health plan, the individual must comply with any provider network requirements or limitations. An eligible vendor of a comprehensive assessment must provide information, in a format provided by the commissioner, on medical assistance and the behavioral health fund to individuals seeking an assessment.~~

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 16. Minnesota Statutes 2021 Supplement, section 254A.19, subdivision 4, is amended to read:

~~Subd. 4. **Civil commitments.** A Rule 25 assessment, under Minnesota Rules, part 9530.6615, For the purposes of determining level of care, a comprehensive assessment does not need to be completed for an individual being committed as a chemically dependent person, as defined in section 253B.02, and for the duration of a civil commitment under section 253B.065, 253B.09, or 253B.095 in order for a county to access the behavioral health fund under section 254B.04. The county must determine if the individual meets the financial eligibility requirements for the behavioral health fund under section 254B.04. Nothing in this subdivision prohibits placement in a treatment facility or treatment program governed under this chapter or Minnesota Rules, parts 9530.6600 to 9530.6655.~~

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 17. Minnesota Statutes 2020, section 254A.19, is amended by adding a subdivision to read:

~~Subd. 6. **Assessments for detoxification programs.** For detoxification programs licensed under chapter 245A according to Minnesota Rules, parts 9530.6510 to 9530.6590, a "chemical use assessment" means a comprehensive assessment and assessment summary completed according to section 245G.05 and a "chemical dependency assessor" or "assessor" means an individual who meets the qualifications of section 245G.11, subdivisions 1 and 5.~~

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 18. Minnesota Statutes 2020, section 254A.19, is amended by adding a subdivision to read:

~~Subd. 7. **Assessments for children's residential facilities.** For children's residential facilities licensed under chapter 245A according to Minnesota Rules, parts 2960.0010 to 2960.0220 and 2960.0430 to 2960.0500, a "chemical use assessment" means a comprehensive assessment and assessment summary completed according to section 245G.05 by an individual who meets the qualifications of section 245G.11, subdivisions 1 and 5.~~

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 19. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 2a. **Behavioral health fund.** "Behavioral health fund" means money allocated for payment of treatment services under this chapter.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 20. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 2b. **Client.** "Client" means an individual who has requested substance use disorder services, or for whom substance use disorder services have been requested.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 21. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 2c. **Co-payment.** "Co-payment" means the amount an insured person is obligated to pay before the person's third-party payment source is obligated to make a payment, or the amount an insured person is obligated to pay in addition to the amount the person's third-party payment source is obligated to pay.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 22. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 4c. **Department.** "Department" means the Department of Human Services.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 23. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 4d. **Drug and alcohol abuse normative evaluation system or DAANES.** "Drug and alcohol abuse normative evaluation system" or "DAANES" means the reporting system used to collect substance use disorder treatment data across all levels of care and providers.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 24. Minnesota Statutes 2020, section 254B.01, subdivision 5, is amended to read:

Subd. 5. **Local agency.** "Local agency" means the agency designated by a board of county commissioners, a local social services agency, or a human services board ~~to make placements and submit state invoices according to Laws 1986, chapter 394, sections 8 to 20~~ authorized under section 254B.03, subdivision 1, to determine financial eligibility for the behavioral health fund.

Sec. 25. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 6a. **Minor child.** "Minor child" means an individual under the age of 18 years.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 26. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 6b. **Policy holder.** "Policy holder" means a person who has a third-party payment policy under which a third-party payment source has an obligation to pay all or part of a client's treatment costs.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 27. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 9. **Responsible relative.** "Responsible relative" means a person who is a member of the client's household and is a client's spouse or the parent of a minor child who is a client.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 28. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 10. **Third-party payment source.** "Third-party payment source" means a person, entity, or public or private agency other than medical assistance or general assistance medical care that has a probable obligation to pay all or part of the costs of a client's substance use disorder treatment.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 29. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 11. **Vendor.** "Vendor" means a provider of substance use disorder treatment services that meets the criteria established in section 254B.05 and that has applied to participate as a provider in the medical assistance program according to Minnesota Rules, part 9505.0195.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 30. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 12. **American Society of Addiction Medicine criteria or ASAM criteria.** "American Society of Addiction Medicine criteria" or "ASAM criteria" means the clinical guidelines for purposes of the assessment, treatment, placement, and transfer or discharge of individuals with substance use disorders. The ASAM criteria are contained in the current edition of the ASAM Criteria: Treatment Criteria for Addictive, Substance-Related, and Co-Occurring Conditions.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 31. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision to read:

Subd. 13. **Skilled treatment services.** "Skilled treatment services" means the "treatment services" described by section 245G.07, subdivisions 1, paragraph (a), clauses (1) to (4); and 2, clauses (1) to (6). Skilled treatment services must be provided by qualified professionals as identified in section 245G.07, subdivision 3.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 32. Minnesota Statutes 2020, section 254B.03, subdivision 1, is amended to read:

Subdivision 1. **Local agency duties.** (a) Every local agency ~~shall~~ must determine financial eligibility for substance use disorder services and provide chemical dependency substance use disorder services to persons residing within its jurisdiction who meet criteria established by the commissioner for placement in a chemical dependency residential or nonresidential treatment service. Chemical dependency money must be administered by the local agencies according to law and rules adopted by the commissioner under sections 14.001 to 14.69.

(b) In order to contain costs, the commissioner of human services shall select eligible vendors of chemical dependency services who can provide economical and appropriate treatment. Unless the local agency is a social services department directly administered by a county or human services board, the local agency shall not be an eligible vendor under section 254B.05. The commissioner may approve proposals from county boards to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary services are provided. If a county implements a demonstration or experimental medical services funding plan, the commissioner shall transfer the money as appropriate.

~~(c) A culturally specific vendor that provides assessments under a variance under Minnesota Rules, part 9530.6610, shall be allowed to provide assessment services to persons not covered by the variance.~~

~~(d) Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655;~~ (c) An individual may choose to obtain a comprehensive assessment as provided in section 245G.05. Individuals obtaining a comprehensive assessment may access any enrolled provider that is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision 3, ~~paragraph (d).~~ If the individual is enrolled in a prepaid health plan, the individual must comply with any provider network requirements or limitations.

~~(e)~~ (d) Beginning July 1, 2022, local agencies shall not make placement location determinations.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 33. Minnesota Statutes 2021 Supplement, section 254B.03, subdivision 2, is amended to read:

Subd. 2. **Behavioral health fund payment.** (a) Payment from the behavioral health fund is limited to payments for services identified in section 254B.05, other than detoxification licensed under Minnesota Rules, parts 9530.6510 to 9530.6590, and detoxification provided in another state that would be required to be licensed as a chemical dependency program if the program were in the state. Out of state vendors must also provide the commissioner with assurances that the program complies substantially with state licensing requirements and possesses all licenses and certifications required by the host state to provide chemical dependency treatment. Vendors receiving payments from the behavioral health fund must not require co-payment from a recipient of benefits for services provided under this subdivision. The vendor is prohibited from using the client's public benefits to offset the cost of services paid under this section. The vendor shall not require the client to use public benefits for room or board costs. This includes but is not limited to cash assistance benefits under chapters 119B, 256D, and 256J, or SNAP benefits. Retention of SNAP benefits is a right of a client receiving services through the behavioral health fund or through state contracted managed care entities. Payment from the behavioral health fund shall be made for necessary room and board

costs provided by vendors meeting the criteria under section 254B.05, subdivision 1a, or in a community hospital licensed by the commissioner of health according to sections 144.50 to 144.56 to a client who is:

(1) determined to meet the criteria for placement in a residential chemical dependency treatment program according to rules adopted under section 254A.03, subdivision 3; and

(2) concurrently receiving a chemical dependency treatment service in a program licensed by the commissioner and reimbursed by the behavioral health fund.

~~(b) A county may, from its own resources, provide chemical dependency services for which state payments are not made. A county may elect to use the same invoice procedures and obtain the same state payment services as are used for chemical dependency services for which state payments are made under this section if county payments are made to the state in advance of state payments to vendors. When a county uses the state system for payment, the commissioner shall make monthly billings to the county using the most recent available information to determine the anticipated services for which payments will be made in the coming month. Adjustment of any overestimate or underestimate based on actual expenditures shall be made by the state agency by adjusting the estimate for any succeeding month.~~

~~(e)~~ (b) The commissioner shall coordinate chemical dependency services and determine whether there is a need for any proposed expansion of chemical dependency treatment services. The commissioner shall deny vendor certification to any provider that has not received prior approval from the commissioner for the creation of new programs or the expansion of existing program capacity. The commissioner shall consider the provider's capacity to obtain clients from outside the state based on plans, agreements, and previous utilization history, when determining the need for new treatment services.

~~(d)~~ (c) At least 60 days prior to submitting an application for new licensure under chapter 245G, the applicant must notify the county human services director in writing of the applicant's intent to open a new treatment program. The written notification must include, at a minimum:

(1) a description of the proposed treatment program; and

(2) a description of the target population to be served by the treatment program.

~~(e)~~ (d) The county human services director may submit a written statement to the commissioner, within 60 days of receiving notice from the applicant, regarding the county's support of or opposition to the opening of the new treatment program. The written statement must include documentation of the rationale for the county's determination. The commissioner shall consider the county's written statement when determining whether there is a need for the treatment program as required by paragraph ~~(e)~~ (b).

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 34. Minnesota Statutes 2020, section 254B.03, subdivision 5, is amended to read:

Subd. 5. **Rules; appeal.** The commissioner shall adopt rules as necessary to implement this chapter. ~~The commissioner shall establish an appeals process for use by recipients when services~~

certified by the county are disputed. The commissioner shall adopt rules and standards for the appeal process to assure adequate redress for persons referred to inappropriate services.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 35. Minnesota Statutes 2021 Supplement, section 254B.04, subdivision 1, is amended to read:

Subdivision 1. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal Regulations, title 25, part 20, who meet the income standards of section 256B.056, subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health fund services. State money appropriated for this paragraph must be placed in a separate account established for this purpose.

(b) Persons with dependent children who are determined to be in need of chemical dependency treatment pursuant to an assessment under section 260E.20, subdivision 1, or a case plan under section 260C.201, subdivision 6, or 260C.212, shall be assisted by the local agency to access needed treatment services. Treatment services must be appropriate for the individual or family, which may include long-term care treatment or treatment in a facility that allows the dependent children to stay in the treatment facility. The county shall pay for out-of-home placement costs, if applicable.

(c) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible for room and board services under section 254B.05, subdivision 5, paragraph (b), clause ~~(12)~~ (11).

(d) A client is eligible to have substance use disorder treatment paid for with funds from the behavioral health fund if:

(1) the client is eligible for MFIP as determined under chapter 256J;

(2) the client is eligible for medical assistance as determined under Minnesota Rules, parts 9505.0010 to 9505.0150;

(3) the client is eligible for general assistance, general assistance medical care, or work readiness as determined under Minnesota Rules, parts 9500.1200 to 9500.1272; or

(4) the client's income is within current household size and income guidelines for entitled persons, as defined in this subdivision and subdivision 7.

(e) Clients who meet the financial eligibility requirement in paragraph (a) and who have a third-party payment source are eligible for the behavioral health fund if the third-party payment source pays less than 100 percent of the cost of treatment services for eligible clients.

(f) A client is ineligible to have substance use disorder treatment services paid for by the behavioral health fund if the client:

(1) has an income that exceeds current household size and income guidelines for entitled persons, as defined in this subdivision and subdivision 7; or

(2) has an available third-party payment source that will pay the total cost of the client's treatment.

(g) A client who is disenrolled from a state prepaid health plan during a treatment episode is eligible for continued treatment service paid for by the behavioral health fund until the treatment episode is completed or the client is re-enrolled in a state prepaid health plan if the client:

(1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance medical care; or

(2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local agency under this section.

(h) If a county commits a client under chapter 253B to a regional treatment center for substance use disorder services and the client is ineligible for the behavioral health fund, the county is responsible for payment to the regional treatment center according to section 254B.05, subdivision 4.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 36. Minnesota Statutes 2020, section 254B.04, subdivision 2a, is amended to read:

Subd. 2a. **Eligibility for treatment in residential settings room and board services for persons in outpatient substance use disorder treatment.** ~~Notwithstanding provisions of Minnesota Rules, part 9530.6622, subparts 5 and 6, related to an assessor's discretion in making placements to residential treatment settings,~~ A person eligible for room and board services under this section 254B.05, subdivision 5, paragraph (b), clause (12), must score at level 4 on assessment dimensions related to readiness to change, relapse, continued use, or recovery environment ~~in order~~ to be assigned to services with a room and board component reimbursed under this section. Whether a treatment facility has been designated an institution for mental diseases under United States Code, title 42, section 1396d, shall not be a factor in making placements.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 37. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

Subd. 4. **Assessment criteria and risk descriptions.** (a) The level of care determination must follow criteria approved by the commissioner.

(b) Dimension 1: the vendor must use the criteria in Dimension 1 to determine a client's acute intoxication and withdrawal potential.

(1) "0" The client displays full functioning with good ability to tolerate and cope with withdrawal discomfort. The client displays no signs or symptoms of intoxication or withdrawal or diminishing signs or symptoms.

(2) "1" The client can tolerate and cope with withdrawal discomfort. The client displays mild to moderate intoxication or signs and symptoms interfering with daily functioning but does not immediately endanger self or others. The client poses minimal risk of severe withdrawal.

(3) "2" The client has some difficulty tolerating and coping with withdrawal discomfort. The client's intoxication may be severe, but the client responds to support and treatment such that the

client does not immediately endanger self or others. The client displays moderate signs and symptoms with moderate risk of severe withdrawal.

(4) "3" The client tolerates and copes with withdrawal discomfort poorly. The client has severe intoxication, such that the client endangers self or others, or has intoxication that has not abated with less intensive services. The client displays severe signs and symptoms, risk of severe but manageable withdrawal, or worsening withdrawal despite detoxification at a less intensive level.

(5) "4" The client is incapacitated with severe signs and symptoms. The client displays severe withdrawal and is a danger to self or others.

(c) Dimension 2: the vendor must use the criteria in Dimension 2 to determine a client's biomedical conditions and complications.

(1) "0" The client displays full functioning with good ability to cope with physical discomfort.

(2) "1" The client tolerates and copes with physical discomfort and is able to get the services that the client needs.

(3) "2" The client has difficulty tolerating and coping with physical problems or has other biomedical problems that interfere with recovery and treatment. The client neglects or does not seek care for serious biomedical problems.

(4) "3" The client tolerates and copes poorly with physical problems or has poor general health. The client neglects the client's medical problems without active assistance.

(5) "4" The client is unable to participate in substance use disorder treatment and has severe medical problems, has a condition that requires immediate intervention, or is incapacitated.

(d) Dimension 3: the vendor must use the criteria in Dimension 3 to determine a client's emotional, behavioral, and cognitive conditions and complications.

(1) "0" The client has good impulse control and coping skills and presents no risk of harm to self or others. The client functions in all life areas and displays no emotional, behavioral, or cognitive problems or the problems are stable.

(2) "1" The client has impulse control and coping skills. The client presents a mild to moderate risk of harm to self or others or displays symptoms of emotional, behavioral, or cognitive problems. The client has a mental health diagnosis and is stable. The client functions adequately in significant life areas.

(3) "2" The client has difficulty with impulse control and lacks coping skills. The client has thoughts of suicide or harm to others without means; however, the thoughts may interfere with participation in some activities. The client has difficulty functioning in significant life areas. The client has moderate symptoms of emotional, behavioral, or cognitive problems. The client is able to participate in most treatment activities.

(4) "3" The client has a severe lack of impulse control and coping skills. The client also has frequent thoughts of suicide or harm to others, including a plan and the means to carry out the plan. In addition, the client is severely impaired in significant life areas and has severe symptoms of

emotional, behavioral, or cognitive problems that interfere with the client's participation in treatment activities.

(5) "4" The client has severe emotional or behavioral symptoms that place the client or others at acute risk of harm. The client also has intrusive thoughts of harming self or others. The client is unable to participate in treatment activities.

(e) Dimension 4: the vendor must use the criteria in Dimension 4 to determine a client's readiness for change.

(1) "0" The client admits to problems and is cooperative, motivated, ready to change, committed to change, and engaged in treatment as a responsible participant.

(2) "1" The client is motivated with active reinforcement to explore treatment and strategies for change but ambivalent about the client's illness or need for change.

(3) "2" The client displays verbal compliance but lacks consistent behaviors, has low motivation for change, and is passively involved in treatment.

(4) "3" The client displays inconsistent compliance, has minimal awareness of either the client's addiction or mental disorder, and is minimally cooperative.

(5) "4" The client is:

(i) noncompliant with treatment and has no awareness of addiction or mental disorder and does not want or is unwilling to explore change or is in total denial of the client's illness and its implications; or

(ii) dangerously oppositional to the extent that the client is a threat of imminent harm to self and others.

(f) Dimension 5: the vendor must use the criteria in Dimension 5 to determine a client's relapse, continued substance use, and continued problem potential.

(1) "0" The client recognizes risk well and is able to manage potential problems.

(2) "1" The client recognizes relapse issues and prevention strategies, but displays some vulnerability for further substance use or mental health problems.

(3) "2" The client has minimal recognition and understanding of relapse and recidivism issues and displays moderate vulnerability for further substance use or mental health problems. The client has some coping skills inconsistently applied.

(4) "3" The client has poor recognition and understanding of relapse and recidivism issues and displays moderately high vulnerability for further substance use or mental health problems. The client has few coping skills and rarely applies coping skills.

(5) "4" The client has no coping skills to arrest mental health or addiction illnesses or to prevent relapse. The client has no recognition or understanding of relapse and recidivism issues and displays high vulnerability for further substance use or mental health problems.

(g) Dimension 6: the vendor must use the criteria in Dimension 6 to determine a client's recovery environment.

(1) "0" The client is engaged in structured, meaningful activity and has a supportive significant other, family, and living environment.

(2) "1" The client has passive social network support or the client's family and significant other are not interested in the client's recovery. The client is engaged in structured, meaningful activity.

(3) "2" The client is engaged in structured, meaningful activity, but the client's peers, family, significant other, and living environment are unsupportive, or there is criminal justice system involvement by the client or among the client's peers or significant other or in the client's living environment.

(4) "3" The client is not engaged in structured, meaningful activity and the client's peers, family, significant other, and living environment are unsupportive, or there is significant criminal justice system involvement.

(5) "4" The client has:

(i) a chronically antagonistic significant other, living environment, family, or peer group or long-term criminal justice system involvement that is harmful to the client's recovery or treatment progress; or

(ii) an actively antagonistic significant other, family, work, or living environment, with an immediate threat to the client's safety and well-being.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 38. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

Subd. 5. **Scope and applicability.** This section governs administration of the behavioral health fund, establishes the criteria to be applied by local agencies to determine a client's financial eligibility under the behavioral health fund, and determines a client's obligation to pay for substance use disorder treatment services.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 39. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

Subd. 6. **Local agency responsibility to provide services.** The local agency may employ individuals to conduct administrative activities and facilitate access to substance use disorder treatment services.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 40. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

Subd. 7. **Local agency to determine client financial eligibility.** (a) The local agency shall determine a client's financial eligibility for the behavioral health fund according to subdivision 1

with the income calculated prospectively for one year from the date of comprehensive assessment. The local agency shall pay for eligible clients according to chapter 256G. The local agency shall enter the financial eligibility span within ten calendar days of request. Client eligibility must be determined using forms prescribed by the commissioner. The local agency must determine a client's eligibility as follows:

(1) The local agency must determine the client's income. A client who is a minor child must not be deemed to have income available to pay for substance use disorder treatment, unless the minor child is responsible for payment under section 144.347 for substance use disorder treatment services sought under section 144.343, subdivision 1.

(2) The local agency must determine the client's household size according to the following:

(i) If the client is a minor child, the household size includes the following persons living in the same dwelling unit:

(A) the client;

(B) the client's birth or adoptive parents; and

(C) the client's siblings who are minors.

(ii) If the client is an adult, the household size includes the following persons living in the same dwelling unit:

(A) the client;

(B) the client's spouse;

(C) the client's minor children; and

(D) the client's spouse's minor children.

(iii) Household size includes a person listed in items (i) and (ii) who is in out-of-home placement if a person listed in item (i) or (ii) is contributing to the cost of care of the person in out-of-home placement.

(3) The local agency must determine the client's current prepaid health plan enrollment and the availability of a third-party payment source, including the availability of total or partial payment and the amount of co-payment.

(4) The local agency must provide the required eligibility information to the commissioner in the manner specified by the commissioner.

(5) The local agency must require the client and policyholder to conditionally assign to the department the client's and policyholder's rights and the rights of minor children to benefits or services provided to the client if the commissioner is required to collect from a third-party payment source.

(b) The local agency must redetermine a client's eligibility for the behavioral health fund every 12 months.

(c) A client, responsible relative, and policyholder must provide income or wage verification and household size verification under paragraph (a), clause (3), and must make an assignment of third-party payment rights under paragraph (a), clause (5). If a client, responsible relative, or policyholder does not comply with this subdivision, the client is ineligible for behavioral health fund payment for substance use disorder treatment, and the client and responsible relative are obligated to pay the full cost of substance use disorder treatment services provided to the client.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 41. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

Subd. 8. **Client fees.** A client whose household income is within current household size and income guidelines for entitled persons as defined in subdivision 1 must pay no fee.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 42. Minnesota Statutes 2020, section 254B.04, is amended by adding a subdivision to read:

Subd. 9. **Vendor must participate in DAANES.** To be eligible for payment under the behavioral health fund, a vendor must participate in DAANES or submit to the commissioner the information required in DAANES in the format specified by the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 43. Minnesota Statutes 2021 Supplement, section 254B.05, subdivision 4, is amended to read:

Subd. 4. **Regional treatment centers.** Regional treatment center chemical dependency treatment units are eligible vendors. The commissioner may expand the capacity of chemical dependency treatment units beyond the capacity funded by direct legislative appropriation to serve individuals who are referred for treatment by counties and whose treatment will be paid for by funding under this chapter or other funding sources. Notwithstanding the provisions of sections 254B.03 to ~~254B.04~~ 254B.04, payment for any person committed at county request to a regional treatment center under chapter 253B for chemical dependency treatment and determined to be ineligible under the behavioral health fund, shall become the responsibility of the county.

Sec. 44. Minnesota Statutes 2021 Supplement, section 254B.05, subdivision 5, is amended to read:

Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance use disorder services and service enhancements funded under this chapter.

(b) Eligible substance use disorder treatment services include:

~~(1) outpatient treatment services that are licensed according to sections 245G.01 to 245G.17, or applicable tribal license;~~

(1) outpatient treatment services licensed under sections 245G.01 to 245G.17, or applicable Tribal license, including:

(i) ASAM 1.0 outpatient: zero to eight hours per week of skilled treatment services for adults and zero to five hours per week for adolescents. Peer recovery and treatment coordination may be provided beyond the skilled treatment service hours allowable per week; and

(ii) ASAM 2.1 intensive outpatient: nine or more hours per week of skilled treatment services for adults and six or more hours per week for adolescents in accordance with the limitations in paragraph (h). Peer recovery and treatment coordination may be provided beyond the skilled treatment service hours allowable per week;

(2) comprehensive assessments provided according to sections 245.4863, paragraph (a), and 245G.05;

(3) ~~care~~retreatment coordination services provided according to section 245G.07, subdivision 1, paragraph (a), clause (5);

(4) peer recovery support services provided according to section 245G.07, subdivision 2, clause (8);

(5) on July 1, 2019, or upon federal approval, whichever is later, withdrawal management services provided according to chapter 245F;

(6) medication-assisted therapy services that are licensed according to sections 245G.01 to 245G.17 and 245G.22, or applicable tribal license;

~~(7) medication-assisted therapy plus enhanced treatment services that meet the requirements of clause (6) and provide nine hours of clinical services each week;~~

~~(8)~~ (7) high, medium, and low intensity residential treatment services that are licensed according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license which that provide, respectively, 30, 15, and five hours of clinical services each treatment week. For purposes of this section, residential treatment services provided by a program that meets the American Society of Addiction Medicine (ASAM) level 3.3 standards for care, must be considered high intensity, including when the program makes and appropriately documents clinically supported modifications to, or reductions in, the hours of services provided to better meet the needs of individuals with cognitive deficits;

~~(9)~~ (8) hospital-based treatment services that are licensed according to sections 245G.01 to 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to 144.56;

~~(10)~~ (9) adolescent treatment programs that are licensed as outpatient treatment programs according to sections 245G.01 to 245G.18 or as residential treatment programs according to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or applicable tribal license;

~~(11)~~ (10) high-intensity residential treatment services that are licensed according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which that provide 30 hours of clinical services each week provided by a state-operated vendor or to clients who have been civilly committed

to the commissioner, present the most complex and difficult care needs, and are a potential threat to the community; and

~~(12)~~ (11) room and board facilities that meet the requirements of subdivision 1a.

(c) The commissioner shall establish higher rates for programs that meet the requirements of paragraph (b) and one of the following additional requirements:

(1) programs that serve parents with their children if the program:

(i) provides on-site child care during the hours of treatment activity that:

(A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter 9503; or

(B) meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph (a), clause (6), and meets the requirements under section 245G.19, subdivision 4; or

(ii) arranges for off-site child care during hours of treatment activity at a facility that is licensed under chapter 245A as:

(A) a child care center under Minnesota Rules, chapter 9503; or

(B) a family child care home under Minnesota Rules, chapter 9502;

(2) culturally specific or culturally responsive programs as defined in section 254B.01, subdivision 4a;

(3) disability responsive programs as defined in section 254B.01, subdivision 4b;

(4) programs that offer medical services delivered by appropriately credentialed health care staff in an amount equal to two hours per client per week if the medical needs of the client and the nature and provision of any medical services provided are documented in the client file; or

(5) programs that offer services to individuals with co-occurring mental health and chemical dependency problems if:

(i) the program meets the co-occurring requirements in section 245G.20;

~~(ii) 25 percent of the program employs sufficient counseling staff, including at least one full-time equivalent staff member, who are licensed mental health professionals, as defined in section 245.462, subdivision 18, clauses (1) to (6) under section 245I.04, subdivision 2, or are students or licensing candidates under the supervision of a licensed alcohol and drug counselor supervisor and licensed mental health professional under section 245I.04, subdivision 2, except that no more than 50 percent of the mental health staff may be students or licensing candidates with time documented to be directly related to provisions of co-occurring to meet the need for client services;~~

(iii) clients scoring positive on a standardized mental health screen receive a mental health diagnostic assessment within ten days of admission;

(iv) the program has standards for multidisciplinary case review that include a monthly review for each client that, at a minimum, includes a licensed mental health professional and licensed alcohol and drug counselor, and their involvement in the review is documented;

(v) family education is offered that addresses mental health and substance abuse disorders and the interaction between the two; and

(vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder training annually.

(d) ~~In order to~~To be eligible for a higher rate under paragraph (c), clause (1), a program that provides arrangements for off-site child care must maintain current documentation at the chemical dependency facility of the child care provider's current licensure to provide child care services. Programs that provide child care according to paragraph (c), clause (1), must be deemed in compliance with the licensing requirements in section 245G.19.

(e) Adolescent residential programs that meet the requirements of Minnesota Rules, parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements in paragraph (c), clause (4), items (i) to (iv).

(f) Subject to federal approval, substance use disorder services that are otherwise covered as direct face-to-face services may be provided via telehealth as defined in section 256B.0625, subdivision 3b. The use of telehealth to deliver services must be medically appropriate to the condition and needs of the person being served. Reimbursement shall be at the same rates and under the same conditions that would otherwise apply to direct face-to-face services.

(g) For the purpose of reimbursement under this section, substance use disorder treatment services provided in a group setting without a group participant maximum or maximum client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one. At least one of the attending staff must meet the qualifications as established under this chapter for the type of treatment service provided. A recovery peer may not be included as part of the staff ratio.

(h) Payment for outpatient substance use disorder services that are licensed according to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless prior authorization of a greater number of hours is obtained from the commissioner.

(i) Programs using a qualified guest speaker must maintain documentation of the person's qualifications to present to clients on a topic the program has determined to be of value to its clients. The guest speaker must present less than half of any treatment group. A qualified counselor must be present during the delivery of content and must be responsible for documentation of the group.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 45. Minnesota Statutes 2020, section 256B.0757, subdivision 5, is amended to read:

Subd. 5. **Payments.** The commissioner shall make payments to each designated provider for the provision of behavioral health home services described in subdivision 3 to each eligible individual under subdivision 2 that selects the behavioral health home as a provider.

Sec. 46. Minnesota Statutes 2021 Supplement, section 256B.0946, subdivision 1, is amended to read:

Subdivision 1. **Required covered service components.** (a) Subject to federal approval, medical assistance covers medically necessary intensive treatment services when the services are provided by a provider entity certified under and meeting the standards in this section. The provider entity must make reasonable and good faith efforts to report individual client outcomes to the commissioner, using instruments and protocols approved by the commissioner.

(b) Intensive treatment services to children with mental illness residing in foster family settings that comprise specific required service components provided in clauses (1) to (6) are reimbursed by medical assistance when they meet the following standards:

(1) psychotherapy provided by a mental health professional or a clinical trainee;

(2) crisis planning;

(3) individual, family, and group psychoeducation services provided by a mental health professional or a clinical trainee;

(4) clinical care consultation provided by a mental health professional or a clinical trainee;

(5) individual treatment plan development as defined in ~~Minnesota Rules, part 9505.0371, subpart 7~~ section 245I.10, subdivisions 7 and 8; and

(6) service delivery payment requirements as provided under subdivision 4.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 47. Minnesota Statutes 2020, section 256D.09, subdivision 2a, is amended to read:

Subd. 2a. **Vendor payments for drug dependent persons.** If, at the time of application or at any other time, there is a reasonable basis for questioning whether a person applying for or receiving financial assistance is drug dependent, as defined in section 254A.02, subdivision 5, the person shall be referred for a chemical health assessment, and only emergency assistance payments or general assistance vendor payments may be provided until the assessment is complete and the results of the assessment made available to the county agency. A reasonable basis for referring an individual for an assessment exists when:

(1) the person has required detoxification two or more times in the past 12 months;

(2) the person appears intoxicated at the county agency as indicated by two or more of the following:

- (i) the odor of alcohol;
- (ii) slurred speech;
- (iii) disconjugate gaze;
- (iv) impaired balance;
- (v) difficulty remaining awake;
- (vi) consumption of alcohol;
- (vii) responding to sights or sounds that are not actually present;
- (viii) extreme restlessness, fast speech, or unusual belligerence;

(3) the person has been involuntarily committed for drug dependency at least once in the past 12 months; or

(4) the person has received treatment, including domiciliary care, for drug abuse or dependency at least twice in the past 12 months.

The assessment and determination of drug dependency, if any, must be made by an assessor qualified under ~~Minnesota Rules, part 9530.6615, subpart 2~~ section 245G.11, subdivisions 1 and 5, to perform an assessment of chemical use. The county shall only provide emergency general assistance or vendor payments to an otherwise eligible applicant or recipient who is determined to be drug dependent, except up to 15 percent of the grant amount the person would otherwise receive may be paid in cash. Notwithstanding subdivision 1, the commissioner of human services shall also require county agencies to provide assistance only in the form of vendor payments to all eligible recipients who assert chemical dependency as a basis for eligibility under section 256D.05, subdivision 1, paragraph (a), clauses (1) and (5).

The determination of drug dependency shall be reviewed at least every 12 months. If the county determines a recipient is no longer drug dependent, the county may cease vendor payments and provide the recipient payments in cash.

Sec. 48. Minnesota Statutes 2021 Supplement, section 256L.03, subdivision 2, is amended to read:

Subd. 2. **Alcohol and drug dependency.** Beginning July 1, 1993, covered health services shall include individual outpatient treatment of alcohol or drug dependency by a qualified health professional or outpatient program.

Persons who may need chemical dependency services under the provisions of this chapter ~~shall be assessed by a local agency~~ must be offered access by a local agency to a comprehensive assessment as defined under section ~~254B.01~~ 245G.05, and under the assessment provisions of section 254A.03, subdivision 3. A local agency or managed care plan under contract with the Department of Human Services must ~~place~~ offer services to a person in need of chemical dependency services ~~as provided in Minnesota Rules, parts 9530.6600 to 9530.6655~~ based on the recommendations of section 245G.05. Persons who are recipients of medical benefits under the provisions of this chapter and who are

financially eligible for behavioral health fund services provided under the provisions of chapter 254B shall receive chemical dependency treatment services under the provisions of chapter 254B only if:

- (1) they have exhausted the chemical dependency benefits offered under this chapter; or
- (2) an assessment indicates that they need a level of care not provided under the provisions of this chapter.

Recipients of covered health services under the children's health plan, as provided in Minnesota Statutes 1990, section 256.936, and as amended by Laws 1991, chapter 292, article 4, section 17, and recipients of covered health services enrolled in the children's health plan or the MinnesotaCare program after October 1, 1992, pursuant to Laws 1992, chapter 549, article 4, sections 5 and 17, are eligible to receive alcohol and drug dependency benefits under this subdivision.

Sec. 49. Minnesota Statutes 2020, section 256L.12, subdivision 8, is amended to read:

Subd. 8. **Chemical dependency assessments.** The managed care plan shall be responsible for assessing the need and ~~placement for~~ provision of chemical dependency services according to criteria set forth in ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ section 245G.05.

Sec. 50. Minnesota Statutes 2020, section 260B.157, subdivision 1, is amended to read:

Subdivision 1. **Investigation.** Upon request of the court the local social services agency or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260B.101 and shall report its findings to the court. The court may order any minor coming within its jurisdiction to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court.

The court shall order a chemical use assessment conducted when a child is (1) found to be delinquent for violating a provision of chapter 152, or for committing a felony-level violation of a provision of chapter 609 if the probation officer determines that alcohol or drug use was a contributing factor in the commission of the offense, or (2) alleged to be delinquent for violating a provision of chapter 152, if the child is being held in custody under a detention order. The assessor's qualifications ~~shall~~ must comply with section 245G.11, subdivisions 1 and 5, and the assessment criteria shall must comply with ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ section 245G.05. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment ~~and placement~~ must comply with all provisions of ~~Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030~~ sections 245G.05 and 254B.04. The commissioner of human services shall reimburse the court for the cost of the chemical use assessment, up to a maximum of \$100.

The court shall order a children's mental health screening conducted when a child is found to be delinquent. The screening shall be conducted with a screening instrument approved by the commissioner of human services and shall be conducted by a mental health practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is trained in the use of the screening instrument. If the screening indicates a need for assessment, the local social services agency, in consultation with the child's family, shall have a diagnostic assessment conducted, including a functional assessment, as defined in section 245.4871.

With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent, in order that the condition of the minor be given due consideration in the disposition of the case. Any funds received under the provisions of this subdivision shall not cancel until the end of the fiscal year immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts.

Sec. 51. Minnesota Statutes 2020, section 260B.157, subdivision 3, is amended to read:

Subd. 3. **Juvenile treatment screening team.** (a) The local social services agency shall establish a juvenile treatment screening team to conduct screenings and prepare case plans under this subdivision. The team, which may be the team constituted under section 245.4885 or 256B.092 or ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ chapter 254B, shall consist of social workers, juvenile justice professionals, and persons with expertise in the treatment of juveniles who are emotionally disabled, chemically dependent, or have a developmental disability. The team shall involve parents or guardians in the screening process as appropriate. The team may be the same team as defined in section 260C.157, subdivision 3.

(b) If the court, prior to, or as part of, a final disposition, proposes to place a child:

(1) for the primary purpose of treatment for an emotional disturbance, and residential placement is consistent with section 260.012, a developmental disability, or chemical dependency in a residential treatment facility out of state or in one which is within the state and licensed by the commissioner of human services under chapter 245A; or

(2) in any out-of-home setting potentially exceeding 30 days in duration, including a post-dispositional placement in a facility licensed by the commissioner of corrections or human services, the court shall notify the county welfare agency. The county's juvenile treatment screening team must either:

(i) screen and evaluate the child and file its recommendations with the court within 14 days of receipt of the notice; or

(ii) elect not to screen a given case, and notify the court of that decision within three working days.

(c) If the screening team has elected to screen and evaluate the child, the child may not be placed for the primary purpose of treatment for an emotional disturbance, a developmental disability, or chemical dependency, in a residential treatment facility out of state nor in a residential treatment facility within the state that is licensed under chapter 245A, unless one of the following conditions applies:

(1) a treatment professional certifies that an emergency requires the placement of the child in a facility within the state;

(2) the screening team has evaluated the child and recommended that a residential placement is necessary to meet the child's treatment needs and the safety needs of the community, that it is a cost-effective means of meeting the treatment needs, and that it will be of therapeutic value to the child; or

(3) the court, having reviewed a screening team recommendation against placement, determines to the contrary that a residential placement is necessary. The court shall state the reasons for its determination in writing, on the record, and shall respond specifically to the findings and recommendation of the screening team in explaining why the recommendation was rejected. The attorney representing the child and the prosecuting attorney shall be afforded an opportunity to be heard on the matter.

Sec. 52. Minnesota Statutes 2021 Supplement, section 260C.157, subdivision 3, is amended to read:

Subd. 3. Juvenile treatment screening team. (a) The responsible social services agency shall establish a juvenile treatment screening team to conduct screenings under this chapter and chapter 260D, for a child to receive treatment for an emotional disturbance, a developmental disability, or related condition in a residential treatment facility licensed by the commissioner of human services under chapter 245A, or licensed or approved by a Tribe. A screening team is not required for a child to be in: (1) a residential facility specializing in prenatal, postpartum, or parenting support; (2) a facility specializing in high-quality residential care and supportive services to children and youth who have been or are at risk of becoming victims of sex trafficking or commercial sexual exploitation; (3) supervised settings for youth who are 18 years of age or older and living independently; or (4) a licensed residential family-based treatment facility for substance abuse consistent with section 260C.190. Screenings are also not required when a child must be placed in a facility due to an emotional crisis or other mental health emergency.

(b) The responsible social services agency shall conduct screenings within 15 days of a request for a screening, unless the screening is for the purpose of residential treatment and the child is enrolled in a prepaid health program under section 256B.69, in which case the agency shall conduct the screening within ten working days of a request. The responsible social services agency shall convene the juvenile treatment screening team, which may be constituted under section 245.4885 or, 254B.05, or 256B.092 or Minnesota Rules, parts 9530.6600 to 9530.6655. The team shall consist of social workers; persons with expertise in the treatment of juveniles who are emotionally disturbed, chemically dependent, or have a developmental disability; and the child's parent, guardian, or permanent legal custodian. The team may include the child's relatives as defined in section 260C.007, subdivisions 26b and 27, the child's foster care provider, and professionals who are a resource to the child's family such as teachers, medical or mental health providers, and clergy, as appropriate, consistent with the family and permanency team as defined in section 260C.007, subdivision 16a. Prior to forming the team, the responsible social services agency must consult with the child's parents, the child if the child is age 14 or older, and, if applicable, the child's Tribe to obtain recommendations regarding which individuals to include on the team and to ensure that the team is family-centered and will act in the child's best interests. If the child, child's parents, or legal guardians raise concerns about specific relatives or professionals, the team should not include those individuals. This provision does not apply to paragraph (c).

(c) If the agency provides notice to Tribes under section 260.761, and the child screened is an Indian child, the responsible social services agency must make a rigorous and concerted effort to include a designated representative of the Indian child's Tribe on the juvenile treatment screening team, unless the child's Tribal authority declines to appoint a representative. The Indian child's Tribe may delegate its authority to represent the child to any other federally recognized Indian Tribe, as defined in section 260.755, subdivision 12. The provisions of the Indian Child Welfare Act of 1978, United States Code, title 25, sections 1901 to 1963, and the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835, apply to this section.

(d) If the court, prior to, or as part of, a final disposition or other court order, proposes to place a child with an emotional disturbance or developmental disability or related condition in residential treatment, the responsible social services agency must conduct a screening. If the team recommends treating the child in a qualified residential treatment program, the agency must follow the requirements of sections 260C.70 to 260C.714.

The court shall ascertain whether the child is an Indian child and shall notify the responsible social services agency and, if the child is an Indian child, shall notify the Indian child's Tribe as paragraph (c) requires.

(e) When the responsible social services agency is responsible for placing and caring for the child and the screening team recommends placing a child in a qualified residential treatment program as defined in section 260C.007, subdivision 26d, the agency must: (1) begin the assessment and processes required in section 260C.704 without delay; and (2) conduct a relative search according to section 260C.221 to assemble the child's family and permanency team under section 260C.706. Prior to notifying relatives regarding the family and permanency team, the responsible social services agency must consult with the child's parent or legal guardian, the child if the child is age 14 or older, and, if applicable, the child's Tribe to ensure that the agency is providing notice to individuals who will act in the child's best interests. The child and the child's parents may identify a culturally competent qualified individual to complete the child's assessment. The agency shall make efforts to refer the assessment to the identified qualified individual. The assessment may not be delayed for the purpose of having the assessment completed by a specific qualified individual.

(f) When a screening team determines that a child does not need treatment in a qualified residential treatment program, the screening team must:

(1) document the services and supports that will prevent the child's foster care placement and will support the child remaining at home;

(2) document the services and supports that the agency will arrange to place the child in a family foster home; or

(3) document the services and supports that the agency has provided in any other setting.

(g) When the Indian child's Tribe or Tribal health care services provider or Indian Health Services provider proposes to place a child for the primary purpose of treatment for an emotional disturbance, a developmental disability, or co-occurring emotional disturbance and chemical dependency, the Indian child's Tribe or the Tribe delegated by the child's Tribe shall submit necessary documentation to the county juvenile treatment screening team, which must invite the Indian child's Tribe to designate a representative to the screening team.

(h) The responsible social services agency must conduct and document the screening in a format approved by the commissioner of human services.

Sec. 53. Minnesota Statutes 2020, section 260E.20, subdivision 1, is amended to read:

Subdivision 1. **General duties.** (a) The local welfare agency shall offer services to prevent future maltreatment, safeguarding and enhancing the welfare of the maltreated child, and supporting and preserving family life whenever possible.

(b) If the report alleges a violation of a criminal statute involving maltreatment or child endangerment under section 609.378, the local law enforcement agency and local welfare agency shall coordinate the planning and execution of their respective investigation and assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews. Each agency shall prepare a separate report of the results of the agency's investigation or assessment.

(c) In cases of alleged child maltreatment resulting in death, the local agency may rely on the fact-finding efforts of a law enforcement investigation to make a determination of whether or not maltreatment occurred.

(d) When necessary, the local welfare agency shall seek authority to remove the child from the custody of a parent, guardian, or adult with whom the child is living.

(e) In performing any of these duties, the local welfare agency shall maintain an appropriate record.

(f) In conducting a family assessment or investigation, the local welfare agency shall gather information on the existence of substance abuse and domestic violence.

(g) If the family assessment or investigation indicates there is a potential for abuse of alcohol or other drugs by the parent, guardian, or person responsible for the child's care, the local welfare agency ~~shall conduct a chemical use~~ must coordinate a comprehensive assessment pursuant to ~~Minnesota Rules, part 9530.6615~~ section 245G.05.

(h) The agency may use either a family assessment or investigation to determine whether the child is safe when responding to a report resulting from birth match data under section 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined to be safe, the agency shall consult with the county attorney to determine the appropriateness of filing a petition alleging the child is in need of protection or services under section 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is determined not to be safe, the agency and the county attorney shall take appropriate action as required under section 260C.503, subdivision 2.

Sec. 54. Minnesota Statutes 2021 Supplement, section 297E.02, subdivision 3, is amended to read:

Subd. 3. **Collection; disposition.** (a) Taxes imposed by this section are due and payable to the commissioner when the gambling tax return is required to be filed. Distributors must file their monthly sales figures with the commissioner on a form prescribed by the commissioner. Returns covering the taxes imposed under this section must be filed with the commissioner on or before the

20th day of the month following the close of the previous calendar month. The commissioner shall prescribe the content, format, and manner of returns or other documents pursuant to section 270C.30. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.191, 349.211, and 349.213, must be paid to the commissioner of management and budget for deposit in the general fund.

(b) The sales tax imposed by chapter 297A on the sale of pull-tabs and tipboards by the distributor is imposed on the retail sales price. The retail sale of pull-tabs or tipboards by the organization is exempt from taxes imposed by chapter 297A and is exempt from all local taxes and license fees except a fee authorized under section 349.16, subdivision 8.

(c) One-half of one percent of the revenue deposited in the general fund under paragraph (a), is appropriated to the commissioner of human services for the compulsive gambling treatment program established under section 245.98. Money appropriated under this paragraph must not replace existing state funding for these programs.

(d) One-half of one percent of the revenue deposited in the general fund under paragraph (a), is appropriated to the commissioner of human services for a grant. By June 30 of each fiscal year, the commissioner of human services must transfer the amount deposited in the general fund under this paragraph to the special revenue fund. By October 15 of each fiscal year, the commissioner of human services must award a grant in an amount equal to the entire amount transferred to the special revenue fund under this paragraph for the prior fiscal year to the state affiliate recognized by the National Council on Problem Gambling to increase public awareness of problem gambling, education and training for individuals and organizations providing effective treatment services to problem gamblers and their families, and research relating to problem gambling. Money appropriated by this paragraph must supplement and must not replace existing state funding for these programs.

~~(d)~~ (e) The commissioner of human services must provide to the state affiliate recognized by the National Council on Problem Gambling a monthly statement of the amounts deposited under ~~paragraph paragraphs~~ (c) and (d). Beginning January 1, 2022, the commissioner of human services must provide to the chairs and ranking minority members of the legislative committees with jurisdiction over treatment for problem gambling and to the state affiliate recognized by the National Council on Problem Gambling an annual reconciliation of the amounts deposited under paragraph (c). The annual reconciliation under this paragraph must include the amount allocated to the commissioner of human services for the compulsive gambling treatment program established under section 245.98, and the amount allocated to the state affiliate recognized by the National Council on Problem Gambling.

Sec. 55. Minnesota Statutes 2020, section 297E.021, subdivision 3, is amended to read:

Subd. 3. **Available revenues.** For purposes of this section, "available revenues" equals the amount determined under subdivision 2, plus up to \$20,000,000 each fiscal year from the taxes imposed under section 290.06, subdivision 1:

(1) reduced by the following amounts paid for the fiscal year under:

(i) the appropriation to principal and interest on appropriation bonds under section 16A.965, subdivision 8;

(ii) the appropriation from the general fund to make operating expense payments under section 473J.13, subdivision 2, paragraph (b);

(iii) the appropriation for contributions to the capital reserve fund under section 473J.13, subdivision 4, paragraph (c);

(iv) the appropriations under Laws 2012, chapter 299, article 4, for administration and any successor appropriation;

(v) the reduction in revenues resulting from the sales tax exemptions under section 297A.71, subdivision 43;

(vi) reimbursements authorized by section 473J.15, subdivision 2, paragraph (d);

(vii) the compulsive gambling appropriations under section 297E.02, subdivision 3, ~~paragraph~~ paragraphs (c) and (d), and any successor appropriation; and

(viii) the appropriation for the city of St. Paul under section 16A.726, paragraph (c); and

(2) increased by the revenue deposited in the general fund under section 297A.994, subdivision 4, clauses (1) to (3), for the fiscal year.

Sec. 56. Minnesota Statutes 2020, section 299A.299, subdivision 1, is amended to read:

Subdivision 1. **Establishment of team.** A county, a multicounty organization of counties formed by an agreement under section 471.59, or a city with a population of no more than 50,000, may establish a multidisciplinary chemical abuse prevention team. The chemical abuse prevention team may include, but not be limited to, representatives of health, mental health, public health, law enforcement, educational, social service, court service, community education, religious, and other appropriate agencies, and parent and youth groups. For purposes of this section, "chemical abuse" has the meaning given in Minnesota Rules, part 9530.6605, subpart 6 section 254A.02, subdivision 6a. When possible the team must coordinate its activities with existing local groups, organizations, and teams dealing with the same issues the team is addressing.

Sec. 57. Minnesota Statutes 2020, section 626.5571, subdivision 1, is amended to read:

Subdivision 1. **Establishment of team.** A county may establish a multidisciplinary adult protection team comprised of the director of the local welfare agency or designees, the county attorney or designees, the county sheriff or designees, and representatives of health care. In addition, representatives of mental health or other appropriate human service agencies, community corrections agencies, representatives from local tribal governments, local law enforcement agencies or designees thereof, and adult advocate groups may be added to the adult protection team.

Sec. 58. **[626.8477] MENTAL HEALTH AND HEALTH RECORDS; WRITTEN POLICY REQUIRED.**

The chief officer of every state and local law enforcement agency that seeks or uses mental health data under section 13.46, subdivision 7, paragraph (c), or health records under section 144.294, subdivision 2, must establish and enforce a written policy governing its use. At a minimum, the written policy must incorporate the requirements of sections 13.46, subdivision 7, paragraph (c),

and 144.294, subdivision 2, and access procedures, retention policies, and data security safeguards that, at a minimum, meet the requirements of chapter 13 and any other applicable law.

Sec. 59. OLMSTED COUNTY RECOVERY COMMUNITY ORGANIZATION.

The commissioner of human services shall establish a grant to a recovery community organization in Olmsted County, located in the city of Rochester, Minnesota, that provides services in an 11-county region, to provide services to individuals in substance use recovery.

Sec. 60. RATE INCREASE FOR ADULT DAY TREATMENT SERVICES.

Effective January 1, 2023, or 60 days following federal approval, whichever is later, the commissioner of human services shall increase the reimbursement rate under Minnesota Rules, part 9505.0372, subpart 8, for adult day treatment services covered under Minnesota Statutes, section 256B.0671, subdivision 3, by 50 percent from the rates in effect on December 31, 2022.

Sec. 61. ROCHESTER NONPROFIT RECOVERY COMMUNITY ORGANIZATION.

The commissioner shall establish a grant to a nonprofit recovery community organization located in Rochester, Minnesota, that provides pretreatment housing, post-treatment recovery housing, treatment coordination, and peer recovery support to individuals pursuing a life of recovery from substance use disorders, and that also offers a recovery coaching academy to individuals interested in becoming peer recovery specialists.

Sec. 62. WELLNESS IN THE WOODS.

The commissioner shall establish a grant to Wellness in the Woods to provide daily peer support and special sessions for individuals who are in substance use recovery, are transitioning out of incarceration, or have experienced trauma.

Sec. 63. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; BEHAVIORAL HEALTH FUND ALLOCATION.

The commissioner of human services, in consultation with counties and Tribal Nations, must make recommendations on an updated allocation to local agencies from funds allocated under Minnesota Statutes, section 254B.02, subdivision 5. The commissioner must submit the recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services finance and policy by January 1, 2024.

Sec. 64. REVISOR INSTRUCTION.

The revisor of statutes, in consultation with staff from the House Research Department; House Fiscal Analysis; the Office of Senate Counsel, Research and Fiscal Analysis; and the respective departments shall prepare legislation for introduction in the 2023 legislative session proposing the statutory changes needed to implement the transfers of duties required by this act.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 65. REPEALER.

(a) Minnesota Statutes 2020, sections 169A.70, subdivision 6; 245G.22, subdivision 19; 254A.02, subdivision 8a; 254A.16, subdivision 6; 254A.19, subdivisions 1a and 2; 254B.04, subdivisions 2b and 2c; and 254B.041, subdivision 2, are repealed.

(b) Minnesota Statutes 2021 Supplement, section 254A.19, subdivision 5, is repealed.

ARTICLE 5

CHILDREN AND FAMILY SERVICES

Section 1. Minnesota Statutes 2020, section 256P.03, subdivision 2, is amended to read:

Subd. 2. **Earned income disregard.** The agency shall disregard the first \$65 of earned income plus ~~one-half~~ 60 percent of the remaining earned income per month.

Sec. 2. Laws 2021, First Special Session chapter 7, article 14, section 21, subdivision 4, is amended to read:

Subd. 4. **Grant awards.** (a) The commissioner shall award transition grants to all eligible programs on a noncompetitive basis through August 31, 2021.

(b) The commissioner shall award base grant amounts to all eligible programs on a noncompetitive basis beginning September 1, 2021, through June 30, 2023. The base grant amounts shall be:

(1) based on the full-time equivalent number of staff who regularly care for children in the program, including any employees, sole proprietors, or independent contractors. Effective July 1, 2022, one full-time equivalent is defined as an individual caring for children 32 hours per week. An individual may count as more or less than one full-time equivalent, but no more than two;

(2) reduced between July 1, 2022, and June 30, 2023, with amounts for the final month being no more than 50 percent of the amounts awarded in September 2021; and

(3) enhanced in amounts determined by the commissioner for any providers receiving payments through the child care assistance program under sections 119B.03 and 119B.05 or early learning scholarships under section 124D.165.

(c) The commissioner may provide grant amounts in addition to any base grants received to eligible programs in extreme financial hardship until all money set aside for that purpose is awarded.

(d) The commissioner may pay any grants awarded to eligible programs under this section in the form and manner established by the commissioner, except that such payments must occur on a monthly basis.

Sec. 3. QUALITY PARENTING INITIATIVE.

The commissioner shall establish a grant to Quality Parenting Initiative Minnesota to implement Quality Parenting Initiative principles and practices and support children and families experiencing foster care placements. Quality Parenting Initiative Minnesota shall use grant funds to provide

training and technical assistance to county and Tribal agencies, community-based agencies, and other stakeholders on the following activities:

(1) conducting initial foster care phone calls under Minnesota Statutes, section 260C.219, subdivision 6;

(2) supporting practices that create birth family to foster family partnerships; and

(3) informing child welfare practices by supporting youth leadership and the participation of individuals with experience in the foster care system.

ARTICLE 6

OPERATIONS AND LICENSING

Section 1. Minnesota Statutes 2020, section 245A.11, subdivision 7, is amended to read:

Subd. 7. **Adult foster care; variance for alternate overnight supervision.** (a) The commissioner may grant a variance under section 245A.04, subdivision 9, to rule parts requiring a caregiver to be present in an adult foster care home during normal sleeping hours to allow for alternative methods of overnight supervision. The commissioner may grant the variance if the local county licensing agency recommends the variance and the county recommendation includes documentation verifying that:

(1) the county has approved the license holder's plan for alternative methods of providing overnight supervision and determined the plan protects the residents' health, safety, and rights;

(2) the license holder has obtained written and signed informed consent from each resident or each resident's legal representative documenting the resident's or legal representative's agreement with the alternative method of overnight supervision; and

(3) the alternative method of providing overnight supervision, which may include the use of technology, is specified for each resident in the resident's: (i) individualized plan of care; (ii) individual service plan under section 256B.092, subdivision 1b, if required; or (iii) individual resident placement agreement under Minnesota Rules, part 9555.5105, subpart 19, if required.

(b) To be eligible for a variance under paragraph (a), the adult foster care license holder must not have had a conditional license issued under section 245A.06, or any other licensing sanction issued under section 245A.07 during the prior 24 months based on failure to provide adequate supervision, health care services, or resident safety in the adult foster care home.

(c) A license holder requesting a variance under this subdivision to utilize technology as a component of a plan for alternative overnight supervision may request the commissioner's review in the absence of a county recommendation. Upon receipt of such a request from a license holder, the commissioner shall review the variance request with the county.

(d) ~~A variance granted by the commissioner according to this subdivision before January 1, 2014, to a license holder for an adult foster care home must transfer with the license when the license converts to a community residential setting license under chapter 245D. The terms and conditions~~

of the variance remain in effect as approved at the time the variance was granted. The variance requirements under this subdivision for alternate overnight supervision do not apply to community residential settings licensed under chapter 245D.

Sec. 2. Minnesota Statutes 2020, section 245A.11, subdivision 7a, is amended to read:

Subd. 7a. **Alternate overnight supervision technology; adult foster care and community residential setting licenses.** (a) The commissioner may grant an applicant or license holder an adult foster care ~~or community residential setting~~ license for a residence that does not have a caregiver in the residence during normal sleeping hours as required under Minnesota Rules, part 9555.5105, subpart 37, item B, or section 245D.02, subdivision 33b, but uses monitoring technology to alert the license holder when an incident occurs that may jeopardize the health, safety, or rights of a foster care recipient. The applicant or license holder must comply with all other requirements under Minnesota Rules, parts 9555.5105 to 9555.6265, ~~or applicable requirements under chapter 245D,~~ and the requirements under this subdivision. The license printed by the commissioner must state in bold and large font:

(1) that the facility is under electronic monitoring; and

(2) the telephone number of the county's common entry point for making reports of suspected maltreatment of vulnerable adults under section 626.557, subdivision 9.

(b) Applications for a license under this section must be submitted directly to the Department of Human Services licensing division. The licensing division must immediately notify the county licensing agency. The licensing division must collaborate with the county licensing agency in the review of the application and the licensing of the program.

(c) Before a license is issued by the commissioner, and for the duration of the license, the applicant or license holder must establish, maintain, and document the implementation of written policies and procedures addressing the requirements in paragraphs (d) through (f).

(d) The applicant or license holder must have policies and procedures that:

(1) establish characteristics of target populations that will be admitted into the home, and characteristics of populations that will not be accepted into the home;

(2) explain the discharge process when a resident served by the program requires overnight supervision or other services that cannot be provided by the license holder due to the limited hours that the license holder is on site;

(3) describe the types of events to which the program will respond with a physical presence when those events occur in the home during time when staff are not on site, and how the license holder's response plan meets the requirements in paragraph (e), clause (1) or (2);

(4) establish a process for documenting a review of the implementation and effectiveness of the response protocol for the response required under paragraph (e), clause (1) or (2). The documentation must include:

(i) a description of the triggering incident;

- (ii) the date and time of the triggering incident;
- (iii) the time of the response or responses under paragraph (e), clause (1) or (2);
- (iv) whether the response met the resident's needs;
- (v) whether the existing policies and response protocols were followed; and
- (vi) whether the existing policies and protocols are adequate or need modification.

When no physical presence response is completed for a three-month period, the license holder's written policies and procedures must require a physical presence response drill to be conducted for which the effectiveness of the response protocol under paragraph (e), clause (1) or (2), will be reviewed and documented as required under this clause; and

(5) establish that emergency and nonemergency phone numbers are posted in a prominent location in a common area of the home where they can be easily observed by a person responding to an incident who is not otherwise affiliated with the home.

(e) The license holder must document and include in the license application which response alternative under clause (1) or (2) is in place for responding to situations that present a serious risk to the health, safety, or rights of residents served by the program:

(1) response alternative (1) requires only the technology to provide an electronic notification or alert to the license holder that an event is underway that requires a response. Under this alternative, no more than ten minutes will pass before the license holder will be physically present on site to respond to the situation; or

(2) response alternative (2) requires the electronic notification and alert system under alternative (1), but more than ten minutes may pass before the license holder is present on site to respond to the situation. Under alternative (2), all of the following conditions are met:

(i) the license holder has a written description of the interactive technological applications that will assist the license holder in communicating with and assessing the needs related to the care, health, and safety of the foster care recipients. This interactive technology must permit the license holder to remotely assess the well being of the resident served by the program without requiring the initiation of the foster care recipient. Requiring the foster care recipient to initiate a telephone call does not meet this requirement;

(ii) the license holder documents how the remote license holder is qualified and capable of meeting the needs of the foster care recipients and assessing foster care recipients' needs under item (i) during the absence of the license holder on site;

(iii) the license holder maintains written procedures to dispatch emergency response personnel to the site in the event of an identified emergency; and

(iv) each resident's individualized plan of care, coordinated service and support plan under sections 256B.0913, subdivision 8; 256B.092, subdivision 1b; 256B.49, subdivision 15; and 256S.10, if required, or individual resident placement agreement under Minnesota Rules, part 9555.5105,

subpart 19, if required, identifies the maximum response time, which may be greater than ten minutes, for the license holder to be on site for that resident.

(f) Each resident's placement agreement, individual service agreement, and plan must clearly state that the adult foster care ~~or community residential setting~~ license category is a program without the presence of a caregiver in the residence during normal sleeping hours; the protocols in place for responding to situations that present a serious risk to the health, safety, or rights of residents served by the program under paragraph (e), clause (1) or (2); and a signed informed consent from each resident served by the program or the person's legal representative documenting the person's or legal representative's agreement with placement in the program. If electronic monitoring technology is used in the home, the informed consent form must also explain the following:

- (1) how any electronic monitoring is incorporated into the alternative supervision system;
- (2) the backup system for any electronic monitoring in times of electrical outages or other equipment malfunctions;
- (3) how the caregivers or direct support staff are trained on the use of the technology;
- (4) the event types and license holder response times established under paragraph (e);
- (5) how the license holder protects each resident's privacy related to electronic monitoring and related to any electronically recorded data generated by the monitoring system. A resident served by the program may not be removed from a program under this subdivision for failure to consent to electronic monitoring. The consent form must explain where and how the electronically recorded data is stored, with whom it will be shared, and how long it is retained; and
- (6) the risks and benefits of the alternative overnight supervision system.

The written explanations under clauses (1) to (6) may be accomplished through cross-references to other policies and procedures as long as they are explained to the person giving consent, and the person giving consent is offered a copy.

(g) Nothing in this section requires the applicant or license holder to develop or maintain separate or duplicative policies, procedures, documentation, consent forms, or individual plans that may be required for other licensing standards, if the requirements of this section are incorporated into those documents.

(h) The commissioner may grant variances to the requirements of this section according to section 245A.04, subdivision 9.

(i) For the purposes of paragraphs (d) through (h), "license holder" has the meaning under section 245A.02, subdivision 9, and additionally includes all staff, volunteers, and contractors affiliated with the license holder.

(j) For the purposes of paragraph (e), the terms "assess" and "assessing" mean to remotely determine what action the license holder needs to take to protect the well-being of the foster care recipient.

(k) The commissioner shall evaluate license applications using the requirements in paragraphs (d) to (f). The commissioner shall provide detailed application forms, including a checklist of criteria needed for approval.

(l) To be eligible for a license under paragraph (a), the adult foster care ~~or community residential setting~~ license holder must not have had a conditional license issued under section 245A.06 or any licensing sanction under section 245A.07 during the prior 24 months based on failure to provide adequate supervision, health care services, or resident safety in the adult foster care home ~~or community residential setting~~.

(m) The commissioner shall review an application for an alternative overnight supervision license within 60 days of receipt of the application. When the commissioner receives an application 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.05. The commissioner shall complete subsequent review within 30 days.

(n) Once the application is considered complete under paragraph (m), the commissioner will approve or deny an application for an alternative overnight supervision license within 60 days.

(o) For the purposes of this subdivision, "supervision" means:

(1) oversight by a caregiver or direct support staff as specified in the individual resident's place agreement or coordinated service and support plan and awareness of the resident's needs and activities; and

(2) the presence of a caregiver or direct support staff in a residence during normal sleeping hours, unless a determination has been made and documented in the individual's coordinated service and support plan that the individual does not require the presence of a caregiver or direct support staff during normal sleeping hours.

Sec. 3. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision to read:

Subd. 11f. **Health care worker platform.** "Health care worker platform" means any person, firm, corporation, partnership, or association that maintains a system or technology that provides a media or Internet platform for a health care worker to be listed and identified as available for hire as an independent contractor by health care facilities seeking health care workers.

Sec. 4. Minnesota Statutes 2020, section 245C.02, subdivision 17a, is amended to read:

Subd. 17a. **Roster.** (a) "Roster" means the electronic method used to identify the entity or entities required to conduct background studies under this chapter with which a background subject is affiliated. There are three types of rosters: active roster, inactive roster, and master roster.

(b) "Active roster" means the list of individuals specific to an entity who have been determined eligible under this chapter to provide services for the entity and who the entity has identified as affiliated. An individual shall remain on the entity's active roster and is considered affiliated until the commissioner determines the individual is ineligible or the entity removes the individual from the entity's active roster.

(c) "Inactive roster" means the list maintained by the commissioner of individuals who are eligible under this chapter to provide services and are not on an active roster. Individuals shall remain on the inactive roster for no more than 180 consecutive days, unless:

(1) the individual submits a written request to the commissioner requesting to remain on the inactive roster for a longer period of time;

(2) the individual self-initiated a background study, in which case the individual shall remain on the inactive roster for one year; or

(3) a health care worker platform initiated a background study on behalf of an individual, in which case the individual shall remain on the inactive roster for one year.

Upon the commissioner's receipt of information that may cause an individual on the inactive roster to be disqualified under this chapter, the commissioner shall remove the individual from the inactive roster, and if the individual again seeks a position requiring a background study, the individual shall be required to complete a new background study.

(d) "Master roster" means the list maintained by the commissioner of all individuals who, as a result of a background study under this chapter, and regardless of affiliation with an entity, are determined by the commissioner to be eligible to provide services for one or more entities. The master roster includes all background study subjects on rosters under paragraphs (b) and (c).

Sec. 5. Minnesota Statutes 2021 Supplement, section 245C.03, is amended by adding a subdivision to read:

Subd. 16. **Self-initiated background studies.** The commissioner shall conduct background studies according to this chapter when initiated by an individual who is not on the master roster. A subject under this subdivision who is not disqualified must be placed on the inactive roster.

Sec. 6. Minnesota Statutes 2021 Supplement, section 245C.03, is amended by adding a subdivision to read:

Subd. 17. **Health care worker platform.** The commissioner shall conduct background studies according to this chapter when initiated by a health care worker platform on behalf of an individual who is not on the master roster. A subject under this subdivision who is not disqualified must be placed on the inactive roster.

Sec. 7. Minnesota Statutes 2020, section 245C.04, subdivision 1, is amended to read:

Subdivision 1. **Licensed programs; other child care programs.** (a) The commissioner shall conduct a background study of an individual required to be studied under section 245C.03, subdivision 1, at least upon application for initial license for all license types.

(b) The commissioner shall conduct a background study of an individual required to be studied under section 245C.03, subdivision 1, including a child care background study subject as defined in section 245C.02, subdivision 6a, in a family child care program, licensed child care center, certified license-exempt child care center, or legal nonlicensed child care provider, on a schedule determined by the commissioner. Except as provided in section 245C.05, subdivision 5a, a child care background study must include submission of fingerprints for a national criminal history record check and a review of the information under section 245C.08. A background study for a child care program must be repeated within five years from the most recent study conducted under this paragraph.

(c) At reapplication for a family child care license:

(1) for a background study affiliated with a licensed family child care center or legal nonlicensed child care provider, the individual shall provide information required under section 245C.05, subdivision 1, paragraphs (a), (b), and (d), to the county agency, and be fingerprinted and photographed under section 245C.05, subdivision 5;

(2) the county agency shall verify the information received under clause (1) and forward the information to the commissioner to complete the background study; and

(3) the background study conducted by the commissioner under this paragraph must include a review of the information required under section 245C.08.

(d) The commissioner is not required to conduct a study of an individual at the time of reapplication for a license if the individual's background study was completed by the commissioner of human services and the following conditions are met:

(1) a study of the individual was conducted either at the time of initial licensure or when the individual became affiliated with the license holder;

(2) the individual has been continuously affiliated with the license holder since the last study was conducted; and

(3) the last study of the individual was conducted on or after October 1, 1995.

(e) The commissioner of human services shall conduct a background study of an individual specified under section 245C.03, subdivision 1, paragraph (a), clauses (2) to (6), who is newly affiliated with a child foster family setting license holder:

(1) the county or private agency shall collect and forward to the commissioner the information required under section 245C.05, subdivisions 1 and 5, when the child foster family setting applicant or license holder resides in the home where child foster care services are provided; and

(2) the background study conducted by the commissioner of human services under this paragraph must include a review of the information required under section 245C.08, subdivisions 1, 3, and 4.

(f) The commissioner shall conduct a background study of an individual specified under section 245C.03, subdivision 1, paragraph (a), clauses (2) to (6), who is newly affiliated with an adult foster care or family adult day services and with a family child care license holder or a legal nonlicensed child care provider authorized under chapter 119B and:

(1) except as provided in section 245C.05, subdivision 5a, the county shall collect and forward to the commissioner the information required under section 245C.05, subdivision 1, paragraphs (a) and (b), and subdivision 5, paragraphs (a), (b), and (d), for background studies conducted by the commissioner for all family adult day services, for adult foster care when the adult foster care license holder resides in the adult foster care residence, and for family child care and legal nonlicensed child care authorized under chapter 119B;

(2) the license holder shall collect and forward to the commissioner the information required under section 245C.05, subdivisions 1, paragraphs (a) and (b); and 5, paragraphs (a) and (b), for background studies conducted by the commissioner for adult foster care when the license holder does not reside in the adult foster care residence; and

(3) the background study conducted by the commissioner under this paragraph must include a review of the information required under section 245C.08, subdivision 1, paragraph (a), and subdivisions 3 and 4.

(g) Applicants for licensure, license holders, and other entities as provided in this chapter must submit completed background study requests to the commissioner using the electronic system known as NETStudy before individuals specified in section 245C.03, subdivision 1, begin positions allowing direct contact in any licensed program.

(h) For an individual who is not on the entity's active roster, the entity must initiate a new background study through NETStudy when:

(1) an individual returns to a position requiring a background study following an absence of 120 or more consecutive days; or

(2) a program that discontinued providing licensed direct contact services for 120 or more consecutive days begins to provide direct contact licensed services again.

The license holder shall maintain a copy of the notification provided to the commissioner under this paragraph in the program's files. If the individual's disqualification was previously set aside for the license holder's program and the new background study results in no new information that indicates the individual may pose a risk of harm to persons receiving services from the license holder, the previous set-aside shall remain in effect.

(i) For purposes of this section, a physician licensed under chapter 147 or advanced practice registered nurse licensed under chapter 148 is considered to be continuously affiliated upon the license holder's receipt from the commissioner of health or human services of the physician's or advanced practice registered nurse's background study results.

(j) For purposes of family child care, a substitute caregiver must receive repeat background studies at the time of each license renewal.

(k) A repeat background study at the time of license renewal is not required if the family child care substitute caregiver's background study was completed by the commissioner on or after October 1, 2017, and the substitute caregiver is on the license holder's active roster in NETStudy 2.0.

(l) Before and after school programs authorized under chapter 119B, are exempt from the background study requirements under section 123B.03, for an employee for whom a background study under this chapter has been completed.

(m) A licensed child care center, certified license-exempt child care center, licensed family child care program, or legal nonlicensed child care provider authorized under chapter 119B is not required to submit a background study request for a private therapist for whom a licensed program maintains a completed background study in the program's personnel files.

(n) Upon request of the license holder, the commissioner of human services shall conduct a background study of an individual specified under section 245C.03, subdivision 1, paragraph (a), clauses (2) to (6), who is newly affiliated with a home and community-based service provider licensed certified to provide children's out-of-home respite under section 245D.34. The license holder shall collect and forward to the commissioner all the information described under section 245C.05, subdivisions 1 and 5. The background study conducted by the commissioner of human services under this paragraph must include a review of all the information described under section 245C.08, subdivisions 1, 3, and 4.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 8. Minnesota Statutes 2020, section 245C.04, subdivision 4a, is amended to read:

Subd. 4a. Agency background studies; electronic criminal case information updates; rosters; and criteria for eliminating repeat background studies. (a) The commissioner shall develop and implement an electronic process as a part of NETStudy 2.0 for the regular transfer of new criminal case information that is added to the Minnesota court information system. The commissioner's system must include for review only information that relates to individuals who are on the master roster.

(b) The commissioner shall develop and implement an online system as a part of NETStudy 2.0 for agencies that initiate background studies under this chapter to access and maintain records of background studies initiated by that agency. The system must show all active background study subjects affiliated with that agency and the status of each individual's background study. Each agency that initiates background studies must use this system to notify the commissioner of discontinued affiliation for purposes of the processes required under paragraph (a).

(c) After an entity initiating a background study has paid the applicable fee for the study and has provided the individual with the privacy notice required under section 245C.05, subdivision 2c, NETStudy 2.0 shall immediately inform the entity whether the individual requires a background study or whether the individual is immediately eligible to provide services based on a previous background study. If the individual is immediately eligible, the entity initiating the background study shall be able to view the information previously supplied by the individual who is the subject of a background study as required under section 245C.05, subdivision 1, including the individual's photograph taken at the time the individual's fingerprints were recorded. The commissioner shall not provide any entity initiating a subsequent background study with information regarding the other entities that initiated background studies on the subject.

(d) Verification that an individual is eligible to provide services based on a previous background study is dependent on the individual voluntarily providing the individual's Social Security number to the commissioner at the time each background study is initiated. When an individual does not provide the individual's Social Security number for the background study, that study is not transferable and a repeat background study on that individual is required if the individual seeks a position requiring a background study under this chapter with another entity.

(e) Notwithstanding paragraphs (b) and (c), the commissioner must not provide a health care worker platform that initiates a background study on an individual's behalf under section 245C.03, subdivision 17, with access to any information regarding the subject other than whether the individual is immediately eligible to provide services.

Sec. 9. Minnesota Statutes 2020, section 245C.04, is amended by adding a subdivision to read:

Subd. 12. **Individuals.** An individual who initiates a background study under section 245C.03, subdivision 16, must initiate the studies annually through NETStudy 2.0.

Sec. 10. Minnesota Statutes 2020, section 245C.04, is amended by adding a subdivision to read:

Subd. 13. **Health care worker platform.** A health care worker platform that initiates a background study on an individual's behalf under section 245C.03, subdivision 17, must initiate the studies annually through NETStudy 2.0.

Sec. 11. Minnesota Statutes 2021 Supplement, section 245C.05, subdivision 5, is amended to read:

Subd. 5. **Fingerprints and photograph.** (a) Notwithstanding paragraph (b), for background studies conducted by the commissioner for certified children's out-of-home respite, child foster care, children's residential facilities, adoptions, or a transfer of permanent legal and physical custody of a child, the subject of the background study, who is 18 years of age or older, shall provide the commissioner with a set of classifiable fingerprints obtained from an authorized agency for a national criminal history record check.

(b) For background studies initiated on or after the implementation of NETStudy 2.0, except as provided under subdivision 5a, every subject of a background study must provide the commissioner with a set of the background study subject's classifiable fingerprints and photograph. The photograph and fingerprints must be recorded at the same time by the authorized fingerprint collection vendor or vendors and sent to the commissioner through the commissioner's secure data system described in section 245C.32, subdivision 1a, paragraph (b).

(c) The fingerprints shall be submitted by the commissioner to the Bureau of Criminal Apprehension and, when specifically required by law, submitted to the Federal Bureau of Investigation for a national criminal history record check.

(d) The fingerprints must not be retained by the Department of Public Safety, Bureau of Criminal Apprehension, or the commissioner. The Federal Bureau of Investigation will not retain background study subjects' fingerprints.

(e) The authorized fingerprint collection vendor or vendors shall, for purposes of verifying the identity of the background study subject, be able to view the identifying information entered into NETStudy 2.0 by the entity that initiated the background study, but shall not retain the subject's fingerprints, photograph, or information from NETStudy 2.0. The authorized fingerprint collection vendor or vendors shall retain no more than the name and date and time the subject's fingerprints were recorded and sent, only as necessary for auditing and billing activities.

(f) For any background study conducted under this chapter, the subject shall provide the commissioner with a set of classifiable fingerprints when the commissioner has reasonable cause to require a national criminal history record check as defined in section 245C.02, subdivision 15a.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 12. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision to read:

Subd. 22. **Individuals.** The commissioner shall recover the cost of the background studies initiated by individuals under section 245C.03, subdivision 16, through a fee of no more than \$42 per study charged to the individual. The fees collected under this subdivision are appropriated to the commissioner for the purpose of conducting background studies.

Sec. 13. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision to read:

Subd. 23. **Health care worker platform.** The commissioner shall recover the cost of the background studies initiated by health care worker platforms under section 245C.03, subdivision 17, through a fee of no more than \$42 per study charged to the platform. The fees collected under this subdivision are appropriated to the commissioner for the purpose of conducting background studies.

Sec. 14. **[245D.34] CHILDREN'S OUT-OF-HOME RESPITE CERTIFICATION STANDARDS.**

Subdivision 1. **Certification.** (a) The commissioner of human services shall issue a children's out-of-home respite certification for services licensed under this chapter when a license holder is determined to have met the requirements under this section. This certification is voluntary for license holders. The certification shall be printed on the license and identified on the commissioner's public website.

(b) A license holder seeking certification under this section must request this certification on forms and in the manner prescribed by the commissioner.

(c) If a commissioner finds that a license holder has failed to comply with the certification requirements under this section, the commissioner may issue a correction order and an order of conditional license in accordance with section 245A.06 or may issue a sanction in accordance with section 245A.07, including and up to removal of the certification.

(d) A denial of the certification or the removal of the certification based on a determination that the requirements of this section have not been met is not subject to appeal. A license holder that has

been denied a certification or that has had a certification removed may again request certification when the license holder is in compliance with the requirements of this section.

Subd. 2. **Certification requirements.** The requirements for certification under this section are:

(1) the license holder maintains a current roster of staff who meet the background study requirements under section 245C.04, subdivision 1, paragraph (n);

(2) the license holder assigns only individuals on the roster described in clause (1) to provide out-of-home respite to a minor in an unlicensed service site;

(3) the case manager has verified, on the forms and in the manner prescribed by the commissioner, and documented in the person's coordinated service and support plan that any proposed unlicensed service site is appropriate to meet the person's unique assessed needs; and

(4) when providing out-of-home respite to a minor at an unlicensed service site, the service site the license holder uses is identified and approved by the case manager in the person's coordinated service and support plan.

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

ARTICLE 7

DEPARTMENT OF BEHAVIORAL HEALTH

Section 1. Minnesota Statutes 2021 Supplement, section 15.01, is amended to read:

15.01 DEPARTMENTS OF THE STATE.

The following agencies are designated as the departments of the state government: the Department of Administration; the Department of Agriculture; the Department of Behavioral Health; the Department of Commerce; the Department of Corrections; the Department of Education; the Department of Employment and Economic Development; the Department of Health; the Department of Human Rights; the Department of Information Technology Services; the Department of Iron Range Resources and Rehabilitation; the Department of Labor and Industry; the Department of Management and Budget; the Department of Military Affairs; the Department of Natural Resources; the Department of Public Safety; the Department of Human Services; the Department of Revenue; the Department of Transportation; the Department of Veterans Affairs; and their successor departments.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 2. Minnesota Statutes 2021 Supplement, section 15.06, subdivision 1, is amended to read:

Subdivision 1. **Applicability.** This section applies to the following departments or agencies: the Departments of Administration, Agriculture, Behavioral Health, Commerce, Corrections, Education, Employment and Economic Development, Health, Human Rights, Labor and Industry,

Management and Budget, Natural Resources, Public Safety, Human Services, Revenue, Transportation, and Veterans Affairs; the Housing Finance and Pollution Control Agencies; the Office of Commissioner of Iron Range Resources and Rehabilitation; the Department of Information Technology Services; the Bureau of Mediation Services; and their successor departments and agencies. The heads of the foregoing departments or agencies are "commissioners."

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 3. Minnesota Statutes 2020, section 15A.0815, subdivision 2, is amended to read:

Subd. 2. **Group I salary limits.** The salary for a position listed in this subdivision shall not exceed 133 percent of the salary of the governor. This limit must be adjusted annually on January 1. The new limit must equal the limit for the prior year increased by the percentage increase, if any, in the Consumer Price Index for all urban consumers from October of the second prior year to October of the immediately prior year. The commissioner of management and budget must publish the limit on the department's website. This subdivision applies to the following positions:

Commissioner of administration;

Commissioner of agriculture;

Commissioner of behavioral health;

Commissioner of education;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of health;

Commissioner, Minnesota Office of Higher Education;

Commissioner, Housing Finance Agency;

Commissioner of human rights;

Commissioner of human services;

Commissioner of labor and industry;

Commissioner of management and budget;

Commissioner of natural resources;

Commissioner, Pollution Control Agency;

Commissioner of public safety;

Commissioner of revenue;

Commissioner of employment and economic development;
Commissioner of transportation; and
Commissioner of veterans affairs.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 4. Minnesota Statutes 2021 Supplement, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following agencies may designate additional unclassified positions according to this subdivision: the Departments of Administration; Agriculture; Behavioral Health; Commerce; Corrections; Education; Employment and Economic Development; Explore Minnesota Tourism; Management and Budget; Health; Human Rights; Labor and Industry; Natural Resources; Public Safety; Human Services; Revenue; Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies; the State Lottery; the State Board of Investment; the Office of Administrative Hearings; the Department of Information Technology Services; the Offices of the Attorney General, Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the Minnesota Office of Higher Education; the Perpich Center for Arts Education; and the Minnesota Zoological Board.

A position designated by an appointing authority according to this subdivision must meet the following standards and criteria:

(1) the designation of the position would not be contrary to other law relating specifically to that agency;

(2) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(3) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation, and implementation of agency policy;

(4) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(5) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with, the governor and the agency head, the employing statutory board or commission, or the employing constitutional officer;

(6) the position would be at the level of division or bureau director or assistant to the agency head; and

(7) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 5. **[256T.01] DEPARTMENT OF BEHAVIORAL HEALTH.**

The Department of Behavioral Health is created. The governor shall appoint the commissioner of behavioral health under section 15.06. The commissioner shall administer:

(1) the behavioral health services under the medical assistance program under chapters 256 and 256B;

(2) the behavioral health services under the MinnesotaCare program under chapter 256L;

(3) mental health and chemical dependency services under chapters 245, 245G, 253C, 254A, and 254B; and

(4) behavioral health quality, behavioral health analysis, behavioral health economics, and related data collection initiatives under chapters 62J, 62U, and 144.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 6. **[256T.02] TRANSFER.**

(a) Section 15.039 applies to the transfer under this chapter.

(b) The commissioner of administration, with the approval of the governor, may issue reorganization orders under section 16B.37 as necessary to carry out the transfer required by this chapter. The provision of section 16B.37, subdivision 1, stating that transfers under section 16B.37 may be made only to an agency that has been in existence for at least one year does not apply to transfers to an agency created by this chapter.

(c) The initial salary for the commissioner of behavioral health is the same as the salary for the commissioner of health. The salary may be changed in the manner specified in section 15A.0815.

(d) For an employee affected by the transfer of duties required by this chapter, the seniority accrued by the employee at the employee's former agency transfers to the employee's new agency.

(e) The commissioner of management and budget must ensure that the aggregate cost for the commissioner of behavioral health is not more than the aggregate cost during the transition of creating the Department of Behavioral Health as it currently exists under the Department of Human Services and the Department of Health immediately before the effective date of this chapter, excluding any appropriation made during the 2022 legislative session.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 7. **REVISOR INSTRUCTION.**

The revisor of statutes, in consultation with staff from the House Research Department; House Fiscal Analysis; the Office of Senate Counsel, Research, and Fiscal Analysis; and the respective departments shall prepare legislation for introduction in the 2023 legislative session proposing the statutory changes needed to implement the transfers of duties required for the creation of the Department of Behavioral Health.

EFFECTIVE DATE. This section is effective July 1, 2022.

ARTICLE 8**COMMUNITY SUPPORTS AND BEHAVIORAL HEALTH POLICY**

Section 1. Minnesota Statutes 2021 Supplement, section 62A.673, subdivision 2, is amended to read:

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

(b) "Distant site" means a site at which a health care provider is located while providing health care services or consultations by means of telehealth.

(c) "Health care provider" means a health care professional who is licensed or registered by the state to perform health care services within the provider's scope of practice and in accordance with state law. A health care provider includes a mental health professional ~~as defined under section 245.462, subdivision 18, or 245.4871, subdivision 27~~ 245I.04, subdivision 2; a mental health practitioner ~~as defined under section 245.462, subdivision 17, or 245.4871, subdivision 26~~ 245I.04, subdivision 4; a clinical trainee under section 245I.04, subdivision 6; a treatment coordinator under section 245G.11, subdivision 7; an alcohol and drug counselor under section 245G.11, subdivision 5; and a recovery peer under section 245G.11, subdivision 8.

(d) "Health carrier" has the meaning given in section 62A.011, subdivision 2.

(e) "Health plan" has the meaning given in section 62A.011, subdivision 3. Health plan includes dental plans as defined in section 62Q.76, subdivision 3, but does not include dental plans that provide indemnity-based benefits, regardless of expenses incurred, and are designed to pay benefits directly to the policy holder.

(f) "Originating site" means a site at which a patient is located at the time health care services are provided to the patient by means of telehealth. For purposes of store-and-forward technology, the originating site also means the location at which a health care provider transfers or transmits information to the distant site.

(g) "Store-and-forward technology" means the asynchronous electronic transfer or transmission of a patient's medical information or data from an originating site to a distant site for the purposes of diagnostic and therapeutic assistance in the care of a patient.

(h) "Telehealth" means the delivery of health care services or consultations through the use of real time two-way interactive audio and visual communications to provide or support health care delivery and facilitate the assessment, diagnosis, consultation, treatment, education, and care management of a patient's health care. Telehealth includes the application of secure video conferencing, store-and-forward technology, and synchronous interactions between a patient located at an originating site and a health care provider located at a distant site. Until July 1, 2023, telehealth also includes audio-only communication between a health care provider and a patient in accordance with subdivision 6, paragraph (b). Telehealth does not include communication between health care providers that consists solely of a telephone conversation, e-mail, or facsimile transmission. Telehealth does not include communication between a health care provider and a patient that consists solely

of an e-mail or facsimile transmission. Telehealth does not include telemonitoring services as defined in paragraph (i).

(i) "Telemonitoring services" means the remote monitoring of clinical data related to the enrollee's vital signs or biometric data by a monitoring device or equipment that transmits the data electronically to a health care provider for analysis. Telemonitoring is intended to collect an enrollee's health-related data for the purpose of assisting a health care provider in assessing and monitoring the enrollee's medical condition or status.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 2. Minnesota Statutes 2021 Supplement, section 148F.11, subdivision 1, is amended to read:

Subdivision 1. **Other professionals.** (a) Nothing in this chapter prevents members of other professions or occupations from performing functions for which they are qualified or licensed. This exception includes, but is not limited to: licensed physicians; registered nurses; licensed practical nurses; licensed psychologists and licensed psychological practitioners; members of the clergy provided such services are provided within the scope of regular ministries; American Indian medicine men and women; licensed attorneys; probation officers; licensed marriage and family therapists; licensed social workers; social workers employed by city, county, or state agencies; licensed professional counselors; licensed professional clinical counselors; licensed school counselors; registered occupational therapists or occupational therapy assistants; Upper Midwest Indian Council on Addictive Disorders (UMICAD) certified counselors when providing services to Native American people; city, county, or state employees when providing assessments or case management under Minnesota Rules, chapter 9530; and ~~individuals defined in section 256B.0623, subdivision 5, clauses (1) to (6),~~ staff persons providing co-occurring substance use disorder treatment in adult mental health rehabilitative programs certified or licensed by the Department of Human Services under section 245I.23, 256B.0622, or 256B.0623.

(b) Nothing in this chapter prohibits technicians and resident managers in programs licensed by the Department of Human Services from discharging their duties as provided in Minnesota Rules, chapter 9530.

(c) Any person who is exempt from licensure under this section must not use a title incorporating the words "alcohol and drug counselor" or "licensed alcohol and drug counselor" or otherwise hold himself or herself out to the public by any title or description stating or implying that he or she is engaged in the practice of alcohol and drug counseling, or that he or she is licensed to engage in the practice of alcohol and drug counseling, unless that person is also licensed as an alcohol and drug counselor. Persons engaged in the practice of alcohol and drug counseling are not exempt from the board's jurisdiction solely by the use of one of the titles in paragraph (a).

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 3. Minnesota Statutes 2021 Supplement, section 245.467, subdivision 2, is amended to read:

Subd. 2. **Diagnostic assessment.** ~~Providers~~ A provider of services governed by this section must complete a diagnostic assessment of a client according to the standards of section 245I.10, ~~subdivisions 4 to 6.~~

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 4. Minnesota Statutes 2021 Supplement, section 245.467, subdivision 3, is amended to read:

Subd. 3. **Individual treatment plans.** ~~Providers~~ A provider of services governed by this section must complete an individual treatment plan for a client according to the standards of section 245I.10, subdivisions 7 and 8.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 5. Minnesota Statutes 2021 Supplement, section 245.4871, subdivision 21, is amended to read:

Subd. 21. **Individual treatment plan.** (a) "Individual treatment plan" means the formulation of planned services that are responsive to the needs and goals of a client. An individual treatment plan must be completed according to section 245I.10, subdivisions 7 and 8.

(b) A children's residential facility licensed under Minnesota Rules, chapter 2960, is exempt from the requirements of section 245I.10, subdivisions 7 and 8. Instead, the individual treatment plan must:

(1) include a written plan of intervention, treatment, and services for a child with an emotional disturbance that the service provider develops under the clinical supervision of a mental health professional on the basis of a diagnostic assessment;

(2) be developed in conjunction with the family unless clinically inappropriate; and

(3) identify goals and objectives of treatment, treatment strategy, a schedule for accomplishing treatment goals and objectives, and the individuals responsible for providing treatment to the child with an emotional disturbance.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 6. Minnesota Statutes 2021 Supplement, section 245.4876, subdivision 2, is amended to read:

Subd. 2. **Diagnostic assessment. Providers** A provider of services governed by this section shall must complete a diagnostic assessment of a client according to the standards of section 245I.10, subdivisions 4 to 6. Notwithstanding the required timelines for completing a diagnostic assessment in section 245I.10, a children's residential facility licensed under Minnesota Rules, chapter 2960, that provides mental health services to children must, within ten days of the client's admission: (1) complete the client's diagnostic assessment; or (2) review and update the client's diagnostic assessment with a summary of the child's current mental health status and service needs if a diagnostic assessment is available that was completed within 180 days preceding admission and the client's mental health status has not changed markedly since the diagnostic assessment.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 7. Minnesota Statutes 2021 Supplement, section 245.4876, subdivision 3, is amended to read:

Subd. 3. **Individual treatment plans. Providers** A provider of services governed by this section shall must complete an individual treatment plan for a client according to the standards of section 245I.10, subdivisions 7 and 8. A children's residential facility licensed according to Minnesota Rules, chapter 2960, is exempt from the requirements in section 245I.10, subdivisions 7 and 8. Instead, the facility must involve the child and the child's family in all phases of developing and implementing the individual treatment plan to the extent appropriate and must review the individual treatment plan every 90 days after intake.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 8. Minnesota Statutes 2021 Supplement, section 245.735, subdivision 3, is amended to read:

Subd. 3. **Certified community behavioral health clinics.** (a) The commissioner shall establish a state certification process for certified community behavioral health clinics (CCBHCs) that satisfy all federal requirements necessary for CCBHCs certified under this section to be eligible for reimbursement under medical assistance, without service area limits based on geographic area or region. The commissioner shall consult with CCBHC stakeholders before establishing and implementing changes in the certification process and requirements. Entities that choose to be CCBHCs must:

- (1) comply with state licensing requirements and other requirements issued by the commissioner;
- (2) employ or contract for clinic staff who have backgrounds in diverse disciplines, including licensed mental health professionals and licensed alcohol and drug counselors, and staff who are culturally and linguistically trained to meet the needs of the population the clinic serves;
- (3) ensure that clinic services are available and accessible to individuals and families of all ages and genders and that crisis management services are available 24 hours per day;

(4) establish fees for clinic services for individuals who are not enrolled in medical assistance using a sliding fee scale that ensures that services to patients are not denied or limited due to an individual's inability to pay for services;

(5) comply with quality assurance reporting requirements and other reporting requirements, including any required reporting of encounter data, clinical outcomes data, and quality data;

(6) provide crisis mental health and substance use services, withdrawal management services, emergency crisis intervention services, and stabilization services through existing mobile crisis services; screening, assessment, and diagnosis services, including risk assessments and level of care determinations; person- and family-centered treatment planning; outpatient mental health and substance use services; targeted case management; psychiatric rehabilitation services; peer support and counselor services and family support services; and intensive community-based mental health services, including mental health services for members of the armed forces and veterans. CCBHCs must directly provide the majority of these services to enrollees, but may coordinate some services with another entity through a collaboration or agreement, pursuant to paragraph (b);

(7) provide coordination of care across settings and providers to ensure seamless transitions for individuals being served across the full spectrum of health services, including acute, chronic, and behavioral needs. Care coordination may be accomplished through partnerships or formal contracts with:

(i) counties, health plans, pharmacists, pharmacies, rural health clinics, federally qualified health centers, inpatient psychiatric facilities, substance use and detoxification facilities, or community-based mental health providers; and

(ii) other community services, supports, and providers, including schools, child welfare agencies, juvenile and criminal justice agencies, Indian health services clinics, tribally licensed health care and mental health facilities, urban Indian health clinics, Department of Veterans Affairs medical centers, outpatient clinics, drop-in centers, acute care hospitals, and hospital outpatient clinics;

(8) be certified as a mental health ~~clinics~~ clinic under section ~~245.69, subdivision 2~~ 245I.20;

(9) comply with standards established by the commissioner relating to CCBHC screenings, assessments, and evaluations;

(10) be licensed to provide substance use disorder treatment under chapter 245G;

(11) be certified to provide children's therapeutic services and supports under section 256B.0943;

(12) be certified to provide adult rehabilitative mental health services under section 256B.0623;

(13) be enrolled to provide mental health crisis response services under ~~sections~~ section 256B.0624 and 256B.0944;

(14) be enrolled to provide mental health targeted case management under section 256B.0625, subdivision 20;

(15) comply with standards relating to mental health case management in Minnesota Rules, parts 9520.0900 to 9520.0926;

(16) provide services that comply with the evidence-based practices described in paragraph (e); and

(17) comply with standards relating to peer services under sections 256B.0615, 256B.0616, and 245G.07, subdivision 1, paragraph (a), clause (5), as applicable when peer services are provided.

(b) If a certified CCBHC is unable to provide one or more of the services listed in paragraph (a), clauses (6) to (17), the CCBHC may contract with another entity that has the required authority to provide that service and that meets the following criteria as a designated collaborating organization:

(1) the entity has a formal agreement with the CCBHC to furnish one or more of the services under paragraph (a), clause (6);

(2) the entity provides assurances that it will provide services according to CCBHC service standards and provider requirements;

(3) the entity agrees that the CCBHC is responsible for coordinating care and has clinical and financial responsibility for the services that the entity provides under the agreement; and

(4) the entity meets any additional requirements issued by the commissioner.

(c) Notwithstanding any other law that requires a county contract or other form of county approval for certain services listed in paragraph (a), clause (6), a clinic that otherwise meets CCBHC requirements may receive the prospective payment under section 256B.0625, subdivision 5m, for those services without a county contract or county approval. As part of the certification process in paragraph (a), the commissioner shall require a letter of support from the CCBHC's host county confirming that the CCBHC and the county or counties it serves have an ongoing relationship to facilitate access and continuity of care, especially for individuals who are uninsured or who may go on and off medical assistance.

(d) When the standards listed in paragraph (a) or other applicable standards conflict or address similar issues in duplicative or incompatible ways, the commissioner may grant variances to state requirements if the variances do not conflict with federal requirements for services reimbursed under medical assistance. If standards overlap, the commissioner may substitute all or a part of a licensure or certification that is substantially the same as another licensure or certification. The commissioner shall consult with stakeholders, as described in subdivision 4, before granting variances under this provision. For the CCBHC that is certified but not approved for prospective payment under section 256B.0625, subdivision 5m, the commissioner may grant a variance under this paragraph if the variance does not increase the state share of costs.

(e) The commissioner shall issue a list of required evidence-based practices to be delivered by CCBHCs, and may also provide a list of recommended evidence-based practices. The commissioner may update the list to reflect advances in outcomes research and medical services for persons living with mental illnesses or substance use disorders. The commissioner shall take into consideration the adequacy of evidence to support the efficacy of the practice, the quality of workforce available, and the current availability of the practice in the state. At least 30 days before issuing the initial list and any revisions, the commissioner shall provide stakeholders with an opportunity to comment.

(f) The commissioner shall recertify CCBHCs at least every three years. The commissioner shall establish a process for decertification and shall require corrective action, medical assistance repayment, or decertification of a CCBHC that no longer meets the requirements in this section or that fails to meet the standards provided by the commissioner in the application and certification process.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 9. Minnesota Statutes 2021 Supplement, section 245A.03, subdivision 7, is amended to read:

Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter for a physical location that will not be the primary residence of the license holder for the entire period of licensure. If a family child foster care home or family adult foster care home license is issued during this moratorium, and the license holder changes the license holder's primary residence away from the physical location of the foster care license, the commissioner shall revoke the license according to section 245A.07. The commissioner shall not issue an initial license for a community residential setting licensed under chapter 245D. When approving an exception under this paragraph, the commissioner shall consider the resource need determination process in paragraph (h), the availability of foster care licensed beds in the geographic area in which the licensee seeks to operate, the results of a person's choices during their annual assessment and service plan review, and the recommendation of the local county board. The determination by the commissioner is final and not subject to appeal. Exceptions to the moratorium include:

(1) foster care settings where at least 80 percent of the residents are 55 years of age or older;

(2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or community residential setting licenses replacing adult foster care licenses in existence on December 31, 2013, and determined to be needed by the commissioner under paragraph (b);

(3) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD, or regional treatment center; restructuring of state-operated services that limits the capacity of state-operated facilities; or allowing movement to the community for people who no longer require the level of care provided in state-operated facilities as provided under section 256B.092, subdivision 13, or 256B.49, subdivision 24;

(4) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for persons requiring hospital level care; or

~~(5) new foster care licenses or community residential setting licenses for people receiving services under chapter 245D and residing in an unlicensed setting before May 1, 2017, and for which a license is required. This exception does not apply to people living in their own home. For purposes of this clause, there is a presumption that a foster care or community residential setting license is required for services provided to three or more people in a dwelling unit when the setting is controlled~~

by the provider. A license holder subject to this exception may rebut the presumption that a license is required by seeking a reconsideration of the commissioner's determination. The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14. The exception is available until June 30, 2018. This exception is available when:

(i) the person's case manager provided the person with information about the choice of service, service provider, and location of service, including in the person's home, to help the person make an informed choice; and

(ii) the person's services provided in the licensed foster care or community residential setting are less than or equal to the cost of the person's services delivered in the unlicensed setting as determined by the lead agency; or

~~(6)~~ (5) new foster care licenses or community residential setting licenses for people receiving customized living or 24-hour customized living services under the brain injury or community access for disability inclusion waiver plans under section 256B.49 and residing in the customized living setting before July 1, 2022, for which a license is required. A customized living service provider subject to this exception may rebut the presumption that a license is required by seeking a reconsideration of the commissioner's determination. The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14. The exception is available until June 30, 2023. This exception is available when:

(i) the person's customized living services are provided in a customized living service setting serving four or fewer people under the brain injury or community access for disability inclusion waiver plans under section 256B.49 in a single-family home operational on or before June 30, 2021. Operational is defined in section 256B.49, subdivision 28;

(ii) the person's case manager provided the person with information about the choice of service, service provider, and location of service, including in the person's home, to help the person make an informed choice; and

(iii) the person's services provided in the licensed foster care or community residential setting are less than or equal to the cost of the person's services delivered in the customized living setting as determined by the lead agency.

(b) The commissioner shall determine the need for newly licensed foster care homes or community residential settings as defined under this subdivision. As part of the determination, the commissioner shall consider the availability of foster care capacity in the area in which the licensee seeks to operate, and the recommendation of the local county board. The determination by the commissioner must be final. A determination of need is not required for a change in ownership at the same address.

(c) When an adult resident served by the program moves out of a foster home that is not the primary residence of the license holder according to section 256B.49, subdivision 15, paragraph (f), or the adult community residential setting, the county shall immediately inform the Department of Human Services Licensing Division. The department may decrease the statewide licensed capacity for adult foster care settings.

(d) Residential settings that would otherwise be subject to the decreased license capacity established in paragraph (c) shall be exempt if the license holder's beds are occupied by residents whose primary diagnosis is mental illness and the license holder is certified under the requirements in subdivision 6a or section 245D.33.

(e) A resource need determination process, managed at the state level, using the available reports required by section 144A.351, and other data and information shall be used to determine where the reduced capacity determined under section 256B.493 will be implemented. The commissioner shall consult with the stakeholders described in section 144A.351, and employ a variety of methods to improve the state's capacity to meet the informed decisions of those people who want to move out of corporate foster care or community residential settings, long-term service needs within budgetary limits, including seeking proposals from service providers or lead agencies to change service type, capacity, or location to improve services, increase the independence of residents, and better meet needs identified by the long-term services and supports reports and statewide data and information.

(f) At the time of application and reapplication for licensure, the applicant and the license holder that are subject to the moratorium or an exclusion established in paragraph (a) are required to inform the commissioner whether the physical location where the foster care will be provided is or will be the primary residence of the license holder for the entire period of licensure. If the primary residence of the applicant or license holder changes, the applicant or license holder must notify the commissioner immediately. The commissioner shall print on the foster care license certificate whether or not the physical location is the primary residence of the license holder.

(g) License holders of foster care homes identified under paragraph (f) that are not the primary residence of the license holder and that also provide services in the foster care home that are covered by a federally approved home and community-based services waiver, as authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human services licensing division that the license holder provides or intends to provide these waiver-funded services.

(h) The commissioner may adjust capacity to address needs identified in section 144A.351. Under this authority, the commissioner may approve new licensed settings or delicense existing settings. Delicensing of settings will be accomplished through a process identified in section 256B.493. Annually, by August 1, the commissioner shall provide information and data on capacity of licensed long-term services and supports, actions taken under the subdivision to manage statewide long-term services and supports resources, and any recommendations for change to the legislative committees with jurisdiction over the health and human services budget.

(i) The commissioner must notify a license holder when its corporate foster care or community residential setting licensed beds are reduced under this section. The notice of reduction of licensed beds must be in writing and delivered to the license holder by certified mail or personal service. The notice must state why the licensed beds are reduced and must inform the license holder of its right to request reconsideration by the commissioner. The license holder's request for reconsideration must be in writing. If mailed, the request for reconsideration must be postmarked and sent to the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds. If a request for reconsideration is made by personal service, it must be received by the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

(j) The commissioner shall not issue an initial license for children's residential treatment services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter for a program that Centers for Medicare and Medicaid Services would consider an institution for mental diseases. Facilities that serve only private pay clients are exempt from the moratorium described in this paragraph. The commissioner has the authority to manage existing statewide capacity for children's residential treatment services subject to the moratorium under this paragraph and may issue an initial license for such facilities if the initial license would not increase the statewide capacity for children's residential treatment services subject to the moratorium under this paragraph.

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

Sec. 10. Minnesota Statutes 2020, section 245A.11, subdivision 2, is amended to read:

Subd. 2. **Permitted single-family residential use.** (a) Residential programs with a licensed capacity of six or fewer persons shall be considered a permitted single-family residential use of property for the purposes of zoning and other land use regulations, except that a residential program whose primary purpose is to treat juveniles who have violated criminal statutes relating to sex offenses or have been adjudicated delinquent on the basis of conduct in violation of criminal statutes relating to sex offenses shall not be considered a permitted use. This exception shall not apply to residential programs licensed before July 1, 1995. Programs otherwise allowed under this subdivision shall not be prohibited by operation of restrictive covenants or similar restrictions, regardless of when entered into, which cannot be met because of the nature of the licensed program, including provisions which require the home's occupants be related, and that the home must be occupied by the owner, or similar provisions.

(b) Unless otherwise provided in any town, municipal, or county zoning regulation, a licensed residential program in an intermediate care facility for persons with developmental disabilities with a licensed capacity of seven to eight persons shall be considered a permitted single-family residential use of property for the purposes of zoning and other land use regulations. A town, municipal, or county zoning authority may require a conditional use or special use permit to assure proper maintenance and operation of the residential program. Conditions imposed on the residential program must not be more restrictive than those imposed on other conditional uses or special uses of residential property in the same zones, unless the additional conditions are necessary to protect the health and safety of the persons being served by the program.

EFFECTIVE DATE. This section is effective upon federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 11. Minnesota Statutes 2020, section 245A.11, subdivision 2a, is amended to read:

Subd. 2a. **Adult foster care and community residential setting license capacity.** (a) The commissioner shall issue adult foster care and community residential setting licenses with a maximum licensed capacity of four beds, including nonstaff roomers and boarders, except that the commissioner may issue a license with a capacity of ~~five~~ up to six beds, including roomers and boarders, according to paragraphs (b) to ~~(g)~~ (f).

(b) The license holder may have a maximum license capacity of ~~five~~ six if all persons in care are age 55 or over and do not have a serious and persistent mental illness or a developmental disability.

(c) The commissioner may grant variances to paragraph (b) to allow a facility with a licensed capacity of up to ~~five~~ six persons to admit an individual under the age of 55 if the variance complies with section 245A.04, subdivision 9, and approval of the variance is recommended by the county in which the licensed facility is located.

(d) The commissioner may grant variances to paragraph (a) to allow the use of an additional bed, up to five, for emergency crisis services for a person with serious and persistent mental illness or a developmental disability, regardless of age, if the variance complies with section 245A.04, subdivision 9, and approval of the variance is recommended by the county in which the licensed facility is located.

(e) The commissioner may grant a variance to paragraph (b) to allow for the use of an additional bed, up to ~~five~~ six, for respite services, as defined in section 245A.02, for persons with disabilities, regardless of age, if the variance complies with sections 245A.03, subdivision 7, and 245A.04, subdivision 9, and approval of the variance is recommended by the county in which the licensed facility is located. Respite care may be provided under the following conditions:

(1) staffing ratios cannot be reduced below the approved level for the individuals being served in the home on a permanent basis;

(2) no more than two different individuals can be accepted for respite services in any calendar month and the total respite days may not exceed 120 days per program in any calendar year;

(3) the person receiving respite services must have his or her own bedroom, which could be used for alternative purposes when not used as a respite bedroom, and cannot be the room of another person who lives in the facility; and

(4) individuals living in the facility must be notified when the variance is approved. The provider must give 60 days' notice in writing to the residents and their legal representatives prior to accepting the first respite placement. Notice must be given to residents at least two days prior to service initiation, or as soon as the license holder is able if they receive notice of the need for respite less than two days prior to initiation, each time a respite client will be served, unless the requirement for this notice is waived by the resident or legal guardian.

(f) The commissioner ~~may issue~~ shall increase the licensed capacity of an adult foster care or community residential setting license ~~with up to a capacity of five~~ six adults if the fifth or sixth bed does not increase the overall statewide capacity of licensed adult foster care or community residential setting beds in homes that are not the primary residence of the license holder, as identified in a plan submitted to the commissioner by the county, when the capacity is recommended by the county licensing agency of the county in which the facility is located and if the recommendation verifies that:

(1) the facility meets the physical environment requirements in the adult foster care licensing rule or the community residential settings requirements in chapter 245D;

(2) the five-bed or six-bed living arrangement is specified for each resident in the resident's:

(i) individualized plan of care;

(ii) individual service plan under section 256B.092, subdivision 1b, if required; or

(iii) individual resident placement agreement under Minnesota Rules, part 9555.5105, subpart 19, if required; and

(3) the license holder obtains written and signed informed consent from each resident or resident's legal representative documenting the resident's informed choice to remain living in the home and that the resident's refusal to consent would not have resulted in service termination; ~~and~~

~~(4) the facility was licensed for adult foster care before March 1, 2016.~~

~~(g) The commissioner shall not issue a new adult foster care license under paragraph (f) after December 31, 2020. The commissioner shall allow a facility with an adult foster care license issued under paragraph (f) before December 31, 2020, to continue with a an increased capacity of five adults if the license holder continues to comply with the requirements in this paragraph (f).~~

EFFECTIVE DATE. This section is effective upon federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 12. Minnesota Statutes 2020, section 245A.11, is amended by adding a subdivision to read:

Subd. 2c. **Residential programs in intermediate care facilities; license capacity.** Notwithstanding subdivision 4 and section 252.28, subdivision 3, for a licensed residential program in an intermediate care facility for persons with developmental disabilities located in a single-family home and in a town, municipal, or county zoning authority that will permit a licensed capacity of seven or eight persons in a single-family home, the commissioner may increase the licensed capacity of the program to seven or eight if the seventh or eighth bed does not increase the overall statewide capacity in intermediate care facilities for persons with developmental disabilities. If the licensed capacity of a residential program in an intermediate care facility for persons with developmental disabilities is increased under this subdivision, the capacity of the license may remain at the increased number of persons.

EFFECTIVE DATE. This section is effective upon federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 13. Minnesota Statutes 2020, section 245A.19, is amended to read:

245A.19 HIV TRAINING IN ~~CHEMICAL DEPENDENCY~~ SUBSTANCE USE DISORDER TREATMENT PROGRAM.

(a) Applicants and license holders for ~~chemical dependency~~ substance use disorder residential and nonresidential programs must demonstrate compliance with HIV minimum standards ~~prior to before their application being is complete.~~ The HIV minimum standards contained in the HIV-1 Guidelines for ~~chemical dependency~~ substance use disorder treatment and care programs in Minnesota are not subject to rulemaking.

(b) ~~Ninety days after April 29, 1992,~~ The applicant or license holder shall orient all ~~chemical dependency~~ substance use disorder treatment staff and clients to the HIV minimum standards. ~~Thereafter,~~ Orientation shall be provided to all staff and clients; within 72 hours of employment or

admission to the program. In-service training shall be provided to all staff on at least an annual basis and the license holder shall maintain records of training and attendance.

(c) The license holder shall maintain a list of referral sources for the purpose of making necessary referrals of clients to HIV-related services. The list of referral services shall be updated at least annually.

(d) Written policies and procedures, consistent with HIV minimum standards, shall be developed and followed by the license holder. All policies and procedures concerning HIV minimum standards shall be approved by the commissioner. ~~The commissioner shall provide training on HIV minimum standards to applicants~~ must outline the content required for the annual staff training under paragraph (b).

(e) The commissioner may permit variances from the requirements in this section. License holders seeking variances must follow the procedures in section 245A.04, subdivision 9.

Sec. 14. Minnesota Statutes 2020, section 245D.10, subdivision 3a, is amended to read:

Subd. 3a. **Service termination.** (a) The license holder must establish policies and procedures for service termination that promote continuity of care and service coordination with the person and the case manager and with other licensed caregivers, if any, who also provide support to the person. The policy must include the requirements specified in paragraphs (b) to (f).

(b) The license holder must permit each person to remain in the program or to continue receiving services and must not terminate services unless:

(1) the termination is necessary for the person's welfare and the facility provider cannot meet the person's needs;

(2) the safety of the person or others ~~in the program~~ is endangered and positive support strategies were attempted and have not achieved and effectively maintained safety for the person or others;

(3) the health of the person or others ~~in the program~~ would otherwise be endangered;

(4) the program provider has not been paid for services;

(5) the program provider ceases to operate;

(6) the person has been terminated by the lead agency from waiver eligibility; or

(7) for state-operated community-based services, the person no longer demonstrates complex behavioral needs that cannot be met by private community-based providers identified in section 252.50, subdivision 5, paragraph (a), clause (1).

(c) Prior to giving notice of service termination, the license holder must document actions taken to minimize or eliminate the need for termination. Action taken by the license holder must include, at a minimum:

(1) consultation with the person and the person's support team or expanded support team to identify and resolve issues leading to issuance of the termination notice;

(2) a request to the case manager for intervention services identified in section 245D.03, subdivision 1, paragraph (c), clause (1), or other professional consultation or intervention services to support the person in the program. This requirement does not apply to notices of service termination issued under paragraph (b), clauses (4) and (7); ~~and~~

(3) for state-operated community-based services terminating services under paragraph (b), clause (7), the state-operated community-based services must engage in consultation with the person and the person's support team or expanded support team to:

(i) identify that the person no longer demonstrates complex behavioral needs that cannot be met by private community-based providers identified in section 252.50, subdivision 5, paragraph (a), clause (1);

(ii) provide notice of intent to issue a termination of services to the lead agency when a finding has been made that a person no longer demonstrates complex behavioral needs that cannot be met by private community-based providers identified in section 252.50, subdivision 5, paragraph (a), clause (1);

(iii) assist the lead agency and case manager in developing a person-centered transition plan to a private community-based provider to ensure continuity of care; and

(iv) coordinate with the lead agency to ensure the private community-based service provider is able to meet the person's needs and criteria established in a person's person-centered transition plan; and

(4) providing the person, the person's legal representative, and the person's extended support team with:

(i) a statement that the person or the person's legal representative may contact the Office of Ombudsman for Mental Health and Developmental Disabilities or the Office of Ombudsman for Long-Term Care to request an advocate to assist regarding the termination; and

(ii) the telephone number, e-mail address, website address, mailing address, and street address for the state and applicable regional Office of Ombudsman for Long-Term Care and the Office of Ombudsman for Mental Health and Developmental Disabilities.

If, based on the best interests of the person, the circumstances at the time of the notice were such that the license holder was unable to take the action specified in clauses (1) and (2), the license holder must document the specific circumstances and the reason for being unable to do so.

(d) The notice of service termination must meet the following requirements:

(1) the license holder must notify the person or the person's legal representative and the case manager in writing of the intended service termination. If the service termination is from residential supports and services as defined in section 245D.03, subdivision 1, paragraph (c), clause (3), the license holder must also notify ~~the commissioner~~ in writing the commissioner, the Office of Ombudsman for Long-Term Care and the Office of Ombudsman for Mental Health and Developmental Disabilities; and

(2) the notice must include:

(i) the reason for the action;

(ii) ~~except for a service termination under paragraph (b), clause (5),~~ a summary of actions taken to minimize or eliminate the need for service termination or temporary service suspension as required under paragraph (c), and why these measures failed to prevent the termination or suspension;

(iii) the person's right to appeal the termination of services under section 256.045, subdivision 3, paragraph (a); and

(iv) the person's right to seek a temporary order staying the termination of services according to the procedures in section 256.045, subdivision 4a or 6, paragraph (c).

(e) Notice of the proposed termination of service, including those situations that began with a temporary service suspension, must be given at least 90 days prior to termination of services under paragraph (b), clause (7), and 60 days prior to termination when a license holder is providing intensive supports and services identified in section 245D.03, subdivision 1, paragraph (c), ~~and~~. Notice of the proposed termination of service, including those situations that began with temporary service suspension, must be given at least 30 days prior to termination for all other services licensed under this chapter. This notice may be given in conjunction with a notice of temporary service suspension under subdivision 3.

(f) During the service termination notice period, the license holder must:

(1) work with the support team or expanded support team to develop reasonable alternatives to protect the person and others and to support continuity of care;

(2) provide information requested by the person or case manager; and

(3) maintain information about the service termination, including the written notice of intended service termination, in the service recipient record.

(g) For notices issued under paragraph (b), clause (7), the lead agency shall provide notice to the commissioner and state-operated services at least 30 days before the conclusion of the 90-day termination period, if an appropriate alternative provider cannot be secured. Upon receipt of this notice, the commissioner and state-operated services shall reassess whether a private community-based service can meet the person's needs. If the commissioner determines that a private provider can meet the person's needs, state-operated services shall, if necessary, extend notice of service termination until placement can be made. If the commissioner determines that a private provider cannot meet the person's needs, state-operated services shall rescind the notice of service termination and re-engage with the lead agency in service planning for the person.

(h) For notices issued under paragraph (b), if the lead agency has not finalized an alternative program or service that will meet the assessed needs of the individual receiving services 30 days before the effective date of the termination period for services under paragraph (b), clause (7), or section 245D.03, subdivision 1, paragraph (c), the lead agency shall provide written notice to the commissioner. Upon receipt of this notice, the commissioner shall provide technical assistance as necessary to the lead agency until the lead agency finalizes an alternative placement or service that

will meet the assessed needs of the individual. After assessing the circumstance, the commissioner is authorized to require the license holder to continue services until the lead agency finalizes an alternative program or service.

~~(h)~~ (i) For state-operated community-based services, the license holder shall prioritize the capacity created within the existing service site by the termination of services under paragraph (b), clause (7), to serve persons described in section 252.50, subdivision 5, paragraph (a), clause (1).

Sec. 15. Minnesota Statutes 2020, section 245D.12, is amended to read:

245D.12 INTEGRATED COMMUNITY SUPPORTS; SETTING CAPACITY REPORT.

(a) The license holder providing integrated community support, as defined in section 245D.03, subdivision 1, paragraph (c), clause (8), must submit a setting capacity report to the commissioner to ensure the identified location of service delivery meets the criteria of the home and community-based service requirements as specified in section 256B.492.

(b) The license holder shall provide the setting capacity report on the forms and in the manner prescribed by the commissioner. The report must include:

(1) the address of the multifamily housing building where the license holder delivers integrated community supports and owns, leases, or has a direct or indirect financial relationship with the property owner;

(2) the total number of living units in the multifamily housing building described in clause (1) where integrated community supports are delivered;

(3) the total number of living units in the multifamily housing building described in clause (1), including the living units identified in clause (2); ~~and~~

(4) the total number of people who could reside in the living units in the multifamily housing building described in clause (2) and receive integrated community supports; and

~~(4)~~ (5) the percentage of living units that are controlled by the license holder in the multifamily housing building by dividing clause (2) by clause (3).

(c) Only one license holder may deliver integrated community supports at the address of the multifamily housing building.

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

Sec. 16. Minnesota Statutes 2020, section 245F.04, subdivision 1, is amended to read:

Subdivision 1. **General application and license requirements.** An applicant for licensure as a clinically managed withdrawal management program or medically monitored withdrawal management program must meet the following requirements, except where otherwise noted. All programs must comply with federal requirements and the general requirements in sections 626.557 and 626.5572 and chapters 245A, 245C, and 260E. A withdrawal management program must be located in a hospital licensed under sections 144.50 to 144.581, or must be a supervised living facility

with a class A or B license from the Department of Health under Minnesota Rules, parts 4665.0100 to 4665.9900.

Sec. 17. Minnesota Statutes 2020, section 245G.01, is amended by adding a subdivision to read:

Subd. 13b. **Guest speaker.** "Guest speaker" means an individual who works under the direct observation of the license holder to present to clients on topics in which the guest speaker has expertise and that the license holder has determined to be beneficial to a client's recovery. Tribally licensed programs have autonomy to identify the qualifications of their guest speakers.

Sec. 18. Minnesota Statutes 2020, section 245G.12, is amended to read:

245G.12 PROVIDER POLICIES AND PROCEDURES.

A license holder must develop a written policies and procedures manual, indexed according to section 245A.04, subdivision 14, paragraph (c), that provides staff members immediate access to all policies and procedures and provides a client and other authorized parties access to all policies and procedures. The manual must contain the following materials:

(1) assessment and treatment planning policies, including screening for mental health concerns and treatment objectives related to the client's identified mental health concerns in the client's treatment plan;

(2) policies and procedures regarding HIV according to section 245A.19;

(3) the license holder's methods and resources to provide information on tuberculosis and tuberculosis screening to each client and to report a known tuberculosis infection according to section 144.4804;

(4) personnel policies according to section 245G.13;

(5) policies and procedures that protect a client's rights according to section 245G.15;

(6) a medical services plan according to section 245G.08;

(7) emergency procedures according to section 245G.16;

(8) policies and procedures for maintaining client records according to section 245G.09;

(9) procedures for reporting the maltreatment of minors according to chapter 260E, and vulnerable adults according to sections 245A.65, 626.557, and 626.5572;

(10) a description of treatment services that: (i) includes the amount and type of services provided; (ii) identifies which services meet the definition of group counseling under section 245G.01, subdivision 13a; ~~and~~ (iii) identifies which groups and topics on which a guest speaker could provide services under the direct observation of a licensed alcohol and drug counselor; and (iv) defines the program's treatment week;

(11) the methods used to achieve desired client outcomes;

- (12) the hours of operation; and
- (13) the target population served.

Sec. 19. Minnesota Statutes 2021 Supplement, section 245I.02, subdivision 19, is amended to read:

Subd. 19. **Level of care assessment.** "Level of care assessment" means the level of care decision support tool appropriate to the client's age. For a client five years of age or younger, a level of care assessment is the Early Childhood Service Intensity Instrument (ESCII). For a client six to 17 years of age, a level of care assessment is the Child and Adolescent Service Intensity Instrument (CASII). For a client 18 years of age or older, a level of care assessment is the Level of Care Utilization System for Psychiatric and Addiction Services (LOCUS) or another tool authorized by the commissioner.

Sec. 20. Minnesota Statutes 2021 Supplement, section 245I.02, subdivision 36, is amended to read:

Subd. 36. **Staff person.** "Staff person" means an individual who works under a license holder's direction or under a contract with a license holder. Staff person includes an intern, consultant, contractor, individual who works part-time, and an individual who does not provide direct contact services to clients but does have physical access to clients. Staff person includes a volunteer who provides treatment services to a client or a volunteer whom the license holder regards as a staff person for the purpose of meeting staffing or service delivery requirements. A staff person must be 18 years of age or older.

Sec. 21. Minnesota Statutes 2021 Supplement, section 245I.03, subdivision 9, is amended to read:

Subd. 9. **Volunteers.** ~~A~~ If a license holder uses volunteers, the license holder must have policies and procedures for using volunteers, including when a ~~the~~ license holder must submit a background study for a volunteer, and the specific tasks that a volunteer may perform.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 22. Minnesota Statutes 2021 Supplement, section 245I.04, subdivision 4, is amended to read:

Subd. 4. **Mental health practitioner qualifications.** (a) An individual who is qualified in at least one of the ways described in paragraph (b) to (d) may serve as a mental health practitioner.

(b) An individual is qualified as a mental health practitioner through relevant coursework if the individual completes at least 30 semester hours or 45 quarter hours in behavioral sciences or related fields and:

- (1) has at least 2,000 hours of experience providing services to individuals with:
 - (i) a mental illness or a substance use disorder; or

(ii) a traumatic brain injury or a developmental disability, and completes the additional training described in section 245I.05, subdivision 3, paragraph (c), before providing direct contact services to a client;

(2) is fluent in the non-English language of the ethnic group to which at least 50 percent of the individual's clients belong, and completes the additional training described in section 245I.05, subdivision 3, paragraph (c), before providing direct contact services to a client;

(3) is working in a day treatment program under section 256B.0671, subdivision 3, or 256B.0943;
or

(4) has completed a practicum or internship that (i) required direct interaction with adult clients or child clients, and (ii) was focused on behavioral sciences or related fields; or

(5) is in the process of completing a practicum or internship as part of a formal undergraduate or graduate training program in social work, psychology, or counseling.

(c) An individual is qualified as a mental health practitioner through work experience if the individual:

(1) has at least 4,000 hours of experience in the delivery of services to individuals with:

(i) a mental illness or a substance use disorder; or

(ii) a traumatic brain injury or a developmental disability, and completes the additional training described in section 245I.05, subdivision 3, paragraph (c), before providing direct contact services to clients; or

(2) receives treatment supervision at least once per week until meeting the requirement in clause (1) of 4,000 hours of experience and has at least 2,000 hours of experience providing services to individuals with:

(i) a mental illness or a substance use disorder; or

(ii) a traumatic brain injury or a developmental disability, and completes the additional training described in section 245I.05, subdivision 3, paragraph (c), before providing direct contact services to clients.

(d) An individual is qualified as a mental health practitioner if the individual has a master's or other graduate degree in behavioral sciences or related fields.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 23. Minnesota Statutes 2021 Supplement, section 245I.05, subdivision 3, is amended to read:

Subd. 3. **Initial training.** (a) A staff person must receive training about:

(1) vulnerable adult maltreatment under section 245A.65, subdivision 3; and

(2) the maltreatment of minor reporting requirements and definitions in chapter 260E within 72 hours of first providing direct contact services to a client.

(b) Before providing direct contact services to a client, a staff person must receive training about:

(1) client rights and protections under section 245I.12;

(2) the Minnesota Health Records Act, including client confidentiality, family engagement under section 144.294, and client privacy;

(3) emergency procedures that the staff person must follow when responding to a fire, inclement weather, a report of a missing person, and a behavioral or medical emergency;

(4) specific activities and job functions for which the staff person is responsible, including the license holder's program policies and procedures applicable to the staff person's position;

(5) professional boundaries that the staff person must maintain; and

(6) specific needs of each client to whom the staff person will be providing direct contact services, including each client's developmental status, cognitive functioning, and physical and mental abilities.

(c) Before providing direct contact services to a client, a mental health rehabilitation worker, mental health behavioral aide, or mental health practitioner ~~qualified under~~ required to receive the training according to section 245I.04, subdivision 4, must receive 30 hours of training about:

(1) mental illnesses;

(2) client recovery and resiliency;

(3) mental health de-escalation techniques;

(4) co-occurring mental illness and substance use disorders; and

(5) psychotropic medications and medication side effects.

(d) Within 90 days of first providing direct contact services to an adult client, a clinical trainee, mental health practitioner, mental health certified peer specialist, or mental health rehabilitation worker must receive training about:

(1) trauma-informed care and secondary trauma;

(2) person-centered individual treatment plans, including seeking partnerships with family and other natural supports;

(3) co-occurring substance use disorders; and

(4) culturally responsive treatment practices.

(e) Within 90 days of first providing direct contact services to a child client, a clinical trainee, mental health practitioner, mental health certified family peer specialist, mental health certified peer specialist, or mental health behavioral aide must receive training about the topics in clauses (1) to (5). This training must address the developmental characteristics of each child served by the license holder and address the needs of each child in the context of the child's family, support system, and culture. Training topics must include:

(1) trauma-informed care and secondary trauma, including adverse childhood experiences (ACEs);

(2) family-centered treatment plan development, including seeking partnership with a child client's family and other natural supports;

(3) mental illness and co-occurring substance use disorders in family systems;

(4) culturally responsive treatment practices; and

(5) child development, including cognitive functioning, and physical and mental abilities.

(f) For a mental health behavioral aide, the training under paragraph (e) must include parent team training using a curriculum approved by the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 24. Minnesota Statutes 2021 Supplement, section 245I.08, subdivision 4, is amended to read:

Subd. 4. **Progress notes.** A license holder must use a progress note to document each occurrence of a mental health service that a staff person provides to a client. A progress note must include the following:

(1) the type of service;

(2) the date of service;

(3) the start and stop time of the service unless the license holder is licensed as a residential program;

(4) the location of the service;

(5) the scope of the service, including: (i) the targeted goal and objective; (ii) the intervention that the staff person provided to the client and the methods that the staff person used; (iii) the client's response to the intervention; (iv) the staff person's plan to take future actions, including changes in treatment that the staff person will implement if the intervention was ineffective; and (v) the service modality;

(6) the signature, ~~printed name~~, and credentials of the staff person who provided the service to the client;

(7) the mental health provider travel documentation required by section 256B.0625, if applicable; and

(8) significant observations by the staff person, if applicable, including: (i) the client's current risk factors; (ii) emergency interventions by staff persons; (iii) consultations with or referrals to other professionals, family, or significant others; and (iv) changes in the client's mental or physical symptoms.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 25. Minnesota Statutes 2021 Supplement, section 245I.09, subdivision 2, is amended to read:

Subd. 2. **Record retention.** A license holder must retain client records of a discharged client for a minimum of five years from the date of the client's discharge. A license holder who ~~ceases to provide treatment services to a client~~ closes a program must retain the a client's records for a minimum of five years from the date that the license holder stopped providing services to the client and must notify the commissioner of the location of the client records and the name of the individual responsible for storing and maintaining the client records.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 26. Minnesota Statutes 2021 Supplement, section 245I.10, subdivision 2, is amended to read:

Subd. 2. **Generally.** (a) A license holder must use a client's diagnostic assessment or crisis assessment to determine a client's eligibility for mental health services, except as provided in this section.

(b) Prior to completing a client's initial diagnostic assessment, a license holder may provide a client with the following services:

(1) an explanation of findings;

(2) neuropsychological testing, neuropsychological assessment, and psychological testing;

(3) any combination of psychotherapy sessions, family psychotherapy sessions, and family psychoeducation sessions not to exceed three sessions;

(4) crisis assessment services according to section 256B.0624; and

(5) ten days of intensive residential treatment services according to the assessment and treatment planning standards in section ~~245.23~~ 245I.23, subdivision 7.

(c) Based on the client's needs that a crisis assessment identifies under section 256B.0624, a license holder may provide a client with the following services:

(1) crisis intervention and stabilization services under section 245I.23 or 256B.0624; and

(2) any combination of psychotherapy sessions, group psychotherapy sessions, family psychotherapy sessions, and family psychoeducation sessions not to exceed ten sessions within a 12-month period without prior authorization.

(d) Based on the client's needs in the client's brief diagnostic assessment, a license holder may provide a client with any combination of psychotherapy sessions, group psychotherapy sessions, family psychotherapy sessions, and family psychoeducation sessions not to exceed ten sessions within a 12-month period without prior authorization for any new client or for an existing client who the license holder projects will need fewer than ten sessions during the next 12 months.

(e) Based on the client's needs that a hospital's medical history and presentation examination identifies, a license holder may provide a client with:

(1) any combination of psychotherapy sessions, group psychotherapy sessions, family psychotherapy sessions, and family psychoeducation sessions not to exceed ten sessions within a 12-month period without prior authorization for any new client or for an existing client who the license holder projects will need fewer than ten sessions during the next 12 months; and

(2) up to five days of day treatment services or partial hospitalization.

(f) A license holder must complete a new standard diagnostic assessment of a client:

(1) when the client requires services of a greater number or intensity than the services that paragraphs (b) to (e) describe;

(2) at least annually following the client's initial diagnostic assessment if the client needs additional mental health services and the client does not meet the criteria for a brief assessment;

(3) when the client's mental health condition has changed markedly since the client's most recent diagnostic assessment; or

(4) when the client's current mental health condition does not meet the criteria of the client's current diagnosis.

(g) For an existing client, the license holder must ensure that a new standard diagnostic assessment includes a written update containing all significant new or changed information about the client, and an update regarding what information has not significantly changed, including a discussion with the client about changes in the client's life situation, functioning, presenting problems, and progress with achieving treatment goals since the client's last diagnostic assessment was completed.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 27. Minnesota Statutes 2021 Supplement, section 245I.10, subdivision 6, is amended to read:

Subd. 6. **Standard diagnostic assessment; required elements.** (a) Only a mental health professional or a clinical trainee may complete a standard diagnostic assessment of a client. A standard diagnostic assessment of a client must include a face-to-face interview with a client and a written evaluation of the client. The assessor must complete a client's standard diagnostic assessment within the client's cultural context.

(b) When completing a standard diagnostic assessment of a client, the assessor must gather and document information about the client's current life situation, including the following information:

- (1) the client's age;
- (2) the client's current living situation, including the client's housing status and household members;
- (3) the status of the client's basic needs;
- (4) the client's education level and employment status;
- (5) the client's current medications;
- (6) any immediate risks to the client's health and safety;
- (7) the client's perceptions of the client's condition;
- (8) the client's description of the client's symptoms, including the reason for the client's referral;
- (9) the client's history of mental health treatment; and
- (10) cultural influences on the client.

(c) If the assessor cannot obtain the information that this ~~subdivision~~ paragraph requires without retraumatizing the client or harming the client's willingness to engage in treatment, the assessor must identify which topics will require further assessment during the course of the client's treatment. The assessor must gather and document information related to the following topics:

- (1) the client's relationship with the client's family and other significant personal relationships, including the client's evaluation of the quality of each relationship;
- (2) the client's strengths and resources, including the extent and quality of the client's social networks;
- (3) important developmental incidents in the client's life;
- (4) maltreatment, trauma, potential brain injuries, and abuse that the client has suffered;
- (5) the client's history of or exposure to alcohol and drug usage and treatment; and
- (6) the client's health history and the client's family health history, including the client's physical, chemical, and mental health history.

(d) When completing a standard diagnostic assessment of a client, an assessor must use a recognized diagnostic framework.

(1) When completing a standard diagnostic assessment of a client who is five years of age or younger, the assessor must use the current edition of the DC: 0-5 Diagnostic Classification of Mental Health and Development Disorders of Infancy and Early Childhood published by Zero to Three.

(2) When completing a standard diagnostic assessment of a client who is six years of age or older, the assessor must use the current edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association.

(3) When completing a standard diagnostic assessment of a client who is five years of age or younger, an assessor must administer the Early Childhood Service Intensity Instrument (ECSII) to the client and include the results in the client's assessment.

(4) When completing a standard diagnostic assessment of a client who is six to 17 years of age, an assessor must administer the Child and Adolescent Service Intensity Instrument (CASII) to the client and include the results in the client's assessment.

(5) When completing a standard diagnostic assessment of a client who is 18 years of age or older, an assessor must use either (i) the CAGE-AID Questionnaire or (ii) the criteria in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association to screen and assess the client for a substance use disorder.

(e) When completing a standard diagnostic assessment of a client, the assessor must include and document the following components of the assessment:

(1) the client's mental status examination;

(2) the client's baseline measurements; symptoms; behavior; skills; abilities; resources; vulnerabilities; safety needs, including client information that supports the assessor's findings after applying a recognized diagnostic framework from paragraph (d); and any differential diagnosis of the client;

(3) an explanation of: (i) how the assessor diagnosed the client using the information from the client's interview, assessment, psychological testing, and collateral information about the client; (ii) the client's needs; (iii) the client's risk factors; (iv) the client's strengths; and (v) the client's responsivity factors.

(f) When completing a standard diagnostic assessment of a client, the assessor must consult the client and the client's family about which services that the client and the family prefer to treat the client. The assessor must make referrals for the client as to services required by law.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 28. Minnesota Statutes 2021 Supplement, section 245I.20, subdivision 5, is amended to read:

Subd. 5. **Treatment supervision specified.** (a) A mental health professional must remain responsible for each client's case. The certification holder must document the name of the mental health professional responsible for each case and the dates that the mental health professional is responsible for the client's case from beginning date to end date. The certification holder must assign each client's case for assessment, diagnosis, and treatment services to a treatment team member who is competent in the assigned clinical service, the recommended treatment strategy, and in treating the client's characteristics.

(b) Treatment supervision of mental health practitioners and clinical trainees required by section 245I.06 must include case reviews as described in this paragraph. Every two months, a mental health professional must complete and document a case review of each client assigned to the mental health professional when the client is receiving clinical services from a mental health practitioner or clinical trainee. The case review must include a consultation process that thoroughly examines the client's condition and treatment, including: (1) a review of the client's reason for seeking treatment, diagnoses and assessments, and the individual treatment plan; (2) a review of the appropriateness, duration, and outcome of treatment provided to the client; and (3) treatment recommendations.

Sec. 29. Minnesota Statutes 2021 Supplement, section 245I.23, subdivision 22, is amended to read:

Subd. 22. **Additional policy and procedure requirements.** (a) In addition to the policies and procedures in section 245I.03, the license holder must establish, enforce, and maintain the policies and procedures in this subdivision.

(b) The license holder must have policies and procedures for receiving referrals and making admissions determinations about referred persons under subdivisions ~~14 to 16~~ 15 to 17.

(c) The license holder must have policies and procedures for discharging clients under subdivision ~~17~~ 18. In the policies and procedures, the license holder must identify the staff persons who are authorized to discharge clients from the program.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 30. Minnesota Statutes 2020, section 256.01, is amended by adding a subdivision to read:

Subd. 12b. Department of Human Services systemic critical incident review team. (a) The commissioner may establish a Department of Human Services systemic critical incident review team to review critical incidents reported as required under section 626.557 for which the Department of Human Services is responsible under section 626.5572, subdivision 13; chapter 245D; or Minnesota Rules, chapter 9544. When reviewing a critical incident, the systemic critical incident review team shall identify systemic influences to the incident rather than determining the culpability of any actors involved in the incident. The systemic critical incident review may assess the entire critical incident process from the point of an entity reporting the critical incident through the ongoing case management process. Department staff shall lead and conduct the reviews and may utilize county staff as reviewers. The systemic critical incident review process may include but is not limited to:

(1) data collection about the incident and actors involved. Data may include the critical incident report under review; previous incident reports pertaining to the person receiving services; the service provider's policies and procedures applicable to the incident; the coordinated service and support plan as defined in section 245D.02, subdivision 4b, for the person receiving services; or an interview of an actor involved in the critical incident or the review of the critical incident. Actors may include:

(i) staff of the provider agency;

(ii) lead agency staff administering home and community-based services delivered by the provider;

(iii) Department of Human Services staff with oversight of home and community-based services;

(iv) Department of Health staff with oversight of home and community-based services;

(v) members of the community including advocates, legal representatives, health care providers, pharmacy staff, or others with knowledge of the incident or the actors in the incident; and

(vi) staff from the office of the ombudsman for mental health and developmental disabilities;

(2) systemic mapping of the critical incident. The team conducting the systemic mapping of the incident may include any actors identified in clause (1), designated representatives of other provider agencies, regional teams, and representatives of the local regional quality council identified in section 256B.097; and

(3) analysis of the case for systemic influences.

Data collected by the critical incident review team shall be aggregated and provided to regional teams, participating regional quality councils, and the commissioner. The regional teams and quality councils shall analyze the data and make recommendations to the commissioner regarding systemic changes that would decrease the number and severity of critical incidents in the future or improve the quality of the home and community-based service system.

(b) Cases selected for the systemic critical incident review process shall be selected by a selection committee among the following critical incident categories:

(1) cases of caregiver neglect identified in section 626.5572, subdivision 17;

(2) cases involving financial exploitation identified in section 626.5572, subdivision 9;

(3) incidents identified in section 245D.02, subdivision 11;

(4) incidents identified in Minnesota Rules, part 9544.0110; and

(5) service terminations reported to the department in accordance with section 245D.10, subdivision 3a.

(c) The systemic critical incident review under this section shall not replace the process for screening or investigating cases of alleged maltreatment of an adult under section 626.557. The

department may select cases for systemic critical incident review, under the jurisdiction of the commissioner, reported for suspected maltreatment and closed following initial or final disposition.

(d) The proceedings and records of the review team are confidential data on individuals or protected nonpublic data as defined in section 13.02, subdivisions 3 and 13. Data that document a person's opinions formed as a result of the review are not subject to discovery or introduction into evidence in a civil or criminal action against a professional, the state, or a county agency arising out of the matters that the team is reviewing. Information, documents, and records otherwise available from other sources are not immune from discovery or use in a civil or criminal action solely because the information, documents, and records were assessed or presented during proceedings of the review team. A person who presented information before the systemic critical incident review team or who is a member of the team shall not be prevented from testifying about matters within the person's knowledge. In a civil or criminal proceeding, a person shall not be questioned about opinions formed by the person as a result of the review.

(e) By October 1 of each year, the commissioner shall prepare an annual public report containing the following information:

(1) the number of cases reviewed under each critical incident category identified in paragraph (b) and a geographical description of where cases under each category originated;

(2) an aggregate summary of the systemic themes from the critical incidents examined by the critical incident review team during the previous year;

(3) a synopsis of the conclusions, incident analyses, or exploratory activities taken in regard to the critical incidents examined by the critical incident review team; and

(4) recommendations made to the commissioner regarding systemic changes that could decrease the number and severity of critical incidents in the future or improve the quality of the home and community-based service system.

Sec. 31. Minnesota Statutes 2020, section 256.045, subdivision 3, is amended to read:

Subd. 3. **State agency hearings.** (a) State agency hearings are available for the following:

(1) any person applying for, receiving or having received public assistance, medical care, or a program of social services granted by the state agency or a county agency or the federal Food and Nutrition Act whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly paid;

(2) any patient or relative aggrieved by an order of the commissioner under section 252.27;

(3) a party aggrieved by a ruling of a prepaid health plan;

(4) except as provided under chapter 245C, any individual or facility determined by a lead investigative agency to have maltreated a vulnerable adult under section 626.557 after they have exercised their right to administrative reconsideration under section 626.557;

(5) any person whose claim for foster care payment according to a placement of the child resulting from a child protection assessment under chapter 260E is denied or not acted upon with reasonable promptness, regardless of funding source;

(6) any person to whom a right of appeal according to this section is given by other provision of law;

(7) an applicant aggrieved by an adverse decision to an application for a hardship waiver under section 256B.15;

(8) an applicant aggrieved by an adverse decision to an application or redetermination for a Medicare Part D prescription drug subsidy under section 256B.04, subdivision 4a;

(9) except as provided under chapter 245A, an individual or facility determined to have maltreated a minor under chapter 260E, after the individual or facility has exercised the right to administrative reconsideration under chapter 260E;

(10) except as provided under chapter 245C, an individual disqualified under sections 245C.14 and 245C.15, following a reconsideration decision issued under section 245C.23, on the basis of serious or recurring maltreatment; a preponderance of the evidence that the individual has committed an act or acts that meet the definition of any of the crimes listed in section 245C.15, subdivisions 1 to 4; or for failing to make reports required under section 260E.06, subdivision 1, or 626.557, subdivision 3. Hearings regarding a maltreatment determination under clause (4) or (9) and a disqualification under this clause in which the basis for a disqualification is serious or recurring maltreatment, shall be consolidated into a single fair hearing. In such cases, the scope of review by the human services judge shall include both the maltreatment determination and the disqualification. The failure to exercise the right to an administrative reconsideration shall not be a bar to a hearing under this section if federal law provides an individual the right to a hearing to dispute a finding of maltreatment;

(11) any person with an outstanding debt resulting from receipt of public assistance, medical care, or the federal Food and Nutrition Act who is contesting a setoff claim by the Department of Human Services or a county agency. The scope of the appeal is the validity of the claimant agency's intention to request a setoff of a refund under chapter 270A against the debt;

(12) a person issued a notice of service termination under section 245D.10, subdivision 3a, ~~from~~ by a licensed provider of any residential supports and or services as defined listed in section 245D.03, subdivision 1, paragraph paragraphs (b) and (c), clause (3); that is not otherwise subject to appeal under subdivision 4a;

(13) an individual disability waiver recipient based on a denial of a request for a rate exception under section 256B.4914; or

(14) a person issued a notice of service termination under section 245A.11, subdivision 11, that is not otherwise subject to appeal under subdivision 4a.

(b) The hearing for an individual or facility under paragraph (a), clause (4), (9), or (10), is the only administrative appeal to the final agency determination specifically, including a challenge to the accuracy and completeness of data under section 13.04. Hearings requested under paragraph

(a), clause (4), apply only to incidents of maltreatment that occur on or after October 1, 1995. Hearings requested by nursing assistants in nursing homes alleged to have maltreated a resident prior to October 1, 1995, shall be held as a contested case proceeding under the provisions of chapter 14. Hearings requested under paragraph (a), clause (9), apply only to incidents of maltreatment that occur on or after July 1, 1997. A hearing for an individual or facility under paragraph (a), clauses (4), (9), and (10), is only available when there is no district court action pending. If such action is filed in district court while an administrative review is pending that arises out of some or all of the events or circumstances on which the appeal is based, the administrative review must be suspended until the judicial actions are completed. If the district court proceedings are completed, dismissed, or overturned, the matter may be considered in an administrative hearing.

(c) For purposes of this section, bargaining unit grievance procedures are not an administrative appeal.

(d) The scope of hearings involving claims to foster care payments under paragraph (a), clause (5), shall be limited to the issue of whether the county is legally responsible for a child's placement under court order or voluntary placement agreement and, if so, the correct amount of foster care payment to be made on the child's behalf and shall not include review of the propriety of the county's child protection determination or child placement decision.

(e) The scope of hearings under paragraph (a), clauses (12) and (14), shall be limited to whether the proposed termination of services is authorized under section 245D.10, subdivision 3a, paragraph (b), or 245A.11, subdivision 11, and whether the requirements of section 245D.10, subdivision 3a, paragraphs (c) to (e), or 245A.11, subdivision 2a, paragraphs (d) to (f), were met. If the appeal includes a request for a temporary stay of termination of services, the scope of the hearing shall also include whether the case management provider has finalized arrangements for a residential facility, a program, or services that will meet the assessed needs of the recipient by the effective date of the service termination.

(f) A vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor under contract with a county agency to provide social services is not a party and may not request a hearing under this section, except if assisting a recipient as provided in subdivision 4.

(g) An applicant or recipient is not entitled to receive social services beyond the services prescribed under chapter 256M or other social services the person is eligible for under state law.

(h) The commissioner may summarily affirm the county or state agency's proposed action without a hearing when the sole issue is an automatic change due to a change in state or federal law.

(i) Unless federal or Minnesota law specifies a different time frame in which to file an appeal, an individual or organization specified in this section may contest the specified action, decision, or final disposition before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action, decision, or final disposition, or within 90 days of such written notice if the applicant, recipient, patient, or relative shows good cause, as defined in section 256.0451, subdivision 13, why the request was not submitted within the 30-day time limit. The individual filing the appeal has the burden of proving good cause by a preponderance of the evidence.

Sec. 32. Minnesota Statutes 2021 Supplement, section 256B.0622, subdivision 2, is amended to read:

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

(b) "ACT team" means the group of interdisciplinary mental health staff who work as a team to provide assertive community treatment.

(c) "Assertive community treatment" means intensive nonresidential treatment and rehabilitative mental health services provided according to the assertive community treatment model. Assertive community treatment provides a single, fixed point of responsibility for treatment, rehabilitation, and support needs for clients. Services are offered 24 hours per day, seven days per week, in a community-based setting.

(d) "Individual treatment plan" means a plan described by section 245I.10, subdivisions 7 and 8.

(e) "Crisis assessment and intervention" means ~~mental health~~ mobile crisis response services ~~as defined in~~ under section 256B.0624, ~~subdivision 2.~~

(f) "Individual treatment team" means a minimum of three members of the ACT team who are responsible for consistently carrying out most of a client's assertive community treatment services.

(g) "Primary team member" means the person who leads and coordinates the activities of the individual treatment team and is the individual treatment team member who has primary responsibility for establishing and maintaining a therapeutic relationship with the client on a continuing basis.

(h) "Certified rehabilitation specialist" means a staff person who is qualified according to section 245I.04, subdivision 8.

(i) "Clinical trainee" means a staff person who is qualified according to section 245I.04, subdivision 6.

(j) "Mental health certified peer specialist" means a staff person who is qualified according to section 245I.04, subdivision 10.

(k) "Mental health practitioner" means a staff person who is qualified according to section 245I.04, subdivision 4.

(l) "Mental health professional" means a staff person who is qualified according to section 245I.04, subdivision 2.

(m) "Mental health rehabilitation worker" means a staff person who is qualified according to section 245I.04, subdivision 14.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 33. Minnesota Statutes 2021 Supplement, section 256B.0625, subdivision 3b, is amended to read:

Subd. 3b. **Telehealth services.** (a) Medical assistance covers medically necessary services and consultations delivered by a health care provider through telehealth in the same manner as if the service or consultation was delivered through in-person contact. Services or consultations delivered through telehealth shall be paid at the full allowable rate.

(b) The commissioner may establish criteria that a health care provider must attest to in order to demonstrate the safety or efficacy of delivering a particular service through telehealth. The attestation may include that the health care provider:

(1) has identified the categories or types of services the health care provider will provide through telehealth;

(2) has written policies and procedures specific to services delivered through telehealth that are regularly reviewed and updated;

(3) has policies and procedures that adequately address patient safety before, during, and after the service is delivered through telehealth;

(4) has established protocols addressing how and when to discontinue telehealth services; and

(5) has an established quality assurance process related to delivering services through telehealth.

(c) As a condition of payment, a licensed health care provider must document each occurrence of a health service delivered through telehealth to a medical assistance enrollee. Health care service records for services delivered through telehealth must meet the requirements set forth in Minnesota Rules, part 9505.2175, subparts 1 and 2, and must document:

(1) the type of service delivered through telehealth;

(2) the time the service began and the time the service ended, including an a.m. and p.m. designation;

(3) the health care provider's basis for determining that telehealth is an appropriate and effective means for delivering the service to the enrollee;

(4) the mode of transmission used to deliver the service through telehealth and records evidencing that a particular mode of transmission was utilized;

(5) the location of the originating site and the distant site;

(6) if the claim for payment is based on a physician's consultation with another physician through telehealth, the written opinion from the consulting physician providing the telehealth consultation; and

(7) compliance with the criteria attested to by the health care provider in accordance with paragraph (b).

(d) Telehealth visits, as described in this subdivision provided through audio and visual communication; or accessible video-based platforms may ~~be used to~~ satisfy the face-to-face requirement for reimbursement under the payment methods that apply to a federally qualified health center, rural health clinic, Indian health service, 638 tribal clinic, and certified community behavioral health clinic, if the service would have otherwise qualified for payment if performed in person.

~~(e) For mental health services or assessments delivered through telehealth that are based on an individual treatment plan, the provider may document the client's verbal approval or electronic written approval of the treatment plan or change in the treatment plan in lieu of the client's signature in accordance with Minnesota Rules, part 9505.0371.~~

~~(f)~~ (e) For purposes of this subdivision, unless otherwise covered under this chapter:

(1) "telehealth" means the delivery of health care services or consultations through the use of real-time two-way interactive audio and visual communication to provide or support health care delivery and facilitate the assessment, diagnosis, consultation, treatment, education, and care management of a patient's health care. Telehealth includes the application of secure video conferencing, store-and-forward technology, and synchronous interactions between a patient located at an originating site and a health care provider located at a distant site. Telehealth does not include communication between health care providers, or between a health care provider and a patient that consists solely of an audio-only communication, e-mail, or facsimile transmission or as specified by law;

(2) "health care provider" means a health care provider as defined under section 62A.673, a community paramedic as defined under section 144E.001, subdivision 5f, a community health worker who meets the criteria under subdivision 49, paragraph (a), a mental health certified peer specialist under section ~~256B.0615, subdivision 5~~ 245I.04, subdivision 10, a mental health certified family peer specialist under section ~~256B.0616, subdivision 5~~ 245I.04, subdivision 12, a mental health rehabilitation worker under section ~~256B.0623, subdivision 5, paragraph (a), clause (4), and paragraph (b)~~ 245I.04, subdivision 14, a mental health behavioral aide under section ~~256B.0943, subdivision 7, paragraph (b), clause (3)~~ 245I.04, subdivision 16, a treatment coordinator under section 245G.11, subdivision 7, an alcohol and drug counselor under section 245G.11, subdivision 5, a recovery peer under section 245G.11, subdivision 8; and

(3) "originating site," "distant site," and "store-and-forward technology" have the meanings given in section 62A.673, subdivision 2.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 34. Minnesota Statutes 2020, section 256B.0659, subdivision 19, is amended to read:

Subd. 19. **Personal care assistance choice option; qualifications; duties.** (a) Under personal care assistance choice, the recipient or responsible party shall:

(1) recruit, hire, schedule, and terminate personal care assistants according to the terms of the written agreement required under subdivision 20, paragraph (a);

(2) develop a personal care assistance care plan based on the assessed needs and addressing the health and safety of the recipient with the assistance of a qualified professional as needed;

(3) orient and train the personal care assistant with assistance as needed from the qualified professional;

(4) ~~effective January 1, 2010,~~ supervise and evaluate the personal care assistant with the qualified professional, who is required to visit the recipient at least every 180 days;

(5) monitor and verify in writing and report to the personal care assistance choice agency the number of hours worked by the personal care assistant and the qualified professional;

(6) engage in an annual ~~face-to-face~~ reassessment as required in subdivision 3a to determine continuing eligibility and service authorization; and

(7) use the same personal care assistance choice provider agency if shared personal assistance care is being used.

(b) The personal care assistance choice provider agency shall:

(1) meet all personal care assistance provider agency standards;

(2) enter into a written agreement with the recipient, responsible party, and personal care assistants;

(3) not be related as a parent, child, sibling, or spouse to the recipient or the personal care assistant; and

(4) ensure arm's-length transactions without undue influence or coercion with the recipient and personal care assistant.

(c) The duties of the personal care assistance choice provider agency are to:

(1) be the employer of the personal care assistant and the qualified professional for employment law and related regulations including, but not limited to, purchasing and maintaining workers' compensation, unemployment insurance, surety and fidelity bonds, and liability insurance, and submit any or all necessary documentation including, but not limited to, workers' compensation, unemployment insurance, and labor market data required under section 256B.4912, subdivision 1a;

(2) bill the medical assistance program for personal care assistance services and qualified professional services;

(3) request and complete background studies that comply with the requirements for personal care assistants and qualified professionals;

(4) pay the personal care assistant and qualified professional based on actual hours of services provided;

(5) withhold and pay all applicable federal and state taxes;

(6) verify and keep records of hours worked by the personal care assistant and qualified professional;

(7) make the arrangements and pay taxes and other benefits, if any, and comply with any legal requirements for a Minnesota employer;

(8) enroll in the medical assistance program as a personal care assistance choice agency; and

(9) enter into a written agreement as specified in subdivision 20 before services are provided.

Sec. 35. Minnesota Statutes 2021 Supplement, section 256B.0671, subdivision 6, is amended to read:

Subd. 6. **Dialectical behavior therapy.** (a) Subject to federal approval, medical assistance covers intensive mental health outpatient treatment for dialectical behavior therapy for adults. A dialectical behavior therapy provider must make reasonable and good faith efforts to report individual client outcomes to the commissioner using instruments and protocols that are approved by the commissioner.

(b) "Dialectical behavior therapy" means an evidence-based treatment approach that a mental health professional or clinical trainee provides to a client or a group of clients in an intensive outpatient treatment program using a combination of individualized rehabilitative and psychotherapeutic interventions. A dialectical behavior therapy program involves: individual dialectical behavior therapy, group skills training, telephone coaching, and team consultation meetings.

(c) To be eligible for dialectical behavior therapy, a client must:

~~(1) be 18 years of age or older;~~

~~(2)~~ (1) have mental health needs that available community-based services cannot meet or that the client must receive concurrently with other community-based services;

~~(3)~~ (2) have either:

(i) a diagnosis of borderline personality disorder; or

(ii) multiple mental health diagnoses, exhibit behaviors characterized by impulsivity or intentional self-harm, and be at significant risk of death, morbidity, disability, or severe dysfunction in multiple areas of the client's life;

~~(4)~~ (3) be cognitively capable of participating in dialectical behavior therapy as an intensive therapy program and be able and willing to follow program policies and rules to ensure the safety of the client and others; and

~~(5)~~ (4) be at significant risk of one or more of the following if the client does not receive dialectical behavior therapy:

(i) having a mental health crisis;

- (ii) requiring a more restrictive setting such as hospitalization;
- (iii) decompensating; or
- (iv) engaging in intentional self-harm behavior.

(d) Individual dialectical behavior therapy combines individualized rehabilitative and psychotherapeutic interventions to treat a client's suicidal and other dysfunctional behaviors and to reinforce a client's use of adaptive skillful behaviors. A mental health professional or clinical trainee must provide individual dialectical behavior therapy to a client. A mental health professional or clinical trainee providing dialectical behavior therapy to a client must:

- (1) identify, prioritize, and sequence the client's behavioral targets;
- (2) treat the client's behavioral targets;
- (3) assist the client in applying dialectical behavior therapy skills to the client's natural environment through telephone coaching outside of treatment sessions;
- (4) measure the client's progress toward dialectical behavior therapy targets;
- (5) help the client manage mental health crises and life-threatening behaviors; and
- (6) help the client learn and apply effective behaviors when working with other treatment providers.

(e) Group skills training combines individualized psychotherapeutic and psychiatric rehabilitative interventions conducted in a group setting to reduce the client's suicidal and other dysfunctional coping behaviors and restore function. Group skills training must teach the client adaptive skills in the following areas: (1) mindfulness; (2) interpersonal effectiveness; (3) emotional regulation; and (4) distress tolerance.

(f) Group skills training must be provided by two mental health professionals or by a mental health professional co-facilitating with a clinical trainee or a mental health practitioner. Individual skills training must be provided by a mental health professional, a clinical trainee, or a mental health practitioner.

(g) Before a program provides dialectical behavior therapy to a client, the commissioner must certify the program as a dialectical behavior therapy provider. To qualify for certification as a dialectical behavior therapy provider, a provider must:

- (1) allow the commissioner to inspect the provider's program;
- (2) provide evidence to the commissioner that the program's policies, procedures, and practices meet the requirements of this subdivision and chapter 245I;
- (3) be enrolled as a MHCP provider; and
- (4) have a manual that outlines the program's policies, procedures, and practices that meet the requirements of this subdivision.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 36. Minnesota Statutes 2020, section 256B.0757, subdivision 1, is amended to read:

Subdivision 1. **Provision of coverage.** (a) The commissioner shall provide medical assistance coverage of behavioral health home services for eligible individuals with chronic conditions who select a designated provider as the individual's behavioral health home.

(b) The commissioner shall implement this section in compliance with the requirements of the state option to provide behavioral health homes for enrollees with chronic conditions, as provided under the Patient Protection and Affordable Care Act, Public Law 111-148, sections 2703 and 3502. Terms used in this section have the meaning provided in that act.

(c) The commissioner shall establish behavioral health homes to serve populations with serious mental illness who meet the eligibility requirements described under subdivision 2. The behavioral health home services provided by behavioral health homes shall focus on both the behavioral and the physical health of these populations.

Sec. 37. Minnesota Statutes 2020, section 256B.0757, subdivision 2, is amended to read:

Subd. 2. **Eligible individual.** (a) The commissioner may elect to develop behavioral health home models in accordance with United States Code, title 42, section 1396w-4.

(b) An individual is eligible for behavioral health home services under this section if the individual is eligible for medical assistance under this chapter and has a condition that meets the definition of mental illness as described in section 245.462, subdivision 20, paragraph (a), or emotional disturbance as defined in section 245.4871, subdivision 15, clause (2). The commissioner shall establish criteria for determining continued eligibility.

Sec. 38. Minnesota Statutes 2020, section 256B.0757, subdivision 3, is amended to read:

Subd. 3. **Behavioral health home services.** (a) Behavioral health home services means comprehensive and timely high-quality services that are provided by a behavioral health home. These services include:

- (1) comprehensive care management;
- (2) care coordination and health promotion;
- (3) comprehensive transitional care, including appropriate follow-up, from inpatient to other settings;
- (4) patient and family support, including authorized representatives;
- (5) referral to community and social support services, if relevant; and
- (6) use of health information technology to link services, as feasible and appropriate.

(b) The commissioner shall maximize the number and type of services included in this subdivision to the extent permissible under federal law, including physician, outpatient, mental health treatment, and rehabilitation services necessary for comprehensive transitional care following hospitalization.

Sec. 39. Minnesota Statutes 2020, section 256B.0757, subdivision 4, is amended to read:

Subd. 4. **Designated provider.** Behavioral health home services are voluntary and an eligible individual may choose any designated provider. The commissioner shall establish designated providers to serve as behavioral health homes and provide the services described in subdivision 3 to individuals eligible under subdivision 2. The commissioner shall apply for grants as provided under section 3502 of the Patient Protection and Affordable Care Act to establish behavioral health homes and provide capitated payments to designated providers. For purposes of this section, "designated provider" means a provider, clinical practice or clinical group practice, rural clinic, community health center, community mental health center, or any other entity that is determined by the commissioner to be qualified to be a behavioral health home for eligible individuals. This determination must be based on documentation evidencing that the designated provider has the systems and infrastructure in place to provide behavioral health home services and satisfies the qualification standards established by the commissioner in consultation with stakeholders and approved by the Centers for Medicare and Medicaid Services.

Sec. 40. Minnesota Statutes 2020, section 256B.0757, subdivision 8, is amended to read:

Subd. 8. **Evaluation and continued development.** (a) For continued certification under this section, behavioral health homes must meet process, outcome, and quality standards developed and specified by the commissioner. The commissioner shall collect data from behavioral health homes as necessary to monitor compliance with certification standards.

(b) The commissioner may contract with a private entity to evaluate patient and family experiences, health care utilization, and costs.

(c) The commissioner shall utilize findings from the implementation of behavioral health homes to determine populations to serve under subsequent health home models for individuals with chronic conditions.

Sec. 41. Minnesota Statutes 2021 Supplement, section 256B.0911, subdivision 3a, is amended to read:

Subd. 3a. **Assessment and support planning.** (a) Persons requesting assessment, services planning, or other assistance intended to support community-based living, including persons who need assessment ~~in order~~ to determine waiver or alternative care program eligibility, must be visited by a long-term care consultation team within 20 calendar days after the date on which an assessment was requested or recommended. Upon statewide implementation of subdivisions 2b, 2c, and 5, this requirement also applies to an assessment of a person requesting personal care assistance services. The commissioner shall provide at least a 90-day notice to lead agencies prior to the effective date of this requirement. Assessments must be conducted according to paragraphs (b) to (r).

(b) Upon implementation of subdivisions 2b, 2c, and 5, lead agencies shall use certified assessors to conduct the assessment. For a person with complex health care needs, a public health or registered nurse from the team must be consulted.

(c) The MnCHOICES assessment provided by the commissioner to lead agencies must be used to complete a comprehensive, conversation-based, person-centered assessment. The assessment must include the health, psychological, functional, environmental, and social needs of the individual necessary to develop a person-centered community support plan that meets the individual's needs and preferences.

(d) Except as provided in paragraph (r), the assessment must be conducted by a certified assessor in a face-to-face conversational interview with the person being assessed. The person's legal representative must provide input during the assessment process and may do so remotely if requested. At the request of the person, other individuals may participate in the assessment to provide information on the needs, strengths, and preferences of the person necessary to develop a community support plan that ensures the person's health and safety. Except for legal representatives or family members invited by the person, persons participating in the assessment may not be a provider of service or have any financial interest in the provision of services. For persons who are to be assessed for ~~elderly waiver~~ customized living services under chapter 256S or section 256B.49 or adult day services under chapter 256S, with the permission of the person being assessed or the person's designated or legal representative, the client's current or proposed provider of services may submit a copy of the provider's nursing assessment or written report outlining its recommendations regarding the client's care needs. The person conducting the assessment must notify the provider of the date by which this information is to be submitted. This information shall be provided to the person conducting the assessment prior to the assessment. The certified assessor must consider the content of the submitted nursing assessment or report prior to finalizing the person's assessment or reassessment. For a person who is to be assessed for waiver services under section 256B.092 or 256B.49, with the permission of the person being assessed or the person's designated legal representative, the person's current provider of services may submit a written report outlining recommendations regarding the person's care needs the person completed in consultation with someone who is known to the person and has interaction with the person on a regular basis. The provider must submit the report at least 60 days before the end of the person's current service agreement. The certified assessor must consider the content of the submitted report prior to finalizing the person's assessment or reassessment.

(e) The certified assessor and the individual responsible for developing the coordinated service and support plan must complete the community support plan and the coordinated service and support plan no more than 60 calendar days from the assessment visit. The person or the person's legal representative must be provided with a written community support plan within the timelines established by the commissioner, regardless of whether the person is eligible for Minnesota health care programs.

(f) For a person being assessed for elderly waiver services under chapter 256S or customized living services under section 256B.49, a provider who submitted information under paragraph (d) shall receive the final written community support plan when available and the Residential Services Workbook or customized living tool.

(g) The written community support plan must include:

- (1) a summary of assessed needs as defined in paragraphs (c) and (d);
- (2) the individual's options and choices to meet identified needs, including:

- (i) all available options for case management services and providers;
 - (ii) all available options for employment services, settings, and providers;
 - (iii) all available options for living arrangements;
 - (iv) all available options for self-directed services and supports, including self-directed budget options; and
 - (v) service provided in a non-disability-specific setting;
- (3) identification of health and safety risks and how those risks will be addressed, including personal risk management strategies;
- (4) referral information; and
- (5) informal caregiver supports, if applicable.

For a person determined eligible for state plan home care under subdivision 1a, paragraph (b), clause (1), the person or person's representative must also receive a copy of the home care service plan developed by the certified assessor.

(h) A person may request assistance in identifying community supports without participating in a complete assessment. Upon a request for assistance identifying community support, the person must be transferred or referred to long-term care options counseling services available under sections 256.975, subdivision 7, and 256.01, subdivision 24, for telephone assistance and follow up.

(i) The person has the right to make the final decision:

(1) between institutional placement and community placement after the recommendations have been provided, except as provided in section 256.975, subdivision 7a, paragraph (d);

(2) between community placement in a setting controlled by a provider and living independently in a setting not controlled by a provider;

(3) between day services and employment services; and

(4) regarding available options for self-directed services and supports, including self-directed funding options.

(j) The lead agency must give the person receiving long-term care consultation services or the person's legal representative, materials, and forms supplied by the commissioner containing the following information:

(1) written recommendations for community-based services and consumer-directed options;

(2) documentation that the most cost-effective alternatives available were offered to the individual. For purposes of this clause, "cost-effective" means community services and living arrangements that cost the same as or less than institutional care. For an individual found to meet eligibility criteria for home and community-based service programs under chapter 256S or section

256B.49, "cost-effectiveness" has the meaning found in the federally approved waiver plan for each program;

(3) the need for and purpose of preadmission screening conducted by long-term care options counselors according to section 256.975, subdivisions 7a to 7c, if the person selects nursing facility placement. If the individual selects nursing facility placement, the lead agency shall forward information needed to complete the level of care determinations and screening for developmental disability and mental illness collected during the assessment to the long-term care options counselor using forms provided by the commissioner;

(4) the role of long-term care consultation assessment and support planning in eligibility determination for waiver and alternative care programs, and state plan home care, case management, and other services as defined in subdivision 1a, paragraphs (a), clause (6), and (b);

(5) information about Minnesota health care programs;

(6) the person's freedom to accept or reject the recommendations of the team;

(7) the person's right to confidentiality under the Minnesota Government Data Practices Act, chapter 13;

(8) the certified assessor's decision regarding the person's need for institutional level of care as determined under criteria established in subdivision 4e and the certified assessor's decision regarding eligibility for all services and programs as defined in subdivision 1a, paragraphs (a), clause (6), and (b);

(9) the person's right to appeal the certified assessor's decision regarding eligibility for all services and programs as defined in subdivision 1a, paragraphs (a), clauses (6), (7), and (8), and (b), and incorporating the decision regarding the need for institutional level of care or the lead agency's final decisions regarding public programs eligibility according to section 256.045, subdivision 3. The certified assessor must verbally communicate this appeal right to the person and must visually point out where in the document the right to appeal is stated; and

(10) documentation that available options for employment services, independent living, and self-directed services and supports were described to the individual.

(k) An assessment that is completed as part of an eligibility determination for multiple programs for the alternative care, elderly waiver, developmental disabilities, community access for disability inclusion, community alternative care, and brain injury waiver programs under chapter 256S and sections 256B.0913, 256B.092, and 256B.49 is valid to establish service eligibility for no more than 60 calendar days after the date of the assessment.

(l) The effective eligibility start date for programs in paragraph (k) can never be prior to the date of assessment. If an assessment was completed more than 60 days before the effective waiver or alternative care program eligibility start date, assessment and support plan information must be updated and documented in the department's Medicaid Management Information System (MMIS). Notwithstanding retroactive medical assistance coverage of state plan services, the effective date of eligibility for programs included in paragraph (k) cannot be prior to the date the most recent updated assessment is completed.

(m) If an eligibility update is completed within 90 days of the previous assessment and documented in the department's Medicaid Management Information System (MMIS), the effective date of eligibility for programs included in paragraph (k) is the date of the previous face-to-face assessment when all other eligibility requirements are met.

(n) If a person who receives home and community-based waiver services under section 256B.0913, 256B.092, or 256B.49 or chapter 256S temporarily enters for 121 days or fewer a hospital, institution of mental disease, nursing facility, intensive residential treatment services program, transitional care unit, or inpatient substance use disorder treatment setting, the person may return to the community with home and community-based waiver services under the same waiver, without requiring an assessment or reassessment under this section, unless the person's annual reassessment is otherwise due. Nothing in this paragraph shall change annual long-term care consultation reassessment requirements, payment for institutional or treatment services, medical assistance financial eligibility, or any other law.

(o) At the time of reassessment, the certified assessor shall assess each person receiving waiver residential supports and services currently residing in a community residential setting, licensed adult foster care home that is either not the primary residence of the license holder or in which the license holder is not the primary caregiver, family adult foster care residence, customized living setting, or supervised living facility to determine if that person would prefer to be served in a community-living setting as defined in section 256B.49, subdivision 23, in a setting not controlled by a provider, or to receive integrated community supports as described in section 245D.03, subdivision 1, paragraph (c), clause (8). The certified assessor shall offer the person, through a person-centered planning process, the option to receive alternative housing and service options.

(p) At the time of reassessment, the certified assessor shall assess each person receiving waiver day services to determine if that person would prefer to receive employment services as described in section 245D.03, subdivision 1, paragraph (c), clauses (5) to (7). The certified assessor shall describe to the person through a person-centered planning process the option to receive employment services.

(q) At the time of reassessment, the certified assessor shall assess each person receiving non-self-directed waiver services to determine if that person would prefer an available service and setting option that would permit self-directed services and supports. The certified assessor shall describe to the person through a person-centered planning process the option to receive self-directed services and supports.

(r) All assessments performed according to this subdivision must be face-to-face unless the assessment is a reassessment meeting the requirements of this paragraph. Remote reassessments conducted by interactive video or telephone may substitute for face-to-face reassessments. For services provided by the developmental disabilities waiver under section 256B.092, and the community access for disability inclusion, community alternative care, and brain injury waiver programs under section 256B.49, remote reassessments may be substituted for two consecutive reassessments if followed by a face-to-face reassessment. For services provided by alternative care under section 256B.0913, essential community supports under section 256B.0922, and the elderly waiver under chapter 256S, remote reassessments may be substituted for one reassessment if followed by a face-to-face reassessment. A remote reassessment is permitted only if the person being reassessed; or the person's legal representative, ~~and the lead agency case manager both agree that~~

~~there is no change in the person's condition, there is no need for a change in service, and that a remote reassessment is appropriate~~ makes an informed choice for a remote assessment. The person being reassessed, or the person's legal representative, has the right to refuse a remote reassessment at any time. During a remote reassessment, if the certified assessor determines a face-to-face reassessment is necessary in order to complete the assessment, the lead agency shall schedule a face-to-face reassessment. All other requirements of a face-to-face reassessment shall apply to a remote reassessment, including updates to a person's support plan.

Sec. 42. Minnesota Statutes 2021 Supplement, section 256B.0911, subdivision 3f, is amended to read:

Subd. 3f. **Long-term care reassessments and community support plan updates.** (a) Prior to a reassessment, the certified assessor must review the person's most recent assessment. Reassessments must be tailored using the professional judgment of the assessor to the person's known needs, strengths, preferences, and circumstances. Reassessments provide information to support the person's informed choice and opportunities to express choice regarding activities that contribute to quality of life, as well as information and opportunity to identify goals related to desired employment, community activities, and preferred living environment. Reassessments require a review of the most recent assessment, review of the current coordinated service and support plan's effectiveness, monitoring of services, and the development of an updated person-centered community support plan. Reassessments must verify continued eligibility, offer alternatives as warranted, and provide an opportunity for quality assurance of service delivery, including an opportunity to provide a confidential performance assessment of the person's case manager. Reassessments must be conducted annually or as required by federal and state laws and rules. For reassessments, the certified assessor and the individual responsible for developing the coordinated service and support plan must ensure the continuity of care for the person receiving services and complete the updated community support plan and the updated coordinated service and support plan no more than 60 days from the reassessment visit.

(b) The commissioner shall develop mechanisms for providers and case managers to share information with the assessor to facilitate a reassessment and support planning process tailored to the person's current needs and preferences.

Sec. 43. Minnesota Statutes 2021 Supplement, section 256B.0947, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given them.

(a) "Intensive nonresidential rehabilitative mental health services" means child rehabilitative mental health services as defined in section 256B.0943, except that these services are provided by a multidisciplinary staff using a total team approach consistent with assertive community treatment, as adapted for youth, and are directed to recipients who are eight years of age or older and under 26 years of age who require intensive services to prevent admission to an inpatient psychiatric hospital or placement in a residential treatment facility or who require intensive services to step down from inpatient or residential care to community-based care.

(b) "Co-occurring mental illness and substance use disorder" means a dual diagnosis of at least one form of mental illness and at least one substance use disorder. Substance use disorders include alcohol or drug abuse or dependence, excluding nicotine use.

(c) "Standard diagnostic assessment" means the assessment described in section 245I.10, subdivision 6.

(d) "Medication education services" means services provided individually or in groups, which focus on:

(1) educating the client and client's family or significant nonfamilial supporters about mental illness and symptoms;

(2) the role and effects of medications in treating symptoms of mental illness; and

(3) the side effects of medications.

Medication education is coordinated with medication management services and does not duplicate it. Medication education services are provided by physicians, pharmacists, or registered nurses with certification in psychiatric and mental health care.

(e) "Mental health professional" means a staff person who is qualified according to section 245I.04, subdivision 2.

(f) "Provider agency" means a for-profit or nonprofit organization established to administer an assertive community treatment for youth team.

(g) "Substance use disorders" means one or more of the disorders defined in the diagnostic and statistical manual of mental disorders, current edition.

(h) "Transition services" means:

(1) activities, materials, consultation, and coordination that ensures continuity of the client's care in advance of and in preparation for the client's move from one stage of care or life to another by maintaining contact with the client and assisting the client to establish provider relationships;

(2) providing the client with knowledge and skills needed posttransition;

(3) establishing communication between sending and receiving entities;

(4) supporting a client's request for service authorization and enrollment; and

(5) establishing and enforcing procedures and schedules.

~~A youth's transition from the children's mental health system and services to the adult mental health system and services and return to the client's home and entry or re-entry into community-based mental health services following discharge from an out-of-home placement or inpatient hospital stay.~~

(i) "Treatment team" means all staff who provide services to recipients under this section.

(j) "Family peer specialist" means a staff person who is qualified under section 256B.0616.

Sec. 44. Minnesota Statutes 2021 Supplement, section 256B.0947, subdivision 6, is amended to read:

Subd. 6. **Service standards.** The standards in this subdivision apply to intensive nonresidential rehabilitative mental health services.

(a) The treatment team must use team treatment, not an individual treatment model.

(b) Services must be available at times that meet client needs.

(c) Services must be age-appropriate and meet the specific needs of the client.

(d) The level of care assessment as defined in section 245I.02, subdivision 19, and functional assessment as defined in section 245I.02, subdivision 17, must be updated at least every ~~90 days~~ six months or prior to discharge from the service, whichever comes first.

(e) The treatment team must complete an individual treatment plan for each client, according to section 245I.10, subdivisions 7 and 8, and the individual treatment plan must:

(1) be completed in consultation with the client's current therapist and key providers and provide for ongoing consultation with the client's current therapist to ensure therapeutic continuity and to facilitate the client's return to the community. For clients under the age of 18, the treatment team must consult with parents and guardians in developing the treatment plan;

(2) if a need for substance use disorder treatment is indicated by validated assessment:

(i) identify goals, objectives, and strategies of substance use disorder treatment;

(ii) develop a schedule for accomplishing substance use disorder treatment goals and objectives; and

(iii) identify the individuals responsible for providing substance use disorder treatment services and supports; and

(3) provide for the client's transition out of intensive nonresidential rehabilitative mental health services by defining the team's actions to assist the client and subsequent providers in the transition to less intensive or "stepped down" services; ~~and~~

~~(4) notwithstanding section 245I.10, subdivision 8, be reviewed at least every 90 days and revised to document treatment progress or, if progress is not documented, to document changes in treatment.~~

(f) The treatment team shall actively and assertively engage the client's family members and significant others by establishing communication and collaboration with the family and significant others and educating the family and significant others about the client's mental illness, symptom management, and the family's role in treatment, unless the team knows or has reason to suspect that the client has suffered or faces a threat of suffering any physical or mental injury, abuse, or neglect from a family member or significant other.

(g) For a client age 18 or older, the treatment team may disclose to a family member, other relative, or a close personal friend of the client, or other person identified by the client, the protected health information directly relevant to such person's involvement with the client's care, as provided in Code of Federal Regulations, title 45, part 164.502(b). If the client is present, the treatment team shall obtain the client's agreement, provide the client with an opportunity to object, or reasonably infer from the circumstances, based on the exercise of professional judgment, that the client does not object. If the client is not present or is unable, by incapacity or emergency circumstances, to agree or object, the treatment team may, in the exercise of professional judgment, determine whether the disclosure is in the best interests of the client and, if so, disclose only the protected health information that is directly relevant to the family member's, relative's, friend's, or client-identified person's involvement with the client's health care. The client may orally agree or object to the disclosure and may prohibit or restrict disclosure to specific individuals.

(h) The treatment team shall provide interventions to promote positive interpersonal relationships.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 45. Minnesota Statutes 2021 Supplement, section 256B.0949, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) The terms used in this section have the meanings given in this subdivision.

(b) "Advanced certification" means a person who has completed advanced certification in an approved modality under subdivision 13, paragraph (b).

~~(b)~~ (c) "Agency" means the legal entity that is enrolled with Minnesota health care programs as a medical assistance provider according to Minnesota Rules, part 9505.0195, to provide EIDBI services and that has the legal responsibility to ensure that its employees or contractors carry out the responsibilities defined in this section. Agency includes a licensed individual professional who practices independently and acts as an agency.

~~(c)~~ (d) "Autism spectrum disorder or a related condition" or "ASD or a related condition" means either autism spectrum disorder (ASD) as defined in the current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) or a condition that is found to be closely related to ASD, as identified under the current version of the DSM, and meets all of the following criteria:

- (1) is severe and chronic;
- (2) results in impairment of adaptive behavior and function similar to that of a person with ASD;
- (3) requires treatment or services similar to those required for a person with ASD; and

(4) results in substantial functional limitations in three core developmental deficits of ASD: social or interpersonal interaction; functional communication, including nonverbal or social communication; and restrictive or repetitive behaviors or hyperreactivity or hyporeactivity to sensory input; and may include deficits or a high level of support in one or more of the following domains:

- (i) behavioral challenges and self-regulation;
- (ii) cognition;
- (iii) learning and play;
- (iv) self-care; or
- (v) safety.

~~(d)~~ (e) "Person" means a person under 21 years of age.

~~(e)~~ (f) "Clinical supervision" means the overall responsibility for the control and direction of EIDBI service delivery, including individual treatment planning, staff supervision, individual treatment plan progress monitoring, and treatment review for each person. Clinical supervision is provided by a qualified supervising professional (QSP) who takes full professional responsibility for the service provided by each supervisee.

~~(f)~~ (g) "Commissioner" means the commissioner of human services, unless otherwise specified.

~~(g)~~ (h) "Comprehensive multidisciplinary evaluation" or "CMDE" means a comprehensive evaluation of a person to determine medical necessity for EIDBI services based on the requirements in subdivision 5.

~~(h)~~ (i) "Department" means the Department of Human Services, unless otherwise specified.

~~(i)~~ (j) "Early intensive developmental and behavioral intervention benefit" or "EIDBI benefit" means a variety of individualized, intensive treatment modalities approved and published by the commissioner that are based in behavioral and developmental science consistent with best practices on effectiveness.

~~(j)~~ (k) "Generalizable goals" means results or gains that are observed during a variety of activities over time with different people, such as providers, family members, other adults, and people, and in different environments including, but not limited to, clinics, homes, schools, and the community.

~~(k)~~ (l) "Incident" means when any of the following occur:

- (1) an illness, accident, or injury that requires first aid treatment;
- (2) a bump or blow to the head; or
- (3) an unusual or unexpected event that jeopardizes the safety of a person or staff, including a person leaving the agency unattended.

~~(l)~~ (m) "Individual treatment plan" or "ITP" means the person-centered, individualized written plan of care that integrates and coordinates person and family information from the CMDE for a person who meets medical necessity for the EIDBI benefit. An individual treatment plan must meet the standards in subdivision 6.

~~(m)~~ (n) "Legal representative" means the parent of a child who is under 18 years of age, a court-appointed guardian, or other representative with legal authority to make decisions about service for a person. For the purpose of this subdivision, "other representative with legal authority to make decisions" includes a health care agent or an attorney-in-fact authorized through a health care directive or power of attorney.

~~(n)~~ (o) "Mental health professional" means a staff person who is qualified according to section 245I.04, subdivision 2.

~~(o)~~ (p) "Person-centered" means a service that both responds to the identified needs, interests, values, preferences, and desired outcomes of the person or the person's legal representative and respects the person's history, dignity, and cultural background and allows inclusion and participation in the person's community.

~~(p)~~ (q) "Qualified EIDBI provider" means a person who is a QSP or a level I, level II, or level III treatment provider.

Sec. 46. Minnesota Statutes 2020, section 256B.0949, subdivision 8, is amended to read:

Subd. 8. **Refining the benefit with stakeholders.** Before making revisions to the EIDBI benefit or proposing statutory changes to this section, the commissioner must ~~refine the details of the benefit in consultation~~ consult with stakeholders and consider recommendations from the Department of Human Services Early Intensive Developmental and Behavioral Intervention Advisory Council, the early intensive developmental and behavioral intervention learning collaborative, and the Departments of Health, Education, Employment and Economic Development, and Human Services. ~~The details must~~ Revisions and proposed statutory changes subject to this subdivision include, but are not limited to, the following components:

(1) a definition of the qualifications, standards, and roles of the treatment team, including recommendations after stakeholder consultation on whether board-certified behavior analysts and other professionals certified in other treatment approaches recognized by the department or trained in ASD or a related condition and child development should be added as professionals qualified to provide EIDBI clinical supervision or other functions under medical assistance;

(2) refinement of uniform parameters for CMDE and ongoing ITP progress monitoring standards;

(3) the design of an effective and consistent process for assessing the person's and the person's legal representative's and the person's caregiver's preferences and options to participate in the person's early intervention treatment and efficacy of methods to involve and educate the person's legal representative and caregiver in the treatment of the person;

(4) formulation of a collaborative process in which professionals have opportunities to collectively inform provider standards and qualifications; standards for CMDE; medical necessity determination; efficacy of treatment apparatus, including modality, intensity, frequency, and duration; and ITP progress monitoring processes to support quality improvement of EIDBI services;

(5) coordination of this benefit and its interaction with other services provided by the Departments of Human Services, Health, Employment and Economic Development, and Education;

(6) evaluation, on an ongoing basis, of EIDBI services outcomes and efficacy of treatment modalities provided to people under this benefit; and

(7) as provided under subdivision 17, determination of the availability of qualified EIDBI providers with necessary expertise and training in ASD or a related condition throughout the state to assess whether there are sufficient professionals to provide timely access and prevent delay in the CMDE and treatment of a person with ASD or a related condition.

Sec. 47. Minnesota Statutes 2021 Supplement, section 256B.0949, subdivision 13, is amended to read:

Subd. 13. **Covered services.** (a) The services described in paragraphs (b) to (l) are eligible for reimbursement by medical assistance under this section. Services must be provided by a qualified EIDBI provider and supervised by a QSP. An EIDBI service must address the person's medically necessary treatment goals and must be targeted to develop, enhance, or maintain the individual developmental skills of a person with ASD or a related condition to improve functional communication, including nonverbal or social communication, social or interpersonal interaction, restrictive or repetitive behaviors, hyperreactivity or hyporeactivity to sensory input, behavioral challenges and self-regulation, cognition, learning and play, self-care, and safety.

(b) EIDBI treatment must be delivered consistent with the standards of an approved modality, as published by the commissioner. EIDBI modalities include:

- (1) applied behavior analysis (ABA);
- (2) developmental individual-difference relationship-based model (DIR/Floortime);
- (3) early start Denver model (ESDM);
- (4) PLAY project;
- (5) relationship development intervention (RDI); or
- (6) additional modalities not listed in clauses (1) to (5) upon approval by the commissioner.

(c) An EIDBI provider may use one or more of the EIDBI modalities in paragraph (b), clauses (1) to (5), as the primary modality for treatment as a covered service, or several EIDBI modalities in combination as the primary modality of treatment, as approved by the commissioner. An EIDBI provider that identifies and provides assurance of qualifications for a single specific treatment modality, including an EIDBI provider with advanced certification overseeing implementation, must document the required qualifications to meet fidelity to the specific model in a manner determined by the commissioner.

(d) Each qualified EIDBI provider must identify and provide assurance of qualifications for professional licensure certification, or training in evidence-based treatment methods, and must document the required qualifications outlined in subdivision 15 in a manner determined by the commissioner.

(e) CMDE is a comprehensive evaluation of the person's developmental status to determine medical necessity for EIDBI services and meets the requirements of subdivision 5. The services must be provided by a qualified CMDE provider.

(f) EIDBI intervention observation and direction is the clinical direction and oversight of EIDBI services by the QSP, level I treatment provider, or level II treatment provider, including developmental and behavioral techniques, progress measurement, data collection, function of behaviors, and generalization of acquired skills for the direct benefit of a person. EIDBI intervention observation and direction informs any modification of the current treatment protocol to support the outcomes outlined in the ITP.

(g) Intervention is medically necessary direct treatment provided to a person with ASD or a related condition as outlined in their ITP. All intervention services must be provided under the direction of a QSP. Intervention may take place across multiple settings. The frequency and intensity of intervention services are provided based on the number of treatment goals, person and family or caregiver preferences, and other factors. Intervention services may be provided individually or in a group. Intervention with a higher provider ratio may occur when deemed medically necessary through the person's ITP.

(1) Individual intervention is treatment by protocol administered by a single qualified EIDBI provider delivered to one person.

(2) Group intervention is treatment by protocol provided by one or more qualified EIDBI providers, delivered to at least two people who receive EIDBI services.

(3) Higher provider ratio intervention is treatment with protocol modification provided by two or more qualified EIDBI providers delivered to one person in an environment that meets the person's needs and under the direction of the QSP or level I provider.

(h) ITP development and ITP progress monitoring is development of the initial, annual, and progress monitoring of an ITP. ITP development and ITP progress monitoring documents provide oversight and ongoing evaluation of a person's treatment and progress on targeted goals and objectives and integrate and coordinate the person's and the person's legal representative's information from the CMDE and ITP progress monitoring. This service must be reviewed and completed by the QSP, and may include input from a level I provider or a level II provider.

(i) Family caregiver training and counseling is specialized training and education for a family or primary caregiver to understand the person's developmental status and help with the person's needs and development. This service must be provided by the QSP, level I provider, or level II provider.

(j) A coordinated care conference is a voluntary meeting with the person and the person's family to review the CMDE or ITP progress monitoring and to integrate and coordinate services across providers and service-delivery systems to develop the ITP. This service ~~must be provided by the QSP and~~ may include the CMDE provider ~~or, QSP,~~ a level I provider, or a level II provider.

(k) Travel time is allowable billing for traveling to and from the person's home, school, a community setting, or place of service outside of an EIDBI center, clinic, or office from a specified location to provide in-person EIDBI intervention, observation and direction, or family caregiver

training and counseling. The person's ITP must specify the reasons the provider must travel to the person.

(l) Medical assistance covers medically necessary EIDBI services and consultations delivered ~~by a licensed health care provider~~ via telehealth, as defined under section 256B.0625, subdivision 3b, in the same manner as if the service or consultation was delivered in person.

Sec. 48. Minnesota Statutes 2020, section 256B.49, subdivision 23, is amended to read:

Subd. 23. **Community-living settings.** (a) For the purposes of this chapter, "community-living settings" means a single-family home or multifamily dwelling unit where a service recipient or a service recipient's family owns or rents, and maintains control over the individual unit as demonstrated by a lease agreement. Community-living settings does not include a home or dwelling unit that the service provider owns, operates, or leases or in which the service provider has a direct or indirect financial interest.

(b) To ensure a service recipient or the service recipient's family maintains control over the home or dwelling unit, community-living settings are subject to the following requirements:

- (1) service recipients must not be required to receive services or share services;
- (2) service recipients must not be required to have a disability or specific diagnosis to live in the community-living setting;
- (3) service recipients may hire service providers of their choice;
- (4) service recipients may choose whether to share their household and with whom;
- (5) the home or multifamily dwelling unit must include living, sleeping, bathing, and cooking areas;
- (6) service recipients must have lockable access and egress;
- (7) service recipients must be free to receive visitors and leave the settings at times and for durations of their own choosing;
- (8) leases must comply with chapter 504B;
- (9) landlords must not charge different rents to tenants who are receiving home and community-based services; and
- (10) access to the greater community must be easily facilitated based on the service recipient's needs and preferences.

(c) Nothing in this section prohibits a service recipient from having another person or entity not affiliated with the service provider cosign a lease. Nothing in this section prohibits a service recipient, during any period in which a service provider has cosigned the service recipient's lease, from modifying services with an existing cosigning service provider and, subject to the approval of the landlord, maintaining a lease cosigned by the service provider. Nothing in this section prohibits a service recipient, during any period in which a service provider has cosigned the service recipient's

lease, from terminating services with the cosigning service provider, receiving services from a new service provider, and, subject to the approval of the landlord, maintaining a lease cosigned by the new service provider.

(d) A lease cosigned by a service provider meets the requirements of paragraph (a) if the service recipient and service provider develop and implement a transition plan which must provide that, within two years of cosigning the initial lease, the service provider shall transfer the lease to the service recipient and other cosigners, if any.

(e) In the event the landlord has not approved the transfer of the lease within two years of the service provider cosigning the initial lease, the service provider must submit a time-limited extension request to the commissioner of human services to continue the cosigned lease arrangement. The extension request must include:

(1) the reason the landlord denied the transfer;

(2) the plan to overcome the denial to transfer the lease;

(3) the length of time needed to successfully transfer the lease, not to exceed an additional two years;

(4) a description of the information provided to the person to help the person make an informed choice about entering into a time-limited cosigned lease extension with the service provider;

~~(4)~~ (5) a description of how the transition plan was followed, what occurred that led to the landlord denying the transfer, and what changes in circumstances or condition, if any, the service recipient experienced; and

~~(5)~~ (6) a revised transition plan to transfer the cosigned lease between the service provider and the service recipient to the service recipient.

The commissioner must approve an extension within sufficient time to ensure the continued occupancy by the service recipient.

(f) In the event the landlord has not approved the transfer of the lease within the timelines of an approved time-limited extension request, the service provider must submit another time-limited extension request to the commissioner of human services to continue the cosigned lease arrangement. A time-limited extension request submitted under this paragraph must include the same information required for an initial time-limited extension request under paragraph (e). The commissioner must approve or deny an extension within 60 days.

(g) The commissioner may grant a service recipient no more than three additional time-limited extensions under paragraph (f).

EFFECTIVE DATE. This section is effective January 1, 2023, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 49. Minnesota Statutes 2021 Supplement, section 256B.49, subdivision 28, is amended to read:

Subd. 28. **Customized living moratorium for brain injury and community access for disability inclusion waivers.** (a) Notwithstanding section 245A.03, subdivision 2, paragraph (a), clause (23), to prevent new development of customized living settings that otherwise meet the residential program definition under section 245A.02, subdivision 14, the commissioner shall not enroll new customized living settings serving four or fewer people in a single-family home to deliver customized living services as defined under the brain injury or community access for disability inclusion waiver plans under this section.

(b) The commissioner may approve an exception to paragraph (a) when an existing customized living setting changes ownership at the same address or when the same owner relocates the residential program to a new customized living setting.

(c) Customized living settings operational on or before June 30, 2021, are considered existing customized living settings.

(d) For any new customized living settings serving four or fewer people in a single-family home to deliver customized living services as defined in paragraph (a) and that was not operational on or before June 30, 2021, the authorizing lead agency is financially responsible for all home and community-based service payments in the setting.

(e) For purposes of this subdivision, "operational" means customized living services are authorized and delivered to a person in the customized living setting.

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 50. Minnesota Statutes 2020, section 256G.02, subdivision 6, is amended to read:

Subd. 6. **Excluded time.** "Excluded time" means:

(1) any period an applicant spends in a hospital, sanitarium, nursing home, shelter other than an emergency shelter, halfway house, foster home, community residential setting licensed under chapter 245D, semi-independent living domicile or services program, residential facility offering care, board and lodging facility or other institution for the hospitalization or care of human beings, as defined in section 144.50, 144A.01, or 245A.02, subdivision 14; maternity home, battered women's shelter, or correctional facility; or any facility based on an emergency hold under section 253B.05, subdivisions 1 and 2;

(2) any period an applicant spends on a placement basis in a training and habilitation program, including: a rehabilitation facility or work or employment program as defined in section 268A.01; semi-independent living services provided under section 252.275, and chapter 245D; or day training and habilitation programs ~~and~~;

(3) any period an applicant is receiving assisted living services, integrated community supports, or day support services; and

~~(3)~~ (4) any placement for a person with an indeterminate commitment, including independent living.

Sec. 51. Minnesota Statutes 2020, section 256K.26, subdivision 2, is amended to read:

Subd. 2. **Implementation.** The commissioner, in consultation with the commissioners of the Department of Corrections and the Minnesota Housing Finance Agency, counties, Tribes, providers and funders of supportive housing and services, shall develop application requirements and make funds available according to this section, with the goal of providing maximum flexibility in program design.

Sec. 52. Minnesota Statutes 2020, section 256K.26, subdivision 6, is amended to read:

Subd. 6. **Outcomes.** Projects will be selected to further the following outcomes:

(1) reduce the number of Minnesota individuals and families that experience long-term homelessness;

(2) increase the number of housing opportunities with supportive services;

(3) develop integrated, cost-effective service models that address the multiple barriers to obtaining housing stability faced by people experiencing long-term homelessness, including abuse, neglect, chemical dependency, disability, chronic health problems, or other factors including ethnicity and race that may result in poor outcomes or service disparities;

(4) encourage partnerships among counties, Tribes, community agencies, schools, and other providers so that the service delivery system is seamless for people experiencing long-term homelessness;

(5) increase employability, self-sufficiency, and other social outcomes for individuals and families experiencing long-term homelessness; and

(6) reduce inappropriate use of emergency health care, shelter, ~~chemical dependency~~ substance use disorder treatment, foster care, child protection, corrections, and similar services used by people experiencing long-term homelessness.

Sec. 53. Minnesota Statutes 2020, section 256K.26, subdivision 7, is amended to read:

Subd. 7. **Eligible services.** Services eligible for funding under this section are all services needed to maintain households in permanent supportive housing, as determined by the ~~county or counties~~ or Tribes administering the project or projects.

Sec. 54. Minnesota Statutes 2021 Supplement, section 256P.01, subdivision 6a, is amended to read:

Subd. 6a. **Qualified professional.** (a) For illness, injury, or incapacity, a "qualified professional" means a licensed physician, physician assistant, advanced practice registered nurse, physical therapist, occupational therapist, or licensed chiropractor, according to their scope of practice.

(b) For developmental disability, learning disability, and intelligence testing, a "qualified professional" means a licensed physician, physician assistant, advanced practice registered nurse, licensed independent clinical social worker, licensed psychologist, certified school psychologist, or certified psychometrist working under the supervision of a licensed psychologist.

(c) For mental health, a "qualified professional" means a licensed physician, advanced practice registered nurse, or qualified mental health professional under section 245I.04, subdivision 2.

(d) For substance use disorder, a "qualified professional" means a licensed physician, a qualified mental health professional under section ~~245.462, subdivision 18, clauses (1) to (6)~~ 245I.04, subdivision 2, or an individual as defined in section 245G.11, subdivision 3, 4, or 5.

EFFECTIVE DATE. This section is effective July 1, 2022, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 55. Minnesota Statutes 2020, section 256Q.06, is amended by adding a subdivision to read:

Subd. 6. **Account creation.** If an eligible individual is unable to establish the eligible individual's own ABLE account, an ABLE account may be established on behalf of the eligible individual by the eligible individual's agent under a power of attorney or, if none, by the eligible individual's conservator or legal guardian, spouse, parent, sibling, or grandparent or a representative payee appointed for the eligible individual by the Social Security Administration, in that order.

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

Sec. 56. Laws 2020, First Special Session chapter 7, section 1, subdivision 1, as amended by Laws 2021, First Special Session chapter 7, article 2, section 71, is amended to read:

Subdivision 1. **Waivers and modifications; federal funding extension.** When the peacetime emergency declared by the governor in response to the COVID-19 outbreak expires, is terminated, or is rescinded by the proper authority, the following waivers and modifications to human services programs issued by the commissioner of human services pursuant to Executive Orders 20-11 and 20-12 ~~that are required to comply with federal law~~ may remain in effect for the time period set out in applicable federal law or for the time period set out in any applicable federally approved waiver or state plan amendment, whichever is later:

- (1) CV15: allowing telephone or video visits for waiver programs;
- (2) CV17: preserving health care coverage for Medical Assistance and MinnesotaCare;
- (3) CV18: implementation of federal changes to the Supplemental Nutrition Assistance Program;
- (4) CV20: eliminating cost-sharing for COVID-19 diagnosis and treatment;
- (5) CV24: allowing telephone or video use for targeted case management visits;
- (6) CV30: expanding telemedicine in health care, mental health, and substance use disorder settings;
- (7) CV37: implementation of federal changes to the Supplemental Nutrition Assistance Program;
- (8) CV39: implementation of federal changes to the Supplemental Nutrition Assistance Program;
- (9) CV42: implementation of federal changes to the Supplemental Nutrition Assistance Program;

(10) CV43: expanding remote home and community-based waiver services;

(11) CV44: allowing remote delivery of adult day services;

(12) CV59: modifying eligibility period for the federally funded Refugee Cash Assistance Program;

(13) CV60: modifying eligibility period for the federally funded Refugee Social Services Program; and

(14) CV109: providing 15 percent increase for Minnesota Food Assistance Program and Minnesota Family Investment Program maximum food benefits.

Sec. 57. Laws 2021, First Special Session chapter 7, article 11, section 38, is amended to read:

Sec. 38. DIRECTION TO THE COMMISSIONER; SUBSTANCE USE DISORDER TREATMENT PAPERWORK REDUCTION.

(a) The commissioner of human services, in consultation with counties, tribes, managed care organizations, substance use disorder treatment professional associations, and other relevant stakeholders, shall develop, assess, and recommend systems improvements to minimize regulatory paperwork and improve systems for substance use disorder programs licensed under Minnesota Statutes, chapter 245A, and regulated under Minnesota Statutes, chapters 245F and 245G, and Minnesota Rules, chapters 2960 and 9530. The commissioner of human services shall make available any resources needed from other divisions within the department to implement systems improvements.

(b) The commissioner of health shall make available needed information and resources from the Division of Health Policy.

(c) The Office of MN.IT Services shall provide advance consultation and implementation of the changes needed in data systems.

(d) The commissioner of human services shall contract with a vendor that has experience with developing statewide system changes for multiple states at the payer and provider levels. If the commissioner, after exercising reasonable diligence, is unable to secure a vendor with the requisite qualifications, the commissioner may select the best qualified vendor available. When developing recommendations, the commissioner shall consider input from all stakeholders. The commissioner's recommendations shall maximize benefits for clients and utility for providers, regulatory agencies, and payers.

(e) The commissioner of human services and the contracted vendor shall follow the recommendations from the report issued in response to Laws 2019, First Special Session chapter 9, article 6, section 76.

(f) By December 15, 2022 Within two years of contracting with a qualified vendor according to paragraph (d), the commissioner of human services shall take steps to implement paperwork reductions and systems improvements within the commissioner's authority and submit to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services a report that includes recommendations for changes in statutes that would further enhance

systems improvements to reduce paperwork. The report shall include a summary of the approaches developed and assessed by the commissioner of human services and stakeholders and the results of any assessments conducted.

Sec. 58. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; INFORMED CHOICE UPON CLOSURE.

The commissioner of human services shall direct department staff, lead agency staff, and lead agency partners to ensure that solutions to workforce shortages in licensed home and community-based disability settings are consistent with the state's policy priority of informed choice and the integration mandate under the state's Olmstead Plan. Specifically, the commissioner shall direct department staff, lead agency staff, and lead agency partners to ensure that when a licensed setting cannot continue providing services as a result of staffing shortages, a person who had been receiving services in that setting is not discharged to a more restrictive setting than the person was in previously and the person receives an informed choice process about how and where the person will receive services following the suspension or closure of the program or setting in which the person had previously been receiving services.

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

Sec. 59. REVISOR INSTRUCTION.

The revisor of statutes shall change the term "chemical dependency" or similar terms to "substance use disorder" wherever the term appears in Minnesota Statutes. The revisor may make grammatical changes related to the term change.

EFFECTIVE DATE. This section is effective July 1, 2022.

ARTICLE 9

CONTINUING CARE FOR OLDER ADULTS POLICY

Section 1. Minnesota Statutes 2020, section 245A.14, subdivision 14, is amended to read:

Subd. 14. **Attendance records for publicly funded services.** (a) A child care center licensed under this chapter and according to Minnesota Rules, chapter 9503, must maintain documentation of actual attendance for each child receiving care for which the license holder is reimbursed by a governmental program. The records must be accessible to the commissioner during the program's hours of operation, they must be completed on the actual day of attendance, and they must include:

- (1) the first and last name of the child;
- (2) the time of day that the child was dropped off; and
- (3) the time of day that the child was picked up.

(b) A family child care provider licensed under this chapter and according to Minnesota Rules, chapter 9502, must maintain documentation of actual attendance for each child receiving care for which the license holder is reimbursed for the care of that child by a governmental program. The

records must be accessible to the commissioner during the program's hours of operation, they must be completed on the actual day of attendance, and they must include:

- (1) the first and last name of the child;
- (2) the time of day that the child was dropped off; and
- (3) the time of day that the child was picked up.

(c) An adult day services program licensed under this chapter and according to Minnesota Rules, parts 9555.5105 to 9555.6265, must maintain documentation of actual attendance for each adult day service recipient for which the license holder is reimbursed by a governmental program. The records must be accessible to the commissioner during the program's hours of operation, they must be completed on the actual day of attendance, and they must include:

- (1) the first, middle, and last name of the recipient;
- (2) the time of day that the recipient was dropped off; and
- (3) the time of day that the recipient was picked up.

~~(d) The commissioner shall not issue a correction for attendance record errors that occur before August 1, 2013.~~ Adult day services programs licensed under this chapter that are designated for remote adult day services must maintain documentation of actual participation for each adult day service recipient for whom the license holder is reimbursed by a governmental program. The records must be accessible to the commissioner during the program's hours of operation, must be completed on the actual day service is provided, and must include the:

- (1) first, middle, and last name of the recipient;
- (2) time of day the remote services started;
- (3) time of day that the remote services ended; and

(4) means by which the remote services were provided, through audio remote services or through audio and video remote services.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 2. [245A.70] REMOTE ADULT DAY SERVICES.

(a) For the purposes of sections 245A.70 to 245A.75, the following terms have the meanings given.

(b) "Adult day care" and "adult day services" have the meanings given in section 245A.02, subdivision 2a.

(c) "Remote adult day services" means an individualized and coordinated set of services provided via live two-way communication by an adult day care or adult day services center.

(d) "Live two-way communication" means real-time audio or audio and video transmission of information between a participant and an actively involved staff member.

Sec. 3. [245A.71] APPLICABILITY AND SCOPE.

Subdivision 1. **Licensing requirements.** Adult day care centers or adult day services centers that provide remote adult day services must be licensed under this chapter and comply with the requirements set forth in this section.

Subd. 2. **Standards for licensure.** License holders seeking to provide remote adult day services must submit a request in the manner prescribed by the commissioner. Remote adult day services must not be delivered until approved by the commissioner. The designation to provide remote services is voluntary for license holders. Upon approval, the designation of approval for remote adult day services shall be printed on the center's license, and identified on the commissioner's public website.

Subd. 3. **Federal requirements.** Adult day care centers or adult day services centers that provide remote adult day services to participants receiving alternative care under section 256B.0913, essential community supports under section 256B.0922, or home and community-based services waivers under chapter 256S or section 256B.092 or 256B.49, must comply with federally approved waiver plans.

Subd. 4. **Service limitations.** Remote adult day services must be provided during the days and hours of in-person services specified on the license of the adult day care center.

Sec. 4. [245A.72] RECORD REQUIREMENTS.

Adult day centers and adult day services centers providing remote adult day services must comply with participant record requirements set forth in Minnesota Rules, part 9555.9660. The center must document how remote services will help a participant reach the short- and long-term objectives in the participant's plan of care.

Sec. 5. [245A.73] REMOTE ADULT DAY SERVICES STAFF.

Subdivision 1. **Staff ratios.** (a) A staff person who provides remote adult day services without two-way interactive video must only provide services to one participant at a time.

(b) A staff person who provides remote adult day services through two-way interactive video must not provide services to more than eight participants at one time.

Subd. 2. **Staff training.** A center licensed under section 245A.71 must document training provided to each staff person regarding the provision of remote services in the staff person's record. The training must be provided prior to a staff person delivering remote adult day services without supervision. The training must include:

(1) how to use the equipment, technology, and devices required to provide remote adult day services via live two-way communication;

(2) orientation and training on each participant's plan of care as directly related to remote adult day services; and

(3) direct observation by a manager or supervisor of the staff person while providing supervised remote service delivery sufficient to assess staff competency.

Sec. 6. **[245A.74] INDIVIDUAL SERVICE PLANNING.**

Subdivision 1. **Eligibility.** (a) A person must be eligible for and receiving in-person adult day services to receive remote adult day services from the same provider. The same provider must deliver both in-person adult day services and remote adult day services to a participant.

(b) The license holder must update the participant's plan of care according to Minnesota Rules, part 9555.9700.

(c) For a participant who chooses to receive remote adult day services, the license holder must document in the participant's plan of care the participant's proposed schedule and frequency for receiving both in-person and remote services. The license holder must also document in the participant's plan of care that remote services:

(1) are chosen as a service delivery method by the participant or legal representative;

(2) will meet the participant's assessed needs;

(3) are provided within the scope of adult day services; and

(4) will help the participant achieve identified short- and long-term objectives specific to the provision of remote adult day services.

Subd. 2. **Participant daily service limitations.** In a 24-hour period, a participant may receive:

(1) a combination of in-person adult day services and remote adult day services on the same day but not at the same time;

(2) a combination of in-person and remote adult day services that does not exceed 12 hours in total; and

(3) up to six hours of remote adult day services.

Subd. 3. **Minimum in-person requirement.** A participant who receives remote services must receive services in person as assigned in the participant's plan of care at least quarterly.

Sec. 7. **[245A.75] SERVICE AND PROGRAM REQUIREMENTS.**

Remote adult day services must be in the scope of adult day services provided in Minnesota Rules, part 9555.9710, subparts 3 to 7.

EFFECTIVE DATE. This section is effective January 1, 2023.

ARTICLE 10**CHILDREN AND FAMILY SERVICES POLICY**

Section 1. Minnesota Statutes 2020, section 256E.33, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Transitional housing" means housing designed for independent living and provided to a homeless person or family at a rental rate of at least 25 percent of the family income for a period of up to ~~24~~ 36 months. If a transitional housing program is associated with a licensed facility or shelter, it must be located in a separate facility or a specified section of the main facility where residents can be responsible for their own meals and other daily needs.

(c) "Support services" means an assessment service that identifies the needs of individuals for independent living and arranges or provides for the appropriate educational, social, legal, advocacy, child care, employment, financial, health care, or information and referral services to meet these needs.

Sec. 2. Minnesota Statutes 2020, section 256E.33, subdivision 2, is amended to read:

Subd. 2. **Establishment and administration.** A transitional housing program is established to be administered by the commissioner. The commissioner may make grants to eligible recipients or enter into agreements with community action agencies or other public or private nonprofit agencies to make grants to eligible recipients to initiate, maintain, or expand programs to provide transitional housing and support services for persons in need of transitional housing, which may include up to six months of follow-up support services for persons who complete transitional housing as they stabilize in permanent housing. The commissioner must ensure that money appropriated to implement this section is distributed as soon as practicable. The commissioner may make grants directly to eligible recipients. The commissioner may extend use up to ten percent of the appropriation available for ~~of~~ this program for persons needing assistance longer than ~~24~~ 36 months.

Sec. 3. Minnesota Statutes 2020, section 256E.35, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The Minnesota family assets for independence initiative is established to provide incentives for low-income families to accrue assets for education, housing, vehicles, emergencies, and economic development purposes.

Sec. 4. Minnesota Statutes 2020, section 256E.35, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Eligible educational institution" means the following:

(1) an institution of higher education described in section 101 or 102 of the Higher Education Act of 1965; or

(2) an area vocational education school, as defined in subparagraph (C) or (D) of United States Code, title 20, chapter 44, section 2302 (3) (the Carl D. Perkins Vocational and Applied Technology Education Act), which is located within any state, as defined in United States Code, title 20, chapter

44, section 2302 (30). This clause is applicable only to the extent section 2302 is in effect on August 1, 2008.

(c) "Family asset account" means a savings account opened by a household participating in the Minnesota family assets for independence initiative.

(d) "Fiduciary organization" means:

(1) a community action agency that has obtained recognition under section 256E.31;

(2) a federal community development credit union ~~servicing the seven-county metropolitan area;~~
or

(3) a women-oriented economic development agency ~~servicing the seven-county metropolitan area;~~

(4) a federally recognized Tribal nation; or

(5) a nonprofit organization, as defined under section 501(c)(3) of the Internal Revenue Code.

(e) "Financial coach" means a person who:

(1) has completed an intensive financial literacy training workshop that includes curriculum on budgeting to increase savings, debt reduction and asset building, building a good credit rating, and consumer protection;

(2) participates in ongoing statewide family assets for independence in Minnesota (FAIM) network training meetings under FAIM program supervision; and

(3) provides financial coaching to program participants under subdivision 4a.

(f) "Financial institution" means a bank, bank and trust, savings bank, savings association, or credit union, the deposits of which are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration.

(g) "Household" means all individuals who share use of a dwelling unit as primary quarters for living and eating separate from other individuals.

(h) "Permissible use" means:

(1) postsecondary educational expenses at an eligible educational institution as defined in paragraph (b), including books, supplies, and equipment required for courses of instruction;

(2) acquisition costs of acquiring, constructing, or reconstructing a residence, including any usual or reasonable settlement, financing, or other closing costs;

(3) business capitalization expenses for expenditures on capital, plant, equipment, working capital, and inventory expenses of a legitimate business pursuant to a business plan approved by the fiduciary organization;

(4) acquisition costs of a principal residence within the meaning of section 1034 of the Internal Revenue Code of 1986 which do not exceed 100 percent of the average area purchase price applicable to the residence determined according to section 143(e)(2) and (3) of the Internal Revenue Code of 1986; ~~and~~

(5) acquisition costs of a personal vehicle only if approved by the fiduciary organization;

(6) contributions to an emergency savings account; and

(7) contributions to a Minnesota 529 savings plan.

Sec. 5. Minnesota Statutes 2020, section 256E.35, subdivision 4a, is amended to read:

Subd. 4a. **Financial coaching.** A financial coach shall provide the following to program participants:

(1) financial education relating to budgeting, debt reduction, asset-specific training, credit building, and financial stability activities;

(2) asset-specific training related to buying a home or vehicle, acquiring postsecondary education, ~~or starting or expanding a small business,~~ saving for emergencies, or saving for a child's education; and

(3) financial stability education and training to improve and sustain financial security.

Sec. 6. Minnesota Statutes 2020, section 256E.35, subdivision 6, is amended to read:

Subd. 6. **Withdrawal; matching; permissible uses.** (a) To receive a match, a participating household must transfer funds withdrawn from a family asset account to its matching fund custodial account held by the fiscal agent, according to the family asset agreement. The fiscal agent must determine if the match request is for a permissible use consistent with the household's family asset agreement.

(b) The fiscal agent must ensure the household's custodial account contains the applicable matching funds to match the balance in the household's account, including interest, on at least a quarterly basis and at the time of an approved withdrawal. Matches must be a contribution of \$3 from state grant or TANF funds for every \$1 of funds withdrawn from the family asset account not to exceed a \$6,000 lifetime limit.

(c) Notwithstanding paragraph (b), if funds are appropriated for the Federal Assets for Independence Act of 1998, and a participating fiduciary organization is awarded a grant under that act, participating households with that fiduciary organization must be provided matches as follows:

(1) from state grant and TANF funds, a matching contribution of \$1.50 for every \$1 of funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$4,500 lifetime limit; and

(2) from nonstate funds, a matching contribution of not less than \$1.50 for every \$1 of funds withdrawn from the family asset account not to exceed a ~~\$3,000~~ \$4,500 lifetime limit.

(d) Upon receipt of transferred custodial account funds, the fiscal agent must make a direct payment to the vendor of the goods or services for the permissible use.

Sec. 7. Minnesota Statutes 2020, section 256E.35, subdivision 7, is amended to read:

Subd. 7. **Program reporting.** The fiscal agent on behalf of each fiduciary organization participating in a family assets for independence initiative must report quarterly to the commissioner of human services identifying the participants with accounts, the number of accounts, the amount of savings and matches for each participant's account, the uses of the account, and the number of businesses, homes, vehicles, and educational services paid for with money from the account, and the amount of contributions to Minnesota 529 savings plans and emergency savings accounts, as well as other information that may be required for the commissioner to administer the program and meet federal TANF reporting requirements.

Sec. 8. Minnesota Statutes 2020, section 256K.45, subdivision 6, is amended to read:

Subd. 6. **Funding.** Funds appropriated for this section may be expended on programs described under subdivisions 3 to 5 and 8, technical assistance, and capacity building to meet the greatest need on a statewide basis. The commissioner will provide outreach, technical assistance, and program development support to increase capacity to new and existing service providers to better meet needs statewide, particularly in areas where services for homeless youth have not been established, especially in greater Minnesota.

Sec. 9. Minnesota Statutes 2020, section 256K.45, is amended by adding a subdivision to read:

Subd. 7. **Awarding of grants.** (a) Grants awarded under this section shall not be used for any activity other than the authorized activities under this section, and the commissioner shall not create additional eligibility criteria or restrictions on the grant money.

(b) Grants shall be awarded under this section only after a review of the grant recipient's application materials, including past performance and utilization of grant money. The commissioner shall not reduce an existing grant award amount unless the commissioner first determines that the grant recipient has failed to meet performance measures or has used grant money improperly.

(c) For grants awarded pursuant to a two-year grant contract, the commissioner shall permit grant recipients to carry over any unexpended amount from the first contract year to the second contract year.

Sec. 10. Minnesota Statutes 2020, section 256K.45, is amended by adding a subdivision to read:

Subd. 8. **Provider repair or improvement grants.** (a) Providers that serve homeless youth under this section may apply for a grant of up to \$100,000 under this subdivision to make minor or mechanical repairs or improvements to a facility providing services to homeless youth or youth at risk of homelessness.

(b) Grant applications under this subdivision must include a description of the repairs or improvements and the estimated cost of the repairs or improvements.

(c) Grantees under this subdivision cannot receive grant funds under this subdivision for two consecutive years.

Sec. 11. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 1a, is amended to read:

Subd. 1a. **Exemption.** Participants who qualify for child care assistance programs under chapter 119B are exempt from this section, except that the personal property identified in subdivision 2 is counted toward the asset limit of the child care assistance program under chapter 119B. Vehicles under subdivision 3 and accounts under subdivision 4 are not counted toward the asset limit of the child care assistance program under chapter 119B.

Sec. 12. Minnesota Statutes 2021 Supplement, section 256P.02, subdivision 2, is amended to read:

Subd. 2. **Personal property limitations.** The equity value of an assistance unit's personal property listed in clauses (1) to (5) must not exceed \$10,000 for applicants and participants. For purposes of this subdivision, personal property is limited to:

- (1) cash;
- (2) bank accounts not excluded under subdivision 4;
- (3) liquid stocks and bonds that can be readily accessed without a financial penalty;
- (4) vehicles not excluded under subdivision 3; and
- (5) the full value of business accounts used to pay expenses not related to the business.

Sec. 13. Minnesota Statutes 2020, section 256P.02, is amended by adding a subdivision to read:

Subd. 4. **Account exception.** Family asset accounts under section 256E.35 and individual development accounts authorized under the Assets for Independence Act, Title IV of the Community Opportunities, Accountability, and Training and Educational Services Human Services Reauthorization Act of 1998, Public Law 105-285, shall be excluded when determining the equity value of personal property.

Sec. 14. Minnesota Statutes 2020, section 256P.04, subdivision 11, is amended to read:

Subd. 11. **Participant's completion of household report form.** (a) When a participant is required to complete a household report form, the following paragraphs apply.

(b) If the agency receives an incomplete household report form, the agency must immediately ~~return the incomplete form and clearly state what the participant must do for the form to be complete~~ contact the participant by phone or in writing to acquire the necessary information to complete the form.

(c) The automated eligibility system must send a notice of proposed termination of assistance to the participant if a complete household report form is not received by the agency. The automated notice must be mailed to the participant by approximately the 16th of the month. When a participant

submits an incomplete form on or after the date a notice of proposed termination has been sent, the termination is valid unless the participant submits a complete form before the end of the month.

(d) The submission of a household report form is considered to have continued the participant's application for assistance if a complete household report form is received within a calendar month after the month in which the form was due. Assistance shall be paid for the period beginning with the first day of that calendar month.

(e) An agency must allow good cause exemptions for a participant required to complete a household report form when any of the following factors cause a participant to fail to submit a completed household report form before the end of the month in which the form is due:

(1) an employer delays completion of employment verification;

(2) the agency does not help a participant complete the household report form when the participant asks for help;

(3) a participant does not receive a household report form due to a mistake on the part of the department or the agency or a reported change in address;

(4) a participant is ill or physically or mentally incapacitated; or

(5) some other circumstance occurs that a participant could not avoid with reasonable care which prevents the participant from providing a completed household report form before the end of the month in which the form is due.

Sec. 15. Minnesota Statutes 2021 Supplement, section 256P.06, subdivision 3, is amended to read:

Subd. 3. **Income inclusions.** The following must be included in determining the income of an assistance unit:

(1) earned income; and

(2) unearned income, which includes:

(i) interest and dividends from investments and savings;

(ii) capital gains as defined by the Internal Revenue Service from any sale of real property;

(iii) proceeds from rent and contract for deed payments in excess of the principal and interest portion owed on property;

(iv) income from trusts, excluding special needs and supplemental needs trusts;

(v) interest income from loans made by the participant or household;

(vi) cash prizes and winnings;

(vii) unemployment insurance income that is received by an adult member of the assistance unit unless the individual receiving unemployment insurance income is:

(A) 18 years of age and enrolled in a secondary school; or

(B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;

(viii) retirement, survivors, and disability insurance payments;

(ix) nonrecurring income over \$60 per quarter unless the nonrecurring income is: (A) from tax refunds, tax rebates, or tax credits; (B) a reimbursement, rebate, award, grant, or refund of personal or real property or costs or losses incurred when these payments are made by: a public agency; a court; solicitations through public appeal; a federal, state, or local unit of government; or a disaster assistance organization; (C) provided as an in-kind benefit; or (D) earmarked and used for the purpose for which it was intended, subject to verification requirements under section 256P.04;

(x) retirement benefits;

(xi) cash assistance benefits, as defined by each program in chapters 119B, 256D, 256I, and 256J;

(xii) Tribal per capita payments unless excluded by federal and state law;

~~(xiii) income and payments from service and rehabilitation programs that meet or exceed the state's minimum wage rate;~~

~~(xiv)~~ (xiii) income from members of the United States armed forces unless excluded from income taxes according to federal or state law;

~~(xv)~~ (xiv) all child support payments for programs under chapters 119B, 256D, and 256I;

~~(xvi)~~ (xv) the amount of child support received that exceeds \$100 for assistance units with one child and \$200 for assistance units with two or more children for programs under chapter 256J;

~~(xvii)~~ (xvi) spousal support; and

~~(xviii)~~ (xvii) workers' compensation.

Sec. 16. Minnesota Statutes 2020, section 260.012, is amended to read:

260.012 DUTY TO ENSURE PLACEMENT PREVENTION AND FAMILY REUNIFICATION; REASONABLE EFFORTS.

(a) Once a child alleged to be in need of protection or services is under the court's jurisdiction, the court shall ensure that reasonable efforts, including culturally appropriate services and practices, by the social services agency are made to prevent placement or to eliminate the need for removal and to reunite the child with the child's family at the earliest possible time, and the court must ensure that the responsible social services agency makes reasonable efforts to finalize an alternative permanent plan for the child as provided in paragraph (e). In determining reasonable efforts to be made with respect to a child and in making those reasonable efforts, the child's best interests, health, and safety must be of paramount concern. Reasonable efforts to prevent placement and for rehabilitation and reunification are always required except upon a determination by the court that a petition has been filed stating a prima facie case that:

(1) the parent has subjected a child to egregious harm as defined in section 260C.007, subdivision 14;

(2) the parental rights of the parent to another child have been terminated involuntarily;

(3) the child is an abandoned infant under section 260C.301, subdivision 2, paragraph (a), clause (2);

(4) the parent's custodial rights to another child have been involuntarily transferred to a relative under Minnesota Statutes 2010, section 260C.201, subdivision 11, paragraph (d), clause (1), section 260C.515, subdivision 4, or a similar law of another jurisdiction;

(5) the parent has committed sexual abuse as defined in section 260E.03, against the child or another child of the parent;

(6) the parent has committed an offense that requires registration as a predatory offender under section 243.166, subdivision 1b, paragraph (a) or (b); or

(7) the provision of services or further services for the purpose of reunification is futile and therefore unreasonable under the circumstances.

(b) When the court makes one of the prima facie determinations under paragraph (a), either permanency pleadings under section 260C.505, or a termination of parental rights petition under sections 260C.141 and 260C.301 must be filed. A permanency hearing under sections 260C.503 to 260C.521 must be held within 30 days of this determination.

(c) In the case of an Indian child, in proceedings under sections 260B.178, 260C.178, 260C.201, 260C.202, 260C.204, 260C.301, or 260C.503 to 260C.521, the juvenile court must make findings and conclusions consistent with the Indian Child Welfare Act of 1978, United States Code, title 25, section 1901 et seq., as to the provision of active efforts. In cases governed by the Indian Child Welfare Act of 1978, United States Code, title 25, section 1901, the responsible social services agency must provide active efforts as required under United States Code, title 25, section 1911(d).

(d) "Reasonable efforts to prevent placement" means:

(1) the agency has made reasonable efforts to prevent the placement of the child in foster care by working with the family to develop and implement a safety plan that is individualized to the needs of the child and the child's family and may include support persons from the child's extended family, kin network, and community; or

(2) the agency has demonstrated to the court that, given the particular circumstances of the child and family at the time of the child's removal, there are no services or efforts available which that could allow the child to safely remain in the home.

(e) "Reasonable efforts to finalize a permanent plan for the child" means due diligence by the responsible social services agency to:

(1) reunify the child with the parent or guardian from whom the child was removed;

(2) assess a noncustodial parent's ability to provide day-to-day care for the child and, where appropriate, provide services necessary to enable the noncustodial parent to safely provide the care, as required by section 260C.219;

(3) conduct a relative search to identify and provide notice to adult relatives, and engage relatives in case planning and permanency planning, as required under section 260C.221;

(4) consider placing the child with relatives in the order specified in section 260C.212, subdivision 2, paragraph (a);

~~(4)~~ (5) place siblings removed from their home in the same home for foster care or adoption, or transfer permanent legal and physical custody to a relative. Visitation between siblings who are not in the same foster care, adoption, or custodial placement or facility shall be consistent with section 260C.212, subdivision 2; and

~~(5)~~ (6) when the child cannot return to the parent or guardian from whom the child was removed, to plan for and finalize a safe and legally permanent alternative home for the child, and considers permanent alternative homes for the child inside or outside of the state, preferably with a relative in the order specified in section 260C.212, subdivision 2, paragraph (a), through adoption or transfer of permanent legal and physical custody of the child.

(f) Reasonable efforts are made upon the exercise of due diligence by the responsible social services agency to use culturally appropriate and available services to meet the individualized needs of the child and the child's family. Services may include those provided by the responsible social services agency and other culturally appropriate services available in the community. The responsible social services agency must select services for a child and the child's family by collaborating with the child's family and, if appropriate, the child. At each stage of the proceedings ~~where~~ when the court is required to review the appropriateness of the responsible social services agency's reasonable efforts as described in paragraphs (a), (d), and (e), the social services agency has the burden of demonstrating that:

(1) ~~it~~ the agency has made reasonable efforts to prevent placement of the child in foster care, including that the agency considered or established a safety plan according to paragraph (d), clause (1);

(2) ~~it~~ the agency has made reasonable efforts to eliminate the need for removal of the child from the child's home and to reunify the child with the child's family at the earliest possible time;

(3) the agency has made reasonable efforts to finalize a permanent plan for the child pursuant to paragraph (e);

~~(3)~~ ~~it~~ (4) the agency has made reasonable efforts to finalize an alternative permanent home for the child, and ~~considers~~ considered permanent alternative homes for the child ~~inside or outside~~ in or out of the state, preferably with a relative in the order specified in section 260C.212, subdivision 2, paragraph (a); or

~~(4)~~ (5) reasonable efforts to prevent placement and to reunify the child with the parent or guardian are not required. The agency may meet this burden by stating facts in a sworn petition filed under section 260C.141, by filing an affidavit summarizing the agency's reasonable efforts or facts that

the agency believes demonstrate that there is no need for reasonable efforts to reunify the parent and child, or through testimony or a certified report required under juvenile court rules.

(g) Once the court determines that reasonable efforts for reunification are not required because the court has made one of the prima facie determinations under paragraph (a), the court may only require the agency to make reasonable efforts for reunification after a hearing according to section 260C.163, ~~where~~ if the court finds that there is not clear and convincing evidence of the facts upon which the court based ~~its~~ the court's prima facie determination. ~~In this case when~~ If there is clear and convincing evidence that the child is in need of protection or services, the court may find the child in need of protection or services and order any of the dispositions available under section 260C.201, subdivision 1. Reunification of a child with a parent is not required if the parent has been convicted of:

(1) a violation of, or an attempt or conspiracy to commit a violation of, sections 609.185 to 609.20; 609.222, subdivision 2; or 609.223 in regard to another child of the parent;

(2) a violation of section 609.222, subdivision 2; or 609.223, in regard to the child;

(3) a violation of, or an attempt or conspiracy to commit a violation of, United States Code, title 18, section 1111(a) or 1112(a), in regard to another child of the parent;

(4) committing sexual abuse as defined in section 260E.03, against the child or another child of the parent; or

(5) an offense that requires registration as a predatory offender under section 243.166, subdivision 1b, paragraph (a) or (b).

(h) The juvenile court, in proceedings under sections 260B.178, 260C.178, 260C.201, 260C.202, 260C.204, 260C.301, or 260C.503 to 260C.521, shall make findings and conclusions as to the provision of reasonable efforts. When determining whether reasonable efforts have been made by the agency, the court shall consider whether services to the child and family were:

(1) selected in collaboration with the child's family and, if appropriate, the child;

(2) tailored to the individualized needs of the child and child's family;

~~(+)~~ (3) relevant to the safety and, protection, and well-being of the child;

~~(2)~~ (4) adequate to meet the individualized needs of the child and family;

~~(3)~~ (5) culturally appropriate;

~~(+)~~ (6) available and accessible;

~~(5)~~ (7) consistent and timely; and

~~(6)~~ (8) realistic under the circumstances.

In the alternative, the court may determine that the provision of services or further services for the purpose of rehabilitation is futile and therefore unreasonable under the circumstances or that reasonable efforts are not required as provided in paragraph (a).

(i) This section does not prevent out-of-home placement for the treatment of a child with a mental disability when it is determined to be medically necessary as a result of the child's diagnostic assessment or the child's individual treatment plan indicates that appropriate and necessary treatment cannot be effectively provided outside of a residential or inpatient treatment program and the level or intensity of supervision and treatment cannot be effectively and safely provided in the child's home or community and it is determined that a residential treatment setting is the least restrictive setting that is appropriate to the needs of the child.

(j) If continuation of reasonable efforts to prevent placement or reunify the child with the parent or guardian from whom the child was removed is determined by the court to be inconsistent with the permanent plan for the child or upon the court making one of the prima facie determinations under paragraph (a), reasonable efforts must be made to place the child in a timely manner in a safe and permanent home and to complete whatever steps are necessary to legally finalize the permanent placement of the child.

(k) Reasonable efforts to place a child for adoption or in another permanent placement may be made concurrently with reasonable efforts to prevent placement or to reunify the child with the parent or guardian from whom the child was removed. When the responsible social services agency decides to concurrently make reasonable efforts for both reunification and permanent placement away from the parent under paragraph (a), the agency shall disclose ~~its~~ the agency's decision and both plans for concurrent reasonable efforts to all parties and the court. When the agency discloses ~~its~~ the agency's decision to proceed ~~on~~ with both plans for reunification and permanent placement away from the parent, the court's review of the agency's reasonable efforts shall include the agency's efforts under both plans.

Sec. 17. Minnesota Statutes 2020, section 260C.001, subdivision 3, is amended to read:

Subd. 3. **Permanency, termination of parental rights, and adoption.** The purpose of the laws relating to permanency, termination of parental rights, and children who come under the guardianship of the commissioner of human services is to ensure that:

(1) when required and appropriate, reasonable efforts have been made by the social services agency to reunite the child with the child's parents in a home that is safe and permanent;

(2) if placement with the parents is not reasonably foreseeable, to secure for the child a safe and permanent placement according to the requirements of section 260C.212, subdivision 2, preferably ~~with adoptive parents~~ with a relative through an adoption or a transfer of permanent legal and physical custody or, if that is not possible or in the best interests of the child, ~~a fit and willing relative through transfer of permanent legal and physical custody to that relative~~ with a nonrelative caregiver through adoption; and

(3) when a child is under the guardianship of the commissioner of human services, reasonable efforts are made to finalize an adoptive home for the child in a timely manner.

Nothing in this section requires reasonable efforts to prevent placement or to reunify the child with the parent or guardian to be made in circumstances where the court has determined that the child has been subjected to egregious harm, when the child is an abandoned infant, the parent has involuntarily lost custody of another child through a proceeding under section 260C.515, subdivision 4, or similar law of another state, the parental rights of the parent to a sibling have been involuntarily terminated, or the court has determined that reasonable efforts or further reasonable efforts to reunify the child with the parent or guardian would be futile.

The paramount consideration in all proceedings for permanent placement of the child under sections 260C.503 to 260C.521, or the termination of parental rights is the best interests of the child. In proceedings involving an American Indian child, as defined in section 260.755, subdivision 8, the best interests of the child must be determined consistent with the Indian Child Welfare Act of 1978, United States Code, title 25, section 1901, et seq.

Sec. 18. Minnesota Statutes 2020, section 260C.007, subdivision 27, is amended to read:

Subd. 27. **Relative.** "Relative" means a person related to the child by blood, marriage, or adoption; the legal parent, guardian, or custodian of the child's siblings; or an individual who is an important friend of the child or of the child's parent or custodian, including 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.

Sec. 19. Minnesota Statutes 2020, section 260C.151, subdivision 6, is amended to read:

Subd. 6. **Immediate custody.** If the court makes individualized, explicit findings, based on the notarized petition or sworn affidavit, that there are reasonable grounds to believe that the child is in surroundings or conditions ~~which~~ that endanger the child's health, safety, or welfare that require that responsibility for the child's care and custody be immediately assumed by the responsible social services agency and that continuation of the child in the custody of the parent or guardian is contrary to the child's welfare, the court may order that the officer serving the summons take the child into immediate custody for placement of the child in foster care, preferably with a relative. In ordering that responsibility for the care, custody, and control of the child be assumed by the responsible social services agency, the court is ordering emergency protective care as that term is defined in the juvenile court rules.

Sec. 20. Minnesota Statutes 2020, section 260C.152, subdivision 5, is amended to read:

Subd. 5. **Notice to foster parents and preadoptive parents and relatives.** The foster parents, if any, of a child and any preadoptive parent or relative providing care for the child must be provided notice of and a right to be heard in any review or hearing to be held with respect to the child. Any other relative may also request, and must be granted, a notice and the opportunity right to be heard under this section. This subdivision does not require that a foster parent, preadoptive parent, ~~or~~ relative providing care for the child, or any other relative be made a party to a review or hearing solely on the basis of the notice and right to be heard.

Sec. 21. Minnesota Statutes 2020, section 260C.175, subdivision 2, is amended to read:

Subd. 2. **Notice to parent or custodian and child; emergency placement with relative.** ~~Whenever~~ (a) At the time that a peace officer takes a child into custody for relative placement or

shelter care ~~or relative placement~~ pursuant to subdivision 1, section 260C.151, subdivision 5, or section 260C.154, the officer shall notify the child's parent or custodian and the child, if the child is ten years of age or older, that under section 260C.181, subdivision 2, the parent or custodian ~~or the child~~ may request ~~that to place the child be placed~~ with a relative ~~or a designated caregiver under chapter 257A~~ as defined in section 260C.007, subdivision 27, instead of in a shelter care facility.

(b) When a child who is not alleged to be delinquent is taken into custody pursuant to subdivision 1, clause (1) or (2), item (ii), and placement with an identified relative is requested, the peace officer shall coordinate with the responsible social services agency to ensure the child's safety and well-being and comply with section 260C.181, subdivision 2.

(c) The officer also shall give the parent or custodian of the child a list of names, addresses, and telephone numbers of social services agencies that offer child welfare services. If the parent or custodian was not present when the child was removed from the residence, the list shall be left with an adult on the premises or left in a conspicuous place on the premises if no adult is present. If the officer has reason to believe the parent or custodian is not able to read and understand English, the officer must provide a list that is written in the language of the parent or custodian. The list shall be prepared by the commissioner of human services. The commissioner shall prepare lists for each county and provide each county with copies of the list without charge. The list shall be reviewed annually by the commissioner and updated if it is no longer accurate. Neither the commissioner nor any peace officer or the officer's employer shall be liable to any person for mistakes or omissions in the list. The list does not constitute a promise that any agency listed will ~~in fact~~ assist the parent or custodian.

Sec. 22. Minnesota Statutes 2020, section 260C.176, subdivision 2, is amended to read:

Subd. 2. **Reasons for detention.** (a) If the child is not released as provided in subdivision 1, the person taking the child into custody shall notify the court as soon as possible of the detention of the child and the reasons for detention.

(b) No child taken into custody and placed in a relative's home or shelter care facility ~~or relative's home~~ by a peace officer pursuant to section 260C.175, subdivision 1, clause (1) or (2), item (ii), may be held in custody longer than 72 hours, excluding Saturdays, Sundays and holidays, unless a petition has been filed and the judge or referee determines pursuant to section 260C.178 that the child shall remain in custody or unless the court has made a finding of domestic abuse perpetrated by a minor after a hearing under Laws 1997, chapter 239, article 10, sections 2 to 26, in which case the court may extend the period of detention for an additional seven days, within which time the social services agency shall conduct an assessment and shall provide recommendations to the court regarding voluntary services or file a child in need of protection or services petition.

Sec. 23. Minnesota Statutes 2020, section 260C.178, subdivision 1, is amended to read:

Subdivision 1. **Hearing and release requirements.** (a) If a child was taken into custody under section 260C.175, subdivision 1, clause (1) or (2), item (ii), the court shall hold a hearing within 72 hours of the time that the child was taken into custody, excluding Saturdays, Sundays, and holidays, to determine whether the child should continue to be in custody.

(b) Unless there is reason to believe that the child would endanger self or others or not return for a court hearing, or that the child's health or welfare would be immediately endangered, the child

shall be released to the custody of a parent, guardian, custodian, or other suitable person, subject to reasonable conditions of release including, but not limited to, a requirement that the child undergo a chemical use assessment as provided in section 260C.157, subdivision 1.

(c) If the court determines that there is reason to believe that the child would endanger self or others or not return for a court hearing, or that the child's health or welfare would be immediately endangered if returned to the care of the parent or guardian who has custody and from whom the child was removed, the court shall order the child:

(1) into the care of the child's noncustodial parent and order the noncustodial parent to comply with any conditions that the court determines appropriate to ensure the safety and care of the child, including requiring the noncustodial parent to cooperate with paternity establishment proceedings if the noncustodial parent has not been adjudicated the child's father; or

(2) into foster care as defined in section 260C.007, subdivision 18, under the legal responsibility of the responsible social services agency or responsible probation or corrections agency for the purposes of protective care as that term is used in the juvenile court rules or into the home of a noncustodial parent and order the noncustodial parent to comply with any conditions the court determines to be appropriate to the safety and care of the child, including cooperating with paternity establishment proceedings in the case of a man who has not been adjudicated the child's father. The court shall not give the responsible social services legal custody and order a trial home visit at any time prior to adjudication and disposition under section 260C.201, subdivision 1, paragraph (a), clause (3), but may order the child returned to the care of the parent or guardian who has custody and from whom the child was removed and order the parent or guardian to comply with any conditions the court determines to be appropriate to meet the safety, health, and welfare of the child.

(d) In determining whether the child's health or welfare would be immediately endangered, the court shall consider whether the child would reside with a perpetrator of domestic child abuse.

(e) The court, before determining whether a child should be placed in or continue in foster care under the protective care of the responsible agency, shall also make a determination, consistent with section 260.012 as to whether reasonable efforts were made to prevent placement or whether reasonable efforts to prevent placement are not required. In the case of an Indian child, the court shall determine whether active efforts, according to section 260.762 and the Indian Child Welfare Act of 1978, United States Code, title 25, section 1912(d), were made to prevent placement. The court shall enter a finding that the responsible social services agency has made reasonable efforts to prevent placement when the agency establishes either:

(1) that ~~the agency~~ the agency has actually provided services or made efforts in an attempt to prevent the child's removal but that such services or efforts have not proven sufficient to permit the child to safely remain in the home; or

(2) that there are no services or other efforts that could be made at the time of the hearing that could safely permit the child to remain home or to return home. The court shall not make a reasonable efforts determination under this clause unless the court is satisfied that the agency has sufficiently demonstrated to the court that there were no services or other efforts that the agency was able to provide at the time of the hearing enabling the child to safely remain home or to safely return home. When reasonable efforts to prevent placement are required and there are services or other efforts

that could be ordered ~~which~~ that would permit the child to safely return home, the court shall order the child returned to the care of the parent or guardian and the services or efforts put in place to ensure the child's safety. When the court makes a prima facie determination that one of the circumstances under paragraph (g) exists, the court shall determine that reasonable efforts to prevent placement and to return the child to the care of the parent or guardian are not required.

(f) If the court finds the social services agency's preventive or reunification efforts have not been reasonable but further preventive or reunification efforts could not permit the child to safely remain at home, the court may nevertheless authorize or continue the removal of the child.

~~(f)~~ (g) The court may not order or continue the foster care placement of the child unless the court makes explicit, individualized findings that continued custody of the child by the parent or guardian would be contrary to the welfare of the child and that placement is in the best interest of the child.

~~(g)~~ (h) At the emergency removal hearing, or at any time during the course of the proceeding, and upon notice and request of the county attorney, the court shall determine whether a petition has been filed stating a prima facie case that:

(1) the parent has subjected a child to egregious harm as defined in section 260C.007, subdivision 14;

(2) the parental rights of the parent to another child have been involuntarily terminated;

(3) the child is an abandoned infant under section 260C.301, subdivision 2, paragraph (a), clause (2);

(4) the parents' custodial rights to another child have been involuntarily transferred to a relative under Minnesota Statutes 2010, section 260C.201, subdivision 11, paragraph (e), clause (1); section 260C.515, subdivision 4; or a similar law of another jurisdiction;

(5) the parent has committed sexual abuse as defined in section 260E.03, against the child or another child of the parent;

(6) the parent has committed an offense that requires registration as a predatory offender under section 243.166, subdivision 1b, paragraph (a) or (b); or

(7) the provision of services or further services for the purpose of reunification is futile and therefore unreasonable.

~~(h)~~ (i) When a petition to terminate parental rights is required under section 260C.301, subdivision 4, or 260C.503, subdivision 2, but the county attorney has determined not to proceed with a termination of parental rights petition, and has instead filed a petition to transfer permanent legal and physical custody to a relative under section 260C.507, the court shall schedule a permanency hearing within 30 days of the filing of the petition.

~~(i)~~ (j) If the county attorney has filed a petition under section 260C.307, the court shall schedule a trial under section 260C.163 within 90 days of the filing of the petition except when the county

attorney determines that the criminal case shall proceed to trial first under section 260C.503, subdivision 2, paragraph (c).

~~(j)~~ (k) If the court determines the child should be ordered into foster care and the child's parent refuses to give information to the responsible social services agency regarding the child's father or relatives of the child, the court may order the parent to disclose the names, addresses, telephone numbers, and other identifying information to the responsible social services agency for the purpose of complying with sections 260C.150, 260C.151, 260C.212, 260C.215, 260C.219, and 260C.221.

~~(k)~~ (l) If a child ordered into foster care has siblings, whether full, half, or step, who are also ordered into foster care, the court shall inquire of the responsible social services agency of the efforts to place the children together as required by section 260C.212, subdivision 2, paragraph (d), if placement together is in each child's best interests, unless a child is in placement for treatment or a child is placed with a previously noncustodial parent who is not a parent to all siblings. If the children are not placed together at the time of the hearing, the court shall inquire at each subsequent hearing of the agency's reasonable efforts to place the siblings together, as required under section 260.012. If any sibling is not placed with another sibling or siblings, the agency must develop a plan to facilitate visitation or ongoing contact among the siblings as required under section 260C.212, subdivision 1, unless it is contrary to the safety or well-being of any of the siblings to do so.

~~(l)~~ (m) When the court has ordered the child into the care of a noncustodial parent or in foster care ~~or into the home of a noncustodial parent~~, the court may order a chemical dependency evaluation, mental health evaluation, medical examination, and parenting assessment for the parent as necessary to support the development of a plan for reunification required under subdivision 7 and section 260C.212, subdivision 1, or the child protective services plan under section 260E.26, and Minnesota Rules, part 9560.0228.

Sec. 24. Minnesota Statutes 2020, section 260C.181, subdivision 2, is amended to read:

Subd. 2. **Least restrictive setting.** Notwithstanding the provisions of subdivision 1, if the child had been taken into custody pursuant to section 260C.175, subdivision 1, clause (1) or (2), item (ii), and is not alleged to be delinquent, the child shall be detained in the least restrictive setting consistent with the child's health and welfare and in closest proximity to the child's family as possible. Placement may be with a child's relative, ~~a designated caregiver under chapter 257A,~~ or, if no placement is available with a relative, in a shelter care facility. The placing officer shall comply with this section and shall document why a less restrictive setting will or will not be in the best interests of the child for placement purposes.

Sec. 25. Minnesota Statutes 2020, section 260C.193, subdivision 3, is amended to read:

Subd. 3. **Best interests of the child.** (a) The policy of the state is to ensure that the best interests of children in foster care, who experience a transfer of permanent legal and physical custody to a relative under section 260C.515, subdivision 4, or adoption under this chapter, are met by:

(1) considering placement of a child with relatives in the order specified in section 260C.212, subdivision 2, paragraph (a); and

(2) requiring individualized determinations under section 260C.212, subdivision 2, paragraph (b), of the needs of the child and of how the selected home will serve the needs of the child.

(b) No later than three months after a child is ordered to be removed from the care of a parent in the hearing required under section 260C.202, the court shall review and enter findings regarding whether the responsible social services agency ~~made~~:

(1) ~~diligent efforts exercised due diligence to identify and~~ search for, notify, and engage relatives as required under section 260C.221; and

(2) made a placement consistent with section 260C.212, subdivision 2, that is based on an individualized determination as required under section 260C.212, subdivision 2, of the child's needs to select a home that meets the needs of the child.

(c) If the court finds that the agency has not ~~made efforts exercised due diligence~~ as required under section 260C.221, and the court shall order the agency to make reasonable efforts. If there is a relative who qualifies to be licensed to provide family foster care under chapter 245A, the court may order the child to be placed with the relative consistent with the child's best interests.

(d) If the agency's efforts under section 260C.221 are found by the court to be sufficient, the court shall order the agency to continue to appropriately engage relatives who responded to the notice under section 260C.221 in placement and case planning decisions and to appropriately engage relatives who subsequently come to the agency's attention. A court's finding that the agency has made reasonable efforts under this paragraph does not relieve the agency of the duty to continue notifying relatives who come to the agency's attention and engaging and considering relatives who respond to the notice under section 260C.221 in child placement and case planning decisions.

(e) If the child's birth parent ~~or parents~~ explicitly ~~request~~ requests that a specific relative or important friend not be considered for placement of the child, the court shall honor that request if it is consistent with the best interests of the child and consistent with the requirements of section 260C.221. The court shall not waive relative search, notice, and consideration requirements, unless section 260C.139 applies. If the child's birth parent ~~or parents express~~ expresses a preference for placing the child in a foster or adoptive home of the same or a similar religious background ~~to~~ as that of the birth parent or parents, the court shall order placement of the child with an individual who meets the birth parent's religious preference.

(f) Placement of a child ~~cannot~~ must not be delayed or denied based on race, color, or national origin of the foster parent or the child.

(g) Whenever possible, siblings requiring foster care placement ~~should~~ shall be placed together unless it is determined not to be in the best interests of one or more of the siblings after weighing the benefits of separate placement against the benefits of sibling connections for each sibling. The agency shall consider section 260C.008 when making this determination. If siblings were not placed together according to section 260C.212, subdivision 2, paragraph (d), the responsible social services agency shall report to the court the efforts made to place the siblings together and why the efforts were not successful. If the court is not satisfied that the agency has made reasonable efforts to place siblings together, the court must order the agency to make further reasonable efforts. If siblings are not placed together, the court shall order the responsible social services agency to implement the plan for visitation among siblings required as part of the out-of-home placement plan under section 260C.212.

(h) This subdivision does not affect the Indian Child Welfare Act, United States Code, title 25, sections 1901 to 1923, and the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835.

Sec. 26. Minnesota Statutes 2020, section 260C.201, subdivision 1, is amended to read:

Subdivision 1. **Dispositions.** (a) If the court finds that the child is in need of protection or services or neglected and in foster care, ~~the court~~ shall enter an order making any of the following dispositions of the case:

(1) place the child under the protective supervision of the responsible social services agency or child-placing agency in the home of a parent of the child under conditions prescribed by the court directed to the correction of the child's need for protection or services:

(i) the court may order the child into the home of a parent who does not otherwise have legal custody of the child, however, an order under this section does not confer legal custody on that parent;

(ii) if the court orders the child into the home of a father who is not adjudicated, the father must cooperate with paternity establishment proceedings regarding the child in the appropriate jurisdiction as one of the conditions prescribed by the court for the child to continue in the father's home; and

(iii) the court may order the child into the home of a noncustodial parent with conditions and may also order both the noncustodial and the custodial parent to comply with the requirements of a case plan under subdivision 2; or

(2) transfer legal custody to one of the following:

(i) a child-placing agency; or

(ii) the responsible social services agency. In making a foster care placement ~~for~~ of a child whose custody has been transferred under this subdivision, the agency shall make an individualized determination of how the placement is in the child's best interests using the placement consideration order for relatives, and the best interest factors in section 260C.212, subdivision 2, ~~paragraph (b)~~, and may include a child colocated with a parent in a licensed residential family-based substance use disorder treatment program under section 260C.190; or

(3) order a trial home visit without modifying the transfer of legal custody to the responsible social services agency under clause (2). Trial home visit means the child is returned to the care of the parent or guardian from whom the child was removed for a period not to exceed six months. During the period of the trial home visit, the responsible social services agency:

(i) shall continue to have legal custody of the child, which means that the agency may see the child in the parent's home, at school, in a child care facility, or other setting as the agency deems necessary and appropriate;

(ii) shall continue to have the ability to access information under section 260C.208;

(iii) shall continue to provide appropriate services to both the parent and the child during the period of the trial home visit;

(iv) without previous court order or authorization, may terminate the trial home visit in order to protect the child's health, safety, or welfare and may remove the child to foster care;

(v) shall advise the court and parties within three days of the termination of the trial home visit when a visit is terminated by the responsible social services agency without a court order; and

(vi) shall prepare a report for the court when the trial home visit is terminated whether by the agency or court order ~~which~~ that describes the child's circumstances during the trial home visit and recommends appropriate orders, if any, for the court to enter to provide for the child's safety and stability. In the event a trial home visit is terminated by the agency by removing the child to foster care without prior court order or authorization, the court shall conduct a hearing within ten days of receiving notice of the termination of the trial home visit by the agency and shall order disposition under this subdivision or commence permanency proceedings under sections 260C.503 to 260C.515. The time period for the hearing may be extended by the court for good cause shown and if it is in the best interests of the child as long as the total time the child spends in foster care without a permanency hearing does not exceed 12 months;

(4) if the child has been adjudicated as a child in need of protection or services because the child is in need of special services or care to treat or ameliorate a physical or mental disability or emotional disturbance as defined in section 245.4871, subdivision 15, the court may order the child's parent, guardian, or custodian to provide it. The court may order the child's health plan company to provide mental health services to the child. Section 62Q.535 applies to an order for mental health services directed to the child's health plan company. If the health plan, parent, guardian, or custodian fails or is unable to provide this treatment or care, the court may order it provided. Absent specific written findings by the court that the child's disability is the result of abuse or neglect by the child's parent or guardian, the court shall not transfer legal custody of the child for the purpose of obtaining special treatment or care solely because the parent is unable to provide the treatment or care. If the court's order for mental health treatment is based on a diagnosis made by a treatment professional, the court may order that the diagnosing professional not provide the treatment to the child if it finds that such an order is in the child's best interests; or

(5) if the court believes that the child has sufficient maturity and judgment and that it is in the best interests of the child, the court may order a child 16 years old or older to be allowed to live independently, either alone or with others as approved by the court under supervision the court considers appropriate, if the county board, after consultation with the court, has specifically authorized this dispositional alternative for a child.

(b) If the child was adjudicated in need of protection or services because the child is a runaway or habitual truant, the court may order any of the following dispositions in addition to or as alternatives to the dispositions authorized under paragraph (a):

(1) counsel the child or the child's parents, guardian, or custodian;

(2) place the child under the supervision of a probation officer or other suitable person in the child's own home under conditions prescribed by the court, including reasonable rules for the child's conduct and the conduct of the parents, guardian, or custodian, designed for the physical, mental, and moral well-being and behavior of the child;

(3) subject to the court's supervision, transfer legal custody of the child to one of the following:

(i) a reputable person of good moral character. No person may receive custody of two or more unrelated children unless licensed to operate a residential program under sections 245A.01 to 245A.16; or

(ii) a county probation officer for placement in a group foster home established under the direction of the juvenile court and licensed pursuant to section 241.021;

(4) require the child to pay a fine of up to \$100. The court shall order payment of the fine in a manner that will not impose undue financial hardship upon the child;

(5) require the child to participate in a community service project;

(6) order the child to undergo a chemical dependency evaluation and, if warranted by the evaluation, order participation by the child in a drug awareness program or an inpatient or outpatient chemical dependency treatment program;

(7) if the court believes that it is in the best interests of the child or of public safety that the child's driver's license or instruction permit be canceled, the court may order the commissioner of public safety to cancel the child's license or permit for any period up to the child's 18th birthday. If the child does not have a driver's license or permit, the court may order a denial of driving privileges for any period up to the child's 18th birthday. The court shall forward an order issued under this clause to the commissioner, who shall cancel the license or permit or deny driving privileges without a hearing for the period specified by the court. At any time before the expiration of the period of cancellation or denial, the court may, for good cause, order the commissioner of public safety to allow the child to apply for a license or permit, and the commissioner shall so authorize;

(8) order that the child's parent or legal guardian deliver the child to school at the beginning of each school day for a period of time specified by the court; or

(9) require the child to perform any other activities or participate in any other treatment programs deemed appropriate by the court.

To the extent practicable, the court shall enter a disposition order the same day it makes a finding that a child is in need of protection or services or neglected and in foster care, but in no event more than 15 days after the finding unless the court finds that the best interests of the child will be served by granting a delay. If the child was under eight years of age at the time the petition was filed, the disposition order must be entered within ten days of the finding and the court may not grant a delay unless good cause is shown and the court finds the best interests of the child will be served by the delay.

(c) If a child who is 14 years of age or older is adjudicated in need of protection or services because the child is a habitual truant and truancy procedures involving the child were previously dealt with by a school attendance review board or county attorney mediation program under section 260A.06 or 260A.07, the court shall order a cancellation or denial of driving privileges under paragraph (b), clause (7), for any period up to the child's 18th birthday.

(d) In the case of a child adjudicated in need of protection or services because the child has committed domestic abuse and been ordered excluded from the child's parent's home, the court shall

dismiss jurisdiction if the court, at any time, finds the parent is able or willing to provide an alternative safe living arrangement for the child, as defined in Laws 1997, chapter 239, article 10, section 2.

(e) When a parent has complied with a case plan ordered under subdivision 6 and the child is in the care of the parent, the court may order the responsible social services agency to monitor the parent's continued ability to maintain the child safely in the home under such terms and conditions as the court determines appropriate under the circumstances.

Sec. 27. Minnesota Statutes 2020, section 260C.201, subdivision 2, is amended to read:

Subd. 2. **Written findings.** (a) Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition and case plan ordered and shall also set forth in writing the following information:

(1) why the best interests and safety of the child are served by the disposition and case plan ordered;

(2) what alternative dispositions or services under the case plan were considered by the court and why such dispositions or services were not appropriate in the instant case;

(3) when legal custody of the child is transferred, the appropriateness of the particular placement made or to be made by the placing agency using the relative and sibling placement considerations and best interest factors in section 260C.212, subdivision 2, ~~paragraph (b)~~, or the appropriateness of a child colocated with a parent in a licensed residential family-based substance use disorder treatment program under section 260C.190;

(4) whether reasonable efforts to finalize the permanent plan for the child consistent with section 260.012 were made including reasonable efforts:

(i) to prevent the child's placement and to reunify the child with the parent or guardian from whom the child was removed at the earliest time consistent with the child's safety. The court's findings must include a brief description of what preventive and reunification efforts were made and why further efforts could not have prevented or eliminated the necessity of removal or that reasonable efforts were not required under section 260.012 or 260C.178, subdivision 1;

(ii) to identify and locate any noncustodial or nonresident parent of the child and to assess such parent's ability to provide day-to-day care of the child, and, where appropriate, provide services necessary to enable the noncustodial or nonresident parent to safely provide day-to-day care of the child as required under section 260C.219, unless such services are not required under section 260.012 or 260C.178, subdivision 1; The court's findings must include a description of the agency's efforts to:

(A) identify and locate the child's noncustodial or nonresident parent;

(B) assess the noncustodial or nonresident parent's ability to provide day-to-day care of the child; and

(C) if appropriate, provide services necessary to enable the noncustodial or nonresident parent to safely provide the child's day-to-day care, including efforts to engage the noncustodial or nonresident parent in assuming care and responsibility of the child;

(iii) to make the diligent search for relatives and provide the notices required under section 260C.221; a finding made pursuant to a hearing under section 260C.202 that the agency has made diligent efforts to conduct a relative search and has appropriately engaged relatives who responded to the notice under section 260C.221 and other relatives, who came to the attention of the agency after notice under section 260C.221 was sent, in placement and case planning decisions fulfills the requirement of this item;

(iv) to identify and make a foster care placement of the child, considering the order in section 260C.212, subdivision 2, paragraph (a), in the home of an unlicensed relative, according to the requirements of section 245A.035, a licensed relative, or other licensed foster care provider, who will commit to being the permanent legal parent or custodian for the child in the event reunification cannot occur, but who will actively support the reunification plan for the child. If the court finds that the agency has not appropriately considered relatives for placement of the child, the court shall order the agency to comply with section 260C.212, subdivision 2, paragraph (a). The court may order the agency to continue considering relatives for placement of the child regardless of the child's current placement setting; and

(v) to place siblings together in the same home or to ensure visitation is occurring when siblings are separated in foster care placement and visitation is in the siblings' best interests under section 260C.212, subdivision 2, paragraph (d); and

(5) if the child has been adjudicated as a child in need of protection or services because the child is in need of special services or care to treat or ameliorate a mental disability or emotional disturbance as defined in section 245.4871, subdivision 15, the written findings shall also set forth:

(i) whether the child has mental health needs that must be addressed by the case plan;

(ii) what consideration was given to the diagnostic and functional assessments performed by the child's mental health professional and to health and mental health care professionals' treatment recommendations;

(iii) what consideration was given to the requests or preferences of the child's parent or guardian with regard to the child's interventions, services, or treatment; and

(iv) what consideration was given to the cultural appropriateness of the child's treatment or services.

(b) If the court finds that the social services agency's preventive or reunification efforts have not been reasonable but that further preventive or reunification efforts could not permit the child to safely remain at home, the court may nevertheless authorize or continue the removal of the child.

(c) If the child has been identified by the responsible social services agency as the subject of concurrent permanency planning, the court shall review the reasonable efforts of the agency to develop a permanency plan for the child that includes a primary plan ~~which~~ that is for reunification

with the child's parent or guardian and a secondary plan ~~which~~ that is for an alternative, legally permanent home for the child in the event reunification cannot be achieved in a timely manner.

Sec. 28. Minnesota Statutes 2020, section 260C.202, is amended to read:

260C.202 COURT REVIEW OF FOSTER CARE.

(a) If the court orders a child placed in foster care, the court shall review the out-of-home placement plan and the child's placement at least every 90 days as required in juvenile court rules to determine whether continued out-of-home placement is necessary and appropriate or whether the child should be returned home. This review is not required if the court has returned the child home, ordered the child permanently placed away from the parent under sections 260C.503 to 260C.521, or terminated rights under section 260C.301. Court review for a child permanently placed away from a parent, including where the child is under guardianship of the commissioner, shall be governed by section 260C.607. When a child is placed in a qualified residential treatment program setting as defined in section 260C.007, subdivision 26d, the responsible social services agency must submit evidence to the court as specified in section 260C.712.

(b) No later than three months after the child's placement in foster care, the court shall review agency efforts to search for and notify relatives pursuant to section 260C.221, and order that the agency's efforts begin immediately, or continue, if the agency has failed to perform, or has not adequately performed, the duties under that section. The court must order the agency to continue to appropriately engage relatives who responded to the notice under section 260C.221 in placement and case planning decisions and to consider relatives for foster care placement consistent with section 260C.221. Notwithstanding a court's finding that the agency has made reasonable efforts to search for and notify relatives under section 260C.221, the court may order the agency to continue making reasonable efforts to search for, notify, engage ~~other,~~ and consider relatives who came to the agency's attention after sending the initial notice under section 260C.221 ~~was sent.~~

(c) The court shall review the out-of-home placement plan and may modify the plan as provided under section 260C.201, subdivisions 6 and 7.

(d) When the court ~~orders transfer of~~ transfers the custody of a child to a responsible social services agency resulting in foster care or protective supervision with a noncustodial parent under subdivision 1, the court shall notify the parents of the provisions of sections 260C.204 and 260C.503 to 260C.521, as required under juvenile court rules.

(e) When a child remains in or returns to foster care pursuant to section 260C.451 and the court has jurisdiction pursuant to section 260C.193, subdivision 6, paragraph (c), the court shall at least annually conduct the review required under section 260C.203.

Sec. 29. Minnesota Statutes 2020, section 260C.203, is amended to read:

260C.203 ADMINISTRATIVE OR COURT REVIEW OF PLACEMENTS.

(a) Unless the court is conducting the reviews required under section 260C.202, there shall be an administrative review of the out-of-home placement plan of each child placed in foster care no later than 180 days after the initial placement of the child in foster care and at least every six months thereafter if the child is not returned to the home of the parent or parents within that time. The

out-of-home placement plan must be monitored and updated by the responsible social services agency at each administrative review. The administrative review shall be conducted by the responsible social services agency using a panel of appropriate persons at least one of whom is not responsible for the case management of, or the delivery of services to, either the child or the parents who are the subject of the review. The administrative review shall be open to participation by the parent or guardian of the child and the child, as appropriate.

(b) As an alternative to the administrative review required in paragraph (a), the court may, as part of any hearing required under the Minnesota Rules of Juvenile Protection Procedure, conduct a hearing to monitor and update the out-of-home placement plan pursuant to the procedure and standard in section 260C.201, subdivision 6, paragraph (d). The party requesting review of the out-of-home placement plan shall give parties to the proceeding notice of the request to review and update the out-of-home placement plan. A court review conducted pursuant to section 260C.141, subdivision 2; 260C.193; 260C.201, subdivision 1; 260C.202; 260C.204; 260C.317; or 260D.06 shall satisfy the requirement for the review so long as the other requirements of this section are met.

(c) As appropriate to the stage of the proceedings and relevant court orders, the responsible social services agency or the court shall review:

(1) the safety, permanency needs, and well-being of the child;

(2) the continuing necessity for and appropriateness of the placement, including whether the placement is consistent with the child's best interests and other placement considerations, including relative and sibling placement considerations under section 260C.212, subdivision 2;

(3) the extent of compliance with the out-of-home placement plan required under section 260C.212, subdivisions 1 and 1a, including services and resources that the agency has provided to the child and child's parents, services and resources that other agencies and individuals have provided to the child and child's parents, and whether the out-of-home placement plan is individualized to the needs of the child and child's parents;

(4) the extent of progress that has been made toward alleviating or mitigating the causes necessitating placement in foster care;

(5) the projected date by which the child may be returned to and safely maintained in the home or placed permanently away from the care of the parent or parents or guardian; and

(6) the appropriateness of the services provided to the child.

(d) When a child is age 14 or older:

(1) in addition to any administrative review conducted by the responsible social services agency, at the in-court review required under section 260C.317, subdivision 3, clause (3), or 260C.515, subdivision 5 or 6, the court shall review the independent living plan required under section 260C.212, subdivision 1, paragraph (c), clause (12), and the provision of services to the child related to the well-being of the child as the child prepares to leave foster care. The review shall include the actual plans related to each item in the plan necessary to the child's future safety and well-being when the child is no longer in foster care; and

(2) consistent with the requirements of the independent living plan, the court shall review progress toward or accomplishment of the following goals:

(i) the child has obtained a high school diploma or its equivalent;

(ii) the child has completed a driver's education course or has demonstrated the ability to use public transportation in the child's community;

(iii) the child is employed or enrolled in postsecondary education;

(iv) the child has applied for and obtained postsecondary education financial aid for which the child is eligible;

(v) the child has health care coverage and health care providers to meet the child's physical and mental health needs;

(vi) the child has applied for and obtained disability income assistance for which the child is eligible;

(vii) the child has obtained affordable housing with necessary supports, which does not include a homeless shelter;

(viii) the child has saved sufficient funds to pay for the first month's rent and a damage deposit;

(ix) the child has an alternative affordable housing plan, which does not include a homeless shelter, if the original housing plan is unworkable;

(x) the child, if male, has registered for the Selective Service; and

(xi) the child has a permanent connection to a caring adult.

Sec. 30. Minnesota Statutes 2020, section 260C.204, is amended to read:

260C.204 PERMANENCY PROGRESS REVIEW FOR CHILDREN IN FOSTER CARE FOR SIX MONTHS.

(a) When a child continues in placement out of the home of the parent or guardian from whom the child was removed, no later than six months after the child's placement the court shall conduct a permanency progress hearing to review:

(1) the progress of the case, the parent's progress on the case plan or out-of-home placement plan, whichever is applicable;

(2) the agency's reasonable, or in the case of an Indian child, active efforts for reunification and its provision of services;

(3) the agency's reasonable efforts to finalize the permanent plan for the child under section 260.012, paragraph (e), and to make a placement as required under section 260C.212, subdivision 2, in a home that will commit to being the legally permanent family for the child in the event the child cannot return home according to the timelines in this section; and

(4) in the case of an Indian child, active efforts to prevent the breakup of the Indian family and to make a placement according to the placement preferences under United States Code, title 25, chapter 21, section 1915.

(b) When a child is placed in a qualified residential treatment program setting as defined in section 260C.007, subdivision 26d, the responsible social services agency must submit evidence to the court as specified in section 260C.712.

(c) The court shall ensure that notice of the hearing is sent to any relative who:

(1) responded to the agency's notice provided under section 260C.221, indicating an interest in participating in planning for the child or being a permanency resource for the child and who has kept the court apprised of the relative's address; or

(2) asked to be notified of court proceedings regarding the child as is permitted in section 260C.152, subdivision 5.

(d)(1) If the parent or guardian has maintained contact with the child and is complying with the court-ordered out-of-home placement plan, and if the child would benefit from reunification with the parent, the court may either:

(i) return the child home, if the conditions ~~which~~ that led to the out-of-home placement have been sufficiently mitigated that it is safe and in the child's best interests to return home; or

(ii) continue the matter up to a total of six additional months. If the child has not returned home by the end of the additional six months, the court must conduct a hearing according to sections 260C.503 to 260C.521.

(2) If the court determines that the parent or guardian is not complying, is not making progress with or engaging with services in the out-of-home placement plan, or is not maintaining regular contact with the child as outlined in the visitation plan required as part of the out-of-home placement plan under section 260C.212, the court may order the responsible social services agency:

(i) to develop a plan for legally permanent placement of the child away from the parent;

(ii) to consider, identify, recruit, and support one or more permanency resources from the child's relatives and foster parent, consistent with section 260C.212, subdivision 2, paragraph (a), to be the legally permanent home in the event the child cannot be returned to the parent. Any relative or the child's foster parent may ask the court to order the agency to consider them for permanent placement of the child in the event the child cannot be returned to the parent. A relative or foster parent who wants to be considered under this item shall cooperate with the background study required under section 245C.08, if the individual has not already done so, and with the home study process required under chapter 245A for providing child foster care and for adoption under section 259.41. The home study referred to in this item shall be a single-home study in the form required by the commissioner of human services or similar study required by the individual's state of residence when the subject of the study is not a resident of Minnesota. The court may order the responsible social services agency to make a referral under the Interstate Compact on the Placement of Children when necessary to obtain a home study for an individual who wants to be considered for transfer of permanent legal and physical custody or adoption of the child; and

(iii) to file a petition to support an order for the legally permanent placement plan.

(e) Following the review under this section:

(1) if the court has either returned the child home or continued the matter up to a total of six additional months, the agency shall continue to provide services to support the child's return home or to make reasonable efforts to achieve reunification of the child and the parent as ordered by the court under an approved case plan;

(2) if the court orders the agency to develop a plan for the transfer of permanent legal and physical custody of the child to a relative, a petition supporting the plan shall be filed in juvenile court within 30 days of the hearing required under this section and a trial on the petition held within 60 days of the filing of the pleadings; or

(3) if the court orders the agency to file a termination of parental rights, unless the county attorney can show cause why a termination of parental rights petition should not be filed, a petition for termination of parental rights shall be filed in juvenile court within 30 days of the hearing required under this section and a trial on the petition held within 60 days of the filing of the petition.

Sec. 31. Minnesota Statutes 2021 Supplement, section 260C.212, subdivision 1, is amended to read:

Subdivision 1. **Out-of-home placement; plan.** (a) An out-of-home placement plan shall be prepared within 30 days after any child is placed in foster care by court order or a voluntary placement agreement between the responsible social services agency and the child's parent pursuant to section 260C.227 or chapter 260D.

(b) An out-of-home placement plan means a written document ~~which~~ individualized to the needs of the child and the child's parents or guardians that is prepared by the responsible social services agency jointly with the parent or parents or guardian of the child the child's parents or guardians and in consultation with the child's guardian ad litem; the child's tribe, if the child is an Indian child; the child's foster parent or representative of the foster care facility; and, ~~where~~ when appropriate, the child. When a child is age 14 or older, the child may include two other individuals on the team preparing the child's out-of-home placement plan. The child may select one member of the case planning team to be designated as the child's advisor and to advocate with respect to the application of the reasonable and prudent parenting standards. The responsible social services agency may reject an individual selected by the child if the agency has good cause to believe that the individual would not act in the best interest of the child. For a child in voluntary foster care for treatment under chapter 260D, preparation of the out-of-home placement plan shall additionally include the child's mental health treatment provider. For a child 18 years of age or older, the responsible social services agency shall involve the child and the child's parents as appropriate. As appropriate, the plan shall be:

(1) submitted to the court for approval under section 260C.178, subdivision 7;

(2) ordered by the court, either as presented or modified after hearing, under section 260C.178, subdivision 7, or 260C.201, subdivision 6; and

(3) signed by the parent or parents or guardian of the child, the child's guardian ad litem, a representative of the child's tribe, the responsible social services agency, and, if possible, the child.

(c) The out-of-home placement plan shall be explained by the responsible social services agency to all persons involved in ~~its~~ the plan's implementation, including the child who has signed the plan, and shall set forth:

(1) a description of the foster care home or facility selected, including how the out-of-home placement plan is designed to achieve a safe placement for the child in the least restrictive, most family-like, setting available ~~which~~ that is in close proximity to the home of the ~~parent or child's~~ parents or ~~guardian of the child~~ guardians when the case plan goal is reunification; and how the placement is consistent with the best interests and special needs of the child according to the factors under subdivision 2, paragraph (b);

(2) the specific reasons for the placement of the child in foster care, and when reunification is the plan, a description of the problems or conditions in the home of the parent or parents ~~which~~ that necessitated removal of the child from home and the changes the parent or parents must make for the child to safely return home;

(3) a description of the services offered and provided to prevent removal of the child from the home and to reunify the family including:

(i) the specific actions to be taken by the parent or parents of the child to eliminate or correct the problems or conditions identified in clause (2), and the time period during which the actions are to be taken; and

(ii) the reasonable efforts, or in the case of an Indian child, active efforts to be made to achieve a safe and stable home for the child including social and other supportive services to be provided or offered to the parent or parents or guardian of the child, the child, and the residential facility during the period the child is in the residential facility;

(4) a description of any services or resources that were requested by the child or the child's parent, guardian, foster parent, or custodian since the date of the child's placement in the residential facility, and whether those services or resources were provided and if not, the basis for the denial of the services or resources;

(5) the visitation plan for the parent or parents or guardian, other relatives as defined in section 260C.007, subdivision 26b or 27, and siblings of the child if the siblings are not placed together in foster care, and whether visitation is consistent with the best interest of the child, during the period the child is in foster care;

(6) when a child cannot return to or be in the care of either parent, documentation of steps to finalize adoption as the permanency plan for the child through reasonable efforts to place the child for adoption pursuant to section 260C.605. At a minimum, the documentation must include consideration of whether adoption is in the best interests of the child; and child-specific recruitment efforts such as a relative search, consideration of relatives for adoptive placement, and the use of state, regional, and national adoption exchanges to facilitate orderly and timely placements in and outside of the state. A copy of this documentation shall be provided to the court in the review required under section 260C.317, subdivision 3, paragraph (b);

(7) when a child cannot return to or be in the care of either parent, documentation of steps to finalize the transfer of permanent legal and physical custody to a relative as the permanency plan for the child. This documentation must support the requirements of the kinship placement agreement under section 256N.22 and must include the reasonable efforts used to determine that it is not appropriate for the child to return home or be adopted, and reasons why permanent placement with a relative through a Northstar kinship assistance arrangement is in the child's best interest; how the child meets the eligibility requirements for Northstar kinship assistance payments; agency efforts to discuss adoption with the child's relative foster parent and reasons why the relative foster parent chose not to pursue adoption, if applicable; and agency efforts to discuss with the child's parent or parents the permanent transfer of permanent legal and physical custody or the reasons why these efforts were not made;

(8) efforts to ensure the child's educational stability while in foster care for a child who attained the minimum age for compulsory school attendance under state law and is enrolled full time in elementary or secondary school, or instructed in elementary or secondary education at home, or instructed in an independent study elementary or secondary program, or incapable of attending school on a full-time basis due to a medical condition that is documented and supported by regularly updated information in the child's case plan. Educational stability efforts include:

(i) efforts to ensure that the child remains in the same school in which the child was enrolled prior to placement or upon the child's move from one placement to another, including efforts to work with the local education authorities to ensure the child's educational stability and attendance; or

(ii) if it is not in the child's best interest to remain in the same school that the child was enrolled in prior to placement or move from one placement to another, efforts to ensure immediate and appropriate enrollment for the child in a new school;

(9) the educational records of the child including the most recent information available regarding:

(i) the names and addresses of the child's educational providers;

(ii) the child's grade level performance;

(iii) the child's school record;

(iv) a statement about how the child's placement in foster care takes into account proximity to the school in which the child is enrolled at the time of placement; and

(v) any other relevant educational information;

(10) the efforts by the responsible social services agency to ensure the oversight and continuity of health care services for the foster child, including:

(i) the plan to schedule the child's initial health screens;

(ii) how the child's known medical problems and identified needs from the screens, including any known communicable diseases, as defined in section 144.4172, subdivision 2, shall be monitored and treated while the child is in foster care;

(iii) how the child's medical information shall be updated and shared, including the child's immunizations;

(iv) who is responsible to coordinate and respond to the child's health care needs, including the role of the parent, the agency, and the foster parent;

(v) who is responsible for oversight of the child's prescription medications;

(vi) how physicians or other appropriate medical and nonmedical professionals shall be consulted and involved in assessing the health and well-being of the child and determine the appropriate medical treatment for the child; and

(vii) the responsibility to ensure that the child has access to medical care through either medical insurance or medical assistance;

(11) the health records of the child including information available regarding:

(i) the names and addresses of the child's health care and dental care providers;

(ii) a record of the child's immunizations;

(iii) the child's known medical problems, including any known communicable diseases as defined in section 144.4172, subdivision 2;

(iv) the child's medications; and

(v) any other relevant health care information such as the child's eligibility for medical insurance or medical assistance;

(12) an independent living plan for a child 14 years of age or older, developed in consultation with the child. The child may select one member of the case planning team to be designated as the child's advisor and to advocate with respect to the application of the reasonable and prudent parenting standards in subdivision 14. The plan should include, but not be limited to, the following objectives:

(i) educational, vocational, or employment planning;

(ii) health care planning and medical coverage;

(iii) transportation including, where appropriate, assisting the child in obtaining a driver's license;

(iv) money management, including the responsibility of the responsible social services agency to ensure that the child annually receives, at no cost to the child, a consumer report as defined under section 13C.001 and assistance in interpreting and resolving any inaccuracies in the report;

(v) planning for housing;

(vi) social and recreational skills;

(vii) establishing and maintaining connections with the child's family and community; and

(viii) regular opportunities to engage in age-appropriate or developmentally appropriate activities typical for the child's age group, taking into consideration the capacities of the individual child;

(13) for a child in voluntary foster care for treatment under chapter 260D, diagnostic and assessment information, specific services relating to meeting the mental health care needs of the child, and treatment outcomes;

(14) for a child 14 years of age or older, a signed acknowledgment that describes the child's rights regarding education, health care, visitation, safety and protection from exploitation, and court participation; receipt of the documents identified in section 260C.452; and receipt of an annual credit report. The acknowledgment shall state that the rights were explained in an age-appropriate manner to the child; and

(15) for a child placed in a qualified residential treatment program, the plan must include the requirements in section 260C.708.

(d) The parent or parents or guardian and the child each shall have the right to legal counsel in the preparation of the case plan and shall be informed of the right at the time of placement of the child. The child shall also have the right to a guardian ad litem. If unable to employ counsel from their own resources, the court shall appoint counsel upon the request of the parent or parents or the child or the child's legal guardian. The parent or parents may also receive assistance from any person or social services agency in preparation of the case plan.

(e) After the plan has been agreed upon by the parties involved or approved or ordered by the court, the foster parents shall be fully informed of the provisions of the case plan and shall be provided a copy of the plan.

(f) Upon the child's discharge from foster care, the responsible social services agency must provide the child's parent, adoptive parent, or permanent legal and physical custodian, and the child, if the child is 14 years of age or older, with a current copy of the child's health and education record. If a child meets the conditions in subdivision 15, paragraph (b), the agency must also provide the child with the child's social and medical history. The responsible social services agency may give a copy of the child's health and education record and social and medical history to a child who is younger than 14 years of age, if it is appropriate and if subdivision 15, paragraph (b), applies.

Sec. 32. Minnesota Statutes 2021 Supplement, section 260C.212, subdivision 2, is amended to read:

Subd. 2. **Placement decisions based on best interests of the child.** (a) The policy of the state of Minnesota is to ensure that the child's best interests are met by requiring an individualized determination of the needs of the child in consideration of paragraphs (a) to (f), and of how the selected placement will serve the current and future needs of the child being placed. The authorized child-placing agency shall place a child, released by court order or by voluntary release by the parent or parents, in a family foster home selected by considering placement with relatives ~~and important friends~~ in the following order:

(1) with an individual who is related to the child by blood, marriage, or adoption, including the legal parent, guardian, or custodian of the child's ~~siblings~~ sibling; or

(2) with an individual who is an important friend ~~with whom the child has resided or had significant contact~~ of the child or the child's parent or custodian, including 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.

For an Indian child, the agency shall follow the order of placement preferences in the Indian Child Welfare Act of 1978, United States Code, title 25, section 1915.

(b) Among the factors the agency shall consider in determining the current and future needs of the child are the following:

(1) the child's current functioning and behaviors;

(2) the medical needs of the child;

(3) the educational needs of the child;

(4) the developmental needs of the child;

(5) the child's history and past experience;

(6) the child's religious and cultural needs;

(7) the child's connection with a community, school, and faith community;

(8) the child's interests and talents;

(9) the child's ~~relationship to current caretakers,~~ current and long-term needs regarding relationships with parents, siblings, and relatives, and other caretakers;

(10) the reasonable preference of the child, if the court, or the child-placing agency in the case of a voluntary placement, deems the child to be of sufficient age to express preferences; and

(11) for an Indian child, the best interests of an Indian child as defined in section 260.755, subdivision 2a.

When placing a child in foster care or in a permanent placement based on an individualized determination of the child's needs, the agency must not use one factor in this paragraph to the exclusion of all others, and the agency shall consider that the factors in paragraph (b) may be interrelated.

(c) Placement of a child cannot be delayed or denied based on race, color, or national origin of the foster parent or the child.

(d) Siblings should be placed together for foster care and adoption at the earliest possible time unless it is documented that a joint placement would be contrary to the safety or well-being of any of the siblings or unless it is not possible after reasonable efforts by the responsible social services agency. In cases where siblings cannot be placed together, the agency is required to provide frequent visitation or other ongoing interaction between siblings unless the agency documents that the interaction would be contrary to the safety or well-being of any of the siblings.

(e) Except for emergency placement as provided for in section 245A.035, the following requirements must be satisfied before the approval of a foster or adoptive placement in a related or unrelated home: (1) a completed background study under section 245C.08; and (2) a completed review of the written home study required under section 260C.215, subdivision 4, clause (5), or 260C.611, to assess the capacity of the prospective foster or adoptive parent to ensure the placement will meet the needs of the individual child.

(f) The agency must determine whether colocation with a parent who is receiving services in a licensed residential family-based substance use disorder treatment program is in the child's best interests according to paragraph (b) and include that determination in the child's case plan under subdivision 1. The agency may consider additional factors not identified in paragraph (b). The agency's determination must be documented in the child's case plan before the child is colocated with a parent.

(g) The agency must establish a juvenile treatment screening team under section 260C.157 to determine whether it is necessary and appropriate to recommend placing a child in a qualified residential treatment program, as defined in section 260C.007, subdivision 26d.

Sec. 33. Minnesota Statutes 2020, section 260C.221, is amended to read:

260C.221 RELATIVE SEARCH AND ENGAGEMENT; PLACEMENT CONSIDERATION.

Subdivision 1. Relative search requirements. (a) The responsible social services agency shall exercise due diligence to identify and notify adult relatives of a child as well as current caregivers of the child's sibling, prior to placement or within 30 days after the child's removal from the parent, regardless of whether a child is placed in a relative's home, as required under subdivision 2. ~~The county agency shall consider placement with a relative under this section without delay and whenever the child must move from or be returned to foster care.~~ The relative search required by this section shall be comprehensive in scope. ~~After a finding that the agency has made reasonable efforts to conduct the relative search under this paragraph, the agency has the continuing responsibility to appropriately involve relatives, who have responded to the notice required under this paragraph, in planning for the child and to continue to consider relatives according to the requirements of section 260C.212, subdivision 2. At any time during the course of juvenile protection proceedings, the court may order the agency to reopen its search for relatives when it is in the child's best interest to do so.~~

(b) The relative search required by this section shall include both maternal and paternal adult relatives of the child; all adult grandparents; all legal parents, guardians, or custodians of the child's siblings; and any other adult relatives suggested by the child's parents, subject to the exceptions due to family violence in subdivision 5, paragraph (e) (b). The search shall also include getting information from the child in an age-appropriate manner about who the child considers to be family members and important friends with whom the child has resided or had significant contact. The relative search required under this section must fulfill the agency's duties under the Indian Child Welfare Act regarding active efforts to prevent the breakup of the Indian family under United States Code, title 25, section 1912(d), and to meet placement preferences under United States Code, title 25, section 1915.

(c) The responsible social services agency has a continuing responsibility to search for and identify relatives of a child and send the notice to relatives that is required under subdivision 2, unless the court has relieved the agency of this duty under subdivision 5, paragraph (e).

Subd. 2. Relative notice requirements. (a) The agency may provide oral or written notice to a child's relatives. In the child's case record, the agency must document providing the required notice to each of the child's relatives. The responsible social services agency must notify relatives ~~must be notified:~~

(1) of the need for a foster home for the child, the option to become a placement resource for the child, the order of placement that the agency will consider under section 260C.212, subdivision 2, paragraph (a), and the possibility of the need for a permanent placement for the child;

(2) of their responsibility to keep the responsible social services agency and the court informed of their current address in order to receive notice in the event that a permanent placement is sought for the child and to receive notice of the permanency progress review hearing under section 260C.204. A relative who fails to provide a current address to the responsible social services agency and the court forfeits the right to receive notice of the possibility of permanent placement and of the permanency progress review hearing under section 260C.204, until the relative provides a current address to the responsible social services agency and the court. A decision by a relative not to be identified as a potential permanent placement resource or participate in planning for the child ~~at the beginning of the case~~ shall not affect whether the relative is considered for placement of, or as a permanency resource for, the child with that relative ~~later~~ at any time in the case, and shall not be the sole basis for the court to rule out the relative as the child's placement or permanency resource;

(3) that the relative may participate in the care and planning for the child, as specified in subdivision 3, including that the opportunity for such participation may be lost by failing to respond to the notice sent under this subdivision. ~~"Participate in the care and planning" includes, but is not limited to, participation in case planning for the parent and child, identifying the strengths and needs of the parent and child, supervising visits, providing respite and vacation visits for the child, providing transportation to appointments, suggesting other relatives who might be able to help support the case plan, and to the extent possible, helping to maintain the child's familiar and regular activities and contact with friends and relatives;~~

(4) of the family foster care licensing and adoption home study requirements, including how to complete an application and how to request a variance from licensing standards that do not present a safety or health risk to the child in the home under section 245A.04 and supports that are available for relatives and children who reside in a family foster home; ~~and~~

(5) of the relatives' right to ask to be notified of any court proceedings regarding the child, to attend the hearings, and of a relative's right ~~or opportunity~~ to be heard by the court as required under section 260C.152, subdivision 5-;

(6) that regardless of the relative's response to the notice sent under this subdivision, the agency is required to establish permanency for a child, including planning for alternative permanency options if the agency's reunification efforts fail or are not required; and

(7) that by responding to the notice, a relative may receive information about participating in a child's family and permanency team if the child is placed in a qualified residential treatment program as defined in section 260C.007, subdivision 26d.

(b) The responsible social services agency shall send the notice required under paragraph (a) to relatives who become known to the responsible social services agency, except for relatives that the agency does not contact due to safety reasons under subdivision 5, paragraph (b). The responsible social services agency shall continue to send notice to relatives notwithstanding a court's finding that the agency has made reasonable efforts to conduct a relative search.

(c) The responsible social services agency is not required to send the notice under paragraph (a) to relatives who become known to the agency after an adoption placement agreement has been fully executed under section 260C.613, subdivision 1. If such a relative wishes to be considered for adoptive placement of the child, the agency shall inform the relative of the relative's ability to file a motion for an order for adoptive placement under section 260C.607, subdivision 6.

Subd. 3. **Relative engagement requirements.** (a) A relative who responds to the notice under subdivision 2 has the opportunity to participate in care and planning for a child, which must not be limited based solely on the relative's prior inconsistent participation or nonparticipation in care and planning for the child. Care and planning for a child may include but is not limited to:

(1) participating in case planning for the child and child's parent, including identifying services and resources that meet the individualized needs of the child and child's parent. A relative's participation in case planning may be in person, via phone call, or by electronic means;

(2) identifying the strengths and needs of the child and child's parent;

(3) asking the responsible social services agency to consider the relative for placement of the child according to subdivision 4;

(4) acting as a support person for the child, the child's parents, and the child's current caregiver;

(5) supervising visits;

(6) providing respite care for the child and having vacation visits with the child;

(7) providing transportation;

(8) suggesting other relatives who may be able to participate in the case plan or that the agency may consider for placement of the child. The agency shall send a notice to each relative identified by other relatives according to subdivision 2, paragraph (b), unless a relative received this notice earlier in the case;

(9) helping to maintain the child's familiar and regular activities and contact with the child's friends and relatives, including providing supervision of the child at family gatherings and events; and

(10) participating in the child's family and permanency team if the child is placed in a qualified residential treatment program as defined in section 260C.007, subdivision 26d.

(b) The responsible social services agency shall make reasonable efforts to contact and engage relatives who respond to the notice required under this section. Upon a request by a relative or party to the proceeding, the court may conduct a review of the agency's reasonable efforts to contact and engage relatives who respond to the notice. If the court finds that the agency did not make reasonable efforts to contact and engage relatives who respond to the notice, the court may order the agency to make reasonable efforts to contact and engage relatives who respond to the notice in care and planning for the child.

Subd. 4. **Placement considerations.** (a) The responsible social services agency shall consider placing a child with a relative under this section without delay and when the child:

(1) enters foster care;

(2) must be moved from the child's current foster setting;

(3) must be permanently placed away from the child's parent; or

(4) returns to foster care after permanency has been achieved for the child.

(b) The agency shall consider placing a child with relatives:

(1) in the order specified in section 260C.212, subdivision 2, paragraph (a); and

(2) based on the child's best interests using the factors in section 260C.212, subdivision 2.

(c) The agency shall document how the agency considered relatives in the child's case record.

(d) Any relative who requests to be a placement option for a child in foster care has the right to be considered for placement of the child according to section 260C.212, subdivision 2, paragraph (a), unless the court finds that placing the child with a specific relative would endanger the child, sibling, parent, guardian, or any other family member under subdivision 5, paragraph (b).

(e) When adoption is the responsible social services agency's permanency goal for the child, the agency shall consider adoptive placement of the child with a relative in the order specified under section 260C.212, subdivision 2, paragraph (a).

Subd. 5. **Data disclosure; court review.** (a) A responsible social services agency may disclose private data, as defined in section 13.02 and chapter 260E, to relatives of the child for the purpose of locating and assessing a suitable placement and may use any reasonable means of identifying and locating relatives including the Internet or other electronic means of conducting a search. The agency shall disclose data that is necessary to facilitate possible placement with relatives and to ensure that the relative is informed of the needs of the child so the relative can participate in planning for the child and be supportive of services to the child and family.

(b) If the child's parent refuses to give the responsible social services agency information sufficient to identify the maternal and paternal relatives of the child, the agency shall ask the juvenile court to order the parent to provide the necessary information and shall use other resources to identify the child's maternal and paternal relatives. If a parent makes an explicit request that a specific relative not be contacted or considered for placement due to safety reasons, including past family or domestic violence, the agency shall bring the parent's request to the attention of the court to determine whether

the parent's request is consistent with the best interests of the child ~~and~~. The agency shall not contact the specific relative when the juvenile court finds that contacting or placing the child with the specific relative would endanger the parent, guardian, child, sibling, or any family member. Unless section 260C.139 applies to the child's case, a court shall not waive or relieve the responsible social services agency of reasonable efforts to:

- (1) conduct a relative search;
- (2) notify relatives;
- (3) contact and engage relatives in case planning; and
- (4) consider relatives for placement of the child.

(c) Notwithstanding chapter 13, the agency shall disclose data to the court about particular relatives that the agency has identified, contacted, or considered for the child's placement for the court to review the agency's due diligence.

(d) At a regularly scheduled hearing not later than three months after the child's placement in foster care and as required in ~~section~~ sections 260C.193 and 260C.202, the agency shall report to the court:

(1) ~~its~~ the agency's efforts to identify maternal and paternal relatives of the child and to engage the relatives in providing support for the child and family, and document that the relatives have been provided the notice required under paragraph (a) subdivision 2; and

(2) ~~its~~ the agency's decision regarding placing the child with a relative as required under section 260C.212, subdivision 2, and to ask. If the responsible social services agency decides that relative placement is not in the child's best interests at the time of the hearing, the agency shall inform the court of the agency's decision, including:

(i) why the agency decided against relative placement of the child; and

(ii) the agency's efforts to engage relatives ~~to visit or maintain contact with the child in order as required under subdivision 3 to support family connections for the child, when placement with a relative is not possible or appropriate.~~

~~(e) Notwithstanding chapter 13, the agency shall disclose data about particular relatives identified, searched for, and contacted for the purposes of the court's review of the agency's due diligence.~~

~~(f)~~ (e) When the court is satisfied that the agency has exercised due diligence to identify relatives and provide the notice required in paragraph (a) subdivision 2, the court may find that the agency made reasonable efforts ~~have been made~~ to conduct a relative search to identify and provide notice to adult relatives as required under section 260.012, paragraph (e), clause (3). A finding under this paragraph does not relieve the responsible social services agency of the ongoing duty to contact, engage, and consider relatives under this section nor is it a basis for the court to rule out any relative from being a foster care or permanent placement option for the child. The agency has the continuing responsibility to:

- (1) involve relatives who respond to the notice in planning for the child; and

(2) continue considering relatives for the child's placement while taking the child's short- and long-term permanency goals into consideration, according to the requirements of section 260C.212, subdivision 2.

(f) At any time during the course of juvenile protection proceedings, the court may order the agency to reopen the search for relatives when it is in the child's best interests.

(g) If the court is not satisfied that the agency has exercised due diligence to identify relatives and provide the notice required in ~~paragraph (a)~~ subdivision 2, the court may order the agency to continue its search and notice efforts and to report back to the court.

~~(g) When the placing agency determines that permanent placement proceedings are necessary because there is a likelihood that the child will not return to a parent's care, the agency must send the notice provided in paragraph (h), may ask the court to modify the duty of the agency to send the notice required in paragraph (h), or may ask the court to completely relieve the agency of the requirements of paragraph (h). The relative notification requirements of paragraph (h) do not apply when the child is placed with an appropriate relative or a foster home that has committed to adopting the child or taking permanent legal and physical custody of the child and the agency approves of that foster home for permanent placement of the child. The actions ordered by the court under this section must be consistent with the best interests, safety, permanency, and welfare of the child.~~

~~(h) Unless required under the Indian Child Welfare Act or relieved of this duty by the court under paragraph (f),~~ When the agency determines that it is necessary to prepare for permanent placement determination proceedings, or in anticipation of filing a termination of parental rights petition, the agency shall send notice to the relatives who responded to a notice under this section sent at any time during the case, any adult with whom the child is currently residing, any adult with whom the child has resided for one year or longer in the past, and any adults who have maintained a relationship or exercised visitation with the child as identified in the agency case plan. The notice must state that a permanent home is sought for the child and that the individuals receiving the notice may indicate to the agency their interest in providing a permanent home. The notice must state that within 30 days of receipt of the notice an individual receiving the notice must indicate to the agency the individual's interest in providing a permanent home for the child or that the individual may lose the opportunity to be considered for a permanent placement. A relative's failure to respond or timely respond to the notice is not a basis for ruling out the relative from being a permanent placement option for the child should the relative request to be considered for permanent placement at a later date.

Sec. 34. Minnesota Statutes 2020, section 260C.513, is amended to read:

260C.513 PERMANENCY DISPOSITIONS WHEN CHILD CANNOT RETURN HOME.

~~(a) Termination of parental rights and adoption, or guardianship to the commissioner of human services through a consent to adopt, are preferred permanency options for a child who cannot return home. If the court finds that termination of parental rights and guardianship to the commissioner is not in the child's best interests, the court may transfer permanent legal and physical custody of the child to a relative when that order is in the child's best interests~~ In determining a permanency disposition under section 260C.515 for a child who cannot return home, the court shall give preference to a permanency disposition that will result in the child being placed in the permanent care of a

relative through a termination of parental rights and adoption, guardianship to the commissioner of human services through a consent to adopt, or a transfer of permanent legal and physical custody, consistent with the best interests of the child and section 260C.212, subdivision 2, paragraph (a). If a relative is not available to accept placement or the court finds that a permanent placement with a relative is not in the child's best interests, the court may consider a permanency disposition that may result in the child being permanently placed in the care of a nonrelative caregiver, including adoption.

(b) When the court has determined that permanent placement of the child away from the parent is necessary, the court shall consider permanent alternative homes that are available both inside and outside the state.

Sec. 35. Minnesota Statutes 2021 Supplement, section 260C.605, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) Reasonable efforts to finalize the adoption of a child under the guardianship of the commissioner shall be made by the responsible social services agency responsible for permanency planning for the child.

(b) Reasonable efforts to make a placement in a home according to the placement considerations under section 260C.212, subdivision 2, with a relative or foster parent who will commit to being the permanent resource for the child in the event the child cannot be reunified with a parent are required under section 260.012 and may be made concurrently with reasonable, or if the child is an Indian child, active efforts to reunify the child with the parent.

(c) Reasonable efforts under paragraph (b) must begin as soon as possible when the child is in foster care under this chapter, but not later than the hearing required under section 260C.204.

(d) Reasonable efforts to finalize the adoption of the child include:

(1) considering the child's preference for an adoptive family;

~~(+)~~ (2) using age-appropriate engagement strategies to plan for adoption with the child;

~~(2)~~ (3) identifying an appropriate prospective adoptive parent for the child by updating the child's identified needs using the factors in section 260C.212, subdivision 2;

~~(3)~~ (4) making an adoptive placement that meets the child's needs by:

(i) completing or updating the relative search required under section 260C.221 and giving notice of the need for an adoptive home for the child to:

(A) relatives who have kept the agency or the court apprised of their whereabouts ~~and who have indicated an interest in adopting the child;~~ or

(B) relatives of the child who are located in an updated search;

(ii) an updated search is required whenever:

(A) there is no identified prospective adoptive placement for the child notwithstanding a finding by the court that the agency made diligent efforts under section 260C.221, in a hearing required under section 260C.202;

(B) the child is removed from the home of an adopting parent; or

(C) the court determines that a relative search by the agency is in the best interests of the child;

~~(iii) engaging the child's relatives or current or former foster parent and the child's relatives identified as an adoptive resource during the search conducted under section 260C.221, parents to commit to being the prospective adoptive parent of the child, and considering the child's relatives for adoptive placement of the child in the order specified under section 260C.212, subdivision 2, paragraph (a); or~~

(iv) when there is no identified prospective adoptive parent:

(A) registering the child on the state adoption exchange as required in section 259.75 unless the agency documents to the court an exception to placing the child on the state adoption exchange reported to the commissioner;

(B) reviewing all families with approved adoption home studies associated with the responsible social services agency;

(C) presenting the child to adoption agencies and adoption personnel who may assist with finding an adoptive home for the child;

(D) using newspapers and other media to promote the particular child;

(E) using a private agency under grant contract with the commissioner to provide adoption services for intensive child-specific recruitment efforts; and

(F) making any other efforts or using any other resources reasonably calculated to identify a prospective adoption parent for the child;

~~(4)~~ (5) updating and completing the social and medical history required under sections 260C.212, subdivision 15, and 260C.609;

~~(5)~~ (6) making, and keeping updated, appropriate referrals required by section 260.851, the Interstate Compact on the Placement of Children;

~~(6)~~ (7) giving notice regarding the responsibilities of an adoptive parent to any prospective adoptive parent as required under section 259.35;

~~(7)~~ (8) offering the adopting parent the opportunity to apply for or decline adoption assistance under chapter 256N;

~~(8)~~ (9) certifying the child for adoption assistance, assessing the amount of adoption assistance, and ascertaining the status of the commissioner's decision on the level of payment if the adopting parent has applied for adoption assistance;

~~(9)~~ (10) placing the child with siblings. If the child is not placed with siblings, the agency must document reasonable efforts to place the siblings together, as well as the reason for separation. The agency may not cease reasonable efforts to place siblings together for final adoption until the court finds further reasonable efforts would be futile or that placement together for purposes of adoption is not in the best interests of one of the siblings; and

~~(10)~~ (11) working with the adopting parent to file a petition to adopt the child and with the court administrator to obtain a timely hearing to finalize the adoption.

Sec. 36. Minnesota Statutes 2020, section 260C.607, subdivision 2, is amended to read:

Subd. 2. **Notice.** Notice of review hearings shall be given by the court to:

- (1) the responsible social services agency;
- (2) the child, if the child is age ten and older;
- (3) the child's guardian ad litem;
- (4) counsel appointed for the child pursuant to section 260C.163, subdivision 3;
- (5) relatives of the child who have kept the court informed of their whereabouts as required in section 260C.221 and who have responded to the agency's notice under section 260C.221, ~~indicating a willingness to provide an adoptive home for the child unless the relative has been previously ruled out by the court as a suitable foster parent or permanency resource for the child;~~
- (6) the current foster or adopting parent of the child;
- (7) any foster or adopting parents of siblings of the child; and
- (8) the Indian child's tribe.

Sec. 37. Minnesota Statutes 2020, section 260C.607, subdivision 5, is amended to read:

Subd. 5. **Required placement by responsible social services agency.** (a) No petition for adoption shall be filed for a child under the guardianship of the commissioner unless the child sought to be adopted has been placed for adoption with the adopting parent by the responsible social services agency as required under section 260C.613, subdivision 1. The court may order the agency to make an adoptive placement using standards and procedures under subdivision 6.

(b) Any relative or the child's foster parent who believes the responsible agency has not reasonably considered the relative's or foster parent's request to be considered for adoptive placement as required under section 260C.212, subdivision 2, and who wants to be considered for adoptive placement of the child shall bring a request for consideration to the attention of the court during a review required under this section. The child's guardian ad litem and the child may also bring a request for a relative or the child's foster parent to be considered for adoptive placement. After hearing from the agency, the court may order the agency to take appropriate action regarding the relative's or foster parent's request for consideration under section 260C.212, subdivision 2, paragraph (b).

Sec. 38. Minnesota Statutes 2021 Supplement, section 260C.607, subdivision 6, is amended to read:

Subd. 6. **Motion and hearing to order adoptive placement.** (a) At any time after the district court orders the child under the guardianship of the commissioner of human services, but not later than 30 days after receiving notice required under section 260C.613, subdivision 1, paragraph (c), that the agency has made an adoptive placement, a relative or the child's foster parent may file a motion for an order for adoptive placement of a child who is under the guardianship of the commissioner if the relative or the child's foster parent:

(1) has an adoption home study under section 259.41 or 260C.611 approving the relative or foster parent for adoption ~~and has~~. If the relative or foster parent does not have an adoption home study, an affidavit attesting to efforts to complete an adoption home study may be filed with the motion. The affidavit must be signed by the relative or foster parent and the responsible social services agency or licensed child-placing agency completing the adoption home study. The relative or foster parent must also have been a resident of Minnesota for at least six months before filing the motion; the court may waive the residency requirement for the moving party if there is a reasonable basis to do so; or

(2) is not a resident of Minnesota, but has an approved adoption home study by an agency licensed or approved to complete an adoption home study in the state of the individual's residence and the study is filed with the motion for adoptive placement. If the relative or foster parent does not have an adoption home study in the relative or foster parent's state of residence, an affidavit attesting to efforts to complete an adoption home study may be filed with the motion instead. The affidavit must be signed by the relative or foster parent and the agency completing the adoption home study.

(b) The motion shall be filed with the court conducting reviews of the child's progress toward adoption under this section. The motion and supporting documents must make a prima facie showing that the agency has been unreasonable in failing to make the requested adoptive placement. The motion must be served according to the requirements for motions under the Minnesota Rules of Juvenile Protection Procedure and shall be made on all individuals and entities listed in subdivision 2.

(c) If the motion and supporting documents do not make a prima facie showing for the court to determine whether the agency has been unreasonable in failing to make the requested adoptive placement, the court shall dismiss the motion. If the court determines a prima facie basis is made, the court shall set the matter for evidentiary hearing.

(d) At the evidentiary hearing, the responsible social services agency shall proceed first with evidence about the reason for not making the adoptive placement proposed by the moving party. When the agency presents evidence regarding the child's current relationship with the identified adoptive placement resource, the court must consider the agency's efforts to support the child's relationship with the moving party consistent with section 260C.221. The moving party then has the burden of proving by a preponderance of the evidence that the agency has been unreasonable in failing to make the adoptive placement.

(e) The court shall review and enter findings regarding whether the agency, in making an adoptive placement decision for the child:

(1) considered relatives for adoptive placement in the order specified under section 260C.212, subdivision 2, paragraph (a); and

(2) assessed how the identified adoptive placement resource and the moving party are each able to meet the child's current and future needs, based on an individualized determination of the child's needs, as required under sections 260C.212, subdivision 2, and 260C.613, subdivision 1, paragraph (b).

~~(e)~~ (f) At the conclusion of the evidentiary hearing, if the court finds that the agency has been unreasonable in failing to make the adoptive placement and that the ~~relative or the child's foster parent~~ moving party is the most suitable adoptive home to meet the child's needs using the factors in section 260C.212, subdivision 2, paragraph (b), the court may:

(1) order the responsible social services agency to make an adoptive placement in the home of the ~~relative or the child's foster parent.~~ moving party if the moving party has an approved adoption home study; or

(2) order the responsible social services agency to place the child in the home of the moving party upon approval of an adoption home study. The agency must promote and support the child's ongoing visitation and contact with the moving party until the child is placed in the moving party's home. The agency must provide an update to the court after 90 days, including progress and any barriers encountered. If the moving party does not have an approved adoption home study within 180 days, the moving party and the agency must inform the court of any barriers to obtaining the approved adoption home study during a review hearing under this section. If the court finds that the moving party is unable to obtain an approved adoption home study, the court must dismiss the order for adoptive placement under this subdivision and order the agency to continue making reasonable efforts to finalize the adoption of the child as required under section 260C.605.

~~(f)~~ (g) If, in order to ensure that a timely adoption may occur, the court orders the responsible social services agency to make an adoptive placement under this subdivision, the agency shall:

(1) make reasonable efforts to obtain a fully executed adoption placement agreement, including assisting the moving party with the adoption home study process;

(2) work with the moving party regarding eligibility for adoption assistance as required under chapter 256N; and

(3) if the moving party is not a resident of Minnesota, timely refer the matter for approval of the adoptive placement through the Interstate Compact on the Placement of Children.

~~(g)~~ (h) Denial or granting of a motion for an order for adoptive placement after an evidentiary hearing is an order which may be appealed by the responsible social services agency, the moving party, the child, when age ten or over, the child's guardian ad litem, and any individual who had a fully executed adoption placement agreement regarding the child at the time the motion was filed if the court's order has the effect of terminating the adoption placement agreement. An appeal shall be conducted according to the requirements of the Rules of Juvenile Protection Procedure.

Sec. 39. Minnesota Statutes 2020, section 260C.613, subdivision 1, is amended to read:

Subdivision 1. **Adoptive placement decisions.** (a) The responsible social services agency has exclusive authority to make an adoptive placement of a child under the guardianship of the commissioner. The child shall be considered placed for adoption when the adopting parent, the agency, and the commissioner have fully executed an adoption placement agreement on the form prescribed by the commissioner.

(b) The responsible social services agency shall use an individualized determination of the child's current and future needs, pursuant to section 260C.212, subdivision 2, paragraph (b), to determine the most suitable adopting parent for the child in the child's best interests. The responsible social services agency must consider adoptive placement of the child with relatives in the order specified in section 260C.212, subdivision 2, paragraph (a).

(c) The responsible social services agency shall notify the court and parties entitled to notice under section 260C.607, subdivision 2, when there is a fully executed adoption placement agreement for the child.

(d) In the event an adoption placement agreement terminates, the responsible social services agency shall notify the court, the parties entitled to notice under section 260C.607, subdivision 2, and the commissioner that the agreement and the adoptive placement have terminated.

Sec. 40. Minnesota Statutes 2020, section 260C.613, subdivision 5, is amended to read:

Subd. 5. **Required record keeping.** The responsible social services agency shall document, in the records required to be kept under section 259.79, the reasons for the adoptive placement decision regarding the child, including the individualized determination of the child's needs based on the factors in section 260C.212, subdivision 2, paragraph (b); the agency's consideration of relatives in the order specified in section 260C.212, subdivision 2, paragraph (a); and the assessment of how the selected adoptive placement meets the identified needs of the child. The responsible social services agency shall retain in the records required to be kept under section 259.79, copies of all out-of-home placement plans made since the child was ordered under guardianship of the commissioner and all court orders from reviews conducted pursuant to section 260C.607.

Sec. 41. Minnesota Statutes 2021 Supplement, section 260E.20, subdivision 2, is amended to read:

Subd. 2. **Face-to-face contact.** (a) Upon receipt of a screened in report, the local welfare agency shall conduct a face-to-face contact with the child reported to be maltreated and with the child's primary caregiver sufficient to complete a safety assessment and ensure the immediate safety of the child. If the report alleges maltreatment that presents a significant safety concern, the local welfare agency or agency responsible for assessing or investigating the report is not required to provide notice before conducting the initial face-to-face contact with the child and the child's primary caregiver.

(b) The face-to-face contact with the child and primary caregiver shall occur immediately if sexual abuse or substantial child endangerment is alleged and within five calendar days for all other reports. If the alleged offender was not already interviewed as the primary caregiver, the local welfare agency shall also conduct a face-to-face interview with the alleged offender in the early stages of

the assessment or investigation. Face-to-face contact with the child and primary caregiver in response to a report alleging sexual abuse or substantial child endangerment may be postponed for no more than five calendar days if the child is residing in a location that is confirmed to restrict contact with the alleged offender as established in guidelines issued by the commissioner, or if the local welfare agency is pursuing a court order for the child's caregiver to produce the child for questioning under section 260E.22, subdivision 5.

(c) At the initial contact with the alleged offender, the local welfare agency or the agency responsible for assessing or investigating the report must inform the alleged offender of the complaints or allegations made against the individual in a manner consistent with laws protecting the rights of the person who made the report. The interview with the alleged offender may be postponed if it would jeopardize an active law enforcement investigation.

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

Sec. 42. Minnesota Statutes 2020, section 260E.22, subdivision 2, is amended to read:

Subd. 2. **Child interview procedure.** (a) The interview may take place at school or at any facility or other place where the alleged victim or other children might be found or the child may be transported to, and the interview may be conducted at a place appropriate for the interview of a child designated by the local welfare agency or law enforcement agency.

(b) Other than in exceptional circumstances, the interview ~~may~~ must take place outside the presence of the alleged offender or parent, legal custodian, guardian, or school official; and must take place prior to any interviews of the alleged offender or parent, legal custodian, guardian, or school official.

(c) For a family assessment, it is the preferred practice to request a parent or guardian's permission to interview the child before conducting the child interview, unless doing so would compromise the safety assessment.

Sec. 43. Minnesota Statutes 2020, section 260E.24, subdivision 2, is amended to read:

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

Sec. 44. Minnesota Statutes 2020, section 268.19, subdivision 1, is amended to read:

Subdivision 1. **Use of data.** (a) Except as provided by this section, data gathered from any person under the administration of the Minnesota Unemployment Insurance Law are private data on individuals or nonpublic data not on individuals as defined in section 13.02, subdivisions 9 and 12, and may not be disclosed except according to a district court order or section 13.05. A subpoena is not considered a district court order. These data may be disseminated to and used by the following agencies without the consent of the subject of the data:

- (1) state and federal agencies specifically authorized access to the data by state or federal law;
- (2) any agency of any other state or any federal agency charged with the administration of an unemployment insurance program;
- (3) any agency responsible for the maintenance of a system of public employment offices for the purpose of assisting individuals in obtaining employment;
- (4) the public authority responsible for child support in Minnesota or any other state in accordance with section 256.978;
- (5) human rights agencies within Minnesota that have enforcement powers;
- (6) the Department of Revenue to the extent necessary for its duties under Minnesota laws;
- (7) public and private agencies responsible for administering publicly financed assistance programs for the purpose of monitoring the eligibility of the program's recipients;
- (8) the Department of Labor and Industry and the Commerce Fraud Bureau in the Department of Commerce for uses consistent with the administration of their duties under Minnesota law;
- (9) the Department of Human Services and the Office of Inspector General and its agents within the Department of Human Services, including county fraud investigators, for investigations related to recipient or provider fraud and employees of providers when the provider is suspected of committing public assistance fraud;
- (10) local and state welfare agencies for monitoring the eligibility of the data subject for assistance programs, or for any employment or training program administered by those agencies, whether alone, in combination with another welfare agency, or in conjunction with the department or to monitor and evaluate the statewide Minnesota family investment program and other cash assistance programs, the Supplemental Nutrition Assistance Program (SNAP), and the Supplemental Nutrition Assistance Program Employment and Training program by providing data on recipients and former recipients of Supplemental Nutrition Assistance Program (SNAP) benefits, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B or 256L or formerly codified under chapter 256D;
- (11) local and state welfare agencies for the purpose of identifying employment, wages, and other information to assist in the collection of an overpayment debt in an assistance program;
- (12) local, state, and federal law enforcement agencies for the purpose of ascertaining the last known address and employment location of an individual who is the subject of a criminal investigation;
- (13) the United States Immigration and Customs Enforcement has access to data on specific individuals and specific employers provided the specific individual or specific employer is the subject of an investigation by that agency;
- (14) the Department of Health for the purposes of epidemiologic investigations;

(15) the Department of Corrections for the purposes of case planning and internal research for preprobation, probation, and postprobation employment tracking of offenders sentenced to probation and preconfinement and postconfinement employment tracking of committed offenders;

(16) the state auditor to the extent necessary to conduct audits of job opportunity building zones as required under section 469.3201; and

(17) the Office of Higher Education for purposes of supporting program improvement, system evaluation, and research initiatives including the Statewide Longitudinal Education Data System.

(b) Data on individuals and employers that are collected, maintained, or used by the department in an investigation under section 268.182 are confidential as to data on individuals and protected nonpublic data not on individuals as defined in section 13.02, subdivisions 3 and 13, and must not be disclosed except under statute or district court order or to a party named in a criminal proceeding, administrative or judicial, for preparation of a defense.

(c) Data gathered by the department in the administration of the Minnesota unemployment insurance program must not be made the subject or the basis for any suit in any civil proceedings, administrative or judicial, unless the action is initiated by the department.

Sec. 45. Laws 2021, First Special Session chapter 7, article 10, section 1, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective June 1, ~~2022~~ 2023.

Sec. 46. Laws 2021, First Special Session chapter 7, article 10, section 3, is amended to read:

Sec. 3. LEGISLATIVE TASK FORCE; CHILD PROTECTION.

(a) A legislative task force is created to:

~~(1) review the efforts being made to implement the recommendations of the Governor's Task Force on the Protection of Children;~~

~~(2) expand the efforts into related areas of the child welfare system;~~

~~(3) work with the commissioner of human services and community partners to establish and evaluate child protection grants to address disparities in child welfare pursuant to Minnesota Statutes, section 256E.28;~~

~~(4) review and recommend alternatives to law enforcement responding to a maltreatment report by removing the child and evaluate situations in which it may be appropriate for a social worker or other child protection worker to remove the child from the home;~~

~~(5)~~ (1) evaluate current statutes governing mandatory reporters, consider the modification of mandatory reporting requirements for private or public youth recreation programs, and, if necessary, introduce legislation by February 15, ~~2022~~ 2023, to implement appropriate modifications; and

~~(6) evaluate and consider the intersection of educational neglect and the child protection system;~~
and

~~(7)~~ (2) identify additional areas within the child welfare system that need to be addressed by the legislature.

(b) Members of the legislative task force shall include:

(1) six members from the house of representatives appointed by the speaker of the house, including three from the majority party and three from the minority party; and

(2) six members from the senate, including three members appointed by the senate majority leader and three members appointed by the senate minority leader.

(c) Members of the task force shall serve a term that expires on December 31 of the ~~even-numbered~~ odd-numbered year following the year they are appointed. The speaker of the house and the majority leader of the senate shall each appoint a chair and vice-chair from the membership of the task force. The chair shall rotate after each meeting. The task force must meet at least quarterly.

(d) Initial appointments to the task force shall be made by July 15, ~~2021~~ 2022. The chair shall convene the first meeting of the task force by August 15, ~~2021~~ 2022.

(e) The task force may provide oversight and monitoring of:

(1) the efforts by the Department of Human Services, counties, and Tribes to implement laws related to child protection;

(2) efforts by the Department of Human Services, counties, and Tribes to implement the recommendations of the Governor's Task Force on the Protection of Children;

(3) efforts by agencies including but not limited to the Department of Education, the Housing Finance Agency, the Department of Corrections, and the Department of Public Safety, to work with the Department of Human Services to assure safety and well-being for children at risk of harm or children in the child welfare system; and

(4) efforts by the Department of Human Services, other agencies, counties, and Tribes to implement best practices to ensure every child is protected from maltreatment and neglect and to ensure every child has the opportunity for healthy development.

~~(f) The task force, in cooperation with the commissioner of human services, shall issue a report to the legislature and governor by February 1, 2024. The report must contain information on the progress toward implementation of changes to the child protection system, recommendations for additional legislative changes and procedures affecting child protection and child welfare, and funding needs to implement recommended changes.~~

~~(g)~~ (f) This section expires December 31, ~~2024~~ 2025.

Sec. 47. Laws 2021, First Special Session chapter 8, article 6, section 1, subdivision 7, is amended to read:

Subd. 7. **Report.** (a) No later than February 1, 2022, the task force shall submit an initial report to the chairs and ranking minority members of the house of representatives and senate committees

and divisions with jurisdiction over housing and preventing homelessness on its findings and recommendations.

(b) No later than ~~August 31~~ December 15, 2022, the task force shall submit a final report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over housing and preventing homelessness on its findings and recommendations.

ARTICLE 11

OPERATIONS AND LICENSING POLICY

Section 1. Minnesota Statutes 2020, section 245G.06, is amended by adding a subdivision to read:

Subd. 2a. **Client record documentation requirements.** (a) The license holder must document in the client record any significant event that occurs at the program within 24 hours of the event. A significant event is an event that impacts the client's treatment plan or the client's relationship with other clients, staff, or the client's family.

(b) A residential treatment program must document in the client record the following items within 24 hours that each occurs:

(1) medical and other appointments the client attended if known by the provider;

(2) concerns related to medications that are not documented in the medication administration record; and

(3) concerns related to attendance for treatment services, including the reason for any client absence from a treatment service.

Sec. 2. Minnesota Statutes 2020, section 245G.06, subdivision 3, is amended to read:

~~Subd. 3. **Documentation of treatment services; Treatment plan review.** (a) A review of all treatment services must be documented weekly and include a review of:~~

~~(1) care coordination activities;~~

~~(2) medical and other appointments the client attended;~~

~~(3) issues related to medications that are not documented in the medication administration record; and~~

~~(4) issues related to attendance for treatment services, including the reason for any client absence from a treatment service.~~

~~(b) A note must be entered immediately following any significant event. A significant event is an event that impacts the client's relationship with other clients, staff, the client's family, or the client's treatment plan.~~

~~(e)~~ A treatment plan review must be entered in a client's file ~~weekly or after each treatment service, whichever is less frequent, by the staff member providing the service~~ by an alcohol and drug counselor at least every 28 calendar days; when there is a significant change in the client's situation, functioning, or service methods; or at the request of the client. The review must indicate the span of time covered by the review and each of the six dimensions listed in section 245G.05, subdivision 2, paragraph (c). The review must:

~~(1)~~ ~~indicate the date, type, and amount of each treatment service provided and the client's response to each service;~~

~~(2)~~ address each goal in the treatment plan and whether the methods to address the goals are effective;

~~(3)~~ (2) include monitoring of any physical and mental health problems;

~~(4)~~ (3) document the participation of others;

~~(5)~~ (4) document staff recommendations for changes in the methods identified in the treatment plan and whether the client agrees with the change; and

~~(6)~~ (5) include a review and evaluation of the individual abuse prevention plan according to section 245A.65.

~~(4)~~ (b) Each entry in a client's record must be accurate, legible, signed, and dated. A late entry must be clearly labeled "late entry." A correction to an entry must be made in a way in which the original entry can still be read.

EFFECTIVE DATE. This section is effective August 1, 2022.

Sec. 3. Laws 2021, First Special Session chapter 7, article 2, section 74, is amended by adding a subdivision to read:

Subd. 4a. Furnishing and analyzing data. In the event the Department of Human Services is unable to furnish or analyze the relevant data on the background studies, disqualifications, set-asides, and other relevant topics under this section, the department may use an outside organization to analyze and furnish the relevant data to the task force.

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

ARTICLE 12

DIRECT CARE AND TREATMENT POLICY

Section 1. Minnesota Statutes 2020, section 253B.18, subdivision 6, is amended to read:

Subd. 6. **Transfer.** (a) A patient who is a person who has a mental illness and is dangerous to the public shall not be transferred out of a secure treatment facility unless it appears to the satisfaction of the commissioner, after a hearing and favorable recommendation by a majority of the special review board, that the transfer is appropriate. Transfer may be to another state-operated treatment

program. In those instances where a commitment also exists to the Department of Corrections, transfer may be to a facility designated by the commissioner of corrections.

(b) The following factors must be considered in determining whether a transfer is appropriate:

- (1) the person's clinical progress and present treatment needs;
- (2) the need for security to accomplish continuing treatment;
- (3) the need for continued institutionalization;
- (4) which facility can best meet the person's needs; and
- (5) whether transfer can be accomplished with a reasonable degree of safety for the public.

(c) If a committed person has been transferred out of a secure treatment facility pursuant to this subdivision, that committed person may voluntarily return to a secure treatment facility for a period of up to 60 days with the consent of the head of the treatment facility.

(d) If the committed person is not returned to the original, nonsecure transfer facility within 60 days of being readmitted to a secure treatment facility, the transfer is revoked and the committed person must remain in a secure treatment facility. The committed person must immediately be notified in writing of the revocation.

(e) Within 15 days of receiving notice of the revocation, the committed person may petition the special review board for a review of the revocation. The special review board shall review the circumstances of the revocation and shall recommend to the commissioner whether or not the revocation should be upheld. The special review board may also recommend a new transfer at the time of the revocation hearing.

(f) No action by the special review board is required if the transfer has not been revoked and the committed person is returned to the original, nonsecure transfer facility with no substantive change to the conditions of the transfer ordered under this subdivision.

(g) The head of the treatment facility may revoke a transfer made under this subdivision and require a committed person to return to a secure treatment facility if:

(1) remaining in a nonsecure setting does not provide a reasonable degree of safety to the committed person or others; or

(2) the committed person has regressed clinically and the facility to which the committed person was transferred does not meet the committed person's needs.

(h) Upon the revocation of the transfer, the committed person must be immediately returned to a secure treatment facility. A report documenting the reasons for revocation must be issued by the head of the treatment facility within seven days after the committed person is returned to the secure treatment facility. Advance notice to the committed person of the revocation is not required.

(i) The committed person must be provided a copy of the revocation report and informed, orally and in writing, of the rights of a committed person under this section. The revocation report must

be served upon the committed person, the committed person's counsel, and the designated agency. The report must outline the specific reasons for the revocation, including but not limited to the specific facts upon which the revocation is based.

(j) If a committed person's transfer is revoked, the committed person may re-petition for transfer according to subdivision 5.

(k) A committed person aggrieved by a transfer revocation decision may petition the special review board within seven business days after receipt of the revocation report for a review of the revocation. The matter must be scheduled within 30 days. The special review board shall review the circumstances leading to the revocation and, after considering the factors in paragraph (b), shall recommend to the commissioner whether or not the revocation shall be upheld. The special review board may also recommend a new transfer out of a secure treatment facility at the time of the revocation hearing.

Sec. 2. **REPEALER.**

Minnesota Statutes 2020, sections 246.0136; 252.025, subdivision 7; and 252.035, are repealed.

ARTICLE 13

DEPARTMENT OF HEALTH

Section 1. Minnesota Statutes 2020, section 103I.005, subdivision 17a, is amended to read:

Subd. 17a. ~~Temporary boring~~ **Submerged closed loop heat exchanger.** ~~"Temporary boring"~~ "Submerged closed loop heat exchanger" means an excavation that is 15 feet or more in depth, is sealed within 72 hours of the time of construction, and is drilled, cored, washed, driven, dug, jetted, or otherwise constructed to a heating and cooling system that:

(1) conduct physical, chemical, or biological testing of groundwater, including groundwater quality monitoring is installed in a water supply well;

(2) monitor or measure physical, chemical, radiological, or biological parameters of earth materials or earth fluids, including hydraulic conductivity, bearing capacity, or resistance utilizes the convective flow of groundwater as the primary medium of heat exchange;

(3) measure groundwater levels, including use of a piezometer contains potable water as the heat transfer fluid; and

(4) determine groundwater flow direction or velocity operates using nonconsumptive recirculation.

A submerged closed loop heat exchanger also includes submersible pumps, a heat exchanger device, piping, and other necessary appurtenances.

Sec. 2. Minnesota Statutes 2020, section 103I.005, is amended by adding a subdivision to read:

Subd. 17b. **Temporary boring.** "Temporary boring" means an excavation that is 15 feet or more in depth, is sealed within 72 hours of the time of construction, and is drilled, cored, washed, driven, dug, jetted, or otherwise constructed to:

(1) conduct physical, chemical, or biological testing of groundwater, including groundwater quality monitoring;

(2) monitor or measure physical, chemical, radiological, or biological parameters of earth materials or earth fluids, including hydraulic conductivity, bearing capacity, or resistance;

(3) measure groundwater levels, including use of a piezometer; and

(4) determine groundwater flow direction or velocity.

Sec. 3. Minnesota Statutes 2020, section 103I.005, subdivision 20a, is amended to read:

Subd. 20a. **Water supply well.** "Water supply well" means a well that is not a dewatering well or environmental well and includes wells used:

(1) for potable water supply;

(2) for irrigation;

(3) for agricultural, commercial, or industrial water supply;

(4) for heating or cooling; ~~and~~

(5) for containing a submerged closed loop heat exchanger; and

(6) for testing water yield for irrigation, commercial or industrial uses, residential supply, or public water supply.

Sec. 4. **[103I.631] INSTALLATION OF A SUBMERGED CLOSED LOOP HEAT EXCHANGER.**

Subdivision 1. **Installation.** Notwithstanding any other provision of law, the commissioner must allow the installation of a submerged closed loop heat exchanger in a water supply well. A project may consist of more than one water supply well on a particular site.

Subd. 2. **Setbacks.** Water supply wells used only for the nonpotable purpose of providing heating and cooling using a submerged closed loop heat exchanger are exempt from isolation distance requirements greater than ten feet.

Subd. 3. **Construction.** The screened interval of a water supply well constructed to contain a submerged closed loop heat exchanger completed within a single aquifer may be designed and constructed using any combination of screen, casing, leader, riser, sump, or other piping combinations, so long as the screen configuration does not interconnect aquifers.

Subd. 4. **Permits.** A submerged closed loop heat exchanger is not subject to the permit requirements in this chapter.

Subd. 5. Variances. A variance is not required to install or operate a submerged closed loop heat exchanger.

Sec. 5. Minnesota Statutes 2020, section 144.057, subdivision 1, is amended to read:

Subdivision 1. **Background studies required.** (a) Except as specified in paragraph (b), the commissioner of health shall contract with the commissioner of human services to conduct background studies of:

(1) individuals providing services that have direct contact, as defined under section 245C.02, subdivision 11, with patients and residents in hospitals, boarding care homes, outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and home care agencies licensed under chapter 144A; assisted living facilities and assisted living facilities with dementia care licensed under chapter 144G; and board and lodging establishments that are registered to provide supportive or health supervision services under section 157.17;

(2) individuals specified in section 245C.03, subdivision 1, who perform direct contact services in a nursing home or a home care agency licensed under chapter 144A; an assisted living facility or assisted living facility with dementia care licensed under chapter 144G; or a boarding care home licensed under sections 144.50 to 144.58. If the individual under study resides outside Minnesota, the study must include a check for substantiated findings of maltreatment of adults and children in the individual's state of residence when the information is made available by that state, and must include a check of the National Crime Information Center database;

(3) all other employees in assisted living facilities or assisted living facilities with dementia care licensed under chapter 144G, nursing homes licensed under chapter 144A, and boarding care homes licensed under sections 144.50 to 144.58. A disqualification of an individual in this section shall disqualify the individual from positions allowing direct contact or access to patients or residents receiving services. "Access" means physical access to a client or the client's personal property without continuous, direct supervision as defined in section 245C.02, subdivision 8, when the employee's employment responsibilities do not include providing direct contact services;

(4) individuals employed by a supplemental nursing services agency, as defined under section 144A.70, who are providing services in health care facilities; ~~and~~

(5) controlling persons of a supplemental nursing services agency, as defined under section 144A.70; and

(6) license applicants, owners, managerial officials, and controlling individuals who are required under section 144A.476, subdivision 1, or 144G.13, subdivision 1, to undergo a background study under chapter 245C, regardless of the licensure status of the license applicant, owner, managerial official, or controlling individual.

(b) The commissioner of human services shall not conduct a background study on any individual identified in paragraph (a), clauses (1) to (5), if the individual has a valid license issued by a health-related licensing board as defined in section 214.01, subdivision 2, and has completed the criminal background check as required in section 214.075. An entity that employs individuals who meet the requirements of this paragraph must separate those individuals from the entity's roster for NETStudy 2.0.

(c) If a facility or program is licensed by the Department of Human Services and subject to the background study provisions of chapter 245C and is also licensed by the Department of Health, the Department of Human Services is solely responsible for the background studies of individuals in the jointly licensed programs.

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

Sec. 6. Minnesota Statutes 2020, section 144.1222, subdivision 2d, is amended to read:

Subd. 2d. **Hot tubs on rental ~~houseboats~~ property.** (a) A ~~hot water~~ spa pool intended for seated recreational use, including a hot tub or whirlpool, that is located on a houseboat that is rented to the public is not a public pool and is exempt from the requirements for public pools under this section and Minnesota Rules, chapter 4717.

(b) A spa pool intended for seated recreational use, including a hot tub or whirlpool, that is located on the property of a stand-alone single-unit rental property that is rented to the public by the property owner or through a resort and the spa pool is only intended to be used by the occupants of the rental property, is not a public pool and is exempt from the requirements for public pools under this section and Minnesota Rules, chapter 4717.

(c) A ~~hot water~~ spa pool under this subdivision must be conspicuously posted with the following notice to renters:

"NOTICE

This spa is exempt from state and local sanitary requirements that prevent disease transmission.

USE AT YOUR OWN RISK

This notice is required under Minnesota Statutes, section 144.1222, subdivision 2d."

Sec. 7. Minnesota Statutes 2021 Supplement, section 144.551, subdivision 1, is amended to read:

Subdivision 1. **Restricted construction or modification.** (a) The following construction or modification may not be commenced:

(1) any erection, building, alteration, reconstruction, modernization, improvement, extension, lease, or other acquisition by or on behalf of a hospital that increases the bed capacity of a hospital, relocates hospital beds from one physical facility, complex, or site to another, or otherwise results in an increase or redistribution of hospital beds within the state; and

(2) the establishment of a new hospital.

(b) This section does not apply to:

(1) construction or relocation within a county by a hospital, clinic, or other health care facility that is a national referral center engaged in substantial programs of patient care, medical research, and medical education meeting state and national needs that receives more than 40 percent of its patients from outside the state of Minnesota;

(2) a project for construction or modification for which a health care facility held an approved certificate of need on May 1, 1984, regardless of the date of expiration of the certificate;

(3) a project for which a certificate of need was denied before July 1, 1990, if a timely appeal results in an order reversing the denial;

(4) a project exempted from certificate of need requirements by Laws 1981, chapter 200, section 2;

(5) a project involving consolidation of pediatric specialty hospital services within the Minneapolis-St. Paul metropolitan area that would not result in a net increase in the number of pediatric specialty hospital beds among the hospitals being consolidated;

(6) a project involving the temporary relocation of pediatric-orthopedic hospital beds to an existing licensed hospital that will allow for the reconstruction of a new philanthropic, pediatric-orthopedic hospital on an existing site and that will not result in a net increase in the number of hospital beds. Upon completion of the reconstruction, the licenses of both hospitals must be reinstated at the capacity that existed on each site before the relocation;

(7) the relocation or redistribution of hospital beds within a hospital building or identifiable complex of buildings provided the relocation or redistribution does not result in: (i) an increase in the overall bed capacity at that site; (ii) relocation of hospital beds from one physical site or complex to another; or (iii) redistribution of hospital beds within the state or a region of the state;

(8) relocation or redistribution of hospital beds within a hospital corporate system that involves the transfer of beds from a closed facility site or complex to an existing site or complex provided that: (i) no more than 50 percent of the capacity of the closed facility is transferred; (ii) the capacity of the site or complex to which the beds are transferred does not increase by more than 50 percent; (iii) the beds are not transferred outside of a federal health systems agency boundary in place on July 1, 1983; (iv) the relocation or redistribution does not involve the construction of a new hospital building; and (v) the transferred beds are used first to replace within the hospital corporate system the total number of beds previously used in the closed facility site or complex for mental health services and substance use disorder services. Only after the hospital corporate system has fulfilled the requirements of this item may the remainder of the available capacity of the closed facility site or complex be transferred for any other purpose;

(9) a construction project involving up to 35 new beds in a psychiatric hospital in Rice County that primarily serves adolescents and that receives more than 70 percent of its patients from outside the state of Minnesota;

(10) a project to replace a hospital or hospitals with a combined licensed capacity of 130 beds or less if: (i) the new hospital site is located within five miles of the current site; and (ii) the total licensed capacity of the replacement hospital, either at the time of construction of the initial building or as the result of future expansion, will not exceed 70 licensed hospital beds, or the combined licensed capacity of the hospitals, whichever is less;

(11) the relocation of licensed hospital beds from an existing state facility operated by the commissioner of human services to a new or existing facility, building, or complex operated by the

commissioner of human services; from one regional treatment center site to another; or from one building or site to a new or existing building or site on the same campus;

(12) the construction or relocation of hospital beds operated by a hospital having a statutory obligation to provide hospital and medical services for the indigent that does not result in a net increase in the number of hospital beds, notwithstanding section 144.552, 27 beds, of which 12 serve mental health needs, may be transferred from Hennepin County Medical Center to Regions Hospital under this clause;

(13) a construction project involving the addition of up to 31 new beds in an existing nonfederal hospital in Beltrami County;

(14) a construction project involving the addition of up to eight new beds in an existing nonfederal hospital in Otter Tail County with 100 licensed acute care beds;

(15) a construction project involving the addition of 20 new hospital beds in an existing hospital in Carver County serving the southwest suburban metropolitan area;

(16) a project for the construction or relocation of up to 20 hospital beds for the operation of up to two psychiatric facilities or units for children provided that the operation of the facilities or units have received the approval of the commissioner of human services;

(17) a project involving the addition of 14 new hospital beds to be used for rehabilitation services in an existing hospital in Itasca County;

(18) a project to add 20 licensed beds in existing space at a hospital in Hennepin County that closed 20 rehabilitation beds in 2002, provided that the beds are used only for rehabilitation in the hospital's current rehabilitation building. If the beds are used for another purpose or moved to another location, the hospital's licensed capacity is reduced by 20 beds;

(19) a critical access hospital established under section 144.1483, clause (9), and section 1820 of the federal Social Security Act, United States Code, title 42, section 1395i-4, that delicensed beds since enactment of the Balanced Budget Act of 1997, Public Law 105-33, to the extent that the critical access hospital does not seek to exceed the maximum number of beds permitted such hospital under federal law;

(20) notwithstanding section 144.552, a project for the construction of a new hospital in the city of Maple Grove with a licensed capacity of up to 300 beds provided that:

(i) the project, including each hospital or health system that will own or control the entity that will hold the new hospital license, is approved by a resolution of the Maple Grove City Council as of March 1, 2006;

(ii) the entity that will hold the new hospital license will be owned or controlled by one or more not-for-profit hospitals or health systems that have previously submitted a plan or plans for a project in Maple Grove as required under section 144.552, and the plan or plans have been found to be in the public interest by the commissioner of health as of April 1, 2005;

(iii) the new hospital's initial inpatient services must include, but are not limited to, medical and surgical services, obstetrical and gynecological services, intensive care services, orthopedic services, pediatric services, noninvasive cardiac diagnostics, behavioral health services, and emergency room services;

(iv) the new hospital:

(A) will have the ability to provide and staff sufficient new beds to meet the growing needs of the Maple Grove service area and the surrounding communities currently being served by the hospital or health system that will own or control the entity that will hold the new hospital license;

(B) will provide uncompensated care;

(C) will provide mental health services, including inpatient beds;

(D) will be a site for workforce development for a broad spectrum of health-care-related occupations and have a commitment to providing clinical training programs for physicians and other health care providers;

(E) will demonstrate a commitment to quality care and patient safety;

(F) will have an electronic medical records system, including physician order entry;

(G) will provide a broad range of senior services;

(H) will provide emergency medical services that will coordinate care with regional providers of trauma services and licensed emergency ambulance services in order to enhance the continuity of care for emergency medical patients; and

(I) will be completed by December 31, 2009, unless delayed by circumstances beyond the control of the entity holding the new hospital license; and

(v) as of 30 days following submission of a written plan, the commissioner of health has not determined that the hospitals or health systems that will own or control the entity that will hold the new hospital license are unable to meet the criteria of this clause;

(21) a project approved under section 144.553;

(22) a project for the construction of a hospital with up to 25 beds in Cass County within a 20-mile radius of the state Ah-Gwah-Ching facility, provided the hospital's license holder is approved by the Cass County Board;

(23) a project for an acute care hospital in Fergus Falls that will increase the bed capacity from 108 to 110 beds by increasing the rehabilitation bed capacity from 14 to 16 and closing a separately licensed 13-bed skilled nursing facility;

(24) notwithstanding section 144.552, a project for the construction and expansion of a specialty psychiatric hospital in Hennepin County for up to 50 beds, exclusively for patients who are under 21 years of age on the date of admission. The commissioner conducted a public interest review of

the mental health needs of Minnesota and the Twin Cities metropolitan area in 2008. No further public interest review shall be conducted for the construction or expansion project under this clause;

(25) a project for a 16-bed psychiatric hospital in the city of Thief River Falls, if the commissioner finds the project is in the public interest after the public interest review conducted under section 144.552 is complete;

(26)(i) a project for a 20-bed psychiatric hospital, within an existing facility in the city of Maple Grove, exclusively for patients who are under 21 years of age on the date of admission, if the commissioner finds the project is in the public interest after the public interest review conducted under section 144.552 is complete;

(ii) this project shall serve patients in the continuing care benefit program under section 256.9693. The project may also serve patients not in the continuing care benefit program; and

(iii) if the project ceases to participate in the continuing care benefit program, the commissioner must complete a subsequent public interest review under section 144.552. If the project is found not to be in the public interest, the license must be terminated six months from the date of that finding. If the commissioner of human services terminates the contract without cause or reduces per diem payment rates for patients under the continuing care benefit program below the rates in effect for services provided on December 31, 2015, the project may cease to participate in the continuing care benefit program and continue to operate without a subsequent public interest review;

(27) a project involving the addition of 21 new beds in an existing psychiatric hospital in Hennepin County that is exclusively for patients who are under 21 years of age on the date of admission;

(28) a project to add 55 licensed beds in an existing safety net, level I trauma center hospital in Ramsey County as designated under section 383A.91, subdivision 5, of which 15 beds are to be used for inpatient mental health and 40 are to be used for other services. In addition, five unlicensed observation mental health beds shall be added;

(29) upon submission of a plan to the commissioner for public interest review under section 144.552 and the addition of the 15 inpatient mental health beds specified in clause (28), to its bed capacity, a project to add 45 licensed beds in an existing safety net, level I trauma center hospital in Ramsey County as designated under section 383A.91, subdivision 5. Five of the 45 additional beds authorized under this clause must be designated for use for inpatient mental health and must be added to the hospital's bed capacity before the remaining 40 beds are added. Notwithstanding section 144.552, the hospital may add licensed beds under this clause prior to completion of the public interest review, provided the hospital submits its plan by the 2021 deadline and adheres to the timelines for the public interest review described in section 144.552; ~~or~~

(30) upon submission of a plan to the commissioner for public interest review under section 144.552, a project to add up to 30 licensed beds in an existing psychiatric hospital in Hennepin County that exclusively provides care to patients who are under 21 years of age on the date of admission. Notwithstanding section 144.552, the psychiatric hospital may add licensed beds under this clause prior to completion of the public interest review, provided the hospital submits its plan by the 2021 deadline and adheres to the timelines for the public interest review described in section 144.552;

(31) any project to add licensed beds in a hospital that: (i) is designated as a critical access hospital under section 144.1483, clause (9), and United States Code, title 42, section 1395i-4; (ii) has a licensed bed capacity of fewer than 25 beds; and (iii) has an attached nursing home, so long as the total number of licensed beds in the hospital after the bed addition does not exceed 25 beds. Notwithstanding section 144.552, a public interest review is not required for a project authorized under this clause; or

(32) upon submission of a plan to the commissioner for public interest review under section 144.552, a project to add 22 licensed beds at a Minnesota freestanding children's hospital in St. Paul that is part of an independent pediatric health system with freestanding inpatient hospitals located in Minneapolis and St. Paul. The beds shall be utilized for pediatric inpatient behavioral health services. Notwithstanding section 144.552, the hospital may add licensed beds under this clause prior to completion of the public interest review, provided the hospital submits its plan by the 2022 deadline and adheres to the timelines for the public interest review described in section 144.552.

Sec. 8. Minnesota Statutes 2020, section 144A.75, subdivision 12, is amended to read:

Subd. 12. **Palliative care.** "~~Palliative care" means the total active care of patients whose disease is not responsive to curative treatment. Control of pain, of other symptoms, and of psychological, social, and spiritual problems is paramount~~ specialized medical care for individuals living with a serious illness or life-limiting condition. This type of care is focused on reducing the pain, symptoms, and stress of a serious illness or condition. Palliative care is a team-based approach to care, providing essential support at any age or stage of a serious illness or condition, and is often provided together with curative treatment. The goal of palliative care is ~~the achievement of the best quality of life for patients and their families~~ to improve quality of life for both the patient and the patient's family or care partner.

Sec. 9. Minnesota Statutes 2020, section 144G.45, subdivision 7, is amended to read:

Subd. 7. **Variance or waiver.** (a) A facility may request that the commissioner grant a variance or waiver from the provisions of this section or section 144G.81, subdivision 5. A request for a waiver must be submitted to the commissioner in writing. Each request must contain:

- (1) the specific requirement for which the variance or waiver is requested;
 - (2) the reasons for the request;
 - (3) the alternative measures that will be taken if a variance or waiver is granted;
 - (4) the length of time for which the variance or waiver is requested; and
 - (5) other relevant information deemed necessary by the commissioner to properly evaluate the request for the waiver.
- (b) The decision to grant or deny a variance or waiver must be based on the commissioner's evaluation of the following criteria:

- (1) whether the waiver will adversely affect the health, treatment, comfort, safety, or well-being of a resident;

(2) whether the alternative measures to be taken, if any, are equivalent to or superior to those permitted under section 144G.81, subdivision 5; ~~and~~

(3) whether compliance with the requirements would impose an undue burden on the facility; and

(4) notwithstanding clauses (1) to (3), when an existing building is proposed to be repurposed to meet a critical community need for additional assisted living facility capacity, whether the waiver will adequately protect the health and safety of the residents.

(c) The commissioner must notify the facility in writing of the decision. If a variance or waiver is granted, the notification must specify the period of time for which the variance or waiver is effective and the alternative measures or conditions, if any, to be met by the facility.

(d) Alternative measures or conditions attached to a variance or waiver have the force and effect of this chapter and are subject to the issuance of correction orders and fines in accordance with sections 144G.30, subdivision 7, and 144G.31. The amount of fines for a violation of this subdivision is that specified for the specific requirement for which the variance or waiver was requested.

(e) A request for renewal of a variance or waiver must be submitted in writing at least 45 days before its expiration date. Renewal requests must contain the information specified in paragraph (b). A variance or waiver must be renewed by the commissioner if the facility continues to satisfy the criteria in paragraph (a) and demonstrates compliance with the alternative measures or conditions imposed at the time the original variance or waiver was granted.

(f) The commissioner must deny, revoke, or refuse to renew a variance or waiver if it is determined that the criteria in paragraph (a) are not met. The facility must be notified in writing of the reasons for the decision and informed of the right to appeal the decision.

(g) A facility may contest the denial, revocation, or refusal to renew a variance or waiver by requesting a contested case hearing under chapter 14. The facility must submit, within 15 days of the receipt of the commissioner's decision, a written request for a hearing. The request for hearing must set forth in detail the reasons why the facility contends the decision of the commissioner should be reversed or modified. At the hearing, the facility has the burden of proving by a preponderance of the evidence that the facility satisfied the criteria specified in paragraph (b), except in a proceeding challenging the revocation of a variance or waiver.

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

Sec. 10. [145.267] FETAL ALCOHOL SPECTRUM DISORDERS PREVENTION GRANTS.

(a) The commissioner of health shall award a grant to a statewide organization that focuses solely on prevention of and intervention with fetal alcohol spectrum disorders. The grant recipient must make subgrants to eligible regional collaboratives in rural and urban areas of the state for the purposes specified in paragraph (c).

(b) "Eligible regional collaboratives" means a partnership between at least one local government or Tribal government and at least one community-based organization and, where available, a family

home visiting program. For purposes of this paragraph, a local government includes a county or a multicounty organization, a county-based purchasing entity, or a community health board.

(c) Eligible regional collaboratives must use subgrant funds to reduce the incidence of fetal alcohol spectrum disorders and other prenatal drug-related effects in children in Minnesota by identifying and serving pregnant women suspected of or known to use or abuse alcohol or other drugs. Eligible regional collaboratives must provide intensive services to chemically dependent women to increase positive birth outcomes.

(d) An eligible regional collaborative that receives a subgrant under this section must report to the grant recipient by January 15 of each year on the services and programs funded by the subgrant. The report must include measurable outcomes for the previous year, including the number of pregnant women served and the number of toxin-free babies born. The grant recipient must compile the information in the subgrant reports and submit a summary report to the commissioner of health by February 15 of each year.

EFFECTIVE DATE. This section is effective July 1, 2023.

Sec. 11. Minnesota Statutes 2020, section 145.4716, is amended by adding a subdivision to read:

Subd. 4. **Funding.** Funds appropriated for this section shall not be used for any activity other than the authorized activities under this section, and the commissioner shall not create additional eligibility criteria or restrictions on the funds. The commissioner must prioritize providing trauma-informed, culturally inclusive services for sexually exploited youth or youth at risk of sexual exploitation under this section.

Sec. 12. Minnesota Statutes 2021 Supplement, section 245C.03, subdivision 5a, is amended to read:

Subd. 5a. Facilities serving children or adults licensed or regulated by the Department of Health. (a) Except as specified in paragraph (b), the commissioner shall conduct background studies of:

(1) individuals providing services who have direct contact, as defined under section 245C.02, subdivision 11, with patients and residents in hospitals, boarding care homes, outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and home care agencies licensed under chapter 144A; assisted living facilities and assisted living facilities with dementia care licensed under chapter 144G; and board and lodging establishments that are registered to provide supportive or health supervision services under section 157.17;

(2) individuals specified in subdivision 2 who provide direct contact services in a nursing home or a home care agency licensed under chapter 144A; an assisted living facility or assisted living facility with dementia care licensed under chapter 144G; or a boarding care home licensed under sections 144.50 to 144.58. If the individual undergoing a study resides outside of Minnesota, the study must include a check for substantiated findings of maltreatment of adults and children in the individual's state of residence when the state makes the information available;

(3) all other employees in assisted living facilities or assisted living facilities with dementia care licensed under chapter 144G, nursing homes licensed under chapter 144A, and boarding care homes licensed under sections 144.50 to 144.58. A disqualification of an individual in this section shall disqualify the individual from positions allowing direct contact with or access to patients or residents receiving services. "Access" means physical access to a client or the client's personal property without continuous, direct supervision as defined in section 245C.02, subdivision 8, when the employee's employment responsibilities do not include providing direct contact services;

(4) individuals employed by a supplemental nursing services agency, as defined under section 144A.70, who are providing services in health care facilities; ~~and~~

(5) controlling persons of a supplemental nursing services agency, as defined by section 144A.70; and

(6) license applicants, owners, managerial officials, and controlling individuals who are required under section 144A.476, subdivision 1, or 144G.13, subdivision 1, to undergo a background study under this chapter, regardless of the licensure status of the license applicant, owner, managerial official, or controlling individual.

(b) The commissioner of human services shall not conduct a background study on any individual identified in paragraph (a), clauses (1) to (5), if the individual has a valid license issued by a health-related licensing board as defined in section 214.01, subdivision 2, and has completed the criminal background check as required in section 214.075. An entity that employs individuals who meet the requirements of this paragraph must separate those individuals from the entity's roster for NETStudy 2.0.

(c) If a facility or program is licensed by the Department of Human Services and the Department of Health and is subject to the background study provisions of this chapter, the Department of Human Services is solely responsible for the background studies of individuals in the jointly licensed program.

~~(e)~~ (d) The commissioner of health shall review and make decisions regarding reconsideration requests, including whether to grant variances, according to the procedures and criteria in this chapter. The commissioner of health shall inform the requesting individual and the Department of Human Services of the commissioner of health's decision regarding the reconsideration. The commissioner of health's decision to grant or deny a reconsideration of a disqualification is a final administrative agency action.

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

Sec. 13. Minnesota Statutes 2020, section 245C.31, subdivision 1, is amended to read:

Subdivision 1. **Board determines disciplinary or corrective action.** ~~(a) When the subject of a background study is regulated by a health-related licensing board as defined in chapter 214, and the commissioner determines that the regulated individual is responsible for substantiated maltreatment under section 626.557 or chapter 260E, instead of the commissioner making a decision regarding disqualification, the board shall make a determination whether to impose disciplinary or corrective action under chapter 214. The commissioner shall notify a health-related licensing board as defined in section 214.01, subdivision 2, if the commissioner determines that an individual who~~

is licensed by the health-related licensing board and who is included on the board's roster list provided in accordance with subdivision 3a is responsible for substantiated maltreatment under section 626.557 or chapter 260E, in accordance with subdivision 2. Upon receiving notification, the health-related licensing board shall make a determination as to whether to impose disciplinary or corrective action under chapter 214.

(b) This section does not apply to a background study of an individual regulated by a health-related licensing board if the individual's study is related to child foster care, adult foster care, or family child care licensure.

EFFECTIVE DATE. This section is effective February 1, 2023.

Sec. 14. Minnesota Statutes 2020, section 245C.31, subdivision 2, is amended to read:

Subd. 2. **Commissioner's notice to board.** (a) The commissioner shall notify ~~the~~ a health-related licensing board:

(1) ~~upon completion of a background study that produces~~ of a record showing that the individual licensed by the board was determined to have been responsible for substantiated maltreatment;

(2) upon the commissioner's completion of an investigation that determined ~~the~~ an individual licensed by the board was responsible for substantiated maltreatment; or

(3) upon receipt from another agency of a finding of substantiated maltreatment for which ~~the~~ an individual licensed by the board was responsible.

(b) The commissioner's notice to the health-related licensing board shall indicate whether the commissioner would have disqualified the individual for the substantiated maltreatment if the individual were not regulated by the board.

~~(c) The commissioner shall concurrently send the notice under this subdivision to the individual who is the subject of the background study.~~

Sec. 15. Minnesota Statutes 2020, section 245C.31, is amended by adding a subdivision to read:

Subd. 3a. Agreements with health-related licensing boards. The commissioner and each health-related licensing board shall enter into an agreement in order for each board to provide the commissioner with a daily roster list of individuals who have a license issued by the board in active status. The list must include for each licensed individual the individual's name, aliases, date of birth, license number, the date the license was issued, status of the license, and the last four digits of the individual's social security number.

EFFECTIVE DATE. This section is effective February 1, 2023.

Sec. 16. **DIRECTION TO COMMISSIONER OF HEALTH; J-1 VISA WAIVER PROGRAM RECOMMENDATION.**

(a) For purposes of this section:

(1) "Department of Health recommendation" means a recommendation from the state Department of Health that a foreign medical graduate should be considered for a J-1 visa waiver under the J-1 visa waiver program; and

(2) "J-1 visa waiver program" means a program administered by the United States Department of State under United States Code, title 8, section 1184(l), in which a waiver is sought for the requirement that a foreign medical graduate with a J-1 visa must return to the graduate's home country for two years at the conclusion of the graduate's medical study before applying for employment authorization in the United States.

(b) In administering the program to issue Department of Health recommendations for purposes of the J-1 visa waiver program, the commissioner of health shall allow an applicant to submit to the commissioner evidence that the foreign medical graduate for whom the waiver is sought is licensed to practice medicine in Minnesota in place of evidence that the foreign medical graduate has passed steps 1, 2, and 3 of the United States Medical Licensing Examination.

Sec. 17. TEMPORARY ASSISTED LIVING STAFF TRAINING REQUIREMENTS.

(a) Notwithstanding Minnesota Statutes, section 144G.60, subdivision 4, paragraphs (a) and (b), a person who registers for, completes, and passes the American Health Care Association's eight-hour online temporary nurse aide training course may be employed by a licensed assisted living facility to provide assisted living services or perform delegated nursing tasks. Assisted living facilities must maintain documentation that a person employed under the authority of this section to provide assisted living services or perform delegated nursing tasks completed the required training program.

(b) Whenever providing assisted living services, a person employed under the authority of this section must be directly supervised by another employee who meets the requirements of Minnesota Statutes, section 144G.60, subdivision 4, paragraph (a). If, during employment, the person meets the requirements of Minnesota Statutes, section 144G.60, subdivision 4, paragraph (a), the supervision described in this paragraph is no longer required.

(c) Whenever performing delegated nursing tasks, a person employed under the authority of this section must be directly supervised by another employee who meets the requirements of Minnesota Statutes, section 144G.60, subdivision 4, paragraph (b). If, during employment, the person meets the requirements of Minnesota Statutes, section 144G.60, subdivision 4, paragraph (b), the supervision described in this paragraph is no longer required.

(d) This section expires four months after the expiration of the blanket federal waiver of the nurse aides training and certification requirements under Code of Federal Regulations, title 42, section 483.35(d), by the Centers for Medicare and Medicaid Services as authorized by section 1135 of the Social Security Act.

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

Sec. 18. REPEALER.

Minnesota Statutes 2020, section 254A.21, is repealed effective July 1, 2023.

ARTICLE 14**HEALTH-RELATED LICENSING BOARDS AND SCOPE OF PRACTICE**

Section 1. Minnesota Statutes 2020, section 144.051, subdivision 6, is amended to read:

Subd. 6. **Release of private or confidential data.** For providers regulated pursuant to sections 144A.43 to 144A.482, 148.5185, and chapter 144G, the department may release private or confidential data, except Social Security numbers, to the appropriate state, federal, or local agency and law enforcement office to enhance investigative or enforcement efforts or further a public health protective process. Types of offices include Adult Protective Services, Office of the Ombudsman for Long-Term Care and Office of the Ombudsman for Mental Health and Developmental Disabilities, the health licensing boards, Department of Human Services, county or city attorney's offices, police, and local or county public health offices.

Sec. 2. Minnesota Statutes 2020, section 144E.01, subdivision 1, is amended to read:

Subdivision 1. **Membership.** (a) The Emergency Medical Services Regulatory Board consists of the following members, all of whom must work in Minnesota, except for the ~~person~~ persons listed in clause ~~(14)~~ (8):

- (1) an emergency physician certified by the American Board of Emergency Physicians;
- (2) a ~~representative of Minnesota hospitals~~ hospital administrator who does not have direct oversight or management of a licensed ambulance service;
- (3) a representative of ~~fire chiefs~~ a licensed ambulance service with a base of operation located in a fire department;
- (4) a ~~full-time firefighter who serves as an emergency medical responder on or within a nontransporting or nonregistered agency and who is a member of a professional firefighter's union~~ representative of a licensed ambulance service with a base of operation located in a hospital;
- (5) a ~~volunteer firefighter who serves as an emergency medical responder on or within a nontransporting or nonregistered agency~~ representative of a licensed ambulance service owned by a municipality;
- (6) ~~an~~ a volunteer ambulance attendant currently practicing on a licensed ambulance service who is a paramedic or, an advanced emergency medical technician, or an emergency medical technician;
- (7) an ~~ambulance director for a licensed ambulance service~~ emergency medical technician instructor who meets the requirements of section 144E.283 and is affiliated with an education program approved by the board under section 144E.285;
- (8) ~~a representative of sheriffs;~~
- (9) ~~a member of a community health board to represent community health services;~~

~~(10) two representatives of regional emergency medical services programs, one of whom must be from the metropolitan regional emergency medical services program;~~

~~(11) a registered nurse currently practicing in a hospital emergency department;~~

~~(12) a pediatrician, certified by the American Board of Pediatrics, with experience in emergency medical services;~~

~~(13) a family practice physician who is currently involved in emergency medical services;~~

~~(14) a three public member members who ~~resides~~ reside in Minnesota; and~~

~~(15) (9) the commissioners of health and public safety or their designees.~~

(b) The governor shall appoint members under paragraph (a). Appointments under paragraph (a), clauses (1) to ~~(9) and (11) to (13)~~ (8), are subject to the advice and consent of the senate. In making appointments under paragraph (a), clauses (1) to ~~(9) and (11) to (13)~~ (8), the governor shall consider recommendations of the American College of Emergency Physicians, the Minnesota Hospital Association, the Minnesota and State Fire Chief's Association, the Minnesota Ambulance Association, the Minnesota Emergency Medical Services Association, the Minnesota State Sheriff's Association, the Association of Minnesota Counties, the Minnesota Nurses Association, and the Minnesota chapter of the Academy of Pediatrics.

(c) At least ~~seven~~ five members appointed under paragraph (a), clauses (1) to (8), must reside outside of the seven-county metropolitan area, as defined in section 473.121.

Sec. 3. Minnesota Statutes 2020, section 144E.01, subdivision 4, is amended to read:

Subd. 4. **Compensation; terms.** (a) Membership terms, compensation, and removal of members appointed under subdivision 1, are governed by section 15.0575.

(b) Notwithstanding section 15.0575, subdivision 2, the terms of members shall be three years.

(c) A member of the board may not serve more than two terms.

Sec. 4. Minnesota Statutes 2020, section 147.01, subdivision 7, is amended to read:

Subd. 7. **Physician application and license fees.** (a) The board may charge the following nonrefundable application and license fees processed pursuant to sections 147.02, 147.03, 147.037, 147.0375, and 147.38:

(1) physician application fee, \$200;

(2) physician annual registration renewal fee, \$192;

(3) physician endorsement to other states, \$40;

(4) physician emeritus license, \$50;

~~(5) physician temporary license, \$60;~~

- ~~(6)~~ (5) physician late fee, \$60;
- ~~(7)~~ (6) duplicate license fee, \$20;
- ~~(8)~~ (7) certification letter fee, \$25;
- ~~(9)~~ (8) education or training program approval fee, \$100;
- ~~(10)~~ (9) report creation and generation fee, \$60 per hour;
- ~~(11)~~ (10) examination administration fee (half day), \$50;
- ~~(12)~~ (11) examination administration fee (full day), \$80;

~~(13)~~ (12) fees developed by the Interstate Commission for determining physician qualification to register and participate in the interstate medical licensure compact, as established in rules authorized in and pursuant to section 147.38, not to exceed \$1,000; and

- ~~(14)~~ (13) verification fee, \$25.

(b) The board may prorate the initial annual license fee. All licensees are required to pay the full fee upon license renewal. The revenue generated from the fee must be deposited in an account in the state government special revenue fund.

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

Sec. 5. Minnesota Statutes 2020, section 147.03, subdivision 1, is amended to read:

Subdivision 1. **Endorsement; reciprocity.** (a) The board may issue a license to practice medicine to any person who satisfies the requirements in paragraphs (b) to (e).

(b) The applicant shall satisfy all the requirements established in section 147.02, subdivision 1, paragraphs (a), (b), (d), (e), and (f), or section 147.037, subdivision 1, paragraphs (a) to (e).

(c) The applicant shall:

(1) have passed an examination prepared and graded by the Federation of State Medical Boards, the National Board of Medical Examiners, or the United States Medical Licensing Examination (USMLE) program in accordance with section 147.02, subdivision 1, paragraph (c), clause (2); the National Board of Osteopathic Medical Examiners; or the Medical Council of Canada; and

(2) have a current license from the equivalent licensing agency in another state or Canada and, if the examination in clause (1) was passed more than ten years ago, either:

(i) pass the Special Purpose Examination of the Federation of State Medical Boards with a score of 75 or better within three attempts; or

(ii) have a current certification by a specialty board of the American Board of Medical Specialties, of the American Osteopathic Association, the Royal College of Physicians and Surgeons of Canada, or of the College of Family Physicians of Canada; or

(3) if the applicant fails to meet the requirement established in section 147.02, subdivision 1, paragraph (c), clause (2), because the applicant failed to pass each of steps one, two, and three of the USMLE within the required three attempts, the applicant may be granted a license provided the applicant:

(i) has passed each of steps one, two, and three with passing scores as recommended by the USMLE program within no more than four attempts for any of the three steps;

(ii) is currently licensed in another state; and

(iii) has current certification by a specialty board of the American Board of Medical Specialties, the American Osteopathic Association Bureau of Professional Education, the Royal College of Physicians and Surgeons of Canada, or the College of Family Physicians of Canada.

(d) The applicant must not be under license suspension or revocation by the licensing board of the state or jurisdiction in which the conduct that caused the suspension or revocation occurred.

(e) The applicant must not have engaged in conduct warranting disciplinary action against a licensee, or have been subject to disciplinary action other than as specified in paragraph (d). If an applicant does not satisfy the requirements stated in this paragraph, the board may issue a license only on the applicant's showing that the public will be protected through issuance of a license with conditions or limitations the board considers appropriate.

(f) Upon the request of an applicant, the board may conduct the final interview of the applicant by teleconference.

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

Sec. 6. Minnesota Statutes 2020, section 147.03, subdivision 2, is amended to read:

Subd. 2. **Temporary permit.** (a) An applicant for licensure under this section may request the board issue a temporary permit in accordance with this subdivision. Upon receipt of the application for licensure, a request for a temporary permit, and a nonrefundable physician application fee specified under section 147.01, subdivision 7, the board may issue a temporary permit to practice medicine to as a physician eligible for licensure under this section only if the application for licensure is complete, all requirements in subdivision 1 have been met, and a nonrefundable fee set by the board has been paid if the applicant is:

(1) currently licensed in good standing to practice medicine as a physician in another state, territory, or Canadian province; and

(2) not the subject of a pending investigation or disciplinary action in any state, territory, or Canadian province.

The permit remains (b) A temporary permit issued under this subdivision is nonrenewable and valid only until the meeting of the board at which a decision is made on the physician's application for licensure or for 90 days, whichever occurs first.

(c) The board may revoke a temporary permit issued under this subdivision if the physician is the subject of an investigation or disciplinary action or is disqualified for licensure for any other reason.

(d) Notwithstanding section 13.41, subdivision 2, the board may release information regarding action taken by the board pursuant to this subdivision.

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

Sec. 7. Minnesota Statutes 2020, section 147.037, is amended to read:

147.037 LICENSING OF FOREIGN MEDICAL SCHOOL GRADUATES; ~~TEMPORARY PERMIT.~~

Subdivision 1. **Requirements.** The board shall issue a license to practice medicine to any person who satisfies the requirements in paragraphs (a) to (g).

(a) The applicant shall satisfy all the requirements established in section 147.02, subdivision 1, paragraphs (a), (e), (f), (g), and (h).

(b) The applicant shall present evidence satisfactory to the board that the applicant is a graduate of a medical or osteopathic school approved by the board as equivalent to accredited United States or Canadian schools based upon its faculty, curriculum, facilities, accreditation, or other relevant data. If the applicant is a graduate of a medical or osteopathic program that is not accredited by the Liaison Committee for Medical Education or the American Osteopathic Association, the applicant may use the Federation of State Medical Boards' Federation Credentials Verification Service (FCVS) or its successor. If the applicant uses this service as allowed under this paragraph, the physician application fee may be less than \$200 but must not exceed the cost of administering this paragraph.

(c) The applicant shall present evidence satisfactory to the board that the applicant has been awarded a certificate by the Educational Council for Foreign Medical Graduates, and the applicant has a working ability in the English language sufficient to communicate with patients and physicians and to engage in the practice of medicine.

(d) The applicant shall present evidence satisfactory to the board of the completion of one year of graduate, clinical medical training in a program accredited by a national accrediting organization approved by the board or other graduate training approved in advance by the board as meeting standards similar to those of a national accrediting organization. This requirement does not apply:

(1) to an applicant who is admitted as a permanent immigrant to the United States on or before October 1, 1991, as a person of exceptional ability in the sciences according to Code of Federal Regulations, title 20, section 656.22(d); or

(2) to an applicant holding a valid license to practice medicine in another country and issued a permanent immigrant visa after October 1, 1991, as a person of extraordinary ability in the field of science or as an outstanding professor or researcher according to Code of Federal Regulations, title 8, section 204.5(h) and (i), or a temporary nonimmigrant visa as a person of extraordinary ability in the field of science according to Code of Federal Regulations, title 8, section 214.2(o),

provided that a person under clause (1) or (2) is admitted pursuant to rules of the United States Department of Labor.

(e) The applicant must:

(1) have passed an examination prepared and graded by the Federation of State Medical Boards, the United States Medical Licensing Examination program in accordance with section 147.02, subdivision 1, paragraph (c), clause (2), or the Medical Council of Canada; and

(2) if the examination in clause (1) was passed more than ten years ago, either:

(i) pass the Special Purpose Examination of the Federation of State Medical Boards with a score of 75 or better within three attempts; or

(ii) have a current certification by a specialty board of the American Board of Medical Specialties, of the American Osteopathic Association, of the Royal College of Physicians and Surgeons of Canada, or of the College of Family Physicians of Canada; or

(3) if the applicant fails to meet the requirement established in section 147.02, subdivision 1, paragraph (c), clause (2), because the applicant failed to pass each of steps one, two, and three of the USMLE within the required three attempts, the applicant may be granted a license provided the applicant:

(i) has passed each of steps one, two, and three with passing scores as recommended by the USMLE program within no more than four attempts for any of the three steps;

(ii) is currently licensed in another state; and

(iii) has current certification by a specialty board of the American Board of Medical Specialties, the American Osteopathic Association, the Royal College of Physicians and Surgeons of Canada, or the College of Family Physicians of Canada.

(f) The applicant must not be under license suspension or revocation by the licensing board of the state or jurisdiction in which the conduct that caused the suspension or revocation occurred.

(g) The applicant must not have engaged in conduct warranting disciplinary action against a licensee, or have been subject to disciplinary action other than as specified in paragraph (f). If an applicant does not satisfy the requirements stated in this paragraph, the board may issue a license only on the applicant's showing that the public will be protected through issuance of a license with conditions or limitations the board considers appropriate.

~~Subd. 1a. **Temporary permit.** The board may issue a temporary permit to practice medicine to a physician eligible for licensure under this section only if the application for licensure is complete, all requirements in subdivision 1 have been met, and a nonrefundable fee set by the board has been paid. The permit remains valid only until the meeting of the board at which a decision is made on the physician's application for licensure.~~

Subd. 2. **Medical school review.** The board may contract with any qualified person or organization for the performance of a review or investigation, including site visits if necessary, of any medical or osteopathic school prior to approving the school under section 147.02, subdivision

1, paragraph (b), or subdivision 1, paragraph (b), of this section. To the extent possible, the board shall require the school being reviewed to pay the costs of the review or investigation.

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

Sec. 8. **[147A.025] TEMPORARY PERMIT.**

(a) An applicant for licensure under section 147A.02 may request the board issue a temporary permit in accordance with this section. Upon receipt of the application for licensure, a request for a temporary permit, and a nonrefundable physician assistant application fee as specified under section 147A.28, the board may issue a temporary permit to practice as a physician assistant if the applicant is:

(1) currently licensed in good standing to practice as a physician assistant in another state, territory, or Canadian province; and

(2) not subject to a pending investigation or disciplinary action in any state, territory, or Canadian province.

(b) A temporary permit issued under this section is nonrenewable and valid until a decision is made on the physician assistant's application for licensure or for 90 days, whichever occurs first.

(c) The board may revoke the temporary permit that has been issued under this section if the applicant is the subject of an investigation or disciplinary action or is disqualified for licensure for any other reason.

(d) Notwithstanding section 13.41, subdivision 2, the board may release information regarding any action taken by the board pursuant to this section.

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

Sec. 9. Minnesota Statutes 2020, section 147A.28, is amended to read:

147A.28 PHYSICIAN ASSISTANT APPLICATION AND LICENSE FEES.

(a) The board may charge the following nonrefundable fees:

(1) physician assistant application fee, \$120;

~~(2) physician assistant annual registration renewal fee (prescribing authority), \$135;~~

~~(3) (2) physician assistant annual registration license renewal fee (no prescribing authority), \$115;~~

~~(4) physician assistant temporary registration, \$115;~~

~~(5) physician assistant temporary permit, \$60;~~

~~(6) (3) physician assistant locum tenens permit, \$25;~~

~~(7) (4) physician assistant late fee, \$50;~~

- ~~(8)~~ (5) duplicate license fee, \$20;
- ~~(9)~~ (6) certification letter fee, \$25;
- ~~(10)~~ (7) education or training program approval fee, \$100;
- ~~(11)~~ (8) report creation and generation fee, \$60 per hour; and
- ~~(12)~~ (9) verification fee, \$25.

(b) The board may prorate the initial annual license fee. All licensees are required to pay the full fee upon license renewal. The revenue generated from the fees must be deposited in an account in the state government special revenue fund.

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

Sec. 10. Minnesota Statutes 2020, section 147C.15, subdivision 3, is amended to read:

Subd. 3. **Temporary permit.** (a) An applicant for licensure under this section may request the board issue a temporary permit in accordance with this subdivision. Upon receipt of the application for licensure, a request for a temporary permit, and a nonrefundable respiratory therapist application fee as specified under section 147C.40, subdivision 5, the board may issue a temporary permit to practice as a respiratory therapist to an applicant eligible for licensure under this section if the application for licensure is complete, all applicable requirements in this section have been met, and a nonrefundable fee set by the board has been paid applicant is:

(1) currently licensed to practice as a respiratory therapist in another state, territory, or Canadian province; and

(2) not subject to a pending investigation or disciplinary action in any state, territory, or Canadian province.

~~The~~ (b) A temporary permit remains issued under this subdivision is nonrenewable and valid only until the meeting of the board at which a decision is made on the respiratory therapist's application for licensure or for 90 days, whichever occurs first.

(c) The board may revoke a temporary permit that has been issued under this subdivision if the applicant is the subject of an investigation or disciplinary action or is disqualified for licensure for any other reason.

(d) Notwithstanding section 13.41, subdivision 2, the board may release information regarding any action taken by a board pursuant to this section.

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

Sec. 11. Minnesota Statutes 2020, section 147C.40, subdivision 5, is amended to read:

Subd. 5. **Respiratory therapist application and license fees.** (a) The board may charge the following nonrefundable fees:

- (1) respiratory therapist application fee, \$100;
- (2) respiratory therapist annual registration renewal fee, \$90;
- (3) respiratory therapist inactive status fee, \$50;
- (4) respiratory therapist temporary registration fee, \$90;
- ~~(5) respiratory therapist temporary permit, \$60;~~
- ~~(6)~~ (5) respiratory therapist late fee, \$50;
- ~~(7)~~ (6) duplicate license fee, \$20;
- ~~(8)~~ (7) certification letter fee, \$25;
- ~~(9)~~ (8) education or training program approval fee, \$100;
- ~~(10)~~ (9) report creation and generation fee, \$60 per hour; and
- ~~(11)~~ (10) verification fee, \$25.

(b) The board may prorate the initial annual license fee. All licensees are required to pay the full fee upon license renewal. The revenue generated from the fees must be deposited in an account in the state government special revenue fund.

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

Sec. 12. Minnesota Statutes 2020, section 148.212, subdivision 1, is amended to read:

Subdivision 1. **Issuance.** Upon receipt of the applicable licensure or reregistration fee and permit fee, and in accordance with rules of the board, the board may issue a nonrenewable temporary permit to practice professional or practical nursing to an applicant for licensure or reregistration who is not the subject of a pending investigation or disciplinary action, nor disqualified for any other reason, under the following circumstances:

(a) The applicant for licensure by endorsement under section 148.211, subdivision 2, is currently licensed to practice professional or practical nursing in another state, territory, or Canadian province. The permit is valid until the date of board action on the application or for ~~60~~ 90 days, whichever comes first.

(b) The applicant for licensure by endorsement under section 148.211, subdivision 2, or for reregistration under section 148.231, subdivision 5, is currently registered in a formal, structured refresher course or its equivalent for nurses that includes clinical practice.

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

Sec. 13. **[148.2855] NURSE LICENSURE COMPACT.**

The Nurse Licensure Compact is enacted into law and entered into with all other jurisdictions legally joining in it, in the form substantially as follows:

ARTICLE 1DEFINITIONS

As used in this compact:

(a) "Adverse action" means any administrative, civil, equitable, or criminal action permitted by a state's law that is imposed by a licensing board or other authority against a nurse, including actions against an individual's license or multistate licensure privilege such as revocation, suspension, probation, monitoring of the licensee, limitation on the licensee's practice, or any other encumbrance on licensure affecting a nurse's authorization to practice, including issuance of a cease and desist action.

(b) "Alternative program" means a nondisciplinary monitoring program approved by a licensing board.

(c) "Coordinated licensure information system" means an integrated process for collecting, storing, and sharing information on nurse licensure and enforcement activities related to nurse licensure laws that is administered by a nonprofit organization composed of and controlled by licensing boards.

(d) "Current significant investigative information" means:

(1) investigative information that a licensing board, after a preliminary inquiry that includes notification and an opportunity for the nurse to respond, if required by state law, has reason to believe is not groundless and, if proved true, would indicate more than a minor infraction; or

(2) investigative information that indicates that the nurse represents an immediate threat to public health and safety, regardless of whether the nurse has been notified and had an opportunity to respond.

(e) "Encumbrance" means a revocation or suspension of, or any limitation on, the full and unrestricted practice of nursing imposed by a licensing board.

(f) "Home state" means the party state that is the nurse's primary state of residence.

(g) "Licensing board" means a party state's regulatory body responsible for issuing nurse licenses.

(h) "Multistate license" means a license to practice as a registered or a licensed practical/vocational nurse (LPN/VN) issued by a home state licensing board that authorizes the licensed nurse to practice in all party states under a multistate licensure privilege.

(i) "Multistate licensure privilege" means a legal authorization associated with a multistate license permitting the practice of nursing as either a registered nurse (RN) or LPN/VN in a remote state.

(j) "Nurse" means an RN or LPN/VN, as those terms are defined by each party state's practice laws.

(k) "Party state" means any state that has adopted this compact.

(l) "Remote state" means a party state other than the home state.

(m) "Single-state license" means a nurse license issued by a party state that authorizes practice only within the issuing state and does not include a multistate licensure privilege to practice in any other party state.

(n) "State" means a state, territory, or possession of the United States and the District of Columbia.

(o) "State practice laws" means a party state's laws, rules, and regulations that govern the practice of nursing, define the scope of nursing practice, and create the methods and grounds for imposing discipline. State practice laws do not include requirements necessary to obtain and retain a license, except for qualifications or requirements of the home state.

ARTICLE 2

GENERAL PROVISIONS AND JURISDICTION

(a) A multistate license to practice registered or licensed practical/vocational nursing issued by a home state to a resident in that state will be recognized by each party state as authorizing a nurse to practice as an RN or LPN/VN under a multistate licensure privilege in each party state.

(b) A state must implement procedures for considering the criminal history records of applicants for initial multistate license or licensure by endorsement. The procedures shall include the submission of fingerprints or other biometric-based information by applicants for the purpose of obtaining an applicant's criminal history record information from the Federal Bureau of Investigation and the agency responsible for retaining that state's criminal records.

(c) Each party state shall require the following for an applicant to obtain or retain a multistate license in the home state:

(1) meets the home state's qualifications for licensure or renewal of licensure, as well as all other applicable state laws;

(2)(i) has graduated or is eligible to graduate from a licensing board-approved RN or LPN/VN prelicensure education program; or

(ii) has graduated from a foreign RN or LPN/VN prelicensure education program that:

(A) has been approved by the authorized accrediting body in the applicable country; and

(B) has been verified by an independent credentials review agency to be comparable to a licensing board-approved prelicensure education program;

(3) has, if a graduate of a foreign prelicensure education program not taught in English or if English is not the individual's native language, successfully passed an English proficiency examination that includes the components of reading, speaking, writing, and listening;

(4) has successfully passed an NCLEX-RN or NCLEX-PN Examination or recognized predecessor, as applicable;

(5) is eligible for or holds an active, unencumbered license;

(6) has submitted, in connection with an application for initial licensure or licensure by endorsement, fingerprints or other biometric data for the purpose of obtaining criminal history record information from the Federal Bureau of Investigation and the agency responsible for retaining that state's criminal records;

(7) has not been convicted or found guilty, or has entered into an agreed disposition, of a felony offense under applicable state or federal criminal law;

(8) has not been convicted or found guilty, or has entered into an agreed disposition, of a misdemeanor offense related to the practice of nursing as determined on a case-by-case basis;

(9) is not currently enrolled in an alternative program;

(10) is subject to self-disclosure requirements regarding current participation in an alternative program; and

(11) has a valid United States Social Security number.

(d) All party states shall be authorized, in accordance with existing state due process law, to take adverse action against a nurse's multistate licensure privilege such as revocation, suspension, probation, or any other action that affects a nurse's authorization to practice under a multistate licensure privilege, including cease and desist actions. If a party state takes such action, it shall promptly notify the administrator of the coordinated licensure information system. The administrator of the coordinated licensure information system shall promptly notify the home state of any such actions by remote states.

(e) A nurse practicing in a party state must comply with the state practice laws of the state in which the client is located at the time service is provided. The practice of nursing is not limited to patient care, but shall include all nursing practice as defined by the state practice laws of the party state in which the client is located. The practice of nursing in a party state under a multistate licensure privilege shall subject a nurse to the jurisdiction of the licensing board, the courts, and the laws of the party state in which the client is located at the time service is provided.

(f) Individuals not residing in a party state shall continue to be able to apply for a party state's single-state license as provided under the laws of each party state. However, the single-state license granted to these individuals will not be recognized as granting the privilege to practice nursing in any other party state. Nothing in this compact shall affect the requirements established by a party state for the issuance of a single-state license.

(g) Any nurse holding a home state multistate license, on the effective date of this compact, may retain and renew the multistate license issued by the nurse's then-current home state, provided that:

(1) a nurse, who changes primary state of residence after this compact's effective date, must meet all applicable paragraph (c) requirements to obtain a multistate license from a new home state;
or

(2) a nurse who fails to satisfy the multistate licensure requirements in paragraph (c) due to a disqualifying event occurring after this compact's effective date shall be ineligible to retain or renew a multistate license, and the nurse's multistate license shall be revoked or deactivated in accordance with applicable rules adopted by the Interstate Commission of Nurse Licensure Compact Administrators ("Commission").

ARTICLE 3

APPLICATIONS FOR LICENSURE IN A PARTY STATE

(a) Upon application for a multistate license, the licensing board in the issuing party state shall ascertain, through the coordinated licensure information system, whether the applicant has ever held or is the holder of a license issued by any other state, whether there are any encumbrances on any license or multistate licensure privilege held by the applicant, whether any adverse action has been taken against any license or multistate licensure privilege held by the applicant, and whether the applicant is currently participating in an alternative program.

(b) A nurse may hold a multistate license issued by the home state in only one party state at a time.

(c) If a nurse changes primary state of residence by moving between two party states, the nurse must apply for licensure in the new home state, and the multistate license issued by the prior home state will be deactivated in accordance with applicable rules adopted by the commission:

(1) the nurse may apply for licensure in advance of a change in primary state of residence; and

(2) a multistate license shall not be issued by the new home state until the nurse provides satisfactory evidence of a change in primary state of residence to the new home state and satisfies all applicable requirements to obtain a multistate license from the new home state.

(d) If a nurse changes primary state of residence by moving from a party state to a nonparty state, the multistate license issued by the prior home state will convert to a single-state license, valid only in the former home state.

ARTICLE 4

ADDITIONAL AUTHORITIES INVESTED IN PARTY STATE LICENSING BOARDS

(a) In addition to the other powers conferred by state law, a licensing board shall have the authority to:

(1) take adverse action against a nurse's multistate licensure privilege to practice within that party state:

(i) only the home state shall have the power to take adverse action against a nurse's license issued by the home state; and

(ii) for purposes of taking adverse action, the home state licensing board shall give the same priority and effect to reported conduct received from a remote state as it would if the conduct occurred

within the home state. In so doing, the home state shall apply its own state laws to determine appropriate action;

(2) issue cease and desist orders or impose an encumbrance on a nurse's authority to practice within that party state;

(3) complete any pending investigations of a nurse who changes primary state of residence during the course of the investigations. The licensing board shall also have the authority to take appropriate action and shall promptly report the conclusions of the investigations to the administrator of the coordinated licensure information system. The administrator of the coordinated licensure information system shall promptly notify the new home state of any such actions;

(4) issue subpoenas for hearings and investigations that require the attendance and testimony of witnesses, as well as the production of evidence. Subpoenas issued by a licensing board in a party state for the attendance and testimony of witnesses or the production of evidence from another party state shall be enforced in the latter state by any court of competent jurisdiction according to the practice and procedure of that court applicable to subpoenas issued in proceedings pending before it. The issuing authority shall pay any witness fees, travel expenses, mileage, and other fees required by the service statutes of the state in which the witnesses or evidence are located;

(5) obtain and submit, for each nurse licensure applicant, fingerprint or other biometric-based information to the Federal Bureau of Investigation for criminal background checks, receive the results of the Federal Bureau of Investigation record search on criminal background checks, and use the results in making licensure decisions;

(6) if otherwise permitted by state law, recover from the affected nurse the costs of investigations and disposition of cases resulting from any adverse action taken against that nurse; and

(7) take adverse action based on the factual findings of the remote state, provided that the licensing board follows its own procedures for taking such adverse action.

(b) If adverse action is taken by the home state against a nurse's multistate license, the nurse's multistate licensure privilege to practice in all other party states shall be deactivated until all encumbrances have been removed from the multistate license. All home state disciplinary orders that impose adverse action against a nurse's multistate license shall include a statement that the nurse's multistate licensure privilege is deactivated in all party states during the pendency of the order.

(c) Nothing in this compact shall override a party state's decision that participation in an alternative program may be used in lieu of adverse action. The home state licensing board shall deactivate the multistate licensure privilege under the multistate license of any nurse for the duration of the nurse's participation in an alternative program.

ARTICLE 5COORDINATED LICENSURE INFORMATION SYSTEM AND EXCHANGE OF INFORMATION

(a) All party states shall participate in a coordinated licensure information system of RNs and LPNs. The system will include information on the licensure and disciplinary history of each nurse, as submitted by party states, to assist in the coordination of nurse licensure and enforcement efforts.

(b) The commission, in consultation with the administrator of the coordinated licensure information system, shall formulate necessary and proper procedures for the identification, collection, and exchange of information under this compact.

(c) All licensing boards shall promptly report to the coordinated licensure information system any adverse action, any current significant investigative information, denials of applications, including the reasons for the denials, and nurse participation in alternative programs known to the licensing board, regardless of whether the participation is deemed nonpublic or confidential under state law.

(d) Current significant investigative information and participation in nonpublic or confidential alternative programs shall be transmitted through the coordinated licensure information system only to party state licensing boards.

(e) Notwithstanding any other provision of law, all party state licensing boards contributing information to the coordinated licensure information system may designate information that shall not be shared with nonparty states or disclosed to other entities or individuals without the express permission of the contributing state.

(f) Any personally identifiable information obtained from the coordinated licensure information system by a party state licensing board shall not be shared with nonparty states or disclosed to other entities or individuals except to the extent permitted by the laws of the party state contributing the information.

(g) Any information contributed to the coordinated licensure information system that is subsequently required to be expunged by the laws of the party state contributing that information shall also be expunged from the coordinated licensure information system.

(h) The compact administrator of each party state shall furnish a uniform data set to the compact administrator of each other party state, which shall include, at a minimum:

(1) identifying information;

(2) licensure data;

(3) information related to alternative program participation; and

(4) other information that may facilitate the administration of this compact, as determined by commission rules.

(i) The compact administrator of a party state shall provide all investigative documents and information requested by another party state.

ARTICLE 6ESTABLISHMENT OF THE INTERSTATE COMMISSION OF NURSE LICENSURE COMPACT ADMINISTRATORS

(a) The party states hereby create and establish a joint public entity known as the Interstate Commission of Nurse Licensure Compact Administrators:

(1) the commission is an instrumentality of the party states;

(2) venue is proper, and judicial proceedings by or against the commission shall be brought solely and exclusively in a court of competent jurisdiction where the principal office of the commission is located. The commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings; and

(3) nothing in this compact shall be construed to be a waiver of sovereign immunity.

(b) Membership, voting, and meetings:

(1) each party state shall have and be limited to one administrator. The head of the state licensing board or designee shall be the administrator of this compact for each party state. Any administrator may be removed or suspended from office as provided by the laws of the state from which the administrator is appointed. Any vacancy occurring in the commission shall be filled in accordance with the laws of the party state in which the vacancy exists;

(2) each administrator shall be entitled to one vote with regard to the promulgation of rules and creation of bylaws and shall otherwise have an opportunity to participate in the business and affairs of the commission. An administrator shall vote in person or by such other means as provided in the bylaws. The bylaws may provide for an administrator's participation in meetings by telephone or other means of communication;

(3) the commission shall meet at least once during each calendar year. Additional meetings shall be held as set forth in the bylaws or rules of the commission;

(4) all meetings shall be open to the public, and public notice of meetings shall be given in the same manner as required under the rulemaking provisions in article 7;

(5) the commission may convene in a closed, nonpublic meeting if the commission must discuss:

(i) noncompliance of a party state with its obligations under this compact;

(ii) the employment, compensation, discipline, or other personnel matters, practices, or procedures related to specific employees or other matters related to the commission's internal personnel practices and procedures;

(iii) current, threatened, or reasonably anticipated litigation;

(iv) negotiation of contracts for the purchase or sale of goods, services, or real estate;

(v) accusing any person of a crime or formally censuring any person;

(vi) disclosure of trade secrets or commercial or financial information that is privileged or confidential;

(vii) disclosure of information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;

(viii) disclosure of investigatory records compiled for law enforcement purposes;

(ix) disclosure of information related to any reports prepared by or on behalf of the commission for the purpose of investigation of compliance with this compact; or

(x) matters specifically exempted from disclosure by federal or state statute; and

(6) if a meeting or portion of a meeting is closed pursuant to this provision, the commission's legal counsel or designee shall certify that the meeting may be closed and shall reference each relevant exempting provision. The commission shall keep minutes that fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action shall be identified in the minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release by a majority vote of the commission or order of a court of competent jurisdiction.

(c) The commission shall, by a majority vote of the administrators, prescribe bylaws or rules to govern its conduct as may be necessary or appropriate to carry out the purposes and exercise the powers of this compact, including but not limited to:

(1) establishing the fiscal year of the commission;

(2) providing reasonable standards and procedures:

(i) for the establishment and meetings of other committees; and

(ii) governing any general or specific delegation of any authority or function of the commission;

(3) providing reasonable procedures for calling and conducting meetings of the commission, ensuring reasonable advance notice of all meetings and providing an opportunity for attendance of the meetings by interested parties, with enumerated exceptions designed to protect the public's interest, the privacy of individuals, and proprietary information, including trade secrets. The commission may meet in closed session only after a majority of the administrators vote to close a meeting in whole or in part. As soon as practicable, the commission must make public a copy of the vote to close the meeting revealing the vote of each administrator, with no proxy votes allowed;

(4) establishing the titles, duties, and authority and reasonable procedures for the election of the officers of the commission;

(5) providing reasonable standards and procedures for the establishment of the personnel policies and programs of the commission. Notwithstanding any civil service or other similar laws of any party state, the bylaws shall exclusively govern the personnel policies and programs of the commission; and

(6) providing a mechanism for winding up the operations of the commission and the equitable disposition of any surplus funds that may exist after the termination of this compact after the payment or reserving of all of its debts and obligations.

(d) The commission shall publish its bylaws, rules, and any amendments in a convenient form on the website of the commission.

(e) The commission shall maintain its financial records in accordance with the bylaws.

(f) The commission shall meet and take actions consistent with the provisions of this compact and the bylaws.

(g) The commission shall have the following powers:

(1) to promulgate uniform rules to facilitate and coordinate implementation and administration of this compact. The rules shall have the force and effect of law and shall be binding in all party states;

(2) to bring and prosecute legal proceedings or actions in the name of the commission, provided that the standing of any licensing board to sue or be sued under applicable law shall not be affected;

(3) to purchase and maintain insurance and bonds;

(4) to borrow, accept, or contract for services of personnel, including but not limited to employees of a party state or nonprofit organizations;

(5) to cooperate with other organizations that administer state compacts related to the regulation of nursing, including but not limited to sharing administrative or staff expenses, office space, or other resources;

(6) to hire employees, elect or appoint officers, fix compensation, define duties, grant such individuals appropriate authority to carry out the purposes of this compact, and establish the commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel, and other related personnel matters;

(7) to accept any and all appropriate donations, grants, and gifts of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of the same; provided that at all times the commission shall avoid any appearance of impropriety or conflict of interest;

(8) to lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold, improve, or use any property, whether real, personal, or mixed; provided that at all times the commission shall avoid any appearance of impropriety;

(9) to sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, whether real, personal, or mixed;

(10) to establish a budget and make expenditures;

(11) to borrow money;

(12) to appoint committees, including advisory committees comprised of administrators, state nursing regulators, state legislators or their representatives, and consumer representatives, and other such interested persons;

(13) to provide and receive information from, and to cooperate with, law enforcement agencies;

(14) to adopt and use an official seal; and

(15) to perform other functions as may be necessary or appropriate to achieve the purposes of this compact consistent with the state regulation of nurse licensure and practice.

(h) Financing of the commission:

(1) the commission shall pay or provide for the payment of the reasonable expenses of its establishment, organization, and ongoing activities;

(2) the commission may also levy on and collect an annual assessment from each party state to cover the cost of its operations, activities, and staff in its annual budget as approved each year. The aggregate annual assessment amount, if any, shall be allocated based on a formula to be determined by the commission, which shall promulgate a rule that is binding upon all party states;

(3) the commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same; nor shall the commission pledge the credit of any of the party states, except by and with the authority of the party state; and

(4) the commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the commission shall be audited yearly by a certified or licensed public accountant, and the report of the audit shall be included in and become part of the annual report of the commission.

(i) Qualified immunity, defense, and indemnification:

(1) the administrators, officers, executive director, employees, and representatives of the commission shall be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error, or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred, within the scope of commission employment, duties, or responsibilities; provided that nothing in this paragraph shall be construed to protect any such person from suit or liability for any damage, loss, injury, or liability caused by the intentional, willful, or wanton misconduct of that person;

(2) the commission shall defend any administrator, officer, executive director, employee, or representative of the commission in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities; provided that nothing herein shall be construed to prohibit that person from retaining the person's

counsel; and provided further that the actual or alleged act, error, or omission did not result from that person's intentional, willful, or wanton misconduct; and

(3) the commission shall indemnify and hold harmless any administrator, officer, executive director, employee, or representative of the commission for the amount of any settlement or judgment obtained against that person arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or that the person had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from the intentional, willful, or wanton misconduct of that person.

ARTICLE 7

RULEMAKING

(a) The commission shall exercise its rulemaking powers pursuant to this article and the rules adopted thereunder. Rules and amendments shall become binding as of the date specified in each rule or amendment and shall have the same force and effect as provisions of this compact.

(b) Rules or amendments to the rules shall be adopted at a regular or special meeting of the commission.

(c) Prior to promulgation and adoption of a final rule or rules by the commission, and at least 60 days in advance of the meeting at which the rule will be considered and voted on, the commission shall file a notice of proposed rulemaking:

(1) on the website of the commission; and

(2) on the website of each licensing board or the publication in which the state would otherwise publish proposed rules.

(d) The notice of proposed rulemaking shall include:

(1) the proposed time, date, and location of the meeting in which the rule will be considered and voted on;

(2) the text of the proposed rule or amendment, and the reason for the proposed rule;

(3) a request for comments on the proposed rule from any interested person; and

(4) the manner in which interested persons may submit notice to the commission of their intention to attend the public hearing and any written comments.

(e) Prior to adoption of a proposed rule, the commission shall allow persons to submit written data, facts, opinions, and arguments that shall be made available to the public.

(f) The commission shall grant an opportunity for a public hearing before it adopts a rule or amendment.

(g) The commission shall publish the place, time, and date of the scheduled public hearing:

(1) hearings shall be conducted in a manner providing each person who wishes to comment a fair and reasonable opportunity to comment orally or in writing. All hearings will be recorded and a copy will be made available upon request; and

(2) nothing in this section shall be construed as requiring a separate hearing on each rule. Rules may be grouped for the convenience of the commission at hearings required by this section.

(h) If no person appears at the public hearing, the commission may proceed with promulgation of the proposed rule.

(i) Following the scheduled hearing date or by the close of business on the scheduled hearing date if the hearing was not held, the commission shall consider all written and oral comments received.

(j) The commission shall, by majority vote of all administrators, take final action on the proposed rule and shall determine the effective date of the rule, if any, based on the rulemaking record and the full text of the rule.

(k) Upon determination that an emergency exists, the commission may consider and adopt an emergency rule without prior notice or opportunity for comment or hearing, provided that the usual rulemaking procedures provided in this compact and in this section shall be retroactively applied to the rule as soon as reasonably possible, in no event later than 90 days after the effective date of the rule. For the purposes of this provision, an emergency rule is one that must be adopted immediately in order to:

(1) meet an imminent threat to public health, safety, or welfare;

(2) prevent a loss of commission or party state funds; or

(3) meet a deadline for the promulgation of an administrative rule that is required by federal law or rule.

(l) The commission may direct revisions to a previously adopted rule or amendment for purposes of correcting typographical errors, errors in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted on the website of the commission. The revision shall be subject to challenge by any person for a period of 30 days after posting. The revision may be challenged only on grounds that the revision results in a material change to a rule. A challenge shall be made in writing and delivered to the commission before the end of the notice period. If no challenge is made, the revision will take effect without further action. If the revision is challenged, the revision shall not take effect without the approval of the commission.

ARTICLE 8

OVERSIGHT, DISPUTE RESOLUTION, AND ENFORCEMENT

(a) Oversight:

(1) each party state shall enforce this compact and take all actions necessary and appropriate to effectuate this compact's purposes and intent; and

(2) the commission shall be entitled to receive service of process in any proceeding that may affect the powers, responsibilities, or actions of the commission and shall have standing to intervene in such a proceeding for all purposes. Failure to provide service of process in the proceeding to the commission shall render a judgment or order void as to the commission, this compact, or promulgated rules.

(b) Default, technical assistance, and termination:

(1) if the commission determines that a party state has defaulted in the performance of its obligations or responsibilities under this compact or the promulgated rules, the commission shall:

(i) provide written notice to the defaulting state and other party states of the nature of the default, the proposed means of curing the default, or any other action to be taken by the commission; and

(ii) provide remedial training and specific technical assistance regarding the default;

(2) if a state in default fails to cure the default, the defaulting state's membership in this compact may be terminated upon an affirmative vote of a majority of the administrators, and all rights, privileges, and benefits conferred by this compact may be terminated on the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of default;

(3) termination of membership in this compact shall be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given by the commission to the governor of the defaulting state and to the executive officer of the defaulting state's licensing board and each of the party states;

(4) a state whose membership in this compact has been terminated is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination, including obligations that extend beyond the effective date of termination;

(5) the commission shall not bear any costs related to a state that is found to be in default or whose membership in this compact has been terminated, unless agreed upon in writing between the commission and the defaulting state; and

(6) the defaulting state may appeal the action of the commission by petitioning the U.S. District Court for the District of Columbia or the federal district in which the commission has its principal offices. The prevailing party shall be awarded all costs of the litigation, including reasonable attorney fees.

(c) Dispute resolution:

(1) upon request by a party state, the commission shall attempt to resolve disputes related to the compact that arise among party states and between party and nonparty states;

(2) the commission shall promulgate a rule providing for both mediation and binding dispute resolution for disputes, as appropriate; and

(3) in the event the commission cannot resolve disputes among party states arising under this compact:

(i) the party states may submit the issues in dispute to an arbitration panel, that will be comprised of individuals appointed by the compact administrator in each of the affected party states and an individual mutually agreed upon by the compact administrators of all the party states involved in the dispute; and

(ii) the decision of a majority of the arbitrators shall be final and binding.

(d) Enforcement:

(1) the commission, in the reasonable exercise of its discretion, shall enforce the provisions and rules of this compact;

(2) by majority vote, the commission may initiate legal action in the U.S. District Court for the District of Columbia or the federal district in which the commission has its principal offices against a party state that is in default to enforce compliance with this compact and its promulgated rules and bylaws. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of the litigation, including reasonable attorney fees; and

(3) the remedies herein shall not be the exclusive remedies of the commission. The commission may pursue any other remedies available under federal or state law.

ARTICLE 9

EFFECTIVE DATE, WITHDRAWAL, AND AMENDMENT

(a) This compact shall become effective and binding on July 1, 2022. All party states to this compact that also were parties to the prior Nurse Licensure Compact that was superseded by this compact shall be deemed to have withdrawn from the prior compact within six months after the effective date of this compact.

(b) Each party state to this compact shall continue to recognize a nurse's multistate licensure privilege to practice in that party state issued under the prior compact until the party state has withdrawn from the prior compact.

(c) Any party state may withdraw from this compact by legislative enactment. A party state's withdrawal shall not take effect until six months after enactment of the repealing statute.

(d) A party state's withdrawal or termination shall not affect the continuing requirement of the withdrawing or terminated state's licensing board to report adverse actions and significant investigations occurring prior to the effective date of the withdrawal or termination.

(e) Nothing in this compact shall be construed to invalidate or prevent any nurse licensure agreement or other cooperative arrangement between a party state and a nonparty state that is made in accordance with the other provisions of this compact.

(f) This compact may be amended by the party states. No amendment to this compact shall become effective and binding upon the party states unless and until it is enacted into the laws of all party states.

(g) Representatives of nonparty states to this compact shall be invited to participate in the activities of the commission on a nonvoting basis prior to the adoption of this compact by all states.

ARTICLE 10

CONSTRUCTION AND SEVERABILITY

This compact shall be liberally construed so as to effectuate the purposes thereof. This compact shall be severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any party state or of the United States, or if the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If this compact is held to be contrary to the constitution of any party state, this compact shall remain in full force and effect for the remaining party states and in full force and effect for the party state affected as to all severable matters.

Sec. 14. [148.2856] APPLICATION OF NURSE LICENSURE COMPACT TO EXISTING LAWS.

(a) Section 148.2855 does not supersede existing state labor laws.

(b) If the board takes action against an individual's multistate privilege, the action must be adjudicated following the procedures in sections 14.50 to 14.62 and must be subject to the judicial review provided for in sections 14.63 to 14.69.

(c) The board may take action against an individual's multistate privilege based on the grounds listed in section 148.261, subdivision 1, and any other statute authorizing or requiring the board to take corrective or disciplinary action.

(d) The board may take all forms of disciplinary action provided in section 148.262, subdivision 1, and corrective action provided in section 214.103, subdivision 6, against an individual's multistate privilege.

(e) The cooperation requirements of section 148.265 apply to individuals who practice professional or practical nursing in Minnesota under section 148.2855.

(f) Complaints against individuals who practice professional or practical nursing in Minnesota under section 148.2855 must be addressed according to sections 214.10 and 214.103.

Sec. 15. [148.5185] AUDIOLOGY AND SPEECH-LANGUAGE PATHOLOGY INTERSTATE COMPACT.

Section 1. Definitions

As used in this Compact, and except as otherwise provided, the following definitions shall apply:

A. "Active duty military" means full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to 10 U.S.C. sections 1209 and 1211.

B. "Adverse action" means any administrative, civil, equitable, or criminal action permitted by a state's laws which is imposed by a licensing board or other authority against an audiologist or speech-language pathologist, including actions against an individual's license or privilege to practice such as revocation, suspension, probation, monitoring of the licensee, or restriction on the licensee's practice.

C. "Alternative program" means a non-disciplinary monitoring process approved by an audiology or speech-language pathology licensing board to address impaired practitioners.

D. "Audiologist" means an individual who is licensed by a state to practice audiology.

E. "Audiology" means the care and services provided by a licensed audiologist as set forth in the member state's statutes and rules.

F. "Audiology and Speech-Language Pathology Compact Commission" or "Commission" means the national administrative body whose membership consists of all states that have enacted the Compact.

G. "Audiology and speech-language pathology licensing board," "audiology licensing board," "speech-language pathology licensing board," or "licensing board" means the agency of a state that is responsible for the licensing and regulation of audiologists or speech-language pathologists or both.

H. "Compact privilege" means the authorization granted by a remote state to allow a licensee from another member state to practice as an audiologist or speech-language pathologist in the remote state under its laws and rules. The practice of audiology or speech-language pathology occurs in the member state where the patient, client, or student is located at the time of the patient, client, or student encounter.

I. "Current significant investigative information" means investigative information that a licensing board, after an inquiry or investigation that includes notification and an opportunity for the audiologist or speech-language pathologist to respond, if required by state law, has reason to believe is not groundless and, if proved true, would indicate more than a minor infraction.

J. "Data system" means a repository of information about licensees, including, but not limited to, continuing education, examination, licensure, investigation, compact privilege, and adverse action.

K. "Encumbered license" means a license in which an adverse action restricts the practice of audiology or speech-language pathology by the licensee and said adverse action has been reported to the National Practitioners Data Bank (NPDB).

L. "Executive Committee" means a group of directors elected or appointed to act on behalf of, and within the powers granted to them by, the Commission.

M. "Home state" means the member state that is the licensee's primary state of residence.

N. "Impaired practitioner" means individuals whose professional practice is adversely affected by substance abuse, addiction, or other health-related conditions.

O. "Licensee" means an individual who currently holds an authorization from the state licensing board to practice as an audiologist or speech-language pathologist.

P. "Member state" means a state that has enacted the Compact.

Q. "Privilege to practice" means a legal authorization permitting the practice of audiology or speech-language pathology in a remote state.

R. "Remote state" means a member state other than the home state where a licensee is exercising or seeking to exercise the compact privilege.

S. "Rule" means a regulation, principle, or directive promulgated by the Commission that has the force of law.

T. "Single-state license" means an audiology or speech-language pathology license issued by a member state that authorizes practice only within the issuing state and does not include a privilege to practice in any other member state.

U. "Speech-language pathologist" means an individual who is licensed by a state to practice speech-language pathology.

V. "Speech-language pathology" means the care and services provided by a licensed speech-language pathologist as set forth in the member state's statutes and rules.

W. "State" means any state, commonwealth, district, or territory of the United States of America that regulates the practice of audiology and speech-language pathology.

X. "State practice laws" means a member state's laws, rules, and regulations that govern the practice of audiology or speech-language pathology, define the scope of audiology or speech-language pathology practice, and create the methods and grounds for imposing discipline.

Y. "Telehealth" means the application of telecommunication technology to deliver audiology or speech-language pathology services at a distance for assessment, intervention, or consultation.

Section 2. State Participation in the Compact

A. A license issued to an audiologist or speech-language pathologist by a home state to a resident in that state shall be recognized by each member state as authorizing an audiologist or speech-language pathologist to practice audiology or speech-language pathology, under a privilege to practice, in each member state.

B. A state must implement or utilize procedures for considering the criminal history records of applicants for initial privilege to practice. These procedures shall include the submission of fingerprints or other biometric-based information by applicants for the purpose of obtaining an applicant's criminal history record information from the Federal Bureau of Investigation and the agency responsible for retaining that state's criminal records.

1. A member state must fully implement a criminal background check requirement, within a time frame established by rule, by receiving the results of the Federal Bureau of Investigation record search on criminal background checks and use the results in making licensure decisions.

2. Communication between a member state and the Commission and among member states regarding the verification of eligibility for licensure through the Compact shall not include any information received from the Federal Bureau of Investigation relating to a federal criminal records check performed by a member state under Public Law 92-544.

C. Upon application for a privilege to practice, the licensing board in the issuing remote state shall ascertain, through the data system, whether the applicant has ever held, or is the holder of, a license issued by any other state, whether there are any encumbrances on any license or privilege to practice held by the applicant, and whether any adverse action has been taken against any license or privilege to practice held by the applicant.

D. Each member state shall require an applicant to obtain or retain a license in the home state and meet the home state's qualifications for licensure or renewal of licensure, as well as all other applicable state laws.

E. For an audiologist:

1. Must meet one of the following educational requirements:

a. On or before December 31, 2007, has graduated with a master's degree or doctoral degree in audiology, or equivalent degree regardless of degree name, from a program that is accredited by an accrediting agency recognized by the Council for Higher Education Accreditation, or its successor, or by the United States Department of Education and operated by a college or university accredited by a regional or national accrediting organization recognized by the board; or

b. On or after January 1, 2008, has graduated with a doctoral degree in audiology, or equivalent degree regardless of degree name, from a program that is accredited by an accrediting agency recognized by the Council for Higher Education Accreditation, or its successor, or by the United States Department of Education and operated by a college or university accredited by a regional or national accrediting organization recognized by the board; or

c. Has graduated from an audiology program that is housed in an institution of higher education outside of the United States (a) for which the program and institution have been approved by the authorized accrediting body in the applicable country and (b) the degree program has been verified by an independent credentials review agency to be comparable to a state licensing board-approved program;

2. Has completed a supervised clinical practicum experience from an accredited educational institution or its cooperating programs as required by the board;

3. Has successfully passed a national examination approved by the Commission;

4. Holds an active, unencumbered license;

5. Has not been convicted or found guilty, and has not entered into an agreed disposition, of a felony related to the practice of audiology, under applicable state or federal criminal law; and

6. Has a valid United States Social Security or National Practitioner Identification number.

F. For a speech-language pathologist:

1. Must meet one of the following educational requirements:

a. Has graduated with a master's degree from a speech-language pathology program that is accredited by an organization recognized by the United States Department of Education and operated by a college or university accredited by a regional or national accrediting organization recognized by the board; or

b. Has graduated from a speech-language pathology program that is housed in an institution of higher education outside of the United States (a) for which the program and institution have been approved by the authorized accrediting body in the applicable country and (b) the degree program has been verified by an independent credentials review agency to be comparable to a state licensing board-approved program;

2. Has completed a supervised clinical practicum experience from an educational institution or its cooperating programs as required by the Commission;

3. Has completed a supervised postgraduate professional experience as required by the Commission;

4. Has successfully passed a national examination approved by the Commission;

5. Holds an active, unencumbered license;

6. Has not been convicted or found guilty, and has not entered into an agreed disposition, of a felony related to the practice of speech-language pathology, under applicable state or federal criminal law; and

7. Has a valid United States Social Security or National Practitioner Identification number.

G. The privilege to practice is derived from the home state license.

H. An audiologist or speech-language pathologist practicing in a member state must comply with the state practice laws of the state in which the client is located at the time service is provided. The practice of audiology and speech-language pathology shall include all audiology and speech-language pathology practice as defined by the state practice laws of the member state in which the client is located. The practice of audiology and speech-language pathology in a member state under a privilege to practice shall subject an audiologist or speech-language pathologist to the jurisdiction of the licensing board, the courts and the laws of the member state in which the client is located at the time service is provided.

I. Individuals not residing in a member state shall continue to be able to apply for a member state's single-state license as provided under the laws of each member state. However, the single-state license granted to these individuals shall not be recognized as granting the privilege to practice audiology or speech-language pathology in any other member state. Nothing in this Compact shall affect the requirements established by a member state for the issuance of a single-state license.

J. Member states may charge a fee for granting a compact privilege.

K. Member states must comply with the bylaws and rules and regulations of the Commission.

Section 3. Compact Privilege

A. To exercise the compact privilege under the terms and provisions of the Compact, the audiologist or speech-language pathologist shall:

1. Hold an active license in the home state;
2. Have no encumbrance on any state license;
3. Be eligible for a compact privilege in any member state in accordance with Section 2;
4. Have not had any adverse action against any license or compact privilege within the previous two years from date of application;
5. Notify the Commission that the licensee is seeking the compact privilege within a remote state(s);
6. Pay any applicable fees, including any state fee, for the compact privilege; and
7. Report to the Commission adverse action taken by any non-member state within 30 days from the date the adverse action is taken.

B. For the purposes of the compact privilege, an audiologist or speech-language pathologist shall only hold one home state license at a time.

C. Except as provided in Section 5, if an audiologist or speech-language pathologist changes primary state of residence by moving between two member states, the audiologist or speech-language pathologist must apply for licensure in the new home state, and the license issued by the prior home state shall be deactivated in accordance with applicable rules adopted by the Commission.

D. The audiologist or speech-language pathologist may apply for licensure in advance of a change in primary state of residence.

E. A license shall not be issued by the new home state until the audiologist or speech-language pathologist provides satisfactory evidence of a change in primary state of residence to the new home state and satisfies all applicable requirements to obtain a license from the new home state.

F. If an audiologist or speech-language pathologist changes primary state of residence by moving from a member state to a non-member state, the license issued by the prior home state shall convert to a single-state license, valid only in the former home state.

G. The compact privilege is valid until the expiration date of the home state license. The licensee must comply with the requirements of Section 3A to maintain the compact privilege in the remote state.

H. A licensee providing audiology or speech-language pathology services in a remote state under the compact privilege shall function within the laws and regulations of the remote state.

I. A licensee providing audiology or speech-language pathology services in a remote state is subject to that state's regulatory authority. A remote state may, in accordance with due process and

that state's laws, remove a licensee's compact privilege in the remote state for a specific period of time, impose fines, or take any other necessary actions to protect the health and safety of its citizens.

J. If a home state license is encumbered, the licensee shall lose the compact privilege in any remote state until the following occur:

1. The home state license is no longer encumbered; and
2. Two years have elapsed from the date of the adverse action.

K. Once an encumbered license in the home state is restored to good standing, the licensee must meet the requirements of Section 3A to obtain a compact privilege in any remote state.

L. Once the requirements of Section 3J have been met, the licensee must meet the requirements in Section 3A to obtain a compact privilege in a remote state.

Section 4. Compact Privilege to Practice Telehealth

Member states shall recognize the right of an audiologist or speech-language pathologist, licensed by a home state in accordance with Section 2 and under rules promulgated by the Commission, to practice audiology or speech-language pathology in a member state via telehealth under a privilege to practice as provided in the Compact and rules promulgated by the Commission.

Section 5. Active Duty Military Personnel or Their Spouses

Active duty military personnel, or their spouse, shall designate a home state where the individual has a current license in good standing. The individual may retain the home state designation during the period the service member is on active duty. Subsequent to designating a home state, the individual shall only change their home state through application for licensure in the new state.

Section 6. Adverse Actions

A. In addition to the other powers conferred by state law, a remote state shall have the authority, in accordance with existing state due process law, to:

1. Take adverse action against an audiologist's or speech-language pathologist's privilege to practice within that member state.

2. Issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses as well as the production of evidence. Subpoenas issued by a licensing board in a member state for the attendance and testimony of witnesses or the production of evidence from another member state shall be enforced in the latter state by any court of competent jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued in proceedings pending before it. The issuing authority shall pay any witness fees, travel expenses, mileage and other fees required by the service statutes of the state in which the witnesses or evidence are located.

B. Only the home state shall have the power to take adverse action against an audiologist's or speech-language pathologist's license issued by the home state.

C. For purposes of taking adverse action, the home state shall give the same priority and effect to reported conduct received from a member state as it would if the conduct had occurred within the home state. In so doing, the home state shall apply its own state laws to determine appropriate action.

D. The home state shall complete any pending investigations of an audiologist or speech-language pathologist who changes primary state of residence during the course of the investigations. The home state shall also have the authority to take appropriate action(s) and shall promptly report the conclusions of the investigations to the administrator of the data system. The administrator of the data system shall promptly notify the new home state of any adverse actions.

E. If otherwise permitted by state law, the member state may recover from the affected audiologist or speech-language pathologist the costs of investigations and disposition of cases resulting from any adverse action taken against that audiologist or speech-language pathologist.

F. The member state may take adverse action based on the factual findings of the remote state, provided that the home state follows its own procedures for taking the adverse action.

G. Joint Investigations

1. In addition to the authority granted to a member state by its respective audiology or speech-language pathology practice act or other applicable state law, any member state may participate with other member states in joint investigations of licensees.

2. Member states shall share any investigative, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under the Compact.

H. If adverse action is taken by the home state against an audiologist's or speech-language pathologist's license, the audiologist's or speech-language pathologist's privilege to practice in all other member states shall be deactivated until all encumbrances have been removed from the state license. All home state disciplinary orders that impose adverse action against an audiologist's or speech-language pathologist's license shall include a statement that the audiologist's or speech-language pathologist's privilege to practice is deactivated in all member states during the pendency of the order.

I. If a member state takes adverse action, it shall promptly notify the administrator of the data system. The administrator of the data system shall promptly notify the home state of any adverse actions by remote states.

J. Nothing in this Compact shall override a member state's decision that participation in an alternative program may be used in lieu of adverse action.

Section 7. Establishment of the Audiology and Speech-Language Pathology Compact Commission

A. The Compact member states hereby create and establish a joint public agency known as the Audiology and Speech-Language Pathology Compact Commission:

1. The Commission is an instrumentality of the Compact states.

2. Venue is proper and judicial proceedings by or against the Commission shall be brought solely and exclusively in a court of competent jurisdiction where the principal office of the Commission is located. The Commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings.

3. Nothing in this Compact shall be construed to be a waiver of sovereign immunity.

B. Membership, Voting, and Meetings

1. Each member state shall have two delegates selected by that member state's licensing board. The delegates shall be current members of the licensing board. One shall be an audiologist and one shall be a speech-language pathologist.

2. An additional five delegates, who are either a public member or board administrator from a state licensing board, shall be chosen by the Executive Committee from a pool of nominees provided by the Commission at Large.

3. Any delegate may be removed or suspended from office as provided by the law of the state from which the delegate is appointed.

4. The member state board shall fill any vacancy occurring on the Commission, within 90 days.

5. Each delegate shall be entitled to one vote with regard to the promulgation of rules and creation of bylaws and shall otherwise have an opportunity to participate in the business and affairs of the Commission.

6. A delegate shall vote in person or by other means as provided in the bylaws. The bylaws may provide for delegates' participation in meetings by telephone or other means of communication.

7. The Commission shall meet at least once during each calendar year. Additional meetings shall be held as set forth in the bylaws.

C. The Commission shall have the following powers and duties:

1. Establish the fiscal year of the Commission;

2. Establish bylaws;

3. Establish a Code of Ethics;

4. Maintain its financial records in accordance with the bylaws;

5. Meet and take actions as are consistent with the provisions of this Compact and the bylaws;

6. Promulgate uniform rules to facilitate and coordinate implementation and administration of this Compact. The rules shall have the force and effect of law and shall be binding in all member states;

7. Bring and prosecute legal proceedings or actions in the name of the Commission, provided that the standing of any state audiology or speech-language pathology licensing board to sue or be sued under applicable law shall not be affected;

8. Purchase and maintain insurance and bonds;

9. Borrow, accept, or contract for services of personnel, including, but not limited to, employees of a member state;

10. Hire employees, elect or appoint officers, fix compensation, define duties, grant individuals appropriate authority to carry out the purposes of the Compact, and establish the Commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel, and other related personnel matters;

11. Accept any and all appropriate donations and grants of money, equipment, supplies, materials and services, and to receive, utilize and dispose of the same; provided that at all times the Commission shall avoid any appearance of impropriety and/or conflict of interest;

12. Lease, purchase, accept appropriate gifts or donations of, or otherwise own, hold, improve or use, any property, real, personal, or mixed; provided that at all times the Commission shall avoid any appearance of impropriety;

13. Sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property real, personal, or mixed;

14. Establish a budget and make expenditures;

15. Borrow money;

16. Appoint committees, including standing committees composed of members, and other interested persons as may be designated in this Compact and the bylaws;

17. Provide and receive information from, and cooperate with, law enforcement agencies;

18. Establish and elect an Executive Committee; and

19. Perform other functions as may be necessary or appropriate to achieve the purposes of this Compact consistent with the state regulation of audiology and speech-language pathology licensure and practice.

D. The Executive Committee

The Executive Committee shall have the power to act on behalf of the Commission according to the terms of this Compact.

1. The Executive Committee shall be composed of ten members:

a. Seven voting members who are elected by the Commission from the current membership of the Commission;

b. Two ex-officios, consisting of one nonvoting member from a recognized national audiology professional association and one nonvoting member from a recognized national speech-language pathology association; and

c. One ex-officio, nonvoting member from the recognized membership organization of the audiology and speech-language pathology licensing boards.

E. The ex-officio members shall be selected by their respective organizations.

1. The Commission may remove any member of the Executive Committee as provided in bylaws.

2. The Executive Committee shall meet at least annually.

3. The Executive Committee shall have the following duties and responsibilities:

a. Recommend to the entire Commission changes to the rules or bylaws, changes to this Compact legislation, fees paid by Compact member states such as annual dues, and any commission Compact fee charged to licensees for the compact privilege;

b. Ensure Compact administration services are appropriately provided, contractual or otherwise;

c. Prepare and recommend the budget;

d. Maintain financial records on behalf of the Commission;

e. Monitor Compact compliance of member states and provide compliance reports to the Commission;

f. Establish additional committees as necessary; and

g. Other duties as provided in rules or bylaws.

4. Meetings of the Commission

All meetings shall be open to the public, and public notice of meetings shall be given in the same manner as required under the rulemaking provisions in Section 9.

5. The Commission or the Executive Committee or other committees of the Commission may convene in a closed, non-public meeting if the Commission or Executive Committee or other committees of the Commission must discuss:

a. Non-compliance of a member state with its obligations under the Compact;

b. The employment, compensation, discipline, or other matters, practices, or procedures related to specific employees or other matters related to the Commission's internal personnel practices and procedures;

c. Current, threatened, or reasonably anticipated litigation;

d. Negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate;

e. Accusing any person of a crime or formally censuring any person;

f. Disclosure of trade secrets or commercial or financial information that is privileged or confidential;

g. Disclosure of information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;

h. Disclosure of investigative records compiled for law enforcement purposes;

i. Disclosure of information related to any investigative reports prepared by or on behalf of or for use of the Commission or other committee charged with responsibility of investigation or determination of compliance issues pursuant to the Compact; or

j. Matters specifically exempted from disclosure by federal or member state statute.

6. If a meeting, or portion of a meeting, is closed pursuant to this provision, the Commission's legal counsel or designee shall certify that the meeting may be closed and shall reference each relevant exempting provision.

7. The Commission shall keep minutes that fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action shall be identified in minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release by a majority vote of the Commission or order of a court of competent jurisdiction.

8. Financing of the Commission

a. The Commission shall pay, or provide for the payment of, the reasonable expenses of its establishment, organization, and ongoing activities.

b. The Commission may accept any and all appropriate revenue sources, donations, and grants of money, equipment, supplies, materials, and services.

c. The Commission may levy on and collect an annual assessment from each member state or impose fees on other parties to cover the cost of the operations and activities of the Commission and its staff, which must be in a total amount sufficient to cover its annual budget as approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount shall be allocated based upon a formula to be determined by the Commission, which shall promulgate a rule binding upon all member states.

9. The Commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same; nor shall the Commission pledge the credit of any of the member states, except by and with the authority of the member state.

10. The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the

Commission shall be audited yearly by a certified or licensed public accountant, and the report of the audit shall be included in and become part of the annual report of the Commission.

F. Qualified Immunity, Defense, and Indemnification

1. The members, officers, executive director, employees and representatives of the Commission shall be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error, or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities; provided that nothing in this paragraph shall be construed to protect any person from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful or wanton misconduct of that person.

2. The Commission shall defend any member, officer, executive director, employee, or representative of the Commission in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of Commission employment, duties, or responsibilities, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities; provided that nothing herein shall be construed to prohibit that person from retaining his or her own counsel; and provided further, that the actual or alleged act, error, or omission did not result from that person's intentional or willful or wanton misconduct.

3. The Commission shall indemnify and hold harmless any member, officer, executive director, employee, or representative of the Commission for the amount of any settlement or judgment obtained against that person arising out of any actual or alleged act, error or omission that occurred within the scope of Commission employment, duties, or responsibilities, or that person had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from the intentional or willful or wanton misconduct of that person.

Section 8. Data System

A. The Commission shall provide for the development, maintenance, and utilization of a coordinated database and reporting system containing licensure, adverse action, and investigative information on all licensed individuals in member states.

B. Notwithstanding any other provision of state law to the contrary, a member state shall submit a uniform data set to the data system on all individuals to whom this Compact is applicable as required by the rules of the Commission, including:

1. Identifying information;

2. Licensure data;

3. Adverse actions against a license or compact privilege;

4. Non-confidential information related to alternative program participation;

5. Any denial of application for licensure, and the reason(s) for denial; and

6. Other information that may facilitate the administration of this Compact, as determined by the rules of the Commission.

C. Investigative information pertaining to a licensee in any member state shall only be available to other member states.

D. The Commission shall promptly notify all member states of any adverse action taken against a licensee or an individual applying for a license. Adverse action information pertaining to a licensee in any member state shall be available to any other member state.

E. Member states contributing information to the data system may designate information that may not be shared with the public without the express permission of the contributing state.

F. Any information submitted to the data system that is subsequently required to be expunged by the laws of the member state contributing the information shall be removed from the data system.

Section 9. Rulemaking

A. The Commission shall exercise its rulemaking powers pursuant to the criteria set forth in this Section and the rules adopted thereunder. Rules and amendments shall become binding as of the date specified in each rule or amendment.

B. If a majority of the legislatures of the member states rejects a rule, by enactment of a statute or resolution in the same manner used to adopt the Compact within four years of the date of adoption of the rule, the rule shall have no further force and effect in any member state.

C. Rules or amendments to the rules shall be adopted at a regular or special meeting of the Commission.

D. Prior to promulgation and adoption of a final rule or rules by the Commission, and at least 30 days in advance of the meeting at which the rule shall be considered and voted upon, the Commission shall file a Notice of Proposed Rulemaking:

1. On the website of the Commission or other publicly accessible platform; and

2. On the website of each member state audiology or speech-language pathology licensing board or other publicly accessible platform or the publication in which each state would otherwise publish proposed rules.

E. The Notice of Proposed Rulemaking shall include:

1. The proposed time, date, and location of the meeting in which the rule shall be considered and voted upon;

2. The text of the proposed rule or amendment and the reason for the proposed rule;

3. A request for comments on the proposed rule from any interested person; and

4. The manner in which interested persons may submit notice to the Commission of their intention to attend the public hearing and any written comments.

F. Prior to the adoption of a proposed rule, the Commission shall allow persons to submit written data, facts, opinions, and arguments, which shall be made available to the public.

G. The Commission shall grant an opportunity for a public hearing before it adopts a rule or amendment if a hearing is requested by:

1. At least 25 persons;
2. A state or federal governmental subdivision or agency; or
3. An association having at least 25 members.

H. If a hearing is held on the proposed rule or amendment, the Commission shall publish the place, time, and date of the scheduled public hearing. If the hearing is held via electronic means, the Commission shall publish the mechanism for access to the electronic hearing.

1. All persons wishing to be heard at the hearing shall notify the executive director of the Commission or other designated member in writing of their desire to appear and testify at the hearing not less than five business days before the scheduled date of the hearing.

2. Hearings shall be conducted in a manner providing each person who wishes to comment a fair and reasonable opportunity to comment orally or in writing.

3. All hearings shall be recorded. A copy of the recording shall be made available on request.

4. Nothing in this section shall be construed as requiring a separate hearing on each rule. Rules may be grouped for the convenience of the Commission at hearings required by this section.

I. Following the scheduled hearing date, or by the close of business on the scheduled hearing date if the hearing was not held, the Commission shall consider all written and oral comments received.

J. If no written notice of intent to attend the public hearing by interested parties is received, the Commission may proceed with promulgation of the proposed rule without a public hearing.

K. The Commission shall, by majority vote of all members, take final action on the proposed rule and shall determine the effective date of the rule, if any, based on the rulemaking record and the full text of the rule.

L. Upon determination that an emergency exists, the Commission may consider and adopt an emergency rule without prior notice, opportunity for comment, or hearing, provided that the usual rulemaking procedures provided in the Compact and in this section shall be retroactively applied to the rule as soon as reasonably possible, in no event later than 90 days after the effective date of the rule. For the purposes of this provision, an emergency rule is one that must be adopted immediately in order to:

1. Meet an imminent threat to public health, safety, or welfare;

2. Prevent a loss of Commission or member state funds; or

3. Meet a deadline for the promulgation of an administrative rule that is established by federal law or rule.

M. The Commission or an authorized committee of the Commission may direct revisions to a previously adopted rule or amendment for purposes of correcting typographical errors, errors in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted on the website of the Commission. The revision shall be subject to challenge by any person for a period of 30 days after posting. The revision may be challenged only on grounds that the revision results in a material change to a rule. A challenge shall be made in writing and delivered to the chair of the Commission prior to the end of the notice period. If no challenge is made, the revision shall take effect without further action. If the revision is challenged, the revision may not take effect without the approval of the Commission.

Section 10. Oversight, Dispute Resolution, and Enforcement

A. Dispute Resolution

1. Upon request by a member state, the Commission shall attempt to resolve disputes related to the Compact that arise among member states and between member and non-member states.

2. The Commission shall promulgate a rule providing for both mediation and binding dispute resolution for disputes as appropriate.

B. Enforcement

1. The Commission, in the reasonable exercise of its discretion, shall enforce the provisions and rules of this Compact.

2. By majority vote, the Commission may initiate legal action in the United States District Court for the District of Columbia or the federal district where the Commission has its principal offices against a member state in default to enforce compliance with the provisions of the Compact and its promulgated rules and bylaws. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing member shall be awarded all costs of litigation, including reasonable attorney's fees.

3. The remedies herein shall not be the exclusive remedies of the Commission. The Commission may pursue any other remedies available under federal or state law.

Section 11. Date of Implementation of the Interstate Commission for Audiology and Speech-Language Pathology Practice and Associated Rules, Withdrawal, and Amendment

A. The Compact shall come into effect on the date on which the Compact statute is enacted into law in the tenth member state. The provisions, which become effective at that time, shall be limited to the powers granted to the Commission relating to assembly and the promulgation of rules. Thereafter, the Commission shall meet and exercise rulemaking powers necessary to the implementation and administration of the Compact.

B. Any state that joins the Compact subsequent to the Commission's initial adoption of the rules shall be subject to the rules as they exist on the date on which the Compact becomes law in that state. Any rule that has been previously adopted by the Commission shall have the full force and effect of law on the day the Compact becomes law in that state.

C. Any member state may withdraw from this Compact by enacting a statute repealing the same.

1. A member state's withdrawal shall not take effect until six months after enactment of the repealing statute.

2. Withdrawal shall not affect the continuing requirement of the withdrawing state's audiology or speech-language pathology licensing board to comply with the investigative and adverse action reporting requirements of this act prior to the effective date of withdrawal.

D. Nothing contained in this Compact shall be construed to invalidate or prevent any audiology or speech-language pathology licensure agreement or other cooperative arrangement between a member state and a non-member state that does not conflict with the provisions of this Compact.

E. This Compact may be amended by the member states. No amendment to this Compact shall become effective and binding upon any member state until it is enacted into the laws of all member states.

Section 12. Construction and Severability

This Compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this Compact shall be severable and if any phrase, clause, sentence, or provision of this Compact is declared to be contrary to the constitution of any member state or of the United States or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this Compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If this Compact shall be held contrary to the constitution of any member state, the Compact shall remain in full force and effect as to the remaining member states and in full force and effect as to the member state affected as to all severable matters.

Section 13. Binding Effect of Compact and Other Laws

A. Nothing herein prevents the enforcement of any other law of a member state that is not inconsistent with the Compact.

B. All laws in a member state in conflict with the Compact are superseded to the extent of the conflict.

C. All lawful actions of the Commission, including all rules and bylaws promulgated by the Commission, are binding upon the member states.

D. All agreements between the Commission and the member states are binding in accordance with their terms.

E. In the event any provision of the Compact exceeds the constitutional limits imposed on the legislature of any member state, the provision shall be ineffective to the extent of the conflict with the constitutional provision in question in that member state.

EFFECTIVE DATE. This section is effective on the date on which the compact statute is enacted into law in the tenth member state in accordance with section 11 of this Compact.

Sec. 16. [148.5186] APPLICATION OF AUDIOLOGY AND SPEECH-LANGUAGE PATHOLOGY INTERSTATE COMPACT TO EXISTING LAWS.

Subdivision 1. **Rulemaking.** Rules developed by the Audiology and Speech-Language Pathology Compact Commission under section 148.5185 are not subject to sections 14.05 to 14.389.

Subd. 2. **Background studies.** The commissioner of health is authorized to require an audiologist or speech-language pathologist licensed in Minnesota as the home state to submit to a criminal history background check under section 144.0572.

Subd. 3. **Provision of data.** All provisions of section 148.5185 authorizing or requiring the commissioner to provide data to the Audiology and Speech-Language Pathology Compact Commission are authorized by section 144.051, subdivision 6.

Sec. 17. [148B.75] LICENSED PROFESSIONAL COUNSELOR INTERSTATE COMPACT.

The licensed professional counselor interstate compact is enacted into law and entered into with all other jurisdictions legally joining in it, in the form substantially specified in this section.

ARTICLE I

DEFINITIONS

(a) As used in this compact, and except as otherwise provided, the following definitions shall apply.

(b) "Active duty military" means full-time duty status in the active uniformed service of the United States, including members of the national guard and reserve on active duty orders pursuant to United States Code, title 10, chapters 1209 and 1211.

(c) "Adverse action" means any administrative, civil, equitable, or criminal action permitted by a state's laws which is imposed by a licensing board or other authority against a licensed professional counselor, including actions against an individual's license or privilege to practice such as revocation, suspension, probation, monitoring of the licensee, limitation on the licensee's practice, or any other encumbrance on licensure affecting a licensed professional counselor's authorization to practice, including issuance of a cease and desist action.

(d) "Alternative program" means a non-disciplinary monitoring or practice remediation process approved by a professional counseling licensing board to address impaired practitioners.

(e) "Continuing competence" and "continuing education" means a requirement, as a condition of license renewal, to provide evidence of participation in, and completion of, educational and professional activities relevant to practice or area of work.

(f) "Counseling compact commission" or "commission" means the national administrative body whose membership consists of all states that have enacted the compact.

(g) "Current significant investigative information" means:

(1) investigative information that a licensing board, after a preliminary inquiry that includes notification and an opportunity for the licensed professional counselor to respond, if required by state law, has reason to believe is not groundless and, if proved true, would indicate more than a minor infraction; or

(2) investigative information that indicates that the licensed professional counselor represents an immediate threat to public health and safety regardless of whether the licensed professional counselor has been notified and had an opportunity to respond.

(h) "Data system" means a repository of information about licensees, including but not limited to continuing education, examination, licensure, investigative, privilege to practice, and adverse action information.

(i) "Encumbered license" means a license in which an adverse action restricts the practice of licensed professional counseling by the licensee and said adverse action has been reported to the National Practitioners Data Bank (NPDB).

(j) "Encumbrance" means a revocation or suspension of, or any limitation on, the full and unrestricted practice of licensed professional counseling by a licensing board.

(k) "Executive committee" means a group of directors elected or appointed to act on behalf of, and within the powers granted to them by, the commission.

(l) "Home state" means the member state that is the licensee's primary state of residence.

(m) "Impaired practitioner" means an individual who has a condition that may impair their ability to practice as a licensed professional counselor without some type of intervention and may include but is not limited to alcohol and drug dependence, mental health impairment, and neurological or physical impairment.

(n) "Investigative information" means information, records, and documents received or generated by a professional counseling licensing board pursuant to an investigation.

(o) "Jurisprudence requirement," if required by a member state, means the assessment of an individual's knowledge of the laws and rules governing the practice of professional counseling in a state.

(p) "Licensed professional counselor" means a counselor licensed by a member state, regardless of the title used by that state, to independently assess, diagnose, and treat behavioral health conditions.

(q) "Licensee" means an individual who currently holds an authorization from the state to practice as a licensed professional counselor.

(r) "Licensing board" means the agency of a state, or equivalent, that is responsible for the licensing and regulation of licensed professional counselors.

(s) "Member state" means a state that has enacted the compact.

(t) "Privilege to practice" means a legal authorization, which is equivalent to a license, permitting the practice of professional counseling in a remote state.

(u) "Professional counseling" means the assessment, diagnosis, and treatment of behavioral health conditions by a licensed professional counselor.

(v) "Remote state" means a member state other than the home state, where a licensee is exercising or seeking to exercise the privilege to practice.

(w) "Rule" means a regulation promulgated by the commission that has the force of law.

(x) "Single state license" means a licensed professional counselor license issued by a member state that authorizes practice only within the issuing state and does not include a privilege to practice in any other member state.

(y) "State" means any state, commonwealth, district, or territory of the United States that regulates the practice of professional counseling.

(z) "Telehealth" means the application of telecommunication technology to deliver professional counseling services remotely to assess, diagnose, and treat behavioral health conditions.

(aa) "Unencumbered license" means a license that authorizes a licensed professional counselor to engage in the full and unrestricted practice of professional counseling.

ARTICLE II

STATE PARTICIPATION IN THE COMPACT

(a) To participate in the compact, a state must currently:

(1) license and regulate licensed professional counselors;

(2) require licensees to pass a nationally recognized exam approved by the commission;

(3) require licensees to have a 60 semester-hour or 90 quarter-hour master's degree in counseling or 60 semester-hours or 90 quarter-hours of graduate coursework including the following topic areas:

(i) professional counseling orientation and ethical practice;

(ii) social and cultural diversity;

(iii) human growth and development;

(iv) career development;

(v) counseling and helping relationships;

(vi) group counseling and group work;

(vii) diagnosis and treatment; assessment and testing;

(viii) research and program evaluation; and

(ix) other areas as determined by the commission;

(4) require licensees to complete a supervised postgraduate professional experience as defined by the commission; and

(5) have a mechanism in place for receiving and investigating complaints about licensees.

(b) A member state shall:

(1) participate fully in the commission's data system, including using the commission's unique identifier as defined in rules;

(2) notify the commission, in compliance with the terms of the compact and rules, of any adverse action or the availability of investigative information regarding a licensee;

(3) implement or utilize procedures for considering the criminal history records of applicants for an initial privilege to practice. These procedures shall include the submission of fingerprints or other biometric-based information by applicants for the purpose of obtaining an applicant's criminal history record information from the Federal Bureau of Investigation and the agency responsible for retaining that state's criminal records;

(i) a member state must fully implement a criminal background check requirement, within a time frame established by rule, by receiving the results of the Federal Bureau of Investigation record search and shall use the results in making licensure decisions; and

(ii) communication between a member state, the commission, and among member states regarding the verification of eligibility for licensure through the compact shall not include any information received from the Federal Bureau of Investigation relating to a federal criminal records check performed by a member state under Public Law 92-544;

(4) comply with the rules of the commission;

(5) require an applicant to obtain or retain a license in the home state and meet the home state's qualifications for licensure or renewal of licensure, as well as all other applicable state laws;

(6) grant the privilege to practice to a licensee holding a valid unencumbered license in another member state in accordance with the terms of the compact and rules; and

(7) provide for the attendance of the state's commissioner to the counseling compact commission meetings.

(c) Member states may charge a fee for granting the privilege to practice.

(d) Individuals not residing in a member state shall continue to be able to apply for a member state's single state license as provided under the laws of each member state. However, the single state license granted to these individuals shall not be recognized as granting a privilege to practice professional counseling in any other member state.

(e) Nothing in this compact shall affect the requirements established by a member state for the issuance of a single state license.

(f) A license issued to a licensed professional counselor by a home state to a resident in that state shall be recognized by each member state as authorizing a licensed professional counselor to practice professional counseling, under a privilege to practice, in each member state.

ARTICLE III

PRIVILEGE TO PRACTICE

(a) To exercise the privilege to practice under the terms and provisions of the compact, the licensee shall:

(1) hold a license in the home state;

(2) have a valid United States Social Security number or national practitioner identifier;

(3) be eligible for a privilege to practice in any member state in accordance with this article, paragraphs (d), (g), and (h);

(4) have not had any encumbrance or restriction against any license or privilege to practice within the previous two years;

(5) notify the commission that the licensee is seeking the privilege to practice within a remote state(s);

(6) pay any applicable fees, including any state fee, for the privilege to practice;

(7) meet any continuing competence or education requirements established by the home state;

(8) meet any jurisprudence requirements established by the remote state in which the licensee is seeking a privilege to practice; and

(9) report to the commission any adverse action, encumbrance, or restriction on license taken by any nonmember state within 30 days from the date the action is taken.

(b) The privilege to practice is valid until the expiration date of the home state license. The licensee must comply with the requirements of this article, paragraph (a), to maintain the privilege to practice in the remote state.

(c) A licensee providing professional counseling in a remote state under the privilege to practice shall adhere to the laws and regulations of the remote state.

(d) A licensee providing professional counseling services in a remote state is subject to that state's regulatory authority. A remote state may, in accordance with due process and that state's laws, remove a licensee's privilege to practice in the remote state for a specific period of time, impose fines, or take any other necessary actions to protect the health and safety of its citizens. The licensee may be ineligible for a privilege to practice in any member state until the specific time for removal has passed and all fines are paid.

(e) If a home state license is encumbered, the licensee shall lose the privilege to practice in any remote state until the following occur:

(1) the home state license is no longer encumbered; and

(2) have not had any encumbrance or restriction against any license or privilege to practice within the previous two years.

(f) Once an encumbered license in the home state is restored to good standing, the licensee must meet the requirements of this article, paragraph (a), to obtain a privilege to practice in any remote state.

(g) If a licensee's privilege to practice in any remote state is removed, the individual may lose the privilege to practice in all other remote states until the following occur:

(1) the specific period of time for which the privilege to practice was removed has ended;

(2) all fines have been paid; and

(3) have not had any encumbrance or restriction against any license or privilege to practice within the previous two years.

(h) Once the requirements of this article, paragraph (g), have been met, the licensee must meet the requirements in this article, paragraph (g), to obtain a privilege to practice in a remote state.

ARTICLE IV

OBTAINING A NEW HOME STATE LICENSE BASED ON A PRIVILEGE TO PRACTICE

(a) A licensed professional counselor may hold a home state license, which allows for a privilege to practice in other member states, in only one member state at a time.

(b) If a licensed professional counselor changes primary state of residence by moving between two member states:

(1) the licensed professional counselor shall file an application for obtaining a new home state license based on a privilege to practice, pay all applicable fees, and notify the current and new home state in accordance with applicable rules adopted by the commission;

(2) upon receipt of an application for obtaining a new home state license by virtue of a privilege to practice, the new home state shall verify that the licensed professional counselor meets the pertinent criteria outlined in article III via the data system, without need for primary source verification, except for:

(i) a Federal Bureau of Investigation fingerprint-based criminal background check if not previously performed or updated pursuant to applicable rules adopted by the commission in accordance with Public Law 92-544;

(ii) other criminal background checks as required by the new home state; and

(iii) completion of any requisite jurisprudence requirements of the new home state;

(3) the former home state shall convert the former home state license into a privilege to practice once the new home state has activated the new home state license in accordance with applicable rules adopted by the commission;

(4) notwithstanding any other provision of this compact, if the licensed professional counselor cannot meet the criteria in article V, the new home state may apply its requirements for issuing a new single state license; and

(5) the licensed professional counselor shall pay all applicable fees to the new home state in order to be issued a new home state license.

(c) If a licensed professional counselor changes primary state of residence by moving from a member state to a nonmember state, or from a nonmember state to a member state, the state criteria shall apply for issuance of a single state license in the new state.

(d) Nothing in this compact shall interfere with a licensee's ability to hold a single state license in multiple states, however, for the purposes of this compact, a licensee shall have only one home state license.

(e) Nothing in this compact shall affect the requirements established by a member state for the issuance of a single state license.

ARTICLE V

ACTIVE DUTY MILITARY PERSONNEL OR THEIR SPOUSES

Active duty military personnel, or their spouse, shall designate a home state where the individual has a current license in good standing. The individual may retain the home state designation during the period the service member is on active duty. Subsequent to designating a home state, the individual shall only change their home state through application for licensure in the new state or through the process outlined in article IV.

ARTICLE VI

COMPACT PRIVILEGE TO PRACTICE TELEHEALTH

(a) Member states shall recognize the right of a licensed professional counselor, licensed by a home state in accordance with article II and under rules promulgated by the commission, to practice professional counseling in any member state via telehealth under a privilege to practice as provided in the compact and rules promulgated by the commission.

(b) A licensee providing professional counseling services in a remote state under the privilege to practice shall adhere to the laws and regulations of the remote state.

ARTICLE VIIADVERSE ACTIONS

(a) In addition to the other powers conferred by state law, a remote state shall have the authority, in accordance with existing state due process law, to:

(1) take adverse action against a licensed professional counselor's privilege to practice within that member state; and

(2) issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses as well as the production of evidence. Subpoenas issued by a licensing board in a member state for the attendance and testimony of witnesses or the production of evidence from another member state shall be enforced in the latter state by any court of competent jurisdiction according to the practice and procedure of that court applicable to subpoenas issued in proceedings pending before it. The issuing authority shall pay any witness fees, travel expenses, mileage, and other fees required by the service statutes of the state in which the witnesses or evidence are located.

(b) Only the home state shall have the power to take adverse action against a licensed professional counselor's license issued by the home state.

(c) For purposes of taking adverse action, the home state shall give the same priority and effect to reported conduct received from a member state as it would if the conduct had occurred within the home state. In so doing, the home state shall apply its own state laws to determine appropriate action.

(d) The home state shall complete any pending investigations of a licensed professional counselor who changes primary state of residence during the course of the investigations. The home state shall also have the authority to take appropriate action and shall promptly report the conclusions of the investigations to the administrator of the data system. The administrator of the coordinated licensure information system shall promptly notify the new home state of any adverse actions.

(e) A member state, if otherwise permitted by state law, may recover from the affected licensed professional counselor the costs of investigations and dispositions of cases resulting from any adverse action taken against that licensed professional counselor.

(f) A member state may take adverse action based on the factual findings of the remote state, provided that the member state follows its own procedures for taking the adverse action.

(g) Joint investigations:

(1) in addition to the authority granted to a member state by its respective professional counseling practice act or other applicable state law, any member state may participate with other member states in joint investigations of licensees; and

(2) member states shall share any investigative, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under the compact.

(h) If adverse action is taken by the home state against the license of a licensed professional counselor, the licensed professional counselor's privilege to practice in all other member states shall

be deactivated until all encumbrances have been removed from the state license. All home state disciplinary orders that impose adverse action against the license of a licensed professional counselor shall include a statement that the licensed professional counselor's privilege to practice is deactivated in all member states during the pendency of the order.

(i) If a member state takes adverse action, it shall promptly notify the administrator of the data system. The administrator of the data system shall promptly notify the home state of any adverse actions by remote states.

(j) Nothing in this compact shall override a member state's decision that participation in an alternative program may be used in lieu of adverse action.

ARTICLE VIII

ESTABLISHMENT OF COUNSELING COMPACT COMMISSION

(a) The compact member states hereby create and establish a joint public agency known as the counseling compact commission:

(1) the commission is an instrumentality of the compact states;

(2) venue is proper and judicial proceedings by or against the commission shall be brought solely and exclusively in a court of competent jurisdiction where the principal office of the commission is located. The commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings; and

(3) nothing in this compact shall be construed to be a waiver of sovereign immunity.

(b) Membership, voting, and meetings:

(1) each member state shall have and be limited to one delegate selected by that member state's licensing board;

(2) the delegate shall be either:

(i) a current member of the licensing board at the time of appointment who is a licensed professional counselor or public member; or

(ii) an administrator of the licensing board;

(3) any delegate may be removed or suspended from office as provided by the law of the state from which the delegate is appointed;

(4) the member state licensing board shall fill any vacancy occurring on the commission within 60 days;

(5) each delegate shall be entitled to one vote with regard to the promulgation of rules and creation of bylaws and shall otherwise have an opportunity to participate in the business and affairs of the commission;

(6) a delegate shall vote in person or by such other means as provided in the bylaws. The bylaws may provide for delegates' participation in meetings by telephone or other means of communication;

(7) the commission shall meet at least once during each calendar year. Additional meetings shall be held as set forth in the bylaws; and

(8) the commission shall by rule establish a term of office for delegates and may by rule establish term limits.

(c) The commission shall have the following powers and duties:

(1) establish the fiscal year of the commission;

(2) establish bylaws;

(3) maintain its financial records in accordance with the bylaws;

(4) meet and take such actions as are consistent with the provisions of this compact and the bylaws;

(5) promulgate rules which shall be binding to the extent and in the manner provided for in the compact;

(6) bring and prosecute legal proceedings or actions in the name of the commission, provided that the standing of any state licensing board to sue or be sued under applicable law shall not be affected;

(7) purchase and maintain insurance and bonds;

(8) borrow, accept, or contract for services of personnel, including but not limited to employees of a member state;

(9) hire employees, elect or appoint officers, fix compensation, define duties, grant such individuals appropriate authority to carry out the purposes of the compact, and establish the commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel, and other related personnel matters;

(10) accept any and all appropriate donations and grants of money, equipment, supplies, materials, and services and to receive, utilize, and dispose of the same; provided that at all times the commission shall avoid any appearance of impropriety and conflict of interest;

(11) lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold, improve, or use any property, real, personal, or mixed; provided that at all times the commission shall avoid any appearance of impropriety;

(12) sell convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property real, personal, or mixed;

(13) establish a budget and make expenditures;

(14) borrow money;

(15) appoint committees, including standing committees composed of members, state regulators, state legislators or their representatives, and consumer representatives, and such other interested persons as may be designated in this compact and the bylaws;

(16) provide and receive information from, and cooperate with, law enforcement agencies;

(17) establish and elect an executive committee; and

(18) perform such other functions as may be necessary or appropriate to achieve the purposes of this compact consistent with the state regulation of professional counseling licensure and practice.

(d) The executive committee:

(1) The executive committee shall have the power to act on behalf of the commission according to the terms of this compact;

(2) The executive committee shall be composed of up to eleven members:

(i) seven voting members who are elected by the commission from the current membership of the commission;

(ii) up to four ex-officio, nonvoting members from four recognized national professional counselor organizations; and

(iii) the ex-officio members will be selected by their respective organizations;

(3) The commission may remove any member of the executive committee as provided in bylaws;

(4) The executive committee shall meet at least annually; and

(5) The executive committee shall have the following duties and responsibilities:

(i) recommend to the entire commission changes to the rules or bylaws, changes to this compact legislation, fees paid by compact member states such as annual dues, and any commission compact fee charged to licensees for the privilege to practice;

(ii) ensure compact administration services are appropriately provided, contractual or otherwise;

(iii) prepare and recommend the budget;

(iv) maintain financial records on behalf of the commission;

(v) monitor compact compliance of member states and provide compliance reports to the commission;

(vi) establish additional committees as necessary; and

(vii) other duties as provided in rules or bylaws.

(e) Meetings of the commission:

(1) all meetings shall be open to the public, and public notice of meetings shall be given in the same manner as required under the rulemaking provisions in article X;

(2) the commission or the executive committee or other committees of the commission may convene in a closed, non-public meeting if the commission or executive committee or other committees of the commission must discuss:

(i) non-compliance of a member state with its obligations under the compact;

(ii) the employment, compensation, discipline, or other matters, practices, or procedures related to specific employees or other matters related to the commission's internal personnel practices and procedures;

(iii) current, threatened, or reasonably anticipated litigation;

(iv) negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate;

(v) accusing any person of a crime or formally censuring any person;

(vi) disclosure of trade secrets or commercial or financial information that is privileged or confidential;

(vii) disclosure of information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;

(viii) disclosure of investigative records compiled for law enforcement purposes;

(ix) disclosure of information related to any investigative reports prepared by or on behalf of or for use of the commission or other committee charged with responsibility of investigation or determination of compliance issues pursuant to the compact; or

(x) matters specifically exempted from disclosure by federal or member state statute;

(3) if a meeting, or portion of a meeting, is closed pursuant to this provision, the commission's legal counsel or designee shall certify that the meeting may be closed and shall reference each relevant exempting provision; and

(4) the commission shall keep minutes that fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action shall be identified in such minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release by a majority vote of the commission or order of a court of competent jurisdiction.

(f) Financing of the commission:

(i) the commission shall pay, or provide for the payment of, the reasonable expenses of its establishment, organization, and ongoing activities;

(ii) the commission may accept any and all appropriate revenue sources, donations, and grants of money, equipment, supplies, materials, and services;

(iii) the commission may levy on and collect an annual assessment from each member state or impose fees on other parties to cover the cost of the operations and activities of the commission and its staff, which must be in a total amount sufficient to cover its annual budget as approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount shall be allocated based upon a formula to be determined by the commission, which shall promulgate a rule binding upon all member states;

(iv) the commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same; nor shall the commission pledge the credit of any of the member states, except by and with the authority of the member state; and

(v) the commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the commission shall be audited yearly by a certified or licensed public accountant, and the report of the audit shall be included in and become part of the annual report of the commission.

(g) Qualified immunity, defense, and indemnification:

(1) the members, officers, executive director, employees, and representatives of the commission shall be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error, or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties or responsibilities; provided that nothing in this paragraph shall be construed to protect any such person from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful or wanton misconduct of that person;

(2) the commission shall defend any member, officer, executive director, employee or representative of the commission in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities; provided that nothing herein shall be construed to prohibit that person from retaining his or her own counsel; and provided further, that the actual or alleged act, error, or omission did not result from that person's intentional or willful or wanton misconduct; and

(3) the commission shall indemnify and hold harmless any member, officer, executive director, employee, or representative of the commission for the amount of any settlement or judgment obtained against that person arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or that such person had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from the intentional or willful or wanton misconduct of that person.

ARTICLE IX**DATA SYSTEM**

(a) The commission shall provide for the development, maintenance, operation, and utilization of a coordinated database and reporting system containing licensure, adverse action, and investigative information on all licensed individuals in member states.

(b) Notwithstanding any other provision of state law to the contrary, a member state shall submit a uniform data set to the data system on all individuals to whom this compact is applicable as required by the rules of the commission, including:

(1) identifying information;

(2) licensure data;

(3) adverse actions against a license or privilege to practice;

(4) nonconfidential information related to alternative program participation;

(5) any denial of application for licensure and the reason for such denial;

(6) current significant investigative information; and

(7) other information that may facilitate the administration of this compact, as determined by the rules of the commission.

(c) Investigative information pertaining to a licensee in any member state will only be available to other member states.

(d) The commission shall promptly notify all member states of any adverse action taken against a licensee or an individual applying for a license. Adverse action information pertaining to a licensee in any member state will be available to any other member state.

(e) Member states contributing information to the data system may designate information that may not be shared with the public without the express permission of the contributing state.

(f) Any information submitted to the data system that is subsequently required to be expunged by the laws of the member state contributing the information shall be removed from the data system.

ARTICLE X**RULEMAKING**

(a) The commission shall promulgate reasonable rules in order to effectively and efficiently achieve the purpose of the compact. Notwithstanding the foregoing, in the event the commission exercises its rulemaking authority in a manner that is beyond the scope of the purposes of the compact, or the powers granted hereunder, then such an action by the commission shall be invalid and have no force or effect.

(b) The commission shall exercise its rulemaking powers pursuant to the criteria set forth in this article and the rules adopted thereunder. Rules and amendments shall become binding as of the date specified in each rule or amendment.

(c) If a majority of the legislatures of the member states rejects a rule, by enactment of a statute or resolution in the same manner used to adopt the compact within four years of the date of adoption of the rule, then such rule shall have no further force and effect in any member state.

(d) Rules or amendments to the rules shall be adopted at a regular or special meeting of the commission.

(e) Prior to promulgation and adoption of a final rule or rules by the commission, and at least thirty days in advance of the meeting at which the rule will be considered and voted upon, the commission shall file a notice of proposed rulemaking:

(1) on the website of the commission or other publicly accessible platform; and

(2) on the website of each member state professional counseling licensing board or other publicly accessible platform or the publication in which each state would otherwise publish proposed rules.

(f) The notice of proposed rulemaking shall include:

(1) the proposed time, date, and location of the meeting in which the rule will be considered and voted upon;

(2) the text of the proposed rule or amendment and the reason for the proposed rule;

(3) a request for comments on the proposed rule from any interested person; and

(4) the manner in which interested persons may submit notice to the commission of their intention to attend the public hearing and any written comments.

(g) Prior to adoption of a proposed rule, the commission shall allow persons to submit written data, facts, opinions, and arguments, which shall be made available to the public.

(h) The commission shall grant an opportunity for a public hearing before it adopts a rule or amendment if a hearing is requested by:

(1) at least 25 persons;

(2) a state or federal governmental subdivision or agency; or

(3) an association having at least 25 members.

(i) If a hearing is held on the proposed rule or amendment, the commission shall publish the place, time, and date of the scheduled public hearing. If the hearing is held via electronic means, the commission shall publish the mechanism for access to the electronic hearing:

(1) all persons wishing to be heard at the hearing shall notify the executive director of the commission or other designated member in writing of their desire to appear and testify at the hearing not less than five business days before the scheduled date of the hearing;

(2) hearings shall be conducted in a manner providing each person who wishes to comment a fair and reasonable opportunity to comment orally or in writing;

(3) all hearings will be recorded. A copy of the recording will be made available on request; and

(4) nothing in this article shall be construed as requiring a separate hearing on each rule. Rules may be grouped for the convenience of the commission at hearings required by this article.

(j) Following the scheduled hearing date, or by the close of business on the scheduled hearing date if the hearing was not held, the commission shall consider all written and oral comments received.

(k) If no written notice of intent to attend the public hearing by interested parties is received, the commission may proceed with promulgation of the proposed rule without a public hearing.

(l) The commission shall, by majority vote of all members, take final action on the proposed rule and shall determine the effective date of the rule, if any, based on the rulemaking record and the full text of the rule.

(m) Upon determination that an emergency exists, the commission may consider and adopt an emergency rule without prior notice, opportunity for comment, or hearing, provided that the usual rulemaking procedures provided in the compact and in this article shall be retroactively applied to the rule as soon as reasonably possible, in no event later than 90 days after the effective date of the rule. For the purposes of this provision, an emergency rule is one that must be adopted immediately in order to:

(1) meet an imminent threat to public health, safety, or welfare;

(2) prevent a loss of commission or member state funds;

(3) meet a deadline for the promulgation of an administrative rule that is established by federal law or rule; or

(4) protect public health and safety.

(n) The commission or an authorized committee of the commission may direct revisions to a previously adopted rule or amendment for purposes of correcting typographical errors, errors in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted on the website of the commission. The revision shall be subject to challenge by any person for a period of thirty days after posting. The revision may be challenged only on grounds that the revision results in a material change to a rule. A challenge shall be made in writing and delivered to the chair of the commission prior to the end of the notice period. If no challenge is made, the revision will take effect without further action. If the revision is challenged, the revision may not take effect without the approval of the commission.

ARTICLE XI**OVERSIGHT, DISPUTE RESOLUTION, AND ENFORCEMENT****(a) Oversight:**

(1) the executive, legislative, and judicial branches of state government in each member state shall enforce this compact and take all actions necessary and appropriate to effectuate the compact's purposes and intent. The provisions of this compact and the rules promulgated hereunder shall have standing as statutory law;

(2) all courts shall take judicial notice of the compact and the rules in any judicial or administrative proceeding in a member state pertaining to the subject matter of this compact which may affect the powers, responsibilities, or actions of the commission; and

(3) the commission shall be entitled to receive service of process in any such proceeding and shall have standing to intervene in such a proceeding for all purposes. Failure to provide service of process to the commission shall render a judgment or order void as to the commission, this compact, or promulgated rules.

(b) Default, technical assistance, and termination:

(1) if the commission determines that a member state has defaulted in the performance of its obligations or responsibilities under this compact or the promulgated rules, the commission shall:

(i) provide written notice to the defaulting state and other member states of the nature of the default, the proposed means of curing the default, or any other action to be taken by the commission; and

(ii) provide remedial training and specific technical assistance regarding the default.

(c) If a state in default fails to cure the default, the defaulting state may be terminated from the compact upon an affirmative vote of a majority of the member states, and all rights, privileges, and benefits conferred by this compact may be terminated on the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of default.

(d) Termination of membership in the compact shall be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given by the commission to the governor, the majority and minority leaders of the defaulting state's legislature, and each of the member states.

(e) A state that has been terminated is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination, including obligations that extend beyond the effective date of termination.

(f) The commission shall not bear any costs related to a state that is found to be in default or that has been terminated from the compact, unless agreed upon in writing between the commission and the defaulting state.

(g) The defaulting state may appeal the action of the commission by petitioning the United States District Court for the District of Columbia or the federal district where the commission has its principal offices. The prevailing member shall be awarded all costs of such litigation, including reasonable attorney's fees.

(h) Dispute resolution:

(1) Upon request by a member state, the commission shall attempt to resolve disputes related to the compact that arise among member states and between member and nonmember states; and

(2) the commission shall promulgate a rule providing for both mediation and binding dispute resolution for such disputes as appropriate.

(i) Enforcement:

(1) The commission, in the reasonable exercise of its discretion, shall enforce the provisions and rules of this compact;

(2) by majority vote, the commission may initiate legal action in the United States District Court for the District of Columbia or the federal district where the commission has its principal offices against a member state in default to enforce compliance with the provisions of the compact and its promulgated rules and bylaws. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing member shall be awarded all costs of such litigation, including reasonable attorney's fees; and

(3) the remedies herein shall not be the exclusive remedies of the commission. The commission may pursue any other remedies available under federal or state law.

ARTICLE XII

DATE OF IMPLEMENTATION OF THE COUNSELING COMPACT COMMISSION AND ASSOCIATED RULES, WITHDRAWAL, AND AMENDMENT

(a) The compact shall come into effect on the date on which the compact statute is enacted into law in the tenth member state. The provisions, which become effective at that time, shall be limited to the powers granted to the commission relating to assembly and the promulgation of rules. Thereafter, the commission shall meet and exercise rulemaking powers necessary to the implementation and administration of the compact.

(b) Any state that joins the compact subsequent to the commission's initial adoption of the rules shall be subject to the rules as they exist on the date on which the compact becomes law in that state. Any rule that has been previously adopted by the commission shall have the full force and effect of law on the day the compact becomes law in that state.

(c) Any member state may withdraw from this compact by enacting a statute repealing the same.

(1) a member state's withdrawal shall not take effect until six months after enactment of the repealing statute; and

(2) withdrawal shall not affect the continuing requirement of the withdrawing state's professional counseling licensing board to comply with the investigative and adverse action reporting requirements of this act prior to the effective date of withdrawal.

(d) Nothing contained in this compact shall be construed to invalidate or prevent any professional counseling licensure agreement or other cooperative arrangement between a member state and a nonmember state that does not conflict with the provisions of this compact.

(e) This compact may be amended by the member states. No amendment to this compact shall become effective and binding upon any member state until it is enacted into the laws of all member states.

ARTICLE XIII

CONSTRUCTION AND SEVERABILITY

This compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any member state or of the United States or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any member state, the compact shall remain in full force and effect as to the remaining member states and in full force and effect as to the member state affected as to all severable matters.

ARTICLE XIV

BINDING EFFECT OF COMPACT AND OTHER LAWS

(a) A licensee providing professional counseling services in a remote state under the privilege to practice shall adhere to the laws and regulations, including scope of practice, of the remote state.

(b) Nothing herein prevents the enforcement of any other law of a member state that is not inconsistent with the compact.

(c) Any laws in a member state in conflict with the compact are superseded to the extent of the conflict.

(d) Any lawful actions of the commission, including all rules and bylaws properly promulgated by the commission, are binding upon the member states.

(e) All permissible agreements between the commission and the member states are binding in accordance with their terms.

(f) In the event any provision of the compact exceeds the constitutional limits imposed on the legislature of any member state, the provision shall be ineffective to the extent of the conflict with the constitutional provision in question in that member state.

Sec. 18. Minnesota Statutes 2020, section 148F.11, is amended by adding a subdivision to read:

Subd. 2a. **Former students.** (a) A former student may practice alcohol and drug counseling without a license for 90 days after the former student's degree conferral date from an accredited school or educational program or after the last date the former student received credit for an alcohol and drug counseling course from an accredited school or educational program. The former student's practice under this subdivision must be supervised by an alcohol and drug counselor as defined under section 245G.11, subdivision 5, an alcohol and drug counselor supervisor as defined under section 245G.11, subdivision 4, or a treatment director as defined under section 245G.11, subdivision 3.

(b) The former student's right to practice under this subdivision expires after 90 days from the former student's degree conferral date or date of last course credit for an alcohol and drug counseling course, whichever occurs last.

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

Sec. 19. Minnesota Statutes 2020, section 150A.10, subdivision 1a, is amended to read:

Subd. 1a. Collaborative practice authorization for dental hygienists in community settings.
 (a) Notwithstanding subdivision 1, a dental hygienist licensed under this chapter may be employed or retained by a health care facility, program, ~~or nonprofit organization,~~ or licensed dentist to perform the dental hygiene services listed in Minnesota Rules, part 3100.8700, subpart 1, without the patient first being examined by a licensed dentist if the dental hygienist:

(1) has entered into a collaborative agreement with a licensed dentist that designates authorization for the services provided by the dental hygienist; and

(2) has documented completion of a course on medical emergencies within each continuing education cycle.

(b) A collaborating dentist must be licensed under this chapter and may enter into a collaborative agreement with no more than four dental hygienists unless otherwise authorized by the board. The board shall develop parameters and a process for obtaining authorization to collaborate with more than four dental hygienists. The collaborative agreement must include:

(1) consideration for medically compromised patients and medical conditions for which a dental evaluation and treatment plan must occur prior to the provision of dental hygiene services;

(2) age- and procedure-specific standard collaborative practice protocols, including recommended intervals for the performance of dental hygiene services and a period of time in which an examination by a dentist should occur;

(3) copies of consent to treatment form provided to the patient by the dental hygienist;

(4) specific protocols for the placement of pit and fissure sealants and requirements for follow-up care to ~~assure the~~ ensure efficacy ~~of the sealants after application;~~ and

(5) the procedure for creating and maintaining dental records for patients who are treated by the dental hygienist under Minnesota Rules, part 3100.9600, including specifying where records will be located.

~~The collaborative agreement must be signed and maintained by the dentist, the dental hygienist, and the facility, program, or organization; must be reviewed annually by the collaborating dentist and dental hygienist and must be made available to the board upon request.~~

(c) The collaborative agreement must be:

(1) signed and maintained by the dentist; the dental hygienist; and the facility, program, or organization;

(2) reviewed annually by the collaborating dentist and the dental hygienist; and

(3) made available to the board upon request.

~~(d)~~ (d) Before performing any services authorized under this subdivision, a dental hygienist must provide the patient with a consent to treatment form which must include a statement advising the patient that the dental hygiene services provided are not a substitute for a dental examination by a licensed dentist. When the patient requires a referral for additional dental services, the dental hygienist shall complete a referral form and provide a copy to the patient, the facility, if applicable, the dentist to whom the patient is being referred, and the collaborating dentist, if specified in the collaborative agreement. A copy of the referral form shall be maintained in the patient's health care record. The patient does not become a new patient of record of the dentist to whom the patient was referred until the dentist accepts the patient for follow-up services after referral from the dental hygienist.

~~(e)~~ (e) For the purposes of this subdivision, a "health care facility, program, or nonprofit organization" includes a hospital; nursing home; home health agency; group home serving the elderly, disabled, or juveniles; state-operated facility licensed by the commissioner of human services or the commissioner of corrections; a state agency administered public health program or event; and federal, state, or local public health facility, community clinic, tribal clinic, school authority, Head Start program, or nonprofit organization that serves individuals who are uninsured or who are Minnesota health care public program recipients.

~~(f)~~ (f) For purposes of this subdivision, a "collaborative agreement" means a written agreement with a licensed dentist who authorizes and accepts responsibility for the services performed by the dental hygienist.

(g) A collaborative practice dental hygienist must be reimbursed for all services performed through a health care facility, program, nonprofit organization, or licensed dentist.

(h) The commissioner of human services shall report annually, beginning February 15, 2023, and each February 15 thereafter, to the Board of Dentistry on the services provided by collaborative practice dental hygienists to medical assistance and MinnesotaCare enrollees during the previous calendar year. The information reported must include, at a minimum, the geographic location and type of setting at which care was delivered, the number of medical assistance and MinnesotaCare patients served, and the characteristics of the patient population.

Sec. 20. Minnesota Statutes 2020, section 150A.105, subdivision 8, is amended to read:

Subd. 8. **Definitions.** (a) For the purposes of this section, the following definitions apply.

(b) "Practice settings that serve the low-income and underserved" mean:

(1) critical access dental provider settings as designated by the commissioner of human services under section 256B.76, subdivision 4;

(2) dental hygiene collaborative practice settings identified in section 150A.10, subdivision 1a, paragraph ~~(d)~~ (e), and including medical facilities, assisted living facilities, federally qualified health centers, and organizations eligible to receive a community clinic grant under section 145.9268, subdivision 1;

(3) military and veterans administration hospitals, clinics, and care settings;

(4) a patient's residence or home when the patient is home-bound or receiving or eligible to receive home care services or home and community-based waived services, regardless of the patient's income;

(5) oral health educational institutions; or

(6) any other clinic or practice setting, including mobile dental units, in which at least 50 percent of the total patient base of the dental therapist or advanced dental therapist consists of patients who:

(i) are enrolled in a Minnesota health care program;

(ii) have a medical disability or chronic condition that creates a significant barrier to receiving dental care;

(iii) do not have dental health coverage, either through a public health care program or private insurance, and have an annual gross family income equal to or less than 200 percent of the federal poverty guidelines; or

(iv) do not have dental health coverage, either through a state public health care program or private insurance, and whose family gross income is equal to or less than 200 percent of the federal poverty guidelines.

(c) "Dental health professional shortage area" means an area that meets the criteria established by the secretary of the United States Department of Health and Human Services and is designated as such under United States Code, title 42, section 254e.

Sec. 21. Minnesota Statutes 2020, section 151.01, subdivision 27, is amended to read:

Subd. 27. **Practice of pharmacy.** "Practice of pharmacy" means:

(1) interpretation and evaluation of prescription drug orders;

(2) compounding, labeling, and dispensing drugs and devices (except labeling by a manufacturer or packager of nonprescription drugs or commercially packaged legend drugs and devices);

(3) participation in clinical interpretations and monitoring of drug therapy for assurance of safe and effective use of drugs, including ~~the performance of~~ ordering and performing laboratory tests that are waived under the federal Clinical Laboratory Improvement Act of 1988, United States Code,

title 42, section 263a et seq., ~~provided that a pharmacist may interpret the results of laboratory tests but may modify~~ A pharmacist may collect specimens, interpret results, notify the patient of results, and refer patients to other health care providers for follow-up care and may initiate, modify, or discontinue drug therapy only pursuant to a protocol or collaborative practice agreement. A pharmacy technician or pharmacist intern may perform tests authorized under this clause if the technician or intern is working under the direct supervision of a pharmacist;

(4) participation in drug and therapeutic device selection; drug administration for first dosage and medical emergencies; intramuscular and subcutaneous administration used for the treatment of alcohol or opioid dependence; drug regimen reviews; and drug or drug-related research;

(5) drug administration, through intramuscular and subcutaneous administration used to treat mental illnesses as permitted under the following conditions:

(i) upon the order of a prescriber and the prescriber is notified after administration is complete; or

(ii) pursuant to a protocol or collaborative practice agreement as defined by section 151.01, subdivisions 27b and 27c, and participation in the initiation, management, modification, administration, and discontinuation of drug therapy is according to the protocol or collaborative practice agreement between the pharmacist and a dentist, optometrist, physician, podiatrist, or veterinarian, or an advanced practice registered nurse authorized to prescribe, dispense, and administer under section 148.235. Any changes in drug therapy or medication administration made pursuant to a protocol or collaborative practice agreement must be documented by the pharmacist in the patient's medical record or reported by the pharmacist to a practitioner responsible for the patient's care;

(6) participation in administration of influenza vaccines and vaccines approved by the United States Food and Drug Administration related to COVID-19 or SARS-CoV-2 to all eligible individuals six years of age and older and all other vaccines to patients 13 years of age and older by written protocol with a physician licensed under chapter 147, a physician assistant authorized to prescribe drugs under chapter 147A, or an advanced practice registered nurse authorized to prescribe drugs under section 148.235, provided that the protocol includes a procedure for handling an adverse reaction, and the pharmacist:

(i) the protocol includes, at a minimum:

~~(A) the name, dose, and route of each vaccine that may be given;~~

~~(B) the patient population for whom the vaccine may be given;~~

~~(C) contraindications and precautions to the vaccine;~~

~~(D) the procedure for handling an adverse reaction;~~

~~(E) the name, signature, and address of the physician, physician assistant, or advanced practice registered nurse;~~

~~(F) a telephone number at which the physician, physician assistant, or advanced practice registered nurse can be contacted; and~~

~~(G) the date and time period for which the protocol is valid;~~

~~(ii) the pharmacist (i) has successfully completed a program approved by the Accreditation Council for Pharmacy Education specifically for the administration of immunizations or a program approved by the board;~~

~~(iii) the pharmacist (ii) utilizes the Minnesota Immunization Information Connection to assess the immunization status of individuals prior to the administration of vaccines, except when administering influenza vaccines to individuals age nine and older;~~

~~(iv) the pharmacist (iii) reports the administration of the immunization to the Minnesota Immunization Information Connection; and~~

~~(v) the pharmacist (iv) complies with guidelines for vaccines and immunizations established by the federal Advisory Committee on Immunization Practices, except that a pharmacist does not need to comply with those portions of the guidelines that establish immunization schedules when if the pharmacist is administering a vaccine pursuant to a valid, patient-specific order issued by a physician licensed under chapter 147, a physician assistant authorized to prescribe drugs under chapter 147A, or an advanced practice registered nurse authorized to prescribe drugs under section 148.235, provided that the order is consistent with the United States Food and Drug Administration approved labeling of the vaccine;~~

~~(v) informs the patient of any contraindications and precautions to the vaccine before administering the vaccine; and~~

~~(vi) if the patient is 18 years of age or younger, informs the patient and any adult caregiver accompanying the patient of the importance of a well-child visit with a pediatrician or other licensed primary care provider;~~

(7) participation in the initiation, management, modification, and discontinuation of drug therapy according to a written protocol or collaborative practice agreement between: (i) one or more pharmacists and one or more dentists, optometrists, physicians, podiatrists, or veterinarians; or (ii) one or more pharmacists and one or more physician assistants authorized to prescribe, dispense, and administer under chapter 147A, or advanced practice registered nurses authorized to prescribe, dispense, and administer under section 148.235. Any changes in drug therapy made pursuant to a protocol or collaborative practice agreement must be documented by the pharmacist in the patient's medical record or reported by the pharmacist to a practitioner responsible for the patient's care;

(8) participation in the storage of drugs and the maintenance of records;

(9) patient counseling on therapeutic values, content, hazards, and uses of drugs and devices;

(10) offering or performing those acts, services, operations, or transactions necessary in the conduct, operation, management, and control of a pharmacy;

(11) participation in the initiation, management, modification, and discontinuation of therapy with opiate antagonists, as defined in section 604A.04, subdivision 1, pursuant to:

(i) a written protocol as allowed under clause (7); or

(ii) a written protocol with a community health board medical consultant or a practitioner designated by the commissioner of health, as allowed under section 151.37, subdivision 13; and

(12) prescribing self-administered hormonal contraceptives; nicotine replacement medications; and opiate antagonists for the treatment of an acute opiate overdose pursuant to section 151.37, subdivision 14, 15, or 16.

Sec. 22. Minnesota Statutes 2020, section 151.065, subdivision 1, is amended to read:

Subdivision 1. **Application fees.** Application fees for licensure and registration are as follows:

(1) pharmacist licensed by examination, \$175;

(2) pharmacist licensed by reciprocity, \$275;

(3) pharmacy intern, \$50;

(4) pharmacy technician, \$50;

(5) pharmacy, \$260;

(6) drug wholesaler, legend drugs only, \$5,260;

(7) drug wholesaler, legend and nonlegend drugs, \$5,260;

(8) drug wholesaler, nonlegend drugs, veterinary legend drugs, or both, \$5,260;

(9) drug wholesaler, medical gases, ~~\$5,260 for the first facility and \$260 for each additional facility;~~

(10) third-party logistics provider, \$260;

(11) drug manufacturer, nonopiate legend drugs only, \$5,260;

(12) drug manufacturer, nonopiate legend and nonlegend drugs, \$5,260;

(13) drug manufacturer, nonlegend or veterinary legend drugs, \$5,260;

(14) drug manufacturer, medical gases, ~~\$5,260 for the first facility and \$260 for each additional facility;~~

(15) drug manufacturer, also licensed as a pharmacy in Minnesota, \$5,260;

(16) drug manufacturer of opiate-containing controlled substances listed in section 152.02, subdivisions 3 to 5, \$55,260;

(17) medical gas dispenser, \$260;

(18) controlled substance researcher, \$75; and

(19) pharmacy professional corporation, \$150.

Sec. 23. Minnesota Statutes 2020, section 151.065, subdivision 3, is amended to read:

Subd. 3. **Annual renewal fees.** Annual licensure and registration renewal fees are as follows:

(1) pharmacist, \$175;

(2) pharmacy technician, \$50;

(3) pharmacy, \$260;

(4) drug wholesaler, legend drugs only, \$5,260;

(5) drug wholesaler, legend and nonlegend drugs, \$5,260;

(6) drug wholesaler, nonlegend drugs, veterinary legend drugs, or both, \$5,260;

(7) drug wholesaler, medical gases, ~~\$5,260 for the first facility and \$260 for each additional facility;~~

(8) third-party logistics provider, \$260;

(9) drug manufacturer, nonopiate legend drugs only, \$5,260;

(10) drug manufacturer, nonopiate legend and nonlegend drugs, \$5,260;

(11) drug manufacturer, nonlegend, veterinary legend drugs, or both, \$5,260;

(12) drug manufacturer, medical gases, ~~\$5,260 for the first facility and \$260 for each additional facility;~~

(13) drug manufacturer, also licensed as a pharmacy in Minnesota, \$5,260;

(14) drug manufacturer of opiate-containing controlled substances listed in section 152.02, subdivisions 3 to 5, \$55,260;

(15) medical gas dispenser, \$260;

(16) controlled substance researcher, \$75; and

(17) pharmacy professional corporation, \$100.

Sec. 24. Minnesota Statutes 2020, section 151.065, subdivision 7, is amended to read:

Subd. 7. **Deposit of fees.** (a) The license fees collected under this section, with the exception of the fees identified in paragraphs (b) and (c), shall be deposited in the state government special revenue fund.

(b) \$5,000 of each fee collected under subdivision 1, clauses (6) to ~~(9)~~ (8), ~~and~~ (11) to (13), and (15), and subdivision 3, clauses (4) to ~~(7)~~ (6), ~~and~~ (9) to (11), and (13), and \$55,000 of each fee collected under subdivision 1, clause (16), and subdivision 3, clause (14), shall be deposited in the opiate epidemic response fund established in section 256.043.

(c) If the fees collected under subdivision 1, clause (16), or subdivision 3, clause (14), are reduced under section 256.043, \$5,000 of the reduced fee shall be deposited in the opiate epidemic response fund in section 256.043.

Sec. 25. **[151.103] DELEGATION OF VACCINE ADMINISTRATION.**

(a) A pharmacy technician or pharmacist intern may administer vaccines under section 151.01, subdivision 27, clause (6), if the technician or intern:

(1) is under the direct supervision of a pharmacist while administering the vaccine;

(2) has successfully completed a program approved by the Accreditation Council for Pharmacy Education (ACPE) specifically for the administration of immunizations or a program approved by the board;

(3) has a current certificate in basic cardiopulmonary resuscitation; and

(4) if delegated to a pharmacy technician, the technician has completed:

(i) one of the training programs listed under Minnesota Rules, part 6800.3850, subpart 1h, item B; and

(ii) a minimum of two hours of ACPE-approved, immunization-related continuing pharmacy education as part of the pharmacy technician's two-year continuing education schedule.

(b) Direct supervision under this section must be in-person and must not be done through telehealth as defined under section 62A.673, subdivision 2.

Sec. 26. Minnesota Statutes 2020, section 152.125, is amended to read:

152.125 INTRACTABLE PAIN.

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

(b) "Drug diversion" means the unlawful transfer of prescription drugs from their licit medical purpose to the illicit marketplace.

(c) "Intractable pain" means a pain state in which the cause of the pain cannot be removed or otherwise treated with the consent of the patient and in which, in the generally accepted course of medical practice, no relief or cure of the cause of the pain is possible, or none has been found after reasonable efforts. Conditions associated with intractable pain include but are not limited to cancer and the recovery period, sickle cell disease, noncancer pain, rare diseases, orphan diseases, severe injuries, and health conditions requiring the provision of palliative care or hospice care. Reasonable

efforts for relieving or curing the cause of the pain may be determined on the basis of, but are not limited to, the following:

(1) when treating a nonterminally ill patient for intractable pain, an evaluation conducted by the attending physician, advanced practice registered nurse, or physician assistant and one or more physicians, advanced practice registered nurses, or physician assistants specializing in pain medicine or the treatment of the area, system, or organ of the body confirmed or perceived as the source of the intractable pain; or

(2) when treating a terminally ill patient, an evaluation conducted by the attending physician, advanced practice registered nurse, or physician assistant who does so in accordance with the standard of care and the level of care, skill, and treatment that would be recognized by a reasonably prudent physician, advanced practice registered nurse, or physician assistant under similar conditions and circumstances.

(d) "Palliative care" has the meaning provided in section 144A.75, subdivision 12.

(e) "Rare disease" means a disease, disorder, or condition that affects fewer than 200,000 individuals in the United States and is chronic, serious, life altering, or life threatening.

Subd. 1a. Criteria for the evaluation and treatment of intractable pain. The evaluation and treatment of intractable pain when treating a nonterminally ill patient is governed by the following criteria:

(1) a diagnosis of intractable pain by the treating physician, advanced practice registered nurse, or physician assistant and either by a physician, advanced practice registered nurse, or physician assistant specializing in pain medicine or a physician, advanced practice registered nurse, or physician assistant treating the area, system, or organ of the body that is the source of the pain is sufficient to meet the definition of intractable pain; and

(2) the cause of the diagnosis of intractable pain must not interfere with medically necessary treatment including but not limited to prescribing or administering a controlled substance in Schedules II to V of section 152.02.

Subd. 2. Prescription and administration of controlled substances for intractable pain. (a) Notwithstanding any other provision of this chapter, a physician, advanced practice registered nurse, or physician assistant may prescribe or administer a controlled substance in Schedules II to V of section 152.02 to ~~an individual~~ a patient in the course of the physician's, advanced practice registered nurse's, or physician assistant's treatment of the ~~individual~~ patient for a diagnosed condition causing intractable pain. No physician, advanced practice registered nurse, or physician assistant shall be subject to disciplinary action by the Board of Medical Practice or Board of Nursing for appropriately prescribing or administering a controlled substance in Schedules II to V of section 152.02 in the course of treatment of ~~an individual~~ a patient for intractable pain, provided the physician, advanced practice registered nurse, or physician assistant:

(1) keeps accurate records of the purpose, use, prescription, and disposal of controlled substances, writes accurate prescriptions, and prescribes medications in conformance with chapter 147- or 148 or in accordance with the current standard of care; and

(2) enters into a patient-provider agreement that meets the criteria in subdivision 5.

(b) No physician, advanced practice registered nurse, or physician assistant, acting in good faith and based on the needs of the patient, shall be subject to disenrollment or termination by the commissioner of health or human services solely for prescribing a dosage that equates to an upward deviation from morphine milligram equivalent dosage recommendations or thresholds specified in state or federal opioid prescribing guidelines or policies, including but not limited to the Guideline for Prescribing Opioids for Chronic Pain issued by the Centers for Disease Control and Prevention, Minnesota opioid prescribing guidelines, the Minnesota opioid prescribing improvement program, and the Minnesota quality improvement program established under section 256B.0638.

(c) A physician, advanced practice registered nurse, or physician assistant treating intractable pain by prescribing, dispensing, or administering a controlled substance in Schedules II to V of section 152.02 that includes but is not limited to opioid analgesics must not taper a patient's medication dosage solely to meet a predetermined morphine milligram equivalent dosage recommendation or threshold if the patient is stable and compliant with the treatment plan, is experiencing no serious harm from the level of medication currently being prescribed or previously prescribed, and is in compliance with the patient-provider agreement as described in subdivision 5.

(d) A physician's, advanced practice registered nurse's, or physician assistant's decision to taper a patient's medication dosage must be based on factors other than a morphine milligram equivalent recommendation or threshold.

(e) No pharmacist, health plan company, or pharmacy benefit manager shall refuse to fill a prescription for an opiate issued by a licensed practitioner with the authority to prescribe opiates solely based on the prescription exceeding a predetermined morphine milligram equivalent dosage recommendation or threshold.

Subd. 3. **Limits on applicability.** This section does not apply to:

(1) a physician's, advanced practice registered nurse's, or physician assistant's treatment of ~~an individual~~ a patient for chemical dependency resulting from the use of controlled substances in Schedules II to V of section 152.02;

(2) the prescription or administration of controlled substances in Schedules II to V of section 152.02 to ~~an individual~~ a patient whom the physician, advanced practice registered nurse, or physician assistant knows to be using the controlled substances for nontherapeutic or drug diversion purposes;

(3) the prescription or administration of controlled substances in Schedules II to V of section 152.02 for the purpose of terminating the life of ~~an individual~~ a patient having intractable pain; or

(4) the prescription or administration of a controlled substance in Schedules II to V of section 152.02 that is not a controlled substance approved by the United States Food and Drug Administration for pain relief.

Subd. 4. **Notice of risks.** Prior to treating ~~an individual~~ a patient for intractable pain in accordance with subdivision 2, a physician, advanced practice registered nurse, or physician assistant shall discuss with the ~~individual~~ patient or the patient's legal guardian, if applicable, the risks associated with the controlled substances in Schedules II to V of section 152.02 to be prescribed or administered

in the course of the physician's, advanced practice registered nurse's, or physician assistant's treatment of ~~an individual~~ a patient, and document the discussion in the ~~individual's~~ patient's record as required in the patient-provider agreement described in subdivision 5.

Subd. 5. **Patient-provider agreement.** (a) Before treating a patient for intractable pain, a physician, advanced practice registered nurse, or physician assistant and the patient or the patient's legal guardian, if applicable, must mutually agree to the treatment and enter into a provider-patient agreement. The agreement must include a description of the prescriber's and the patient's expectations, responsibilities, and rights according to best practices and current standards of care.

(b) The agreement must be signed by the patient or the patient's legal guardian, if applicable, and the physician, advanced practice registered nurse, or physician assistant and included in the patient's medical records. A copy of the signed agreement must be provided to the patient.

(c) The agreement must be reviewed by the patient and the physician, advanced practice registered nurse, or physician assistant annually. If there is a change in the patient's treatment plan, the agreement must be updated and a revised agreement must be signed by the patient or the patient's legal guardian. A copy of the revised agreement must be included in the patient's medical record and a copy must be provided to the patient.

(d) A patient-provider agreement is not required in an emergency or inpatient hospital setting.

Sec. 27. **TEMPORARY REQUIREMENTS GOVERNING AMBULANCE SERVICE OPERATIONS AND THE PROVISION OF EMERGENCY MEDICAL SERVICES.**

Subdivision 1. **Application.** Notwithstanding any law to the contrary in Minnesota Statutes, chapter 144E, an ambulance service may operate according to this section, and emergency medical technicians, advanced emergency medical technicians, and paramedics may provide emergency medical services according to this section.

Subd. 2. **Definitions.** (a) The terms defined in this subdivision apply to this section.

(b) "Advanced emergency medical technician" has the meaning given in Minnesota Statutes, section 144E.001, subdivision 5d.

(c) "Advanced life support" has the meaning given in Minnesota Statutes, section 144E.001, subdivision 1b.

(d) "Ambulance" has the meaning given in Minnesota Statutes, section 144E.001, subdivision 2.

(e) "Ambulance service personnel" has the meaning given in Minnesota Statutes, section 144E.001, subdivision 3a.

(f) "Basic life support" has the meaning given in Minnesota Statutes, section 144E.001, subdivision 4b.

(g) "Board" means the Emergency Medical Services Regulatory Board.

(h) "Emergency medical technician" has the meaning given in Minnesota Statutes, section 144E.001, subdivision 5c.

(i) "Paramedic" has the meaning given in Minnesota Statutes, section 144E.001, subdivision 5e.

(j) "Primary service area" means the area designated by the board according to Minnesota Statutes, section 144E.06, to be served by an ambulance service.

Subd. 3. **Staffing.** (a) For emergency ambulance calls in an ambulance service's primary service area, an ambulance service must staff an ambulance that provides basic life support with at least:

(1) one emergency medical technician, who must be in the patient compartment when a patient is being transported; and

(2) one individual to drive the ambulance. The driver must hold a valid driver's license from any state, must have attended an emergency vehicle driving course approved by the ambulance service, and must have completed a course on cardiopulmonary resuscitation approved by the ambulance service.

(b) For emergency ambulance calls in an ambulance service's primary service area, an ambulance service must staff an ambulance that provides advanced life support with at least:

(1) one paramedic; one registered nurse who meets the requirements in Minnesota Statutes, section 144E.001, subdivision 3a, clause (2); or one physician assistant who meets the requirements in Minnesota Statutes, section 144E.001, subdivision 3a, clause (3), and who must be in the patient compartment when a patient is being transported; and

(2) one individual to drive the ambulance. The driver must hold a valid driver's license from any state, must have attended an emergency vehicle driving course approved by the ambulance service, and must have completed a course on cardiopulmonary resuscitation approved by the ambulance service.

(c) The ambulance service director and medical director must approve the staffing of an ambulance according to this subdivision.

(d) An ambulance service staffing an ambulance according to this subdivision must immediately notify the board in writing and in a manner prescribed by the board. The notice must specify how the ambulance service is staffing its basic life support or advanced life support ambulances and the time period the ambulance service plans to staff the ambulances according to this subdivision. If an ambulance service continues to staff an ambulance according to this subdivision after the date provided to the board in its initial notice, the ambulance service must provide a new notice to the board in a manner that complies with this paragraph.

(e) If an individual serving as a driver under this subdivision commits an act listed in Minnesota Statutes, section 144E.27, subdivision 5, paragraph (a), the board may temporarily suspend or prohibit the individual from driving an ambulance or place conditions on the individual's ability to drive an ambulance using the procedures and authority in Minnesota Statutes, section 144E.27, subdivisions 5 and 6.

Subd. 4. Use of expired emergency medications and medical supplies. (a) If an ambulance service experiences a shortage of an emergency medication or medical supply, ambulance service personnel may use an emergency medication or medical supply for up to six months after the emergency medication's or medical supply's specified expiration date, provided:

(1) the ambulance service director and medical director approve the use of the expired emergency medication or medical supply;

(2) ambulance service personnel use an expired emergency medication or medical supply only after depleting the ambulance service's supply of that emergency medication or medical supply that is unexpired;

(3) the ambulance service has stored and maintained the expired emergency medication or medical supply according to the manufacturer's instructions;

(4) if possible, ambulance service personnel obtain consent from the patient to use the expired emergency medication or medical supply prior to its use; and

(5) when the ambulance service obtains a supply of that emergency medication or medical supply that is unexpired, ambulance service personnel cease use of the expired emergency medication or medical supply and instead use the unexpired emergency medication or medical supply.

(b) Before approving the use of an expired emergency medication, an ambulance service director and medical director must consult with the Board of Pharmacy regarding the safety and efficacy of using the expired emergency medication.

(c) An ambulance service must keep a record of all expired emergency medications and all expired medical supplies used and must submit that record in writing to the board in a time and manner specified by the board. The record must list the specific expired emergency medications and medical supplies used and the time period during which ambulance service personnel used the expired emergency medication or medical supply.

Subd. 5. Provision of emergency medical services after certification expires. (a) At the request of an emergency medical technician, advanced emergency medical technician, or paramedic, and with the approval of the ambulance service director, an ambulance service medical director may authorize the emergency medical technician, advanced emergency medical technician, or paramedic to provide emergency medical services for the ambulance service for up to three months after the certification of the emergency medical technician, advanced emergency medical technician, or paramedic expires.

(b) An ambulance service must immediately notify the board each time its medical director issues an authorization under paragraph (a). The notice must be provided in writing and in a manner prescribed by the board and must include information on the time period each emergency medical technician, advanced emergency medical technician, or paramedic will provide emergency medical services according to an authorization under this subdivision; information on why the emergency medical technician, advanced emergency medical technician, or paramedic needs the authorization; and an attestation from the medical director that the authorization is necessary to help the ambulance service adequately staff its ambulances.

Subd. 6. **Reports.** The board must provide quarterly reports to the chairs and ranking minority members of the legislative committees with jurisdiction over the board regarding actions taken by ambulance services according to subdivisions 3, 4, and 5. The board must submit reports by June 30, September 30, and December 31 of 2022; and by March 31, June 30, September 30, and December 31 of 2023. Each report must include the following information:

(1) for each ambulance service staffing basic life support or advanced life support ambulances according to subdivision 3, the primary service area served by the ambulance service, the number of ambulances staffed according to subdivision 3, and the time period the ambulance service has staffed and plans to staff the ambulances according to subdivision 3;

(2) for each ambulance service that authorized the use of an expired emergency medication or medical supply according to subdivision 4, the expired emergency medications and medical supplies authorized for use and the time period the ambulance service used each expired emergency medication or medical supply; and

(3) for each ambulance service that authorized the provision of emergency medical services according to subdivision 5, the number of emergency medical technicians, advanced emergency medical technicians, and paramedics providing emergency medical services under an expired certification and the time period each emergency medical technician, advanced emergency medical technician, or paramedic provided and will provide emergency medical services under an expired certification.

Subd. 7. **Expiration.** This section expires January 1, 2024.

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

Sec. 28. **EXPEDITED REREGISTRATION FOR LAPSED NURSING LICENSES.**

(a) Notwithstanding Minnesota Statutes, section 148.231, a nurse who desires to resume the practice of professional or practical nursing at a licensed nursing facility or licensed assisted living facility but whose license to practice nursing has lapsed effective on or after January 1, 2019, may submit an application to the Board of Nursing for reregistration. The application must be submitted and received by the board between March 31, 2022, and March 31, 2023, and must be accompanied with the reregistration fee specified in Minnesota Statutes, section 148.243, subdivision 5. The applicant must include with the application the name and location of the facility where the nurse is or will be employed.

(b) The board shall issue a current registration if upon a licensure history review, the board determines that at the time the nurse's license lapsed:

(1) the nurse's license was in good standing; and

(2) the nurse was not the subject of any pending investigations or disciplinary actions or was not disqualified to practice in any way.

The board shall waive any other requirements for reregistration including any continuing education requirements.

(c) The registration issued under this section shall remain valid until the nurse's next registration period. If the nurse desires to continue to practice after that date, the nurse must meet the reregistration requirements under Minnesota Statutes, section 148.231, including any penalty fees required.

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

Sec. 29. **REPEALER.**

Minnesota Statutes 2020, section 147.02, subdivision 2a, is repealed.

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

ARTICLE 15

MINNESOTA HEALTH AND EDUCATION FACILITIES AUTHORITY

Section 1. Minnesota Statutes 2020, section 3.732, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the Housing Finance Agency, the Minnesota Office of Higher Education, the ~~Higher Health and~~ Education Facilities Authority, the Health Technology Advisory Committee, the Armory Building Commission, the Zoological Board, the Department of Iron Range Resources and Rehabilitation, the Minnesota Historical Society, the State Agricultural Society, the University of Minnesota, the Minnesota State Colleges and Universities, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota National Guard, members of a bomb disposal unit approved by the commissioner of public safety and employed by a municipality defined in section 466.01 when engaged in the disposal or neutralization of bombs or other similar hazardous explosives, as defined in section 299C.063, outside the jurisdiction of the municipality but within the state, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation. It does not include either an independent contractor except, for purposes of this section and section 3.736 only, a guardian ad litem acting under court appointment, or members of the Minnesota National Guard while engaged in training or duty under United States Code, title 10, or title 32, section 316, 502, 503, 504, or 505, as amended through December 31, 1983. Notwithstanding sections 43A.02 and 611.263, for purposes of this section and section 3.736 only, "employee of the state" includes a district public defender or assistant district public defender in the Second or Fourth Judicial District, a member of the Health Technology Advisory Committee, and any officer, agent, or employee of the state of Wisconsin performing work for the state of Minnesota pursuant to a joint state initiative.

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

(4) "Judicial branch" has the meaning given in section 43A.02, subdivision 25.

Sec. 2. Minnesota Statutes 2021 Supplement, section 10A.01, subdivision 35, is amended to read:

Subd. 35. **Public official.** "Public official" means any:

- (1) member of the legislature;
- (2) individual employed by the legislature as secretary of the senate, legislative auditor, director of the Legislative Budget Office, chief clerk of the house of representatives, revisor of statutes, or researcher, legislative analyst, fiscal analyst, or attorney in the Office of Senate Counsel, Research and Fiscal Analysis, House Research, or the House Fiscal Analysis Department;
- (3) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (4) solicitor general or deputy, assistant, or special assistant attorney general;
- (5) commissioner, deputy commissioner, or assistant commissioner of any state department or agency as listed in section 15.01 or 15.06, or the state chief information officer;
- (6) member, chief administrative officer, or deputy chief administrative officer of a state board or commission that has either the power to adopt, amend, or repeal rules under chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- (7) individual employed in the executive branch who is authorized to adopt, amend, or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- (8) executive director of the State Board of Investment;
- (9) deputy of any official listed in clauses (7) and (8);
- (10) judge of the Workers' Compensation Court of Appeals;
- (11) administrative law judge or compensation judge in the State Office of Administrative Hearings or unemployment law judge in the Department of Employment and Economic Development;
- (12) member, regional administrator, division director, general counsel, or operations manager of the Metropolitan Council;
- (13) member or chief administrator of a metropolitan agency;
- (14) director of the Division of Alcohol and Gambling Enforcement in the Department of Public Safety;
- (15) member or executive director of the ~~Higher~~ Health and Education Facilities Authority;
- (16) member of the board of directors or president of Enterprise Minnesota, Inc.;
- (17) member of the board of directors or executive director of the Minnesota State High School League;

- (18) member of the Minnesota Ballpark Authority established in section 473.755;
- (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;
- (20) manager of a watershed district, or member of a watershed management organization as defined under section 103B.205, subdivision 13;
- (21) supervisor of a soil and water conservation district;
- (22) director of Explore Minnesota Tourism;
- (23) citizen member of the Lessard-Sams Outdoor Heritage Council established in section 97A.056;
- (24) citizen member of the Clean Water Council established in section 114D.30;
- (25) member or chief executive of the Minnesota Sports Facilities Authority established in section 473J.07;
- (26) district court judge, appeals court judge, or supreme court justice;
- (27) county commissioner;
- (28) member of the Greater Minnesota Regional Parks and Trails Commission;
- (29) member of the Destination Medical Center Corporation established in section 469.41; or
- (30) chancellor or member of the Board of Trustees of the Minnesota State Colleges and Universities.

Sec. 3. Minnesota Statutes 2020, section 136A.25, is amended to read:

136A.25 CREATION.

A state agency known as the Minnesota ~~Higher~~ Health and Education Facilities Authority is hereby created.

Sec. 4. Minnesota Statutes 2020, section 136A.26, is amended to read:

136A.26 MEMBERSHIPS; OFFICERS; COMPENSATION; REMOVAL.

Subdivision 1. **Membership.** The Minnesota ~~Higher~~ Health and Education Facilities Authority shall consist of ~~eight~~ nine members appointed by the governor with the advice and consent of the senate, and a representative of the ~~office~~ Office of Higher Education.

All members to be appointed by the governor shall be residents of the state. At least two members must reside outside the metropolitan area as defined in section 473.121, subdivision 2. At least one of the members shall be a person having a favorable reputation for skill, knowledge, and experience in the field of state and municipal finance; ~~and~~ at least one shall be a person having a favorable reputation for skill, knowledge, and experience in the building construction field; ~~and~~ at least one of the members shall be a trustee, director, officer, or employee of an institution of higher education;

and at least one of the members shall be a trustee, director, officer, or employee of a health care organization.

Subd. 1a. **Private College Council member.** The president of the Minnesota Private College Council, or the president's designee, shall serve without compensation as an advisory, nonvoting member of the authority.

Subd. 1b. **Nonprofit health care association member.** The chief executive officer of a Minnesota nonprofit membership association whose members are primarily nonprofit health care organizations, or the chief executive officer's designee, shall serve without compensation as an advisory, nonvoting member of the authority. The identity of the Minnesota nonprofit membership association shall be determined and may be changed from time to time by the members of the authority in accordance with and as shall be provided in the bylaws of the authority.

Subd. 2. **Term; compensation; removal.** The membership terms, compensation, removal of members, and filling of vacancies for authority members other than the representative of the office, ~~and~~ the president of the Private College Council, or the chief executive officer of the Minnesota nonprofit membership association described in subdivision 1b shall be as provided in section 15.0575.

Sec. 5. Minnesota Statutes 2020, section 136A.27, is amended to read:

136A.27 POLICY.

It is hereby declared that for the benefit of the people of the state, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions it is essential that health care organizations within the state be provided with appropriate additional means to establish, acquire, construct, improve, and expand health care facilities in furtherance of their purposes; that this and future generations of youth be given the fullest opportunity to learn and to develop their intellectual and mental capacities; ~~that it is essential~~ that institutions of higher education within the state be provided with appropriate additional means to assist such youth in achieving the required levels of learning and development of their intellectual and mental capacities; and that health care organizations and institutions of higher education be enabled to refinance outstanding indebtedness incurred to provide existing facilities used for such purposes in order to preserve and enhance the utilization of facilities for purposes of health care and higher education, to extend or adjust maturities in relation to the resources available for their payment, and to save interest costs and thereby reduce health care costs or higher education tuition, fees, and charges; ~~and~~ It is hereby further declared that it is the purpose of sections 136A.25 to 136A.42 to provide a measure of assistance and an alternative method to enable health care organizations and institutions of higher education in the state to provide the facilities and structures which are sorely needed to accomplish the purposes of sections 136A.25 to 136A.42, all to the public benefit and good, to the extent and manner provided herein.

Sec. 6. Minnesota Statutes 2020, section 136A.28, is amended to read:

136A.28 DEFINITIONS.

Subdivision 1. **Scope.** In sections 136A.25 to 136A.42, the following words and terms shall, unless the context otherwise requires, have the meanings ascribed to them.

Subd. 1a. **Affiliate.** "Affiliate" means an entity that directly or indirectly controls, is controlled by, or is under common control with, another entity. For the purposes of this subdivision, "control" means either the power to elect a majority of the members of the governing body of an entity or the power, whether by contract or otherwise, to direct the management and policies of the entity. Affiliate also means an entity whose business or substantially all of whose property is operated under a lease, management agreement, or operating agreement by another entity, or an entity who operates the business or substantially all of the property of another entity under a lease, management agreement, or operating agreement.

Subd. 2. **Authority.** "Authority" means the ~~Higher~~ Health and Education Facilities Authority created by sections 136A.25 to 136A.42.

Subd. 3. **Project.** "Project" means a structure or structures available for use as a dormitory or other student housing facility, a dining hall, student union, administration building, academic building, library, laboratory, research facility, classroom, athletic facility, health care facility, child care facility, and maintenance, storage, or utility facility and other structures or facilities related thereto or required or useful for the instruction of students or the conducting of research or the operation of an institution of higher education, whether proposed, under construction, or completed, including parking and other facilities or structures essential or convenient for the orderly conduct of such institution for higher education, and shall also include landscaping, site preparation, furniture, equipment and machinery, and other similar items necessary or convenient for the operation of a particular facility or structure in the manner for which its use is intended but shall not include such items as books, fuel, supplies, or other items the costs of which are customarily deemed to result in a current operating charge, and shall include a health care facility or an education facility whether proposed, under construction, or completed, and includes land or interests in land, appurtenances, site preparation, landscaping, buildings and structures, systems, fixtures, furniture, machinery, equipment, and parking. Project also includes other structures, facilities, improvements, machinery, equipment, and means of transport of a capital nature that are necessary or convenient for the operation of the facility. Project does not include: (1) any facility used or to be used for sectarian instruction or as a place of religious worship ~~nor~~; (2) any facility which is used or to be used primarily in connection with any part of the program of a school or department of divinity for any religious denomination; nor (3) any books, supplies, medicine, medical supplies, fuel, or other items, the cost of which are customarily deemed to result in a current operating charge.

Subd. 4. **Cost.** "Cost," as applied to a project or any portion thereof financed under the provisions of sections 136A.25 to 136A.42, means all or any part of the cost of construction, acquisition, alteration, enlargement, reconstruction and remodeling of a project including all lands, structures, real or personal property, rights, rights-of-way, franchises, easements and interests acquired or used for or in connection with a project, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which ~~such~~ buildings or structures may be moved, the cost of all machinery and equipment, financing charges, interest prior to, during and for a period after completion of such construction and acquisition, provisions for reserves for principal and interest and for extensions, enlargements, additions and improvements, the cost of architectural, engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, administrative expenses, expenses necessary or incident to determining the feasibility or practicability of constructing the project and such other expenses as may be necessary or incident to the construction and acquisition of the project, the financing of such construction and acquisition and the placing of the project in operation.

Subd. 5. **Bonds.** "Bonds," or "revenue bonds" means revenue bonds of the authority issued under the provisions of sections 136A.25 to 136A.42, including revenue refunding bonds, notwithstanding that the same may be secured by mortgage or the full faith and credit of a participating institution for higher education or any other lawfully pledged security of a participating institution for higher education.

Subd. 6. **Institution of higher education.** "Institution of higher education" means a nonprofit educational institution within the state authorized to provide a program of education beyond the high school level.

Subd. 6a. **Health care organization.** (a) "Health care organization" means a nonprofit organization located within the state and authorized by law to operate a nonprofit health care facility in the state. Health care organization also means a nonprofit affiliate of a health care organization as defined under this paragraph, provided the affiliate is located within the state or within a state that is geographically contiguous to Minnesota.

(b) Health care organization also means a nonprofit organization located within another state that is geographically contiguous to Minnesota and authorized by law to operate a nonprofit health care facility in that state, provided that the nonprofit organization located within the contiguous state is an affiliate of a health care organization located within the state.

Subd. 6b. **Education facility.** "Education facility" means a structure or structures available for use as a dormitory or other student housing facility, dining hall, student union, administration building, academic building, library, laboratory, research facility, classroom, athletic facility, student health care facility, or child care facility, and includes other facilities or structures related thereto essential or convenient for the orderly conduct of an institution of higher education.

Subd. 6c. **Health care facility.** (a) "Health care facility" means a structure or structures available for use within this state as a hospital, clinic, psychiatric residential treatment facility, birth center, outpatient surgical center, comprehensive outpatient rehabilitation facility, outpatient physical therapy or speech pathology facility, end-stage renal dialysis facility, medical laboratory, pharmacy, radiation therapy facility, diagnostic imaging facility, medical office building, residence for nurses or interns, nursing home, boarding care home, assisted living facility, residential hospice, intermediate care facility for persons with developmental disabilities, supervised living facility, housing with services establishment, board and lodging establishment with special services, adult day care center, day services facility, prescribed pediatric extended care facility, community residential setting, adult foster home, or other facility related to medical or health care research, or the delivery or administration of health care services, and includes other structures or facilities related thereto essential or convenient for the orderly conduct of a health care organization.

(b) Health care facility also means a facility in a state that is geographically contiguous to Minnesota operated by a health care organization that corresponds by purpose, function, or use with a facility listed in paragraph (a).

Subd. 7. **Participating institution of higher education.** "Participating institution of higher education" means a health care organization or an institution of higher education that, under the provisions of sections 136A.25 to 136A.42, undertakes the financing and construction or acquisition of a project or undertakes the refunding or refinancing of obligations or of a mortgage or of advances

as provided in sections 136A.25 to 136A.42. Community colleges and technical colleges may be considered participating institutions of ~~higher education~~ for the purpose of financing and constructing child care facilities and parking facilities.

Sec. 7. Minnesota Statutes 2020, section 136A.29, subdivision 1, is amended to read:

Subdivision 1. **Purpose.** The purpose of the authority shall be to assist health care organizations and institutions of higher education in the construction, financing, and refinancing of projects. The exercise by the authority of the powers conferred by sections 136A.25 to 136A.42, shall be deemed and held to be the performance of an essential public function. For the purpose of sections 136A.25 to 136A.42, the authority shall have the powers and duties set forth in subdivisions 2 to 23.

Sec. 8. Minnesota Statutes 2020, section 136A.29, subdivision 3, is amended to read:

Subd. 3. **Employees.** The authority is authorized and empowered to appoint and employ employees as it may deem necessary to carry out its duties, determine the title of the employees so employed, and fix the salary of ~~said~~ its employees. Employees of the authority shall participate in retirement and other benefits in the same manner that employees in the ~~unclassified service of the office~~ managerial plan under section 43A.18, subdivision 3, participate.

Sec. 9. Minnesota Statutes 2020, section 136A.29, subdivision 6, is amended to read:

Subd. 6. **Projects; generally.** (a) The authority is authorized and empowered to determine the location and character of any project to be financed under the provisions of sections 136A.25 to 136A.42, and to construct, reconstruct, remodel, maintain, manage, enlarge, alter, add to, repair, operate, lease, as lessee or lessor, and regulate the same, to enter into contracts for any or all of such purposes, to enter into contracts for the management and operation of a project, and to designate a participating institution of ~~higher education~~ as its agent to determine the location and character of a project undertaken by such participating institution of ~~higher education~~ under the provisions of sections 136A.25 to 136A.42 and as the agent of the authority, to construct, reconstruct, remodel, maintain, manage, enlarge, alter, add to, repair, operate, lease, as lessee or lessor, and regulate the same, and as the agent of the authority, to enter into contracts for any or all of such purposes, including contracts for the management and operation of such project.

(b) Notwithstanding paragraph (a), a project involving a health care facility within the state financed under sections 136A.25 to 136A.42, must comply with all applicable requirements in state law related to authorizing construction of or modifications to a health care facility, including the requirements of sections 144.5509, 144.551, 144A.071, and 252.291.

(c) Contracts of the authority or of a participating institution of ~~higher education~~ to acquire or to construct, reconstruct, remodel, maintain, enlarge, alter, add to, or repair projects shall not be subject to the provisions of chapter 16C or section 574.26, or any other public contract or competitive bid law.

Sec. 10. Minnesota Statutes 2020, section 136A.29, subdivision 9, is amended to read:

Subd. 9. **Revenue bonds; limit.** (a) The authority is authorized and empowered to issue revenue bonds whose aggregate principal amount at any time shall not exceed ~~\$1,300,000,000~~ \$4,000,000,000 and to issue notes, bond anticipation notes, and revenue refunding bonds of the authority under the

provisions of sections 136A.25 to 136A.42, to provide funds for acquiring, constructing, reconstructing, enlarging, remodeling, renovating, improving, furnishing, or equipping one or more projects or parts thereof.

(b) Of the \$4,000,000,000 limit in paragraph (a), the aggregate principal amount used to fund education facilities may not exceed \$1,750,000,000 at any time, and the aggregate principal amount used to fund health care facilities may not exceed \$2,250,000,000 at any time.

Sec. 11. Minnesota Statutes 2020, section 136A.29, subdivision 10, is amended to read:

Subd. 10. **Revenue bonds; issuance, purpose, conditions.** The authority is authorized and empowered to issue revenue bonds to acquire projects from or to make loans to participating institutions ~~of higher education~~ and thereby refinance outstanding indebtedness incurred by participating institutions ~~of higher education~~ to provide funds for the acquisition, construction or improvement of a facility before or after the enactment of sections 136A.25 to 136A.42, but otherwise eligible to be and being a project thereunder, whenever the authority finds that such refinancing will enhance or preserve such participating institutions and such facilities or utilization thereof for health care or educational purposes or extend or adjust maturities to correspond to the resources available for their payment, or reduce charges or fees imposed on patients or occupants, or the tuition, charges, or fees imposed on students for the use or occupancy of the facilities of such participating institutions ~~of higher education~~ or costs met by federal or state public funds, or enhance or preserve health care or educational programs and research or the acquisition or improvement of other facilities eligible to be a project or part thereof by the participating institution ~~of higher education~~. The amount of revenue bonds to be issued to refinance outstanding indebtedness of a participating institution ~~of higher education~~ shall not exceed the lesser of (a) the fair value of the project to be acquired by the authority from the institution or mortgaged to the authority by the institution or (b) the amount of the outstanding indebtedness including any premium thereon and any interest accrued or to accrue to the date of redemption and any legal, fiscal and related costs in connection with such refinancing and reasonable reserves, as determined by the authority. The provisions of this subdivision do not prohibit the authority from issuing revenue bonds within and charged against the limitations provided in subdivision 9 to provide funds for improvements, alteration, renovation, or extension of the project refinanced.

Sec. 12. Minnesota Statutes 2020, section 136A.29, subdivision 14, is amended to read:

Subd. 14. **Rules for use of projects.** The authority is authorized and empowered to establish rules for the use of a project or any portion thereof and to designate a participating institution ~~of higher education~~ as its agent to establish rules for the use of a project undertaken for such participating institution ~~of higher education~~.

Sec. 13. Minnesota Statutes 2020, section 136A.29, subdivision 19, is amended to read:

Subd. 19. **Surety.** Before the issuance of any revenue bonds under the provisions of sections 136A.25 to 136A.42, any member or officer of the authority authorized by resolution of the authority to handle funds or sign checks of the authority shall be covered under a surety or fidelity bond in an amount to be determined by the authority. Each such bond shall be conditioned upon the faithful performance of the duties of the office of the member or officer, and shall be executed by a surety

company authorized to transact business in the state of Minnesota as surety. The cost of each such bond shall be paid by the authority.

Sec. 14. Minnesota Statutes 2020, section 136A.29, subdivision 20, is amended to read:

Subd. 20. **Sale, lease, and disposal of property.** The authority is authorized and empowered to sell, lease, release, or otherwise dispose of real and personal property or interests therein, or a combination thereof, acquired by the authority under authority of sections 136A.25 to 136A.42 and no longer needed for the purposes of ~~such this~~ chapter or of the authority, and grant such easements and other rights in, over, under, or across a project as will not interfere with its use of ~~such the~~ property. ~~Such~~ The sale, lease, release, disposition, or grant may be made without competitive bidding and in ~~such the~~ manner and for such consideration as the authority in its judgment deems appropriate.

Sec. 15. Minnesota Statutes 2020, section 136A.29, subdivision 21, is amended to read:

Subd. 21. **Loans.** The authority is authorized and empowered to make loans to any participating institution of ~~higher education~~ for the cost of a project in accordance with an agreement between the authority and the participating institution of ~~higher education~~; provided that no ~~such~~ loan shall exceed the total cost of the project as determined by the participating institution of ~~higher education~~ and approved by the authority.

Sec. 16. Minnesota Statutes 2020, section 136A.29, subdivision 22, is amended to read:

Subd. 22. **Costs, expenses, and other charges.** The authority is authorized and empowered to charge to and apportion among participating institutions of ~~higher education~~ its administrative costs and expenses incurred in the exercise of the powers and duties conferred by sections 136A.25 to 136A.42 in the manner as the authority in its judgment deems appropriate.

Sec. 17. Minnesota Statutes 2020, section 136A.29, is amended by adding a subdivision to read:

Subd. 24. **Determination of affiliate status.** The authority is authorized and empowered to determine whether an entity is an affiliate as defined in section 136A.28, subdivision 1a. A determination by the authority of affiliate status shall be deemed conclusive for the purposes of sections 136A.25 to 136A.42.

Sec. 18. Minnesota Statutes 2020, section 136A.32, subdivision 4, is amended to read:

Subd. 4. **Provisions of resolution authorizing bonds.** Any resolution or resolutions authorizing any revenue bonds or any issue of revenue bonds may contain provisions, which shall be a part of the contract with the holders of the revenue bonds to be authorized, as to:

(1) pledging all or any part of the revenues of a project or projects, any revenue producing contract or contracts made by the authority with ~~any individual partnership, corporation or association or other body~~ one or more partnerships, corporations or associations, or other bodies, public or private, to secure the payment of the revenue bonds or of any particular issue of revenue bonds, subject to such agreements with bondholders as may then exist;

- (2) the rentals, fees and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues;
- (3) the setting aside of reserves or sinking funds, and the regulation and disposition thereof;
- (4) limitations on the right of the authority or its agent to restrict and regulate the use of the project;
- (5) limitations on the purpose to which the proceeds of sale of any issue of revenue bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the revenue bonds or any issue of the revenue bonds;
- (6) limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured and the refunding of outstanding bonds;
- (7) the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;
- (8) limitations on the amount of moneys derived from the project to be expended for operating, administrative or other expenses of the authority;
- (9) defining the acts or omissions to act which shall constitute a default in the duties of the authority to holders of its obligations and providing the rights and remedies of such holders in the event of a default; or
- (10) the mortgaging of a project and the site thereof for the purpose of securing the bondholders.

Sec. 19. Minnesota Statutes 2020, section 136A.33, is amended to read:

136A.33 TRUST AGREEMENT.

In the discretion of the authority any revenue bonds issued under the provisions of sections 136A.25 to 136A.42, may be secured by a trust agreement by and between the authority and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within the state. ~~Such~~ The trust agreement or the resolution providing for the issuance of ~~such~~ revenue bonds may pledge or assign the revenues to be received or proceeds of any contract or contracts pledged and may convey or mortgage the project or any portion thereof. ~~Such~~ The trust agreement or resolution providing for the issuance of ~~such~~ revenue bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of laws, including particularly such provisions as have hereinabove been specifically authorized to be included in any resolution or resolutions of the authority authorizing revenue bonds thereof. Any bank or trust company incorporated under the laws of the state ~~which~~ that may act as depository of the proceeds of bonds or of revenues or other moneys may furnish ~~such~~ indemnifying bonds or ~~pledges such~~ pledge securities as may be required by the authority. Any ~~such~~ trust agreement may set forth the rights and remedies of the bondholders and of the trustee or trustees and may restrict the individual right of action by bondholders. In addition to the foregoing, any ~~such~~ trust agreement or resolution may contain ~~such~~ other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the

provisions of such the trust agreement or resolution may be treated as a part of the cost of the operation of a project.

Sec. 20. Minnesota Statutes 2020, section 136A.34, subdivision 3, is amended to read:

Subd. 3. **Investment.** Any ~~such~~ escrowed proceeds, pending such use, may be invested and reinvested in direct obligations of the United States of America, or in certificates of deposit or time deposits secured by direct obligations of the United States of America, or in shares or units in any money market mutual fund whose investment portfolio consists solely of direct obligations of the United States of America, maturing at such time or times as shall be appropriate to assure the prompt payment, as to principal, interest and redemption premium, if any, of the outstanding revenue bonds to be so refunded. The interest, income and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding revenue bonds to be so refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of such proceeds and interest, income and profits, if any, earned or realized on the investments thereof may be returned to the authority for use by it in any lawful manner.

Sec. 21. Minnesota Statutes 2020, section 136A.34, subdivision 4, is amended to read:

Subd. 4. **Additional purpose; improvements.** The portion of the proceeds of any ~~such~~ revenue bonds issued for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions or enlargements of a project may be invested or deposited ~~in time deposits~~ as provided in section 136A.32, subdivision 7.

Sec. 22. Minnesota Statutes 2020, section 136A.36, is amended to read:

136A.36 REVENUES.

The authority may fix, revise, charge and collect rates, rents, fees and charges for the use of and for the services furnished or to be furnished by each project and ~~to~~ may contract with any person, partnership, association or corporation, or other body, public or private, in respect thereof. ~~Such~~ The rates, rents, fees, and charges may vary between projects involving an education facility and projects involving a health care facility and shall be fixed and adjusted in respect of the aggregate of rates, rents, fees, and charges from ~~such the~~ project so as to provide funds sufficient with other revenues, if any:

(1) to pay the cost of maintaining, repairing and operating the project and each and every portion thereof, to the extent that the payment of such cost has not otherwise been adequately provided for;

(2) to pay the principal of and the interest on outstanding revenue bonds of the authority issued in respect of such project as the same shall become due and payable; and

(3) to create and maintain reserves required or provided for in any resolution authorizing, or trust agreement securing, ~~such~~ revenue bonds of the authority. ~~Such~~ The rates, rents, fees and charges shall not be subject to supervision or regulation by any department, commission, board, body, bureau or agency of this state other than the authority. A sufficient amount of the revenues derived in respect of a project, except ~~such~~ part of ~~such the~~ revenues as may be necessary to pay the cost of maintenance, repair and operation and to provide reserves and for renewals, replacements, extensions, enlargements and improvements as may be provided for in the resolution authorizing the issuance of any revenue

bonds of the authority or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in ~~such the~~ resolution or trust agreement in a sinking or other similar fund ~~which that~~ is hereby pledged to, and charged with, the payment of the principal of and the interest on ~~such~~ revenue bonds as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. ~~Such The~~ pledge shall be valid and binding from the time when the pledge is made; the rates, rents, fees and charges and other revenues or other moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of ~~such the~~ pledge without physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind against the authority, irrespective of whether such parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge is created need be filed or recorded except in the records of the authority. The use and disposition of moneys to the credit of such sinking or other similar fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in ~~such the~~ resolution or ~~such~~ trust agreement, ~~such the~~ sinking or other similar fund shall be a fund for all ~~such~~ revenue bonds issued to finance a project or projects at one or more participating institutions ~~of higher education~~ without distinction or priority of one over another; provided the authority in any such resolution or trust agreement may provide that such sinking or other similar fund shall be the fund for a particular project at ~~an a~~ participating institution ~~of higher education~~ and for the revenue bonds issued to finance a particular project and may, additionally, permit and provide for the issuance of revenue bonds having a subordinate lien in respect of the security herein authorized to other revenue bonds of the authority and, in such case, the authority may create separate or other similar funds in respect of ~~such the~~ subordinate lien bonds.

Sec. 23. Minnesota Statutes 2020, section 136A.38, is amended to read:

136A.38 BONDS ELIGIBLE FOR INVESTMENT.

Bonds issued by the authority under the provisions of sections 136A.25 to 136A.42, are hereby made securities in which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them; it being the purpose of this section to authorize the investment in such bonds of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm, or corporation from any duty of exercising due care in selecting securities for purchase or investment; and provide further, that in no event shall assets of pension funds of public employees of the state of Minnesota or any of its agencies, boards or subdivisions, whether publicly or privately administered, be invested in bonds issued under the provisions of sections 136A.25 to 136A.42. Such bonds are hereby constituted "authorized securities" within the meaning and for the purposes of Minnesota Statutes 1969, section 50.14. ~~Such The~~ bonds are hereby made securities ~~which that~~ may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations of the state now or may hereafter be authorized by law.

Sec. 24. Minnesota Statutes 2020, section 136A.41, is amended to read:

136A.41 CONFLICT OF INTEREST.

Notwithstanding any other law to the contrary it shall not be or constitute a conflict of interest for a trustee, director, officer or employee of any participating institution ~~of higher education~~, financial institution, investment banking firm, brokerage firm, commercial bank or trust company, architecture firm, insurance company, construction company, or any other firm, person or corporation to serve as a member of the authority, provided such trustee, director, officer or employee shall abstain from deliberation, action and vote by the authority in each instance where the business affiliation of any such trustee, director, officer or employee is involved.

Sec. 25. Minnesota Statutes 2020, section 136A.42, is amended to read:

136A.42 ANNUAL REPORT.

The authority shall keep an accurate account of all of its activities and all of its receipts and expenditures ~~and shall annually report to the office.~~ Each year, the authority shall submit to the Minnesota Historical Society and the Legislative Reference Library a report of the authority's activities in the previous year, including all financial activities.

Sec. 26. Minnesota Statutes 2020, section 136F.67, subdivision 1, is amended to read:

Subdivision 1. **Authorization.** A technical college or a community college must not seek financing for child care facilities or parking facilities through the ~~Higher Health and Education~~ Facilities Authority, as provided in section 136A.28, subdivision 7, without the explicit authorization of the board.

Sec. 27. Minnesota Statutes 2020, section 354B.20, subdivision 7, is amended to read:

Subd. 7. **Employing unit.** "Employing unit," if the agency employs any persons covered by the individual retirement account plan under section 354B.211, means:

- (1) the board;
- (2) the Minnesota Office of Higher Education; and
- (3) the ~~Higher Health and Education~~ Facilities Authority.

Sec. 28. REVISOR INSTRUCTION.

The revisor of statutes shall renumber the law establishing and governing the Minnesota Higher Education Facilities Authority, renamed the Minnesota Health and Education Facilities Authority in this act, as Minnesota Statutes, chapter 16F, coded in Minnesota Statutes 2020, sections 136A.25 to 136A.42, as amended or repealed in this act. The revisor of statutes shall also duplicate any required definitions from Minnesota Statutes, chapter 136A, revise any statutory cross-references consistent with the recoding, and report the history in Minnesota Statutes, chapter 16F.

Sec. 29. REPEALER.

Minnesota Statutes 2020, section 136A.29, subdivision 4, is repealed.

ARTICLE 16**MANDATED REPORTS**

Section 1. Minnesota Statutes 2020, section 62J.692, subdivision 5, is amended to read:

Subd. 5. **Report.** (a) Sponsoring institutions receiving funds under this section must sign and submit a medical education grant verification report (GVR) to verify that the correct grant amount was forwarded to each eligible training site. If the sponsoring institution fails to submit the GVR by the stated deadline, or to request and meet the deadline for an extension, the sponsoring institution is required to return the full amount of funds received to the commissioner within 30 days of receiving notice from the commissioner. The commissioner shall distribute returned funds to the appropriate training sites in accordance with the commissioner's approval letter.

(b) The reports must provide verification of the distribution of the funds and must include:

(1) the total number of eligible trainee FTEs in each clinical medical education program;

(2) the name of each funded program and, for each program, the dollar amount distributed to each training site and a training site expenditure report;

(3) documentation of any discrepancies between the initial grant distribution notice included in the commissioner's approval letter and the actual distribution;

(4) a statement by the sponsoring institution stating that the completed grant verification report is valid and accurate; and

(5) other information the commissioner deems appropriate to evaluate the effectiveness of the use of funds for medical education.

(c) Each year, the commissioner shall provide an annual summary report to the legislature on the implementation of this section. This report is exempt from section 144.05, subdivision 7.

Sec. 2. Minnesota Statutes 2020, section 62Q.37, subdivision 7, is amended to read:

Subd. 7. **Human services.** ~~(a)~~ The commissioner of human services shall implement this section in a manner that is consistent with applicable federal laws and regulations and that avoids the duplication of review activities performed by a nationally recognized independent organization.

~~(b) By December 31 of each year, the commissioner shall submit to the legislature a written report identifying the number of audits performed by a nationally recognized independent organization that were accepted, partially accepted, or rejected by the commissioner under this section. The commissioner shall provide the rationale for partial acceptance or rejection. If the rationale for the partial acceptance or rejection was based on the commissioner's determination that the standards used in the audit were not equivalent to state law, regulation, or contract requirement, the report must document the variances between the audit standards and the applicable state requirements.~~

Sec. 3. Minnesota Statutes 2020, section 144.193, is amended to read:

144.193 INVENTORY OF BIOLOGICAL AND HEALTH DATA.

By February 1, 2014, and annually after that date, the commissioner shall prepare an inventory of biological specimens, registries, and health data and databases collected or maintained by the commissioner. In addition to the inventory, the commissioner shall provide the schedules for storage of health data and biological specimens. The inventories must be listed in reverse chronological order beginning with the year 2012. The commissioner shall make the inventory and schedules available on the department's website ~~and submit the inventory and schedules to the chairs and ranking minority members of the committees of the legislature with jurisdiction over health policy and data practices issues.~~

Sec. 4. Minnesota Statutes 2020, section 144.4199, subdivision 8, is amended to read:

Subd. 8. **Report.** By January 15 of each year, the commissioner shall submit a report to the chairs and ranking minority members of the house of representatives Ways and Means Committee, the senate Finance Committee, and the house of representatives and senate committees with jurisdiction over health and human services finance, detailing expenditures made in the previous calendar year from the public health response contingency account. This report is exempt from section 144.05, subdivision 7.

Sec. 5. Minnesota Statutes 2020, section 144.497, is amended to read:

144.497 ST ELEVATION MYOCARDIAL INFARCTION.

The commissioner of health shall assess and report on the quality of care provided in the state for ST elevation myocardial infarction response and treatment. The commissioner shall:

(1) utilize and analyze data provided by ST elevation myocardial infarction receiving centers to the ACTION Registry-Get with the guidelines or an equivalent data platform that does not identify individuals or associate specific ST elevation myocardial infarction heart attack events with an identifiable individual;

(2) quarterly post a summary report of the data in aggregate form on the Department of Health website; and

~~(3) annually inform the legislative committees with jurisdiction over public health of progress toward improving the quality of care and patient outcomes for ST elevation myocardial infarctions; and~~

~~(4)~~ (3) coordinate to the extent possible with national voluntary health organizations involved in ST elevation myocardial infarction heart attack quality improvement to encourage ST elevation myocardial infarction receiving centers to report data consistent with nationally recognized guidelines on the treatment of individuals with confirmed ST elevation myocardial infarction heart attacks within the state and encourage sharing of information among health care providers on ways to improve the quality of care of ST elevation myocardial infarction patients in Minnesota.

Sec. 6. Minnesota Statutes 2020, section 144A.10, subdivision 17, is amended to read:

Subd. 17. **Agency quality improvement program; annual report on survey process.** (a) The commissioner shall establish a quality improvement program for the nursing facility survey and complaint processes. The commissioner must regularly consult with consumers, consumer advocates,

and representatives of the nursing home industry and representatives of nursing home employees in implementing the program. The commissioner, through the quality improvement program, shall submit to the legislature an annual survey and certification quality improvement report, beginning December 15, 2004, and each December 15 thereafter. This report is exempt from section 144.05, subdivision 7.

(b) The report must include, but is not limited to, an analysis of:

- (1) the number, scope, and severity of citations by region within the state;
- (2) cross-referencing of citations by region within the state and between states within the Centers for Medicare and Medicaid Services region in which Minnesota is located;
- (3) the number and outcomes of independent dispute resolutions;
- (4) the number and outcomes of appeals;
- (5) compliance with timelines for survey revisits and complaint investigations;
- (6) techniques of surveyors in investigations, communication, and documentation to identify and support citations;
- (7) compliance with timelines for providing facilities with completed statements of deficiencies; and
- (8) other survey statistics relevant to improving the survey process.

(c) The report must also identify and explain inconsistencies and patterns across regions of the state; include analyses and recommendations for quality improvement areas identified by the commissioner, consumers, consumer advocates, and representatives of the nursing home industry and nursing home employees; and provide action plans to address problems that are identified.

Sec. 7. Minnesota Statutes 2020, section 144A.351, subdivision 1, is amended to read:

Subdivision 1. **Report requirements.** (a) The commissioners of health and human services, with the cooperation of counties and in consultation with stakeholders, including persons who need or are using long-term care services and supports, lead agencies, regional entities, senior, disability, and mental health organization representatives, service providers, and community members shall ~~prepare a report to the legislature by August 15, 2013, and biennially thereafter, compile data regarding the status of the full range of long-term care services and supports for the elderly and children and adults with disabilities and mental illnesses in Minnesota. Any amounts appropriated for this report are available in either year of the biennium.~~ The report shall address compiled data shall include:

- (1) demographics and need for long-term care services and supports in Minnesota;
- (2) summary of county and regional reports on long-term care gaps, surpluses, imbalances, and corrective action plans;

(3) status of long-term care services and related mental health services, housing options, and supports by county and region including:

(i) changes in availability of the range of long-term care services and housing options;

(ii) access problems, including access to the least restrictive and most integrated services and settings, regarding long-term care services; and

(iii) comparative measures of long-term care services availability, including serving people in their home areas near family, and changes over time; and

(4) recommendations regarding goals for the future of long-term care services and supports, policy and fiscal changes, and resource development and transition needs.

(b) The commissioners of health and human services shall make the compiled data available on at least one of the department's websites.

Sec. 8. Minnesota Statutes 2020, section 144A.483, subdivision 1, is amended to read:

Subdivision 1. **Annual legislative report on home care licensing.** The commissioner shall establish a quality improvement program for the home care survey and home care complaint investigation processes. The commissioner shall submit to the legislature an annual report, beginning October 1, 2015, and each October 1 thereafter, until October 1, 2027. Each report will review the previous state fiscal year of home care licensing and regulatory activities. The report must include, but is not limited to, an analysis of:

(1) the number of FTEs in the Division of Compliance Monitoring, including the Office of Health Facility Complaints units assigned to home care licensing, survey, investigation, and enforcement process;

(2) numbers of and descriptive information about licenses issued, complaints received and investigated, including allegations made and correction orders issued, surveys completed and timelines, and correction order reconsiderations and results;

(3) descriptions of emerging trends in home care provision and areas of concern identified by the department in its regulation of home care providers;

(4) information and data regarding performance improvement projects underway and planned by the commissioner in the area of home care surveys; and

(5) work of the Department of Health Home Care Advisory Council.

Sec. 9. Minnesota Statutes 2020, section 145.4134, is amended to read:

145.4134 COMMISSIONER'S PUBLIC REPORT.

(a) By July 1 of each year, except for 1998 and 1999 information, the commissioner shall issue a public report providing statistics for the previous calendar year compiled from the data submitted under sections 145.4131 to 145.4133 and sections 145.4241 to 145.4249. For 1998 and 1999 information, the report shall be issued October 1, 2000. Each report shall provide the statistics for

all previous calendar years, adjusted to reflect any additional information from late or corrected reports. The commissioner shall ensure that none of the information included in the public reports can reasonably lead to identification of an individual having performed or having had an abortion. All data included on the forms under sections 145.4131 to 145.4133 and sections 145.4241 to 145.4249 must be included in the public report, except that the commissioner shall maintain as confidential, data which alone or in combination may constitute information from which an individual having performed or having had an abortion may be identified using epidemiologic principles. ~~The commissioner shall submit the report to the senate Health and Family Security Committee and the house of representatives Health and Human Services Committee.~~

(b) The commissioner may, by rules adopted under chapter 14, alter the submission dates established under sections 145.4131 to 145.4133 for administrative convenience, fiscal savings, or other valid reason, provided that physicians or facilities and the commissioner of human services submit the required information once each year and the commissioner issues a report once each year.

Sec. 10. Minnesota Statutes 2020, section 145.928, subdivision 13, is amended to read:

Subd. 13. **Reports.** (a) The commissioner shall submit a biennial report to the legislature on the local community projects, tribal government, and community health board prevention activities funded under this section. These reports must include information on grant recipients, activities that were conducted using grant funds, evaluation data, and outcome measures, if available. These reports are due by January 15 of every other year, beginning in the year 2003.

(b) ~~The commissioner shall release an annual report to the public and submit the annual report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over public health on grants made under subdivision 7 to decrease racial and ethnic disparities in infant mortality rates. The report must provide specific information on the amount of each grant awarded to each agency or organization, an itemized list submitted to the commissioner by each agency or organization awarded a grant specifying all uses of grant funds and the amount expended for each use, the population served by each agency or organization, outcomes of the programs funded by each grant, and the amount of the appropriation retained by the commissioner for administrative and associated expenses. The commissioner shall issue a report each January 15 for the previous fiscal year beginning January 15, 2016.~~

Sec. 11. Minnesota Statutes 2020, section 245.4661, subdivision 10, is amended to read:

Subd. 10. **Commissioner duty to report on use of grant funds biennially.** (a) By November 1, 2016, and biennially thereafter, the commissioner of human services shall provide sufficient information to the members of the legislative committees having jurisdiction over mental health funding and policy issues to evaluate the use of funds appropriated under this section of law. The commissioner shall provide, at a minimum, the following information:

(1) the amount of funding to mental health initiatives, what programs and services were funded in the previous two years, gaps in services that each initiative brought to the attention of the commissioner, and outcome data for the programs and services that were funded; and

(2) the amount of funding for other targeted services and the location of services.

(b) This subdivision expires January 1, 2032.

Sec. 12. Minnesota Statutes 2020, section 245.4889, subdivision 3, is amended to read:

Subd. 3. **Commissioner duty to report on use of grant funds biennially.** (a) By November 1, 2016, and biennially thereafter, the commissioner of human services shall provide sufficient information to the members of the legislative committees having jurisdiction over mental health funding and policy issues to evaluate the use of funds appropriated under this section. The commissioner shall provide, at a minimum, the following information:

(1) the amount of funding for children's mental health grants, what programs and services were funded in the previous two years, and outcome data for the programs and services that were funded; and

(2) the amount of funding for other targeted services and the location of services.

(b) This subdivision expires January 1, 2032.

Sec. 13. Minnesota Statutes 2021 Supplement, section 245A.03, subdivision 7, is amended to read:

Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter for a physical location that will not be the primary residence of the license holder for the entire period of licensure. If a family child foster care home or family adult foster care home license is issued during this moratorium, and the license holder changes the license holder's primary residence away from the physical location of the foster care license, the commissioner shall revoke the license according to section 245A.07. The commissioner shall not issue an initial license for a community residential setting licensed under chapter 245D. When approving an exception under this paragraph, the commissioner shall consider the resource need determination process in paragraph (h), the availability of foster care licensed beds in the geographic area in which the licensee seeks to operate, the results of a person's choices during their annual assessment and service plan review, and the recommendation of the local county board. The determination by the commissioner is final and not subject to appeal. Exceptions to the moratorium include:

(1) foster care settings where at least 80 percent of the residents are 55 years of age or older;

(2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or community residential setting licenses replacing adult foster care licenses in existence on December 31, 2013, and determined to be needed by the commissioner under paragraph (b);

(3) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD, or regional treatment center; restructuring of state-operated services that limits the capacity of state-operated facilities; or allowing movement to the community for people who no longer require the level of care provided in state-operated facilities as provided under section 256B.092, subdivision 13, or 256B.49, subdivision 24;

(4) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for persons requiring hospital level care;

(5) new foster care licenses or community residential setting licenses for people receiving services under chapter 245D and residing in an unlicensed setting before May 1, 2017, and for which a license is required. This exception does not apply to people living in their own home. For purposes of this clause, there is a presumption that a foster care or community residential setting license is required for services provided to three or more people in a dwelling unit when the setting is controlled by the provider. A license holder subject to this exception may rebut the presumption that a license is required by seeking a reconsideration of the commissioner's determination. The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14. The exception is available until June 30, 2018. This exception is available when:

(i) the person's case manager provided the person with information about the choice of service, service provider, and location of service, including in the person's home, to help the person make an informed choice; and

(ii) the person's services provided in the licensed foster care or community residential setting are less than or equal to the cost of the person's services delivered in the unlicensed setting as determined by the lead agency; or

(6) new foster care licenses or community residential setting licenses for people receiving customized living or 24-hour customized living services under the brain injury or community access for disability inclusion waiver plans under section 256B.49 and residing in the customized living setting before July 1, 2022, for which a license is required. A customized living service provider subject to this exception may rebut the presumption that a license is required by seeking a reconsideration of the commissioner's determination. The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14. The exception is available until June 30, 2023. This exception is available when:

(i) the person's customized living services are provided in a customized living service setting serving four or fewer people under the brain injury or community access for disability inclusion waiver plans under section 256B.49 in a single-family home operational on or before June 30, 2021. Operational is defined in section 256B.49, subdivision 28;

(ii) the person's case manager provided the person with information about the choice of service, service provider, and location of service, including in the person's home, to help the person make an informed choice; and

(iii) the person's services provided in the licensed foster care or community residential setting are less than or equal to the cost of the person's services delivered in the customized living setting as determined by the lead agency.

(b) The commissioner shall determine the need for newly licensed foster care homes or community residential settings as defined under this subdivision. As part of the determination, the commissioner shall consider the availability of foster care capacity in the area in which the licensee seeks to operate, and the recommendation of the local county board. The determination by the commissioner must be final. A determination of need is not required for a change in ownership at the same address.

(c) When an adult resident served by the program moves out of a foster home that is not the primary residence of the license holder according to section 256B.49, subdivision 15, paragraph (f), or the adult community residential setting, the county shall immediately inform the Department of Human Services Licensing Division. The department may decrease the statewide licensed capacity for adult foster care settings.

(d) Residential settings that would otherwise be subject to the decreased license capacity established in paragraph (c) shall be exempt if the license holder's beds are occupied by residents whose primary diagnosis is mental illness and the license holder is certified under the requirements in subdivision 6a or section 245D.33.

(e) A resource need determination process, managed at the state level, using the available ~~reports~~ data required by section 144A.351, and other data and information shall be used to determine where the reduced capacity determined under section 256B.493 will be implemented. The commissioner shall consult with the stakeholders described in section 144A.351, and employ a variety of methods to improve the state's capacity to meet the informed decisions of those people who want to move out of corporate foster care or community residential settings, long-term service needs within budgetary limits, including seeking proposals from service providers or lead agencies to change service type, capacity, or location to improve services, increase the independence of residents, and better meet needs identified by the long-term services and supports reports and statewide data and information.

(f) At the time of application and reapplication for licensure, the applicant and the license holder that are subject to the moratorium or an exclusion established in paragraph (a) are required to inform the commissioner whether the physical location where the foster care will be provided is or will be the primary residence of the license holder for the entire period of licensure. If the primary residence of the applicant or license holder changes, the applicant or license holder must notify the commissioner immediately. The commissioner shall print on the foster care license certificate whether or not the physical location is the primary residence of the license holder.

(g) License holders of foster care homes identified under paragraph (f) that are not the primary residence of the license holder and that also provide services in the foster care home that are covered by a federally approved home and community-based services waiver, as authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human services licensing division that the license holder provides or intends to provide these waiver-funded services.

(h) The commissioner may adjust capacity to address needs identified in section 144A.351. Under this authority, the commissioner may approve new licensed settings or delicense existing settings. Delicensing of settings will be accomplished through a process identified in section 256B.493. ~~Annually, by August 1, the commissioner shall provide information and data on capacity of licensed long-term services and supports, actions taken under the subdivision to manage statewide long-term services and supports resources, and any recommendations for change to the legislative committees with jurisdiction over the health and human services budget.~~

(i) The commissioner must notify a license holder when its corporate foster care or community residential setting licensed beds are reduced under this section. The notice of reduction of licensed beds must be in writing and delivered to the license holder by certified mail or personal service. The notice must state why the licensed beds are reduced and must inform the license holder of its

right to request reconsideration by the commissioner. The license holder's request for reconsideration must be in writing. If mailed, the request for reconsideration must be postmarked and sent to the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds. If a request for reconsideration is made by personal service, it must be received by the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

(j) The commissioner shall not issue an initial license for children's residential treatment services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter for a program that Centers for Medicare and Medicaid Services would consider an institution for mental diseases. Facilities that serve only private pay clients are exempt from the moratorium described in this paragraph. The commissioner has the authority to manage existing statewide capacity for children's residential treatment services subject to the moratorium under this paragraph and may issue an initial license for such facilities if the initial license would not increase the statewide capacity for children's residential treatment services subject to the moratorium under this paragraph.

Sec. 14. Minnesota Statutes 2020, section 256.01, subdivision 29, is amended to read:

Subd. 29. **State medical review team.** (a) To ensure the timely processing of determinations of disability by the commissioner's state medical review team under sections 256B.055, subdivisions 7, paragraph (b), and 12, and 256B.057, subdivision 9, the commissioner shall review all medical evidence and seek information from providers, applicants, and enrollees to support the determination of disability where necessary. Disability shall be determined according to the rules of title XVI and title XIX of the Social Security Act and pertinent rules and policies of the Social Security Administration.

(b) Prior to a denial or withdrawal of a requested determination of disability due to insufficient evidence, the commissioner shall (1) ensure that the missing evidence is necessary and appropriate to a determination of disability, and (2) assist applicants and enrollees to obtain the evidence, including, but not limited to, medical examinations and electronic medical records.

~~(c) The commissioner shall provide the chairs of the legislative committees with jurisdiction over health and human services finance and budget the following information on the activities of the state medical review team by February 1 of each year:~~

~~(1) the number of applications to the state medical review team that were denied, approved, or withdrawn;~~

~~(2) the average length of time from receipt of the application to a decision;~~

~~(3) the number of appeals, appeal results, and the length of time taken from the date the person involved requested an appeal for a written decision to be made on each appeal;~~

~~(4) for applicants, their age, health coverage at the time of application, hospitalization history within three months of application, and whether an application for Social Security or Supplemental Security Income benefits is pending; and~~

~~(5) specific information on the medical certification, licensure, or other credentials of the person or persons performing the medical review determinations and length of time in that position.~~

~~(d)~~ (c) Any appeal made under section 256.045, subdivision 3, of a disability determination made by the state medical review team must be decided according to the timelines under section 256.0451, subdivision 22, paragraph (a). If a written decision is not issued within the timelines under section 256.0451, subdivision 22, paragraph (a), the appeal must be immediately reviewed by the chief human services judge.

Sec. 15. Minnesota Statutes 2021 Supplement, section 256.01, subdivision 42, is amended to read:

Subd. 42. **Expiration of report mandates.** (a) If the submission of a report by the commissioner of human services to the legislature is mandated by statute and the enabling legislation does not include a date for the submission of a final report or an expiration date, the mandate to submit the report shall expire in accordance with this section.

(b) If the mandate requires the submission of an annual or more frequent report and the mandate was enacted before January 1, 2021, the mandate shall expire on January 1, 2023. If the mandate requires the submission of a biennial or less frequent report and the mandate was enacted before January 1, 2021, the mandate shall expire on January 1, 2024.

(c) Any reporting mandate enacted on or after January 1, 2021, shall expire three years after the date of enactment if the mandate requires the submission of an annual or more frequent report and shall expire five years after the date of enactment if the mandate requires the submission of a biennial or less frequent report unless the enacting legislation provides for a different expiration date.

(d) By January 15 of each year, the commissioner shall submit ~~a list~~ to the chairs and ranking minority members of the legislative committees with jurisdiction over human services ~~by February 15 of each year, beginning February 15, 2022, a list of all reports set to expire during the following calendar year in accordance with this section.~~ Notwithstanding paragraph (c), this paragraph does not expire.

Sec. 16. Minnesota Statutes 2020, section 256.021, subdivision 3, is amended to read:

Subd. 3. **Report.** (a) By January 15 of each year, the panel shall submit a report to the committees of the legislature with jurisdiction over section 626.557 regarding the number of requests for review it receives under this section, the number of cases where the panel requires the lead investigative agency to reconsider its final disposition, and the number of cases where the final disposition is changed, and any recommendations to improve the review or investigative process.

(b) This subdivision expires January 1, 2024.

Sec. 17. Minnesota Statutes 2021 Supplement, section 256.042, subdivision 4, is amended to read:

Subd. 4. **Grants.** (a) The commissioner of human services shall submit a report of the grants proposed by the advisory council to be awarded for the upcoming calendar year to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance, by December 1 of each year, beginning ~~March 1, 2020~~ December 1, 2022. This paragraph expires upon the expiration of the advisory council.

(b) The grants shall be awarded to proposals selected by the advisory council that address the priorities in subdivision 1, paragraph (a), clauses (1) to (4), unless otherwise appropriated by the legislature. The advisory council shall determine grant awards and funding amounts based on the funds appropriated to the commissioner under section 256.043, subdivision 3, paragraph (e). The commissioner shall award the grants from the opiate epidemic response fund and administer the grants in compliance with section 16B.97. No more than ten percent of the grant amount may be used by a grantee for administration.

Sec. 18. Minnesota Statutes 2020, section 256.042, subdivision 5, is amended to read:

Subd. 5. **Reports.** (a) The advisory council shall report annually to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance by January 31 of each year, beginning January 31, 2021. The report shall include information about the individual projects that receive grants and the overall role of the project in addressing the opioid addiction and overdose epidemic in Minnesota. The report must describe the grantees and the activities implemented, along with measurable outcomes as determined by the council in consultation with the commissioner of human services and the commissioner of management and budget. At a minimum, the report must include information about the number of individuals who received information or treatment, the outcomes the individuals achieved, and demographic information about the individuals participating in the project; an assessment of the progress toward achieving statewide access to qualified providers and comprehensive treatment and recovery services; and an update on the evaluations implemented by the commissioner of management and budget for the promising practices and theory-based projects that receive funding.

(b) The commissioner of management and budget, in consultation with the Opiate Epidemic Response Advisory Council, shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance when an evaluation study described in subdivision 1, paragraph (c), is complete on the promising practices or theory-based projects that are selected for evaluation activities. The report shall include demographic information; outcome information for the individuals in the program; the results for the program in promoting recovery, employment, family reunification, and reducing involvement with the criminal justice system; and other relevant outcomes determined by the commissioner of management and budget that are specific to the projects that are evaluated. The report shall include information about the ability of grant programs to be scaled to achieve the statewide results that the grant project demonstrated.

(c) The advisory council, in its annual report to the legislature under paragraph (a) due by January 31, 2024, shall include recommendations on whether the appropriations to the specified entities under Laws 2019, chapter 63, should be continued, adjusted, or discontinued; whether funding should be appropriated for other purposes related to opioid abuse prevention, education, and treatment; and on the appropriate level of funding for existing and new uses.

(d) This subdivision expires upon the expiration of the advisory council.

Sec. 19. Minnesota Statutes 2020, section 256.9657, subdivision 8, is amended to read:

Subd. 8. **Commissioner's duties.** (a) Beginning October 1, 2023, the commissioner of human services shall annually report to the legislature quarterly on the first day of January, April, July, and

~~October chairs and ranking minority members of the legislative committees with jurisdiction over health care policy and finance regarding the provider surcharge program. The report shall include information on total billings, total collections, and administrative expenditures for the previous fiscal year. The report on January 1, 1993, shall include information on all surcharge billings, collections, federal matching payments received, efforts to collect unpaid amounts, and administrative costs pertaining to the surcharge program in effect from July 1, 1991, to September 30, 1992. This paragraph expires January 1, 2032.~~

(b) The surcharge shall be adjusted by inflationary and caseload changes in future bienniums to maintain reimbursement of health care providers in accordance with the requirements of the state and federal laws governing the medical assistance program, including the requirements of the Medicaid moratorium amendments of 1991 found in Public Law No. 102-234.

(c) The commissioner shall request the Minnesota congressional delegation to support a change in federal law that would prohibit federal disallowances for any state that makes a good faith effort to comply with Public Law 102-234 by enacting conforming legislation prior to the issuance of federal implementing regulations.

Sec. 20. Minnesota Statutes 2020, section 256.975, subdivision 11, is amended to read:

Subd. 11. **Regional and local dementia grants.** (a) The Minnesota Board on Aging shall award competitive grants to eligible applicants for regional and local projects and initiatives targeted to a designated community, which may consist of a specific geographic area or population, to increase awareness of Alzheimer's disease and other dementias, increase the rate of cognitive testing in the population at risk for dementias, promote the benefits of early diagnosis of dementias, or connect caregivers of persons with dementia to education and resources.

(b) The project areas for grants include:

(1) local or community-based initiatives to promote the benefits of physician or advanced practice registered nurse consultations for all individuals who suspect a memory or cognitive problem;

(2) local or community-based initiatives to promote the benefits of early diagnosis of Alzheimer's disease and other dementias; and

(3) local or community-based initiatives to provide informational materials and other resources to caregivers of persons with dementia.

(c) Eligible applicants for local and regional grants may include, but are not limited to, community health boards, school districts, colleges and universities, community clinics, tribal communities, nonprofit organizations, and other health care organizations.

(d) Applicants must:

(1) describe the proposed initiative, including the targeted community and how the initiative meets the requirements of this subdivision; and

(2) identify the proposed outcomes of the initiative and the evaluation process to be used to measure these outcomes.

(e) In awarding the regional and local dementia grants, the Minnesota Board on Aging must give priority to applicants who demonstrate that the proposed project:

(1) is supported by and appropriately targeted to the community the applicant serves;

(2) is designed to coordinate with other community activities related to other health initiatives, particularly those initiatives targeted at the elderly;

(3) is conducted by an applicant able to demonstrate expertise in the project areas;

(4) utilizes and enhances existing activities and resources or involves innovative approaches to achieve success in the project areas; and

(5) strengthens community relationships and partnerships in order to achieve the project areas.

(f) The board shall divide the state into specific geographic regions and allocate a percentage of the money available for the local and regional dementia grants to projects or initiatives aimed at each geographic region.

(g) The board shall award any available grants by January 1, 2016, and each July 1 thereafter.

(h) Each grant recipient shall report to the board on the progress of the initiative at least once during the grant period, and within two months of the end of the grant period shall submit a final report to the board that includes the outcome results.

(i) The Minnesota Board on Aging shall:

(1) develop the criteria and procedures to allocate the grants under this subdivision, evaluate all applicants on a competitive basis and award the grants, and select qualified providers to offer technical assistance to grant applicants and grantees. The selected provider shall provide applicants and grantees assistance with project design, evaluation methods, materials, and training; ~~and~~

~~(2) submit by January 15, 2017, and on each January 15 thereafter, a progress report on the dementia grants programs under this subdivision to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over health finance and policy. The report shall include:~~

~~(i) information on each grant recipient;~~

~~(ii) a summary of all projects or initiatives undertaken with each grant;~~

~~(iii) the measurable outcomes established by each grantee, an explanation of the evaluation process used to determine whether the outcomes were met, and the results of the evaluation; and~~

~~(iv) an accounting of how the grant funds were spent.~~

Sec. 21. Minnesota Statutes 2020, section 256B.0561, subdivision 4, is amended to read:

Subd. 4. **Report.** (a) By September 1, 2019, and each September 1 thereafter, the commissioner shall submit a report to the chairs and ranking minority members of the house and senate committees

with jurisdiction over human services finance that includes the number of cases affected by periodic data matching under this section, the number of recipients identified as possibly ineligible as a result of a periodic data match, and the number of recipients whose eligibility was terminated as a result of a periodic data match. The report must also specify, for recipients whose eligibility was terminated, how many cases were closed due to failure to cooperate.

(b) This subdivision expires January 1, 2027.

Sec. 22. Minnesota Statutes 2020, section 256B.0911, subdivision 5, is amended to read:

Subd. 5. **Administrative activity.** (a) The commissioner shall streamline the processes, including timelines for when assessments need to be completed, required to provide the services in this section and shall implement integrated solutions to automate the business processes to the extent necessary for community support plan approval, reimbursement, program planning, evaluation, and policy development.

(b) The commissioner of human services shall work with lead agencies responsible for conducting long-term consultation services to modify the MnCHOICES application and assessment policies to create efficiencies while ensuring federal compliance with medical assistance and long-term services and supports eligibility criteria.

(c) The commissioner shall work with lead agencies responsible for conducting long-term consultation services to develop a set of measurable benchmarks sufficient to demonstrate quarterly improvement in the average time per assessment and other mutually agreed upon measures of increasing efficiency. The commissioner shall collect data on these benchmarks and provide to the lead agencies ~~and the chairs and ranking minority members of the legislative committees with jurisdiction over human services~~ an annual trend analysis of the data in order to demonstrate the commissioner's compliance with the requirements of this subdivision.

Sec. 23. Minnesota Statutes 2020, section 256B.0949, subdivision 17, is amended to read:

Subd. 17. **Provider shortage; authority for exceptions.** (a) In consultation with the Early Intensive Developmental and Behavioral Intervention Advisory Council and stakeholders, including agencies, professionals, parents of people with ASD or a related condition, and advocacy organizations, the commissioner shall determine if a shortage of EIDBI providers exists. For the purposes of this subdivision, "shortage of EIDBI providers" means a lack of availability of providers who meet the EIDBI provider qualification requirements under subdivision 15 that results in the delay of access to timely services under this section, or that significantly impairs the ability of a provider agency to have sufficient providers to meet the requirements of this section. The commissioner shall consider geographic factors when determining the prevalence of a shortage. The commissioner may determine that a shortage exists only in a specific region of the state, multiple regions of the state, or statewide. The commissioner shall also consider the availability of various types of treatment modalities covered under this section.

(b) The commissioner, in consultation with the Early Intensive Developmental and Behavioral Intervention Advisory Council and stakeholders, must establish processes and criteria for granting an exception under this paragraph. The commissioner may grant an exception only if the exception would not compromise a person's safety and not diminish the effectiveness of the treatment. The

commissioner may establish an expiration date for an exception granted under this paragraph. The commissioner may grant an exception for the following:

- (1) EIDBI provider qualifications under this section;
- (2) medical assistance provider enrollment requirements under section 256B.04, subdivision 21; or
- (3) EIDBI provider or agency standards or requirements.

(c) If the commissioner, in consultation with the Early Intensive Developmental and Behavioral Intervention Advisory Council and stakeholders, determines that a shortage no longer exists, the commissioner must submit a notice that a shortage no longer exists to the chairs and ranking minority members of the senate and the house of representatives committees with jurisdiction over health and human services. The commissioner must post the notice for public comment for 30 days. The commissioner shall consider public comments before submitting to the legislature a request to end the shortage declaration. ~~The commissioner shall annually provide an update on the status of the provider shortage and exceptions granted to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over health and human services.~~ The commissioner shall not declare the shortage of EIDBI providers ended without direction from the legislature to declare it ended.

Sec. 24. Minnesota Statutes 2020, section 256B.493, subdivision 2, is amended to read:

Subd. 2. **Planned closure process needs determination.** A resource need determination process, managed at the state level, using available ~~reports~~ data required by section 144A.351 and other data and information shall be used by the commissioner to align capacity where needed.

Sec. 25. Minnesota Statutes 2020, section 256B.69, subdivision 9d, is amended to read:

Subd. 9d. **Financial and quality assurance audits.** (a) The commissioner shall require, in the request for bids and resulting contracts with managed care plans and county-based purchasing plans under this section and section 256B.692, that each managed care plan and county-based purchasing plan submit to and fully cooperate with the independent third-party financial audits by the legislative auditor under subdivision 9e of the information required under subdivision 9c, paragraph (b). Each contract with a managed care plan or county-based purchasing plan under this section or section 256B.692 must provide the commissioner, the legislative auditor, and vendors contracting with the legislative auditor, access to all data required to complete audits under subdivision 9e.

(b) Each managed care plan and county-based purchasing plan providing services under this section shall provide to the commissioner biweekly encounter data and claims data for state public health care programs and shall participate in a quality assurance program that verifies the timeliness, completeness, accuracy, and consistency of the data provided. The commissioner shall develop written protocols for the quality assurance program and shall make the protocols publicly available. The commissioner shall contract for an independent third-party audit to evaluate the quality assurance protocols as to the capacity of the protocols to ensure complete and accurate data and to evaluate the commissioner's implementation of the protocols.

(c) Upon completion of the evaluation under paragraph (b), the commissioner shall provide copies of the report to the legislative auditor ~~and the chairs and ranking minority members of the legislative committees with jurisdiction over health care policy and financing.~~

(d) Any actuary under contract with the commissioner to provide actuarial services must meet the independence requirements under the professional code for fellows in the Society of Actuaries and must not have provided actuarial services to a managed care plan or county-based purchasing plan that is under contract with the commissioner pursuant to this section and section 256B.692 during the period in which the actuarial services are being provided. An actuary or actuarial firm meeting the requirements of this paragraph must certify and attest to the rates paid to the managed care plans and county-based purchasing plans under this section and section 256B.692, and the certification and attestation must be auditable.

(e) The commissioner, to the extent of available funding, shall conduct ad hoc audits of state public health care program administrative and medical expenses reported by managed care plans and county-based purchasing plans. This includes: financial and encounter data reported to the commissioner under subdivision 9c, including payments to providers and subcontractors; supporting documentation for expenditures; categorization of administrative and medical expenses; and allocation methods used to attribute administrative expenses to state public health care programs. These audits also must monitor compliance with data and financial report certification requirements established by the commissioner for the purposes of managed care capitation payment rate-setting. The managed care plans and county-based purchasing plans shall fully cooperate with the audits in this subdivision.

~~The commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance by February 1, 2016, and each February 1 thereafter, the number of ad hoc audits conducted in the past calendar year and the results of these audits.~~

(f) Nothing in this subdivision shall allow the release of information that is nonpublic data pursuant to section 13.02.

Sec. 26. Minnesota Statutes 2020, section 256E.28, subdivision 6, is amended to read:

Subd. 6. **Evaluation.** (a) Using the outcomes established according to subdivision 3, the commissioner shall conduct a biennial evaluation of the grant program funded under this section. Grant recipients shall cooperate with the commissioner in the evaluation and shall provide the commissioner with the information needed to conduct the evaluation.

(b) The commissioner shall consult with the legislative task force on child protection during the evaluation process ~~and~~.

(c) The commissioner shall submit a biennial evaluation report to the task force and to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over child protection funding. This paragraph expires January 1, 2032.

Sec. 27. Minnesota Statutes 2020, section 256R.18, is amended to read:

256R.18 REPORT BY COMMISSIONER OF HUMAN SERVICES.

(a) Beginning January 1, 2019, the commissioner shall provide to the house of representatives and senate committees with jurisdiction over nursing facility payment rates a biennial report on the effectiveness of the reimbursement system in improving quality, restraining costs, and any other features of the system as determined by the commissioner.

(b) This section expires January 1, 2026.

Sec. 28. Minnesota Statutes 2020, section 257.0725, is amended to read:

257.0725 ANNUAL REPORT.

(a) The commissioner of human services shall publish an annual report on child maltreatment and on children in out-of-home placement. The commissioner shall confer with counties, child welfare organizations, child advocacy organizations, the courts, and other groups on how to improve the content and utility of the department's annual report. In regard to child maltreatment, the report shall include the number and kinds of maltreatment reports received and any other data that the commissioner determines is appropriate to include in a report on child maltreatment. In regard to children in out-of-home placement, the report shall include, by county and statewide, information on legal status, living arrangement, age, sex, race, accumulated length of time in placement, reason for most recent placement, race of family with whom placed, school enrollments within seven days of placement pursuant to section 120A.21, and other information deemed appropriate on all children in out-of-home placement. Out-of-home placement includes placement in any facility by an authorized child-placing agency.

(b) This section expires January 1, 2032.

Sec. 29. Minnesota Statutes 2020, section 260.775, is amended to read:

260.775 PLACEMENT RECORDS.

(a) The commissioner of human services shall publish annually an inventory of all Indian children in residential facilities. The inventory shall include, by county and statewide, information on legal status, living arrangement, age, sex, tribe in which the child is a member or eligible for membership, accumulated length of time in foster care, and other demographic information deemed appropriate concerning all Indian children in residential facilities. The report must also state the extent to which authorized child-placing agencies comply with the order of preference described in United States Code, title 25, section 1901, et seq. The commissioner shall include the information required under this paragraph in the annual report on child maltreatment and on children in out-of-home placement under section 257.0725.

(b) This section expires January 1, 2032.

Sec. 30. Minnesota Statutes 2020, section 260E.24, subdivision 6, is amended to read:

Subd. 6. **Required referral to early intervention services.** (a) A child under age three who is involved in a substantiated case of maltreatment shall be referred for screening under the Individuals with Disabilities Education Act, part C. Parents must be informed that the evaluation and acceptance of services are voluntary. The commissioner of human services shall monitor referral rates by county

and annually report the information to the legislature. Refusal to have a child screened is not a basis for a child in need of protection or services petition under chapter 260C.

(b) The commissioner of human services shall include the referral rates by county for screening under the Individuals with Disabilities Education Act, part C in the annual report on child maltreatment under section 257.0725. This paragraph expires January 1, 2032.

Sec. 31. Minnesota Statutes 2020, section 260E.38, subdivision 3, is amended to read:

Subd. 3. **Report required.** (a) The commissioner shall produce an annual report of the summary results of the reviews. The report must only contain aggregate data and may not include any data that could be used to personally identify any subject whose data is included in the report. The report is public information and must be provided to the chairs and ranking minority members of the legislative committees having jurisdiction over child protection issues. The commissioner shall include the information required under this paragraph in the annual report on child maltreatment and on children in out-of-home placement under section 257.0725.

(b) This subdivision expires January 1, 2032.

Sec. 32. Minnesota Statutes 2020, section 518A.77, is amended to read:

518A.77 GUIDELINES REVIEW.

(a) No later than 2006 and every four years after that, the Department of Human Services must conduct a review of the child support guidelines.

(b) This section expires January 1, 2032.

Sec. 33. Minnesota Statutes 2020, section 626.557, subdivision 12b, is amended to read:

Subd. 12b. **Data management.** (a) In performing any of the duties of this section as a lead investigative agency, the county social service agency shall maintain appropriate records. Data collected by the county social service agency under this section are welfare data under section 13.46. Notwithstanding section 13.46, subdivision 1, paragraph (a), data under this paragraph that are inactive investigative data on an individual who is a vendor of services are private data on individuals, as defined in section 13.02. The identity of the reporter may only be disclosed as provided in paragraph (c).

Data maintained by the common entry point are confidential data on individuals or protected nonpublic data as defined in section 13.02. Notwithstanding section 138.163, the common entry point shall maintain data for three calendar years after date of receipt and then destroy the data unless otherwise directed by federal requirements.

(b) The commissioners of health and human services shall prepare an investigation memorandum for each report alleging maltreatment investigated under this section. County social service agencies must maintain private data on individuals but are not required to prepare an investigation memorandum. During an investigation by the commissioner of health or the commissioner of human services, data collected under this section are confidential data on individuals or protected nonpublic

data as defined in section 13.02. Upon completion of the investigation, the data are classified as provided in clauses (1) to (3) and paragraph (c).

(1) The investigation memorandum must contain the following data, which are public:

(i) the name of the facility investigated;

(ii) a statement of the nature of the alleged maltreatment;

(iii) pertinent information obtained from medical or other records reviewed;

(iv) the identity of the investigator;

(v) a summary of the investigation's findings;

(vi) statement of whether the report was found to be substantiated, inconclusive, false, or that no determination will be made;

(vii) a statement of any action taken by the facility;

(viii) a statement of any action taken by the lead investigative agency; and

(ix) when a lead investigative agency's determination has substantiated maltreatment, a statement of whether an individual, individuals, or a facility were responsible for the substantiated maltreatment, if known.

The investigation memorandum must be written in a manner which protects the identity of the reporter and of the vulnerable adult and may not contain the names or, to the extent possible, data on individuals or private data listed in clause (2).

(2) Data on individuals collected and maintained in the investigation memorandum are private data, including:

(i) the name of the vulnerable adult;

(ii) the identity of the individual alleged to be the perpetrator;

(iii) the identity of the individual substantiated as the perpetrator; and

(iv) the identity of all individuals interviewed as part of the investigation.

(3) Other data on individuals maintained as part of an investigation under this section are private data on individuals upon completion of the investigation.

(c) After the assessment or investigation is completed, the name of the reporter must be confidential. The subject of the report may compel disclosure of the name of the reporter only with the consent of the reporter or upon a written finding by a court that the report was false and there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the Rules of Criminal Procedure, except that where the identity of the reporter is relevant to a criminal prosecution, the district court shall do an in-camera review prior to determining whether to order disclosure of the identity of the reporter.

(d) Notwithstanding section 138.163, data maintained under this section by the commissioners of health and human services must be maintained under the following schedule and then destroyed unless otherwise directed by federal requirements:

(1) data from reports determined to be false, maintained for three years after the finding was made;

(2) data from reports determined to be inconclusive, maintained for four years after the finding was made;

(3) data from reports determined to be substantiated, maintained for seven years after the finding was made; and

(4) data from reports which were not investigated by a lead investigative agency and for which there is no final disposition, maintained for three years from the date of the report.

(e) The commissioners of health and human services shall annually publish on their websites the number and type of reports of alleged maltreatment involving licensed facilities reported under this section, the number of those requiring investigation under this section, and the resolution of those investigations.

~~On a biennial basis, the commissioners of health and human services shall jointly report the following information to the legislature and the governor:~~

~~(1) the number and type of reports of alleged maltreatment involving licensed facilities reported under this section, the number of those requiring investigations under this section, the resolution of those investigations, and which of the two lead agencies was responsible;~~

~~(2) trends about types of substantiated maltreatment found in the reporting period;~~

~~(3) if there are upward trends for types of maltreatment substantiated, recommendations for addressing and responding to them;~~

~~(4) efforts undertaken or recommended to improve the protection of vulnerable adults;~~

~~(5) whether and where backlogs of cases result in a failure to conform with statutory time frames and recommendations for reducing backlogs if applicable;~~

~~(6) recommended changes to statutes affecting the protection of vulnerable adults; and~~

~~(7) any other information that is relevant to the report trends and findings.~~

(f) Each lead investigative agency must have a record retention policy.

(g) Lead investigative agencies, prosecuting authorities, and law enforcement agencies may exchange not public data, as defined in section 13.02, if the agency or authority requesting the data determines that the data are pertinent and necessary to the requesting agency in initiating, furthering, or completing an investigation under this section. Data collected under this section must be made available to prosecuting authorities and law enforcement officials, local county agencies, and licensing agencies investigating the alleged maltreatment under this section. The lead investigative agency

shall exchange not public data with the vulnerable adult maltreatment review panel established in section 256.021 if the data are pertinent and necessary for a review requested under that section. Notwithstanding section 138.17, upon completion of the review, not public data received by the review panel must be destroyed.

(h) Each lead investigative agency shall keep records of the length of time it takes to complete its investigations.

(i) A lead investigative agency may notify other affected parties and their authorized representative if the lead investigative agency has reason to believe maltreatment has occurred and determines the information will safeguard the well-being of the affected parties or dispel widespread rumor or unrest in the affected facility.

(j) Under any notification provision of this section, where federal law specifically prohibits the disclosure of patient identifying information, a lead investigative agency may not provide any notice unless the vulnerable adult has consented to disclosure in a manner which conforms to federal requirements.

Sec. 34. Laws 2009, chapter 79, article 13, section 3, subdivision 10, as amended by Laws 2009, chapter 173, article 2, section 1, subdivision 10, is amended to read:

Subd. 10. State-Operated Services

The amounts that may be spent from the appropriation for each purpose are as follows:

Transfer Authority Related to State-Operated Services. Money appropriated to finance state-operated services may be transferred between the fiscal years of the biennium with the approval of the commissioner of finance.

County Past Due Receivables. The commissioner is authorized to withhold county federal administrative reimbursement when the county of financial responsibility for cost-of-care payments due the state under Minnesota Statutes, section 246.54 or 253B.045, is 90 days past due. The commissioner shall deposit the withheld federal administrative earnings for the county into the general fund to settle the claims with the county of financial responsibility. The process for withholding funds is governed by Minnesota Statutes, section 256.017.

~~**Forecast and Census Data.** The commissioner shall include census data and~~

~~fiscal projections for state-operated services and Minnesota sex offender services with the November and February budget forecasts. Notwithstanding any contrary provision in this article, this paragraph shall not expire.~~

(a) Adult Mental Health Services	106,702,000	107,201,000
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Appropriation Limitation. No part of the appropriation in this article to the commissioner for mental health treatment services provided by state-operated services shall be used for the Minnesota sex offender program.

Community Behavioral Health Hospitals. Under Minnesota Statutes, section 246.51, subdivision 1, a determination order for the clients served in a community behavioral health hospital operated by the commissioner of human services is only required when a client's third-party coverage has been exhausted.

Base Adjustment. The general fund base is decreased by \$500,000 for fiscal year 2012 and by \$500,000 for fiscal year 2013.

(b) Minnesota Sex Offender Services

	Appropriations by Fund	
General	38,348,000	67,503,000
Federal Fund	26,495,000	0

Use of Federal Stabilization Funds. Of this appropriation, \$26,495,000 in fiscal year 2010 is from the fiscal stabilization account in the federal fund to the commissioner. This appropriation must not be used for any activity or service for which federal reimbursement is claimed. This is a onetime appropriation.

(c) Minnesota Security Hospital and METO Services

	Appropriations by Fund	
General	230,000	83,735,000
Federal Fund	83,505,000	0

Minnesota Security Hospital. For the purposes of enhancing the safety of the public, improving supervision, and enhancing community-based mental health treatment, state-operated services may establish additional community capacity for providing treatment and supervision of clients who have been ordered into a less restrictive alternative of care from the state-operated services transitional services program consistent with Minnesota Statutes, section 246.014.

Use of Federal Stabilization Funds. \$83,505,000 in fiscal year 2010 is appropriated from the fiscal stabilization account in the federal fund to the commissioner. This appropriation must not be used for any activity or service for which federal reimbursement is claimed. This is a onetime appropriation.

Sec. 35. **REPEALER.**

(a) Minnesota Statutes 2020, sections 62U.10, subdivision 3; 144.1911, subdivision 10; 144.564, subdivision 3; 144A.483, subdivision 2; 245.981; 246.131; 246B.03, subdivision 2; 246B.035; 256.01, subdivision 31; 256.975, subdivision 12; and 256B.0638, subdivision 7, are repealed.

(b) Laws 1998, chapter 382, article 1, section 23, is repealed.

ARTICLE 17

HUMAN SERVICES FORECAST ADJUSTMENTS AND CARRY FORWARD AUTHORITY

Section 1. **HUMAN SERVICES APPROPRIATION.**

The dollar amounts shown in the columns marked "Appropriations" are added to or, if shown in parentheses, are subtracted from the appropriations in Laws 2021, First Special Session chapter 7, article 16, from the general fund or any fund named to the Department of Human Services for the purposes specified in this article, to be available for the fiscal year indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal years ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

APPROPRIATIONS
Available for the Year
Ending June 30

	<u>2022</u>	<u>2023</u>
Sec. 2. <u>COMMISSIONER OF HUMAN SERVICES</u>		
Subdivision 1. <u>Total Appropriation</u>	\$ <u>(585,901,000)</u>	\$ <u>182,791,000</u>
<u>Appropriations by Fund</u>		
<u>General Fund</u>	<u>(406,629,000)</u>	<u>185,395,000</u>
<u>Health Care Access</u>		
<u>Fund</u>	<u>(86,146,000)</u>	<u>(11,799,000)</u>
<u>Federal TANF</u>	<u>(93,126,000)</u>	<u>9,195,000</u>
Subd. 2. <u>Forecasted Programs</u>		
(a) <u>MFIP/DWP</u>		
<u>Appropriations by Fund</u>		
<u>General Fund</u>	<u>72,106,000</u>	<u>(14,397,000)</u>
<u>Federal TANF</u>	<u>(93,126,000)</u>	<u>9,195,000</u>
(b) <u>MFIP Child Care Assistance</u>	<u>(103,347,000)</u>	<u>(73,738,000)</u>
(c) <u>General Assistance</u>	<u>(4,175,000)</u>	<u>(1,488,000)</u>
(d) <u>Minnesota Supplemental Aid</u>	<u>318,000</u>	<u>1,613,000</u>
(e) <u>Housing Support</u>	<u>(1,994,000)</u>	<u>9,257,000</u>
(f) <u>Northstar Care for Children</u>	<u>(9,613,000)</u>	<u>(4,865,000)</u>
(g) <u>MinnesotaCare</u>	<u>(86,146,000)</u>	<u>(11,799,000)</u>
<u>These appropriations are from the health care access fund.</u>		
(h) <u>Medical Assistance</u>		
<u>Appropriations by Fund</u>		
<u>General Fund</u>	<u>(348,364,000)</u>	<u>292,880,000</u>
<u>Health Care Access</u>		
<u>Fund</u>	<u>0</u>	<u>0</u>
(i) <u>Alternative Care Program</u>	<u>0</u>	<u>0</u>
(j) <u>Behavioral Health Fund</u>	<u>(11,560,000)</u>	<u>(23,867,000)</u>
Subd. 3. <u>Technical Activities</u>	<u>0</u>	<u>0</u>
<u>These appropriations are from the federal TANF fund.</u>		

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

Sec. 3. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 29, is amended to read:

Subd. 29. Grant Programs; Disabilities Grants	31,398,000	31,010,000
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(a) **Training Stipends for Direct Support Services Providers.** \$1,000,000 in fiscal year 2022 is from the general fund for stipends for individual providers of direct support services as defined in Minnesota Statutes, section 256B.0711, subdivision 1. ~~These~~ The stipends are available to individual providers who have completed designated voluntary trainings made available through the State-Provider Cooperation Committee formed by the State of Minnesota and the Service Employees International Union Healthcare Minnesota. Any unspent appropriation in fiscal year 2022 is available in fiscal year 2023. This is a onetime appropriation. This appropriation is available only if the labor agreement between the state of Minnesota and the Service Employees International Union Healthcare Minnesota under Minnesota Statutes, section 179A.54, is approved under Minnesota Statutes, section 3.855.

(b) **Parent-to-Parent Peer Support.** \$125,000 in fiscal year 2022 and \$125,000 in fiscal year 2023 are from the general fund for a grant to an alliance member of Parent to Parent USA to support the alliance member's parent-to-parent peer support program for families of children with a disability or special health care need.

(c) **Self-Advocacy Grants.** (1) \$143,000 in fiscal year 2022 and \$143,000 in fiscal year 2023 are from the general fund for a grant under Minnesota Statutes, section 256.477, subdivision 1.

(2) \$105,000 in fiscal year 2022 and \$105,000 in fiscal year 2023 are from the general fund for subgrants under Minnesota Statutes, section 256.477, subdivision 2.

(d) **Minnesota Inclusion Initiative Grants.** \$150,000 in fiscal year 2022 and \$150,000 in fiscal year 2023 are from the general fund for grants under Minnesota Statutes, section 256.4772.

(e) **Grants to Expand Access to Child Care for Children with Disabilities.** \$250,000 in fiscal year 2022 and \$250,000 in fiscal year 2023 are from the general fund for grants to expand access to child care for children with disabilities. Any unexpended amount in fiscal year 2022 is available through June 30, 2023. This is a onetime appropriation.

(f) **Parenting with a Disability Pilot Project.** The general fund base includes \$1,000,000 in fiscal year 2024 and \$0 in fiscal year 2025 to implement the parenting with a disability pilot project.

(g) **Base Level Adjustment.** The general fund base is \$29,260,000 in fiscal year 2024 and \$22,260,000 in fiscal year 2025.

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

Sec. 4. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 31, is amended to read:

Subd. 31. Grant Programs; Adult Mental Health Grants

	Appropriations by Fund	
General	98,772,000	98,703,000
Opiate Epidemic Response	2,000,000	2,000,000

(a) **Culturally and Linguistically Appropriate Services Implementation Grants.** \$2,275,000 in fiscal year 2022 and \$2,206,000 in fiscal year 2023 are from the general fund for grants to disability services, mental health, and substance use disorder treatment providers to implement culturally and linguistically appropriate services standards, according to the implementation and transition plan developed by the commissioner. Any unexpended amount in

fiscal year 2022 is available through June 30, 2023. The general fund base for this appropriation is \$1,655,000 in fiscal year 2024 and \$0 in fiscal year 2025.

(b) **Base Level Adjustment.** The general fund base is \$93,295,000 in fiscal year 2024 and \$83,324,000 in fiscal year 2025. The opiate epidemic response fund base is \$2,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

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

Sec. 5. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 33, is amended to read:

Subd. 33. Grant Programs; Chemical Dependency Treatment Support Grants

	Appropriations by Fund	
General	4,273,000	4,274,000
Lottery Prize	1,733,000	1,733,000
Opiate Epidemic Response	500,000	500,000

(a) **Problem Gambling.** \$225,000 in fiscal year 2022 and \$225,000 in fiscal year 2023 are from the lottery prize fund for a grant to the state affiliate recognized by the National Council on Problem Gambling. The affiliate must provide services to increase public awareness of problem gambling, education, training for individuals and organizations providing effective treatment services to problem gamblers and their families, and research related to problem gambling.

(b) **Recovery Community Organization Grants.** \$2,000,000 in fiscal year 2022 and \$2,000,000 in fiscal year 2023 are from the general fund for grants to recovery community organizations, as defined in Minnesota Statutes, section 254B.01, subdivision 8, to provide for costs and community-based peer recovery support services that are not otherwise eligible for reimbursement under Minnesota Statutes,

section 254B.05, as part of the continuum of care for substance use disorders. Any unexpended amount in fiscal year 2022 is available through June 30, 2023. The general fund base for this appropriation is \$2,000,000 in fiscal year 2024 and \$0 in fiscal year 2025

(c) **Base Level Adjustment.** The general fund base is \$4,636,000 in fiscal year 2024 and \$2,636,000 in fiscal year 2025. The opiate epidemic response fund base is \$500,000 in fiscal year 2024 and \$0 in fiscal year 2025.

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

Sec. 6. Laws 2021, First Special Session chapter 7, article 17, section 3, is amended to read:

Sec. 3. **GRANTS FOR TECHNOLOGY FOR HCBS RECIPIENTS.**

(a) This act includes \$500,000 in fiscal year 2022 and \$2,000,000 in fiscal year 2023 for the commissioner of human services to issue competitive grants to home and community-based service providers. Grants must be used to provide technology assistance, including but not limited to Internet services, to older adults and people with disabilities who do not have access to technology resources necessary to use remote service delivery and telehealth. Any unexpended amount in fiscal year 2022 is available through June 30, 2023. The general fund base included in this act for this purpose is \$1,500,000 in fiscal year 2024 and \$0 in fiscal year 2025.

(b) All grant activities must be completed by March 31, 2024.

(c) This section expires June 30, 2024.

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

Sec. 7. Laws 2021, First Special Session chapter 7, article 17, section 6, is amended to read:

Sec. 6. **TRANSITION TO COMMUNITY INITIATIVE.**

(a) This act includes \$5,500,000 in fiscal year 2022 and \$5,500,000 in fiscal year 2023 for additional funding for grants awarded under the transition to community initiative described in Minnesota Statutes, section 256.478. Any unexpended amount in fiscal year 2022 is available through June 30, 2023. The general fund base in this act for this purpose is \$4,125,000 in fiscal year 2024 and \$0 in fiscal year 2025.

(b) All grant activities must be completed by March 31, 2024.

(c) This section expires June 30, 2024.

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

Sec. 8. Laws 2021, First Special Session chapter 7, article 17, section 10, is amended to read:

Sec. 10. PROVIDER CAPACITY GRANTS FOR RURAL AND UNDERSERVED COMMUNITIES.

(a) This act includes \$6,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023 for the commissioner to establish a grant program for small provider organizations that provide services to rural or underserved communities with limited home and community-based services provider capacity. The grants are available to build organizational capacity to provide home and community-based services in Minnesota and to build new or expanded infrastructure to access medical assistance reimbursement. Any unexpended amount in fiscal year 2022 is available through June 30, 2023. The general fund base in this act for this purpose is \$8,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

(b) The commissioner shall conduct community engagement, provide technical assistance, and establish a collaborative learning community related to the grants available under this section and work with the commissioner of management and budget and the commissioner of the Department of Administration to mitigate barriers in accessing grant funds. Funding awarded for the community engagement activities described in this paragraph is exempt from state solicitation requirements under Minnesota Statutes, section 16B.97, for activities that occur in fiscal year 2022.

(c) All grant activities must be completed by March 31, 2024.

(d) This section expires June 30, 2024.

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

Sec. 9. Laws 2021, First Special Session chapter 7, article 17, section 11, is amended to read:

Sec. 11. EXPAND MOBILE CRISIS.

(a) This act includes \$8,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023 for additional funding for grants for adult mobile crisis services under Minnesota Statutes, section 245.4661, subdivision 9, paragraph (b), clause (15). Any unexpended amounts in fiscal year 2022 and fiscal year 2023 are available through June 30, 2024. The general fund base in this act for this purpose is \$4,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

(b) Beginning April 1, 2024, counties may fund and continue conducting activities funded under this section.

(c) All grant activities must be completed by March 31, 2024.

(d) This section expires June 30, 2024.

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

Sec. 10. Laws 2021, First Special Session chapter 7, article 17, section 12, is amended to read:

Sec. 12. PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY AND CHILD AND ADOLESCENT MOBILE TRANSITION UNIT.

(a) This act includes \$2,500,000 in fiscal year 2022 and \$2,500,000 in fiscal year 2023 for the commissioner of human services to create children's mental health transition and support teams to facilitate transition back to the community of children from psychiatric residential treatment facilities, and child and adolescent behavioral health hospitals. Any unexpended amount in fiscal year 2022 is available through June 30, 2023. The general fund base included in this act for this purpose is \$1,875,000 in fiscal year 2024 and \$0 in fiscal year 2025.

(b) Beginning April 1, 2024, counties may fund and continue conducting activities funded under this section.

(c) This section expires March 31, 2024.

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

Sec. 11. Laws 2021, First Special Session chapter 7, article 17, section 17, subdivision 3, is amended to read:

Subd. 3. **Respite services for older adults grants.** (a) This act includes \$2,000,000 in fiscal year 2022 and \$2,000,000 in fiscal year 2023 for the commissioner of human services to establish a grant program for respite services for older adults. The commissioner must award grants on a competitive basis to respite service providers. Any unexpended amount in fiscal year 2022 is available through June 30, 2023. The general fund base included in this act for this purpose is \$2,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

(b) All grant activities must be completed by March 31, 2024.

(c) This subdivision expires June 30, 2024.

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

Sec. 12. Laws 2021, First Special Session chapter 7, article 17, section 19, is amended to read:

Sec. 19. **CENTERS FOR INDEPENDENT LIVING HCBS ACCESS GRANT.**

(a) This act includes \$1,200,000 in fiscal year 2022 and \$1,200,000 in fiscal year 2023 for grants to expand services to support people with disabilities from underserved communities who are ineligible for medical assistance to live in their own homes and communities by providing accessibility modifications, independent living services, and public health program facilitation. The commissioner of human services must award the grants in equal amounts to ~~the eight organizations~~ grantees. To be eligible, grantees must be an organization defined in Minnesota Statutes, section 268A.01, subdivision 8. Any unexpended amount in fiscal year 2022 is available through June 30, 2023. The general fund base included in this act for this purpose is \$0 in fiscal year 2024 and \$0 in fiscal year 2025.

(b) All grant activities must be completed by March 31, 2024.

(c) This section expires June 30, 2024.

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

ARTICLE 18

APPROPRIATIONS

Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2021, First Special Session chapter 7, article 16, to the agencies and for the purposes specified in this article. The appropriations are from the general fund or other named fund and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. Base adjustments mean the addition to or subtraction from the base level adjustment set in Laws 2021, First Special Session chapter 7, article 16. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2022, are effective the day following final enactment unless a different effective date is explicit.

APPROPRIATIONS

Available for the Year

Ending June 30

2022

2023

Sec. 2. **COMMISSIONER OF HUMAN SERVICES**

Subdivision 1. Total Appropriation **\$** **-0-** **\$** **161,533,000**

Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>-0-</u>	<u>156,636,000</u>
<u>Federal TANF</u>	<u>-0-</u>	<u>4,897,000</u>

Subd. 2. Central Office; Operations **-0-** **1,433,000**

Base Level Adjustment. The general fund base is increased by \$338,000 in fiscal year 2024 and increased by \$697,000 in fiscal year 2025.

Subd. 3. Central Office; Health Care **-0-** **25,000**

Subd. 4. Central Office; Continuing Care for Older Adults**-0- 4,498,000**

(a) Life-Sharing Service Development.
\$92,000 in fiscal year 2023 is for engaging stakeholders and developing recommendations regarding establishing a life-sharing service under the state's medical assistance elderly waiver. This is a onetime appropriation.

(b) Base Level Adjustment. The general fund base is increased by \$326,000 in fiscal year 2024 and increased by \$326,000 in fiscal year 2025.

Subd. 5. Central Office; Community Supports**-0- 232,000**

This is a onetime appropriation.

Life-Sharing Service Development.
\$92,000 in fiscal year 2023 is for engaging stakeholders and developing recommendations regarding establishing a life-sharing service under the state's medical assistance disability waivers. This is a onetime appropriation.

Subd. 6. Forecasted Programs; MFIP/DWPAppropriations by Fund

<u>General</u>	<u>-0-</u>	<u>(825,000)</u>
<u>Federal TANF</u>	<u>-0-</u>	<u>4,689,000</u>

Subd. 7. Forecasted Programs; MFIP Child Care Assistance**-0- 208,000**

This appropriation is from the federal TANF fund.

Subd. 8. Forecasted Programs; General Assistance**-0- 35,000****Subd. 9. Forecasted Programs; Housing Support****-0- 896,000****Subd. 10. Forecasted Programs; Medical Assistance****-0- 143,214,000**

Base Level Adjustment. The health care access fund base is increased by \$147,103,000 in fiscal year 2024 only.

<u>Subd. 11. Forecasted Programs; Alternative Care</u>	<u>-0-</u>	<u>492,000</u>
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<u>Subd. 12. Grant Programs; Children and Economic Support Grants</u>	<u>-0-</u>	<u>525,000</u>
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(a) Community Organizations Grants. \$100,000 in fiscal year 2023 is for community organizations grants under Minnesota Statutes, section 256.4791.

(b) Quality Parenting Initiative. \$100,000 in fiscal year 2023 is for a grant to Quality Parenting Initiative Minnesota.

(c) Minnesota Association for Volunteer Administration. \$100,000 in fiscal year 2023 is for a grant to the Minnesota Association for Volunteer Administration to award subgrants to needs-based volunteerism subgrants targeting under-resourced nonprofit organizations in greater Minnesota to support selected organizations' ongoing efforts to address and minimize disparities in access to human services through increased volunteerism. Successful subgrant applicants must demonstrate that the populations to be served by the subgrantee are underserved or are homeless or are at risk of homelessness, hunger, poverty, or lack of access to health care. The Minnesota Association for Volunteer Administration shall give priority to organizations that serve the needs of vulnerable populations. By December 15 of each year the Minnesota Association for Volunteer Administration shall report data on outcomes from the subgrants and recommendations for improving and sustaining volunteer efforts statewide to the chairs and ranking minority members of the legislative committees with jurisdiction over human services.

<u>Subd. 13. Grant Programs; Other Long-Term Care Grants</u>	<u>-0-</u>	<u>6,669,000</u>
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(a) Residential Setting Closure Prevention Grants. \$6,669,000 is for residential setting closure prevention grants under Minnesota

Statutes, section 256.4795. The general fund base for this appropriation is \$6,671,000 in fiscal year 2024 and \$6,671,000 in fiscal year 2025.

(b) **Base Level Adjustment.** The general fund base is increased by \$6,671,000 in fiscal year 2024 and increased by \$6,671,000 in fiscal year 2025.

<u>Subd. 14. Grant Programs; Disabilities Grants</u>	<u>-0-</u>	<u>(811,000)</u>
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<u>Subd. 15. Grant Programs; Chemical Dependency Treatment Support Grants</u>	<u>-0-</u>	<u>253,000</u>
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(a) **Olmsted County Recovery Community Organization.** \$100,000 in fiscal year 2023 is for a grant to a recovery community organization in Olmsted County, located in the city of Rochester, that provides services in an 11-county region.

(b) **Rochester Nonprofit Recovery Community Organization.** \$53,000 in fiscal year 2023 is for a grant to a nonprofit recovery community organization located in Rochester, Minnesota, that provides pretreatment housing, post-treatment recovery housing, treatment coordination, and peer recovery support to individuals pursuing a life of recovery from substance use disorders, and that also offers a recovery coaching academy to individuals interested in becoming peer recovery specialists. The general fund base for this appropriation is \$55,000 in fiscal year 2024 and \$55,000 in fiscal year 2025.

(c) **Wellness in the Woods.** \$100,000 in fiscal year 2023 is for a grant to Wellness in the Woods.

(d) **Base Level Adjustment.** The general fund base is decreased by \$495,000 in fiscal year 2024 and decreased by \$495,000 in fiscal year 2025.

Sec. 3. **COMMISSIONER OF HEALTH**

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>412,000</u>
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Appropriations by Fund

	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>-0-</u>	<u>309,000</u>
<u>State Government</u>		
<u>Special Revenue</u>	<u>-0-</u>	<u>103,000</u>

<u>Subd. 2. Health Improvement</u>	<u>-0-</u>	<u>-0-</u>
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Base Level Adjustment; Fetal Alcohol Spectrum Disorders Prevention Grants.

The general fund base for fetal alcohol spectrum disorders prevention grants under Minnesota Statutes, section 145.267, is increased by \$750,000 in fiscal year 2024 and increased by \$750,000 in fiscal year 2025.

Subd. 3. Health Protection

Appropriations by Fund

<u>General</u>	<u>-0-</u>	<u>309,000</u>
<u>State Government</u>		
<u>Special Revenue</u>	<u>-0-</u>	<u>103,000</u>

(a) Submerged Closed Loop Heat Exchanger Regulation. \$103,000 in fiscal year 2023 is from the state government special revenue fund to implement submerged closed loop heat exchanger requirements under Minnesota Statutes, section 103L.631. The state government special revenue fund base for this appropriation is \$86,000 in fiscal year 2024 and \$86,000 in fiscal year 2025.

(b) Audiology and Speech-Language Pathology Interstate Compact. \$309,000 in fiscal year 2023 is from the general fund to implement the audiology and speech-language pathology interstate compact under Minnesota Statutes, section 148.5185. The general fund base for this appropriation is \$63,000 in fiscal year 2024 and \$63,000 in fiscal year 2025.

(c) Base Level Adjustments. The general fund base is increased by \$63,000 in fiscal year 2024 and increased by \$63,000 in fiscal year 2025. The state government special revenue fund base is increased by \$86,000 in fiscal year 2024 and increased by \$86,000 in fiscal year 2025.

Sec. 4. **HEALTH-RELATED BOARDS**

Subdivision 1. <u>Total Appropriation</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>200,000</u>
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This appropriation is from the state government special revenue fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <u>Board of Nursing</u>		<u>-0-</u>		<u>157,000</u>
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Nurse Licensure Compact Implementation. \$157,000 in fiscal year 2023 is to implement the nurse licensure compact under Minnesota Statutes, section 148.2855. The base for this appropriation is \$6,000 in fiscal year 2024 and \$6,000 in fiscal year 2025.

Subd. 3. <u>Board of Behavioral Health and Therapy</u>		<u>-0-</u>		<u>43,000</u>
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\$43,000 in fiscal year 2023 is to implement the interstate compact for professional counselors. The state government special revenue fund base for this appropriation is \$23,000 in fiscal year 2024 and \$23,000 in fiscal year 2025.

Sec. 5. **PROFESSIONAL EDUCATOR LICENSING STANDARDS BOARD**

	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>25,000</u>
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Audiology and Speech-Language Pathology Interstate Compact. \$25,000 in fiscal year 2023 is to implement the audiology and speech-language pathology interstate compact under Minnesota Statutes, section 148.5185. This is a onetime appropriation.

Sec. 6. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 1, is amended to read:

	\$ 8,356,760,000	9,803,181,000 <u>9,802,370,000</u>
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Appropriations by Fund		
	2022	2023
General	7,295,463,000	8,951,733,000 <u>8,950,922,000</u>
State Government		
Special Revenue	4,299,000	4,299,000
Health Care Access	769,889,000	564,448,000
Federal TANF	282,653,000	278,245,000
Lottery Prize	1,896,000	1,896,000
Opiate Epidemic Response	2,560,000	2,560,000

The amounts that may be spent for each purpose are specified in the following subdivisions.

Sec. 7. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 24, is amended to read:

Subd. 24. Grant Programs; Children and Economic Support Grants	29,740,000	29,740,000
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(a) Minnesota Food Assistance Program. Unexpended funds for the Minnesota food assistance program for fiscal year 2022 do not cancel but are available in fiscal year 2023.

(b) Provider Repair or Improvement Grants. \$1,000,000 in fiscal year 2022 and \$1,000,000 in fiscal year 2023 are for provider repair or improvement grants under Minnesota Statutes, section 256K.45, subdivision 8. The amounts in this paragraph are available until June 30, 2025. This paragraph expires July 1, 2025.

Sec. 8. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 29, is amended to read:

Subd. 29. Grant Programs; Disabilities Grants	31,398,000	31,010,000 <u>30,199,000</u>
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(a) Training Stipends for Direct Support Services Providers. \$1,000,000 in fiscal year

2022 is from the general fund for stipends for individual providers of direct support services as defined in Minnesota Statutes, section 256B.0711, subdivision 1. These stipends are available to individual providers who have completed designated voluntary trainings made available through the State-Provider Cooperation Committee formed by the State of Minnesota and the Service Employees International Union Healthcare Minnesota. Any unspent appropriation in fiscal year 2022 is available in fiscal year 2023. This is a onetime appropriation. This appropriation is available only if the labor agreement between the state of Minnesota and the Service Employees International Union Healthcare Minnesota under Minnesota Statutes, section 179A.54, is approved under Minnesota Statutes, section 3.855.

(b) Parent-to-Parent Peer Support. \$125,000 in fiscal year 2022 and \$125,000 in fiscal year 2023 are from the general fund for a grant to an alliance member of Parent to Parent USA to support the alliance member's parent-to-parent peer support program for families of children with a disability or special health care need.

(c) Self-Advocacy Grants. (1) \$143,000 in fiscal year 2022 and \$143,000 in fiscal year 2023 are from the general fund for a grant under Minnesota Statutes, section 256.477, subdivision 1.

(2) \$105,000 in fiscal year 2022 and \$105,000 in fiscal year 2023 are from the general fund for subgrants under Minnesota Statutes, section 256.477, subdivision 2.

(d) Minnesota Inclusion Initiative Grants. \$150,000 in fiscal year 2022 and \$150,000 in fiscal year 2023 are from the general fund for grants under Minnesota Statutes, section 256.4772.

(e) **Grants to Expand Access to Child Care for Children with Disabilities.** \$250,000 in fiscal year 2022 and \$250,000 in fiscal year 2023 are from the general fund for grants to expand access to child care for children with disabilities. This is a onetime appropriation.

(f) **Parenting with a Disability Pilot Project.** The general fund base includes \$1,000,000 in fiscal year 2024 and \$0 in fiscal year 2025 to implement the parenting with a disability pilot project.

(g) **Base Level Adjustment.** The general fund base is ~~\$29,260,000~~ \$28,449,000 in fiscal year 2024 and ~~\$22,260,000~~ \$21,449,000 in fiscal year 2025.

Sec. 9. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 33, is amended to read:

Subd. 33. Grant Programs; Chemical Dependency Treatment Support Grants

	Appropriations by Fund	
General	4,273,000	4,274,000
Lottery Prize	1,733,000	1,733,000
Opiate Epidemic Response	500,000	500,000

(a) **Problem Gambling.** \$225,000 in fiscal year 2022 and \$225,000 in fiscal year 2023 are from the lottery prize fund for a grant to the state affiliate recognized by the National Council on Problem Gambling. The affiliate must provide services to increase public awareness of problem gambling, education, training for individuals and organizations providing effective treatment services to problem gamblers and their families, and research related to problem gambling.

(b) **Recovery Community Organization Grants.** \$2,000,000 in fiscal year 2022 and \$2,000,000 in fiscal year 2023 are from the general fund for grants to recovery community organizations, as defined in Minnesota Statutes, section 254B.01,

subdivision 8, to provide for costs and community-based peer recovery support services that are not otherwise eligible for reimbursement under Minnesota Statutes, section 254B.05, as part of the continuum of care for substance use disorders. The general fund base for this appropriation is \$2,000,000 in fiscal year 2024 and \$0 in fiscal year 2025

(c) Grant to Anoka County for Enhanced Treatment Program. \$125,000 in fiscal year 2023 is from the general fund for a grant to Anoka County for an enhanced treatment program for substance use disorder.

(d) Base Level Adjustment. The general fund base is \$4,636,000 in fiscal year 2024 and \$2,636,000 in fiscal year 2025. The opiate epidemic response fund base is \$500,000 in fiscal year 2024 and \$0 in fiscal year 2025.

Sec. 10. Laws 2021, First Special Session chapter 7, article 16, section 2, subdivision 33, is amended to read:

Subd. 33. Grant Programs; Chemical Dependency Treatment Support Grants

	Appropriations by Fund	
General	4,273,000	4,274,000
Lottery Prize	1,733,000	1,733,000
Opiate Epidemic Response	500,000	500,000

(a) Problem Gambling. \$225,000 in fiscal year 2022 and \$225,000 in fiscal year 2023 are from the lottery prize fund for a grant to the state affiliate recognized by the National Council on Problem Gambling. The affiliate must provide services to increase public awareness of problem gambling, education, training for individuals and organizations providing effective treatment services to problem gamblers and their families, and research related to problem gambling.

(b) Recovery Community Organization Grants. \$2,000,000 in fiscal year 2022 and

\$2,000,000 in fiscal year 2023 are from the general fund for grants to recovery community organizations, as defined in Minnesota Statutes, section 254B.01, subdivision 8, to provide for costs and community-based peer recovery support services that are not otherwise eligible for reimbursement under Minnesota Statutes, section 254B.05, as part of the continuum of care for substance use disorders. The general fund base for this appropriation is \$2,000,000 in fiscal year 2024 and \$0 in fiscal year 2025

(c) **Base Level Adjustment.** The general fund base is ~~\$4,636,000~~ \$3,886,000 in fiscal year 2024 and ~~\$2,636,000~~ \$1,886,000 in fiscal year 2025. The opiate epidemic response fund base is \$500,000 in fiscal year 2024 and \$0 in fiscal year 2025.

Sec. 11. Laws 2021, First Special Session chapter 7, article 16, section 5, is amended to read:

**Sec. 5. EMERGENCY MEDICAL SERVICES
REGULATORY BOARD**

\$	4,780,000	\$	4,576,000
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(a) **Cooper/Sams Volunteer Ambulance Program.** \$950,000 in fiscal year 2022 and \$950,000 in fiscal year 2023 are for the Cooper/Sams volunteer ambulance program under Minnesota Statutes, section 144E.40.

(1) Of this amount, \$861,000 in fiscal year 2022 and \$861,000 in fiscal year 2023 are for the ambulance service personnel longevity award and incentive program under Minnesota Statutes, section 144E.40.

(2) Of this amount, \$89,000 in fiscal year 2022 and \$89,000 in fiscal year 2023 are for the operations of the ambulance service personnel longevity award and incentive program under Minnesota Statutes, section 144E.40.

(b) **EMSRB Operations.** \$1,880,000 in fiscal year 2022 and \$1,880,000 in fiscal year 2023 are for board operations.

~~(c) **Regional Grants for Continuing Education.** \$585,000 in fiscal year 2022 and \$585,000 in fiscal year 2023 are for regional emergency medical services programs, to be distributed equally to the eight emergency medical service regions under Minnesota Statutes, section 144E.52.~~

~~(d) **Regional Grants for Local and Regional Emergency Medical Services Emergency Medical Services Fund.** \$800,000 \$1,385,000 in fiscal year 2022 and \$800,000 \$1,385,000 in fiscal year 2023 are for distribution to regional emergency medical services regions systems for regional emergency medical services programs the purposes specified in Minnesota Statutes, section 144E.50. Notwithstanding Minnesota Statutes, section 144E.50, subdivision 5, in each year the board shall distribute the appropriation equally among the eight emergency medical services regions systems designated by the board. This is a onetime appropriation The general fund base for this appropriation is \$585,000 in fiscal year 2024 and \$585,000 in fiscal year 2025.~~

~~(e) (d) **Ambulance Training Grants.** \$565,000 in fiscal year 2022 and \$361,000 in fiscal year 2023 are for training grants under Minnesota Statutes, section 144E.35.~~

~~(f) (e) **Base Level Adjustment.** The general fund base is \$3,776,000 in fiscal year 2024 and \$3,776,000 in fiscal year 2025.~~

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

Sec. 12. Laws 2022, chapter 40, section 7, is amended to read:

Sec. 7. **APPROPRIATION; TEMPORARY STAFFING POOL.**

~~\$1,029,000~~ \$5,145,000 in fiscal year 2022 is appropriated from the general fund to the commissioner of human services for the temporary staffing pool described in this act. This is a onetime appropriation and is available until June 30, ~~2022~~ 2023."

Delete the title and insert:

"A bill for an act relating to health and human services; modifying provisions governing community supports, continuing care for older adults, human services operations and licensing, health care, behavioral health, children and family services, health, health-related licensing boards, scope of practice, and background studies; establishing a Department of Behavioral Health; establishing certain grants; establishing interstate compacts for nurses, audiologists and speech language pathologists, and licensed professional counselors; modifying the expiration dates and repealing certain mandated reports; expanding and renaming the higher education facilities authority to include nonprofit health care organizations; making human services forecast adjustments; appropriating money; amending Minnesota Statutes 2020, sections 3.732, subdivision 1; 13.46, subdivision 7; 15A.0815, subdivision 2; 62J.692, subdivision 5; 62N.25, subdivision 5; 62Q.1055; 62Q.37, subdivision 7; 62Q.47; 103I.005, subdivisions 17a, 20a, by adding a subdivision; 136A.25; 136A.26; 136A.27; 136A.28; 136A.29, subdivisions 1, 3, 6, 9, 10, 14, 19, 20, 21, 22, by adding a subdivision; 136A.32, subdivision 4; 136A.33; 136A.34, subdivisions 3, 4; 136A.36; 136A.38; 136A.41; 136A.42; 136F.67, subdivision 1; 144.051, subdivision 6; 144.057, subdivision 1; 144.1222, subdivision 2d; 144.193; 144.294, subdivision 2; 144.4199, subdivision 8; 144.497; 144A.10, subdivision 17; 144A.351, subdivision 1; 144A.483, subdivision 1; 144A.75, subdivision 12; 144E.01, subdivisions 1, 4; 144G.45, subdivision 7; 145.4134; 145.4716, by adding a subdivision; 145.928, subdivision 13; 147.01, subdivision 7; 147.03, subdivisions 1, 2; 147.037; 147A.28; 147C.15, subdivision 3; 147C.40, subdivision 5; 148.212, subdivision 1; 148F.11, by adding a subdivision; 150A.10, subdivision 1a; 150A.105, subdivision 8; 151.01, subdivision 27; 151.065, subdivisions 1, 3, 7; 152.125; 169A.70, subdivisions 3, 4; 245.4661, subdivision 10; 245.4889, subdivision 3, by adding a subdivision; 245A.11, subdivisions 2, 2a, 7, 7a, by adding a subdivision; 245A.14, subdivision 14; 245A.19; 245C.02, subdivision 17a, by adding a subdivision; 245C.04, subdivisions 1, 4a, by adding subdivisions; 245C.10, by adding subdivisions; 245C.31, subdivisions 1, 2, by adding a subdivision; 245D.10, subdivision 3a; 245D.12; 245F.03; 245F.04, subdivision 1; 245G.01, by adding a subdivision; 245G.05, subdivision 2; 245G.06, subdivision 3, by adding a subdivision; 245G.12; 245G.22, subdivision 2; 252.275, subdivisions 4c, 8; 253B.18, subdivision 6; 254A.19, subdivisions 1, 3, by adding subdivisions; 254B.01, subdivision 5, by adding subdivisions; 254B.03, subdivisions 1, 5; 254B.04, subdivision 2a, by adding subdivisions; 256.01, subdivision 29, by adding a subdivision; 256.021, subdivision 3; 256.042, subdivision 5; 256.045, subdivision 3; 256.9657, subdivision 8; 256.975, subdivision 11; 256B.0561, subdivision 4; 256B.057, subdivision 9; 256B.0625, subdivision 17a, by adding a subdivision; 256B.0659, subdivisions 1, 12, 19, 24; 256B.0757, subdivisions 1, 2, 3, 4, 5, 8; 256B.0911, subdivision 5; 256B.0949, subdivisions 8, 17; 256B.49, subdivision 23; 256B.4911, subdivision 4, by adding a subdivision; 256B.4914, subdivisions 3, as amended, 4, as amended, 8, as amended, 9, as amended, 10, as amended, 10a, as amended, 12, as amended, 14, as amended; 256B.493, subdivisions 2, 4, 5, 6, by adding subdivisions; 256B.5012, by adding subdivisions; 256B.69, subdivision 9d; 256B.85, by adding a subdivision; 256D.09, subdivision 2a; 256E.28, subdivision 6; 256E.33, subdivisions 1, 2; 256E.35, subdivisions 1, 2, 4a, 6, 7; 256G.02, subdivision 6; 256I.04, subdivision 3; 256I.05, by adding a subdivision; 256K.26, subdivisions 2, 6, 7; 256K.45, subdivision 6, by adding subdivisions; 256L.12, subdivision 8; 256P.02, by adding a subdivision; 256P.03, subdivision 2; 256P.04, subdivision 11; 256Q.06, by adding a subdivision; 256R.02, subdivisions 16, 24, 26, 29, 34, by adding subdivisions; 256R.18; 256R.23, subdivisions 2, 3; 256R.24, subdivision 1; 256R.25; 256S.16; 257.0725; 260.012; 260.775; 260B.157, subdivisions 1, 3; 260C.001, subdivision 3; 260C.007, subdivision 27; 260C.151, subdivision 6; 260C.152, subdivision 5; 260C.175, subdivision 2; 260C.176, subdivision 2; 260C.178,

subdivision 1; 260C.181, subdivision 2; 260C.193, subdivision 3; 260C.201, subdivisions 1, 2; 260C.202; 260C.203; 260C.204; 260C.221; 260C.513; 260C.607, subdivisions 2, 5; 260C.613, subdivisions 1, 5; 260E.20, subdivision 1; 260E.22, subdivision 2; 260E.24, subdivisions 2, 6; 260E.38, subdivision 3; 268.19, subdivision 1; 297E.021, subdivision 3; 299A.299, subdivision 1; 354B.20, subdivision 7; 518A.77; 626.557, subdivision 12b; 626.5571, subdivision 1; Minnesota Statutes 2021 Supplement, sections 10A.01, subdivision 35; 15.01; 15.06, subdivision 1; 43A.08, subdivision 1a; 62A.673, subdivision 2; 144.551, subdivision 1; 148F.11, subdivision 1; 245.467, subdivisions 2, 3; 245.4871, subdivision 21; 245.4876, subdivisions 2, 3; 245.4889, subdivision 1; 245.735, subdivision 3; 245A.03, subdivision 7; 245C.03, subdivision 5a, by adding subdivisions; 245C.05, subdivision 5; 245I.02, subdivisions 19, 36; 245I.03, subdivision 9; 245I.04, subdivision 4; 245I.05, subdivision 3; 245I.08, subdivision 4; 245I.09, subdivision 2; 245I.10, subdivisions 2, 6; 245I.20, subdivision 5; 245I.23, subdivision 22; 254A.03, subdivision 3; 254A.19, subdivision 4; 254B.03, subdivision 2; 254B.04, subdivision 1; 254B.05, subdivisions 4, 5; 256.01, subdivision 42; 256.042, subdivision 4; 256B.0371, subdivision 4; 256B.0622, subdivision 2; 256B.0625, subdivisions 3b, 17; 256B.0659, subdivision 17a; 256B.0671, subdivision 6; 256B.0911, subdivisions 3a, 3f; 256B.0946, subdivision 1; 256B.0947, subdivisions 2, 6; 256B.0949, subdivisions 2, 13; 256B.49, subdivision 28; 256B.4914, subdivision 5, as amended; 256B.69, subdivision 9f; 256B.85, subdivisions 7, 7a; 256B.851, subdivision 5; 256L.03, subdivision 2; 256P.01, subdivision 6a; 256P.02, subdivisions 1a, 2; 256P.06, subdivision 3; 256S.205; 256S.2101; 260C.157, subdivision 3; 260C.212, subdivisions 1, 2; 260C.605, subdivision 1; 260C.607, subdivision 6; 260E.20, subdivision 2; 297E.02, subdivision 3; Laws 2009, chapter 79, article 13, section 3, subdivision 10, as amended; Laws 2014, chapter 312, article 27, section 75; Laws 2020, First Special Session chapter 7, section 1, subdivision 1, as amended; Laws 2021, First Special Session chapter 7, article 2, section 74, by adding a subdivision; article 10, sections 1; 3; article 11, section 38; article 14, section 21, subdivision 4; article 16, sections 2, subdivisions 1, 24, 29, 31, 33; 5; article 17, sections 3; 6; 10; 11; 12; 14; 17, subdivision 3; 19; Laws 2021, First Special Session chapter 8, article 6, section 1, subdivision 7; Laws 2022, chapter 33, section 1, subdivisions 5a, 5b, 5c, 5d, 5f, 10c; by adding a subdivision; Laws 2022, chapter 40, sections 6; 7; proposing coding for new law in Minnesota Statutes, chapters 103I; 145; 147A; 148; 148B; 151; 245A; 245D; 256; 256B; 626; proposing coding for new law as Minnesota Statutes, chapter 256T; repealing Minnesota Statutes 2020, sections 62U.10, subdivision 3; 136A.29, subdivision 4; 144.1911, subdivision 10; 144.564, subdivision 3; 144A.483, subdivision 2; 147.02, subdivision 2a; 169A.70, subdivision 6; 245.981; 245G.22, subdivision 19; 246.0136; 246.131; 246B.03, subdivision 2; 246B.035; 252.025, subdivision 7; 252.035; 254A.02, subdivision 8a; 254A.16, subdivision 6; 254A.19, subdivisions 1a, 2; 254A.21; 254B.04, subdivisions 2b, 2c; 254B.041, subdivision 2; 256.01, subdivision 31; 256.975, subdivision 12; 256B.0638, subdivision 7; Minnesota Statutes 2021 Supplement, section 254A.19, subdivision 5; Laws 1998, chapter 382, article 1, section 23; Laws 2022, chapter 33, section 1, subdivision 9."

And when so amended the bill do pass. Amendments adopted. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 4113, 3052, 4165, and 4410 were read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senator Utke introduced--

S.F. No. 4509: A bill for an act relating to game and fish; allowing accumulation of bear hunter preference points for youth; amending Minnesota Statutes 2020, section 97B.405.

Referred to the Committee on Environment and Natural Resources Policy and Legacy Finance.

Senator Murphy introduced--

S.F. No. 4510: A bill for an act relating to economic development; appropriating money for a filmmaking and film education facility.

Referred to the Committee on Jobs and Economic Growth Finance and Policy.

Senator Wiger introduced--

S.F. No. 4511: A bill for an act relating to local taxes; modifying the local sales and use tax authorization for the city of Oakdale; amending Laws 2021, First Special Session chapter 14, article 8, section 15.

Referred to the Committee on Taxes.

Senator Dziejczak introduced--

S.F. No. 4512: A bill for an act relating to capital investment; appropriating money for Higher Education Asset Preservation and Replacement at the University of Minnesota; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Klein introduced--

S.F. No. 4513: A bill for an act relating to capital investment; appropriating money for the Robert Street Corridor reconstruction; authorizing the sale and issuance of state bonds.

Referred to the Committee on Transportation Finance and Policy.

Senators Dziejczak, Murphy, and Klein introduced--

S.F. No. 4514: A bill for an act relating to taxation; converting the property tax refund program to a refundable income tax credit; amending Minnesota Statutes 2020, sections 290A.04, subdivisions 1, 2, 2a, 2h, 3, 4, 5; 290A.05; 290A.08; 290A.09; 290A.11, subdivision 5; 290A.13; 290A.14; 290A.15; 290A.18; 290A.25; Minnesota Statutes 2021 Supplement, section 290A.03, subdivision

3; proposing coding for new law in Minnesota Statutes, chapter 290; repealing Minnesota Statutes 2020, sections 290A.07, subdivisions 1, 2a, 3, 5; 290A.23, subdivisions 1, 3.

Referred to the Committee on Taxes.

Senator Utke introduced--

S.F. No. 4515: A bill for an act relating to pipeline safety; requiring notice to an operator of an interstate natural gas or liquid oil pipeline under certain conditions; amending Minnesota Statutes 2020, section 216D.04, subdivision 1a.

Referred to the Committee on Energy and Utilities Finance and Policy.

Senator Newton introduced--

S.F. No. 4516: A bill for an act relating to capital investment; appropriating money for the development and construction of veterans affordable housing in the city of Richfield.

Referred to the Committee on Jobs and Economic Growth Finance and Policy.

Senator Senjem introduced--

S.F. No. 4517: A bill for an act relating to the State Building Code; allowing a municipality to adopt the most recently published new model commercial energy code; amending Minnesota Statutes 2020, section 326B.106, subdivision 1.

Referred to the Committee on Labor and Industry Policy.

Senator Dziejic introduced--

S.F. No. 4518: A bill for an act relating to solid waste; establishing product stewardship program for packaging materials; establishing labeling requirements; requiring reports; requiring rulemaking; proposing coding for new law in Minnesota Statutes, chapter 115A.

Referred to the Committee on Environment and Natural Resources Policy and Legacy Finance.

Senator Pratt introduced--

S.F. No. 4519: A bill for an act relating to transportation; appropriating money for safety improvements on U.S. Highway 169 in Scott County; authorizing the sale and issuance of state bonds.

Referred to the Committee on Transportation Finance and Policy.

Senator Rosen introduced--

S.F. No. 4520: A bill for an act relating to capital investment; appropriating money for a new community center in the city of Fairmont; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senator Dibble introduced--

S.F. No. 4521: A bill for an act relating to public safety; amending certain statutes regarding public safety and corrections; providing for grant programs; requiring reports; appropriating money for courts, civil legal services, Guardian Ad Litem Board, Board Of Public Defense, human rights, public safety, Peace Officer Standards and Training Board, private detective board, and corrections; establishing public safety aid for local governments and Tribal governments; establishing a public safety innovation board; requiring a report; amending Minnesota Statutes 2020, sections 214.10, subdivision 10; 299C.063, subdivision 2, by adding a subdivision; 326.3382, subdivision 2; 611A.31, subdivision 2, by adding a subdivision; 611A.32, subdivisions 1, 1a, 2, 3; 611A.345; 611A.35; 626.843, by adding a subdivision; 626.8473, subdivision 3; 626.89, subdivision 17; Laws 2021, First Special Session chapter 11, article 1, section 15, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 299A; 477A.

Referred to the Committee on Judiciary and Public Safety Finance and Policy.

Senators Abeler, Newton, and Hoffman introduced--

S.F. No. 4522: A bill for an act relating to taxation; lawful gambling; modifying the combined net receipts tax; amending Minnesota Statutes 2020, section 297E.02, subdivision 6.

Referred to the Committee on Taxes.

Senators Hoffman, Newton, and Abeler introduced--

S.F. No. 4523: A bill for an act relating to health; requiring a study on obesity in individuals with intellectual disabilities; establishing a health and wellness pilot program for adults with intellectual disabilities; requiring a report; appropriating money.

Referred to the Committee on Health and Human Services Finance and Policy.

Senator Dibble introduced--

S.F. No. 4524: A bill for an act relating to capital investment; appropriating money for state parks, recreation areas, and trails; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

Senators Dibble, Isaacson, Port, Marty, and Johnson Stewart introduced--

S.F. No. 4525: A bill for an act relating to human rights; providing certain protections to individuals in Minnesota from enforcement of laws from other states prohibiting or restricting the individual or the individual's child from receiving gender-affirming care; proposing coding for new law in Minnesota Statutes, chapter 363A.

Referred to the Committee on Civil Law and Data Practices Policy.

MOTIONS AND RESOLUTIONS

Senator Klein moved that the name of Senator Marty be added as a co-author to S.F. No. 2545. The motion prevailed.

Senator Weber moved that the name of Senator Senjem be added as a co-author to S.F. No. 3737. The motion prevailed.

Senator Fateh moved that the name of Senator Johnson Stewart be added as a co-author to S.F. No. 3950. The motion prevailed.

Senator Dibble moved that the name of Senator Dziejczak be added as a co-author to S.F. No. 4110. The motion prevailed.

Senator Pratt moved that the names of Senators Utke and Koran be added as co-authors to S.F. No. 4505. The motion prevailed.

Senators Westrom, Anderson, Dahms, Dornink, and Weber introduced --

Senate Resolution No. 126: A Senate resolution congratulating Dr. Beth S. Thompson on her retirement from the Board of Animal Health.

Referred to the Committee on Rules and Administration.

Senator Westrom introduced --

Senate Resolution No. 127: A Senate resolution congratulating Dorothy Westrom on her 102nd birthday.

Referred to the Committee on Rules and Administration.

SPECIAL ORDERS

Pursuant to Rule 26, Senator Housley, designee of the Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

S.F. No. 4062.

SPECIAL ORDER

S.F. No. 4062: A bill for an act relating to state government; appropriating money for environment and natural resources and tourism; modifying previous appropriations; establishing new programs and modifying existing programs; modifying fees; creating accounts; authorizing sales and conveyances of certain land; modifying environmental laws; modifying game and fish laws; modifying water laws; modifying natural resource and environment laws; modifying mining laws; requiring reports; making technical corrections; amending Minnesota Statutes 2020, sections 84.027, subdivision 14a, by adding a subdivision; 84.632; 84.788, subdivision 5; 84.82, subdivision 2, by adding a subdivision; 84.821, subdivision 2; 84.84; 84.86, subdivision 1; 84.922, subdivision 4; 85.015, subdivision 10; 90.181, subdivision 2; 97A.015, subdivisions 29, 51; 97A.126, as amended; 97A.137, subdivisions 3, 5; 97A.405, subdivision 5; 97B.031, subdivision 1, by adding a subdivision; 97B.071; 97B.311; 97B.415; 97B.645, subdivision 9; 97B.668; 97C.211, subdivision 2a; 97C.315, subdivision 1; 97C.515, subdivision 2; 103G.201; 103G.211; 103G.223; 103G.271, subdivision 7, by adding a subdivision; 103G.285, by adding a subdivision; 103G.287, subdivisions 4, 5, by adding subdivisions; 103G.289; 115.03, subdivision 1; 115.455; 115.55, by adding a subdivision; 115.77, subdivision 1; 115.84, subdivisions 2, 3; 115A.03, subdivision 35, by adding subdivisions; 115B.52, subdivision 4; 116.03, subdivision 2b; 116.07, subdivision 4d, by adding a subdivision; 116B.03, subdivision 1; 116B.10, by adding a subdivision; 116D.04, subdivision 2a; 116U.55, by adding a subdivision; 127A.353, subdivision 2; 282.04, subdivision 1, by adding a subdivision; 282.08; 297A.94; Minnesota Statutes 2021 Supplement, sections 84.63; 84.631; 84.92, subdivision 8; 85.052, subdivision 6; 92.502; 103G.271, subdivision 4a; 127A.353, subdivision 4; Laws 2021, First Special Session chapter 6, article 1, section 2, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 93; 115A; repealing Minnesota Statutes 2020, sections 97B.318; 97C.515, subdivisions 4, 5; Laws 2012, chapter 236, section 28, subdivision 9, as amended; Laws 2013, chapter 121, section 53; Minnesota Rules, parts 6100.5000, subparts 3, 4, 5; 6100.5700, subpart 4; 6232.0350.

Senator Ingebrigtsen moved to amend S.F. No. 4062 as follows:

Page 3, delete lines 7 to 9

Page 3, line 10, delete "(e)" and insert "(d)"

Page 4, line 6, delete "(f)" and insert "(e)"

Page 4, line 15, delete "(g)" and insert "(f)"

Page 26, delete section 22

Page 27, after line 19, insert:

"Sec. 24. Minnesota Statutes 2020, section 97B.318, subdivision 1, is amended to read:

Subdivision 1. **Shotgun use area.** During the regular firearms season in the shotgun use area, only legal shotguns loaded with single-slug shotgun shells, legal muzzle-loading long guns, and legal handguns may be used for taking deer. Legal shotguns include those with rifled barrels. The shotgun use area is that portion of the state lying within the following described boundary: Beginning on the west boundary of the state at the northern boundary of Clay County; thence along the northern

~~boundary of Clay County to State Trunk Highway (STH) 32; thence along STH 32 to STH 34; thence along STH 34 to Interstate Highway 94 (I-94); thence along I-94 to County State Aid Highway (CSAH) 40, Douglas County; thence along CSAH 40 to CSAH 82, Douglas County; thence along CSAH 82 to CSAH 22, Douglas County; thence along CSAH 22 to CSAH 6, Douglas County; thence along CSAH 6 to CSAH 14, Douglas County; thence along CSAH 14 to STH 29; thence along STH 29 to CSAH 46, Otter Tail County; thence along CSAH 46, Otter Tail County, to CSAH 22, Todd County; thence along CSAH 22 to U.S. Highway 71; thence along U.S. Highway 71 to STH 27; thence along STH 27 to the Mississippi River; thence along the east bank of the Mississippi River to STH 23; thence along STH 23 to STH 95; thence along STH 95 to U.S. Highway 8; thence along U.S. Highway 8 to the eastern boundary of the state; thence along the east, south, and west boundaries of the state to the point of beginning consisting of Olmsted and Dodge Counties."~~

Page 28, delete section 26

Page 45, delete section 53

Page 81, delete section 79 and insert:

"Sec. 77. **REPEALER.**

(a) Minnesota Statutes 2020, section 97C.515, subdivisions 4 and 5, are repealed.

(b) Minnesota Rules, parts 6100.5000, subparts 3, 4, and 5; 6100.5700, subpart 4; and 6232.0350, are repealed.

(c) Laws 2013, chapter 121, section 53, is repealed."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Eichorn moved to amend the Ingebrigtsen amendment to S.F. No. 4062 as follows:

Page 1, delete line 27

Page 1, line 30, delete "77" and insert "78"

The question was taken on the adoption of the Eichorn amendment to the Ingebrigtsen amendment.

The roll was called, and there were yeas 28 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Duckworth	Ingebrigtsen	Mathews	Senjem
Bakk	Eichorn	Jasinski	Miller	Tomassoni
Benson	Eken	Johnson	Newman	Utke
Dahms	Gazelka	Kiffmeyer	Osmek	Weber
Dornink	Goggin	Koran	Rarick	
Draheim	Howe	Lang	Rosen	

Pursuant to Rule 40, Senator Duckworth cast the affirmative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Miller, Rosen, and Tomassoni.

Those who voted in the negative were:

Abeler	Dibble	Isaacson	McEwen	Rest
Bigham	Dziedzic	Johnson Stewart	Murphy	Ruud
Carlson	Eaton	Kent	Nelson	Torres Ray
Chamberlain	Fateh	Klein	Newton	Wiger
Champion	Frentz	Kunesh	Pappas	Wiklund
Clausen	Hawj	Limmer	Port	
Coleman	Hoffman	López Franzen	Pratt	
Cwodzinski	Housley	Marty	Putnam	

Pursuant to Rule 40, Senator Frentz cast the negative vote on behalf of the following Senators: Champion, Clausen, Kent, López Franzen, Newton, and Port.

The motion did not prevail. So the amendment to the amendment was not adopted.

The question recurred on the adoption of the Ingebrigtsen amendment. The motion prevailed. So the amendment was adopted.

Senator Ingebrigtsen moved to amend S.F. No. 4062 as follows:

Page 28, after line 8, insert:

"Sec. 27. Minnesota Statutes 2020, section 97B.665, subdivision 1a, is amended to read:

Subd. 1a. **Removing beaver dams; agreement by landowner.** (a) Except as provided in ~~paragraph~~ paragraphs (b) and (c), a beaver dam that is causing damage to property may be removed or destroyed by a person or the person's agent from property that is owned, occupied, or otherwise managed by the person.

(b) A person or a person's agent may not remove or destroy a beaver dam under this subdivision when a permit is required under section 103G.245 if removing or destroying the dam would change or diminish the historical water levels, course, current, or cross section of public waters.

(c) A person or a person's agent must have a public waters beaver dam removal permit before removing or destroying a beaver dam that is located on public waters. Application for a public waters beaver dam removal permit must be in writing to the commissioner on forms prescribed by the commissioner. The commissioner must issue the public waters beaver dam removal permit if the commissioner determines that the beaver dam is causing damage to property and that removal or destruction of the dam will not lower the water level of other public waters. The commissioner may order a permit applicant to undertake measures to protect the water level of affected public waters as a condition of issuing the permit.

(d) A person or a person's agent may not remove or destroy a beaver dam under this subdivision if the dam is on public property or another person's private property unless the person obtains the approval or permission of the landowner of the property where the beaver dam is located.

~~(d)~~ (e) If unable to obtain the approval or permission of the landowner under paragraph (c), a person may petition to district court for relief as provided in subdivision 2.

~~(e)~~ (f) For purposes of this subdivision:

(1) "landowner" means:

- (i) the owner, lessee, or occupant of private property; or
- (ii) an authorized manager of public property; and

(2) "person" includes a governmental entity in addition to the entities described under section 97A.015, subdivision 35."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

Senator Bakk moved to amend S.F. No. 4062 as follows:

Page 75, after line 3, insert:

"Sec. 67. Laws 2015, First Special Session chapter 4, article 4, section 136, as amended by Laws 2017, chapter 93, article 2, section 149, is amended to read:

Sec. 136. WILD RICE WATER QUALITY STANDARDS.

(a) Until the commissioner of the Pollution Control Agency amends rules refining the wild rice water quality standard in Minnesota Rules, part 7050.0224, subpart 2, to consider all independent research and publicly funded research and to include criteria for identifying waters and a list of waters subject to the standard, implementation of the wild rice water quality standard in Minnesota Rules, part 7050.0224, subpart 2, shall be limited to the following, unless the permittee requests additional conditions:

(1) when issuing, modifying, or renewing national pollutant discharge elimination system (NPDES) or state disposal system (SDS) permits, the agency shall endeavor to protect wild rice, and in doing so shall be limited by the following conditions:

(i) the agency shall not require permittees to expend money for design or implementation of sulfate treatment technologies or other forms of sulfate mitigation; and

(ii) the agency may require sulfate minimization plans in permits; and

(2) the agency shall not list waters containing natural beds of wild rice as impaired for sulfate under section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313, until the rulemaking described in this paragraph takes effect.

(b) Upon the rule described in paragraph (a) taking effect, the agency may reopen permits issued or reissued after the effective date of this section as needed to include numeric permit limits based on the wild rice water quality standard.

(c) The commissioner shall complete the rulemaking described in paragraph (a) by January 15, ~~2019~~ 2025."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 39 and nays 26, as follows:

Those who voted in the affirmative were:

Abeler	Duckworth	Howe	Mathews	Rosen
Anderson	Eichorn	Ingebrigtsen	Miller	Ruud
Bakk	Eken	Jasinski	Nelson	Senjem
Benson	Frentz	Johnson	Newman	Tomassoni
Coleman	Gazelka	Kiffmeyer	Newton	Utke
Dahms	Goggin	Koran	Osmek	Weber
Dornink	Hoffman	Lang	Pratt	Westrom
Draheim	Housley	Limmer	Rarick	

Pursuant to Rule 40, Senator Duckworth cast the affirmative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Miller, Rosen, and Tomassoni.

Pursuant to Rule 40, Senator Frentz cast the affirmative vote on behalf of the following Senator: Newton.

Those who voted in the negative were:

Bigham	Dziedzic	Kent	Murphy	Wiger
Carlson	Eaton	Klein	Pappas	Wiklund
Champion	Fateh	Kunesh	Port	
Clausen	Hawj	López Franzen	Putnam	
Cwodzinski	Isaacson	Marty	Rest	
Dibble	Johnson Stewart	McEwen	Torres Ray	

Pursuant to Rule 40, Senator Frentz cast the negative vote on behalf of the following Senators: Champion, Clausen, Kent, López Franzen, and Port.

The motion prevailed. So the amendment was adopted.

Senator Goggin moved to amend S.F. No. 4062 as follows:

Page 81, after line 23, insert:

"Sec. 79. WEST NEWTON SPECIAL USE DISTRICT; WABASHA COUNTY.

Notwithstanding Minnesota Statutes, section 394.36, subdivision 4; Minnesota Rules, part 6120.5800, subpart 3; or any other law to the contrary, an existing structure in the West Newton Special Use District may be expanded. The expansion must follow the requirements for expansions of structures in the West Newton Special Use District as provided in the Wabasha County floodplain management ordinance in effect on January 1, 2022.

EFFECTIVE DATE. This section is effective the day after the governing body of Wabasha County and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3."

Renumber the sections in sequence and correct the internal references

The motion prevailed. So the amendment was adopted.

Senator Marty moved to amend S.F. No. 4062 as follows:

Page 13, before line 3, insert:

"Section 1. Minnesota Statutes 2020, section 35.155, subdivision 10, is amended to read:

Subd. 10. **Mandatory registration.** (a) A person may not possess live Cervidae in Minnesota unless the person is registered with the Board of Animal Health and meets all the requirements for farmed Cervidae under this section. A person may not possess live white-tailed deer in Minnesota under this section after August 1, 2024. Cervidae possessed in violation of this subdivision may be seized and destroyed by the commissioner of natural resources.

(b) A person whose registration is revoked by the board is ineligible for future registration under this section unless the board determines that the person has undertaken measures that make future escapes extremely unlikely.

(c) The board must not allow new registrations under this section for possessing white-tailed deer.

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

Sec. 2. Minnesota Statutes 2021 Supplement, section 35.155, subdivision 11, is amended to read:

Subd. 11. **Mandatory surveillance for chronic wasting disease; depopulation.** (a) An inventory for each farmed Cervidae herd must be verified by an accredited veterinarian and filed with the Board of Animal Health every 12 months.

(b) Movement of farmed Cervidae from any premises to another location must be reported to the Board of Animal Health within 14 days of the movement on forms approved by the Board of Animal Health. A person must not move farmed white-tailed deer from any premises to another location unless the movement is directly to a location for slaughter.

(c) All animals from farmed Cervidae herds that are over 12 months of age that die or are slaughtered must be tested for chronic wasting disease.

(d) The owner of a premises where chronic wasting disease is detected must:

(1) depopulate the premises of Cervidae after the federal indemnification process has been completed or, if an indemnification application is not submitted, within a reasonable time determined by the board in consultation with the commissioner of natural resources;

(2) maintain the fencing required under subdivision 4 on the premises for five years after the date of detection; and

(3) post the fencing on the premises with biohazard signs as directed by the board.

Sec. 3. Minnesota Statutes 2020, section 35.155, subdivision 12, is amended to read:

Subd. 12. **Importation.** A person must not import white-tailed deer into the state from a farmed Cervidae herd. A person must not import other Cervidae into the state from a herd that is infected or exposed to chronic wasting disease or from a known chronic wasting disease endemic area, as determined by the board. A person may import Cervidae other than white-tailed deer into the state only from a herd that is not in a known chronic wasting disease endemic area, as determined by the board, and the herd has been subject to a state or provincial approved chronic wasting disease monitoring program for at least three years. Cervidae imported in violation of this section may be seized and destroyed by the commissioner of natural resources."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

President Osmek called Senator Mathews to preside.

The question was taken on the adoption of the Marty amendment.

The roll was called, and there were yeas 27 and nays 39, as follows:

Those who voted in the affirmative were:

Bigham	Dziedzic	Kent	Murphy	Torres Ray
Carlson	Eaton	Klein	Newton	Wiger
Champion	Fateh	Kunesh	Pappas	Wiklund
Clausen	Hawj	López Franzen	Port	
Cwodzinski	Isaacson	Marty	Putnam	
Dibble	Johnson Stewart	McEwen	Rest	

Pursuant to Rule 40, Senator Frenz cast the affirmative vote on behalf of the following Senators: Champion, Clausen, Kent, López Franzen, Newton, and Port.

Those who voted in the negative were:

Abeler	Draheim	Housley	Limmer	Rosen
Anderson	Duckworth	Howe	Mathews	Ruud
Bakk	Eichorn	Ingebrigtsen	Miller	Senjem
Benson	Eken	Jasinski	Nelson	Tomassoni
Chamberlain	Frenz	Johnson	Newman	Utke
Coleman	Gazelka	Kiffmeyer	Osmek	Weber
Dahms	Goggin	Koran	Pratt	Westrom
Dornink	Hoffman	Lang	Rarick	

Pursuant to Rule 40, Senator Duckworth cast the negative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Miller, Rosen, and Tomassoni.

The motion did not prevail. So the amendment was not adopted.

Senator Hawj moved to amend S.F. No. 4062 as follows:

Page 8, delete lines 3 to 6

Page 8, delete lines 11 to 24 and insert:

"\$1,450,000 the second year is from the general fund for promoting the state parks and natural resources as destination attractions targeting people outside the state of Minnesota. This is a onetime appropriation."

Page 68, delete section 62

Page 72, delete section 66

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 36, as follows:

Those who voted in the affirmative were:

Bigham	Dziedzic	Hoffman	López Franzen	Port
Carlson	Eaton	Isaacson	Marty	Putnam
Champion	Eken	Johnson Stewart	McEwen	Rest
Clausen	Fatch	Kent	Murphy	Torres Ray
Cwodzinski	Frentz	Klein	Newton	Wiger
Dibble	Hawj	Kunesh	Pappas	Wiklund

Pursuant to Rule 40, Senator Frentz cast the affirmative vote on behalf of the following Senators: Champion, Clausen, Kent, López Franzen, Newton, and Port.

Those who voted in the negative were:

Abeler	Draheim	Jasinski	Nelson	Tomassoni
Anderson	Duckworth	Johnson	Newman	Utke
Bakk	Eichorn	Kiffmeyer	Osmek	Weber
Benson	Gazelka	Koran	Pratt	Westrom
Chamberlain	Goggin	Lang	Rarick	
Coleman	Housley	Limmer	Rosen	
Dahms	Howe	Mathews	Ruud	
Dornink	Ingebrigtsen	Miller	Senjem	

Pursuant to Rule 40, Senator Duckworth cast the negative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Miller, Rosen, and Tomassoni.

The motion did not prevail. So the amendment was not adopted.

President Osmek resumed the Chair.

Senator Dibble moved to amend S.F. No. 4062 as follows:

Page 3, delete lines 4 to 6

Page 3, line 7, delete "(d)" and insert "(c)"

Page 3, line 10, delete "(e)" and insert "(d)"

Page 4, line 6, delete "(f)" and insert "(e)"

Page 4, line 15, delete "(g)" and insert "(f)"

Page 4, line 25, before "\$740,000" insert "(a)"

Page 5, after line 23, insert:

"(b) \$650,000 the second year is from the environmental fund to develop a plan to ensure that Minnesota has an abundant supply of clean water for the next 50 years. This is a onetime appropriation. By December 1, 2023, the board must submit the plan to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources. The plan must: (1) assess the current state of Minnesota's waters, both surface water and groundwater, throughout all geographic regions; (2) identify any gaps in data or information with respect to the quality and quantity of Minnesota's waters and provide recommendations to obtain any necessary data and information; and (3) identify opportunities for Minnesota to act proactively to ensure that Minnesota has an adequate supply of clean water for the next 50 years."

Correct the subdivision and section totals and the appropriations by fund

Page 14, delete section 2

Page 31, delete section 31 and insert:

"Sec. 30. [103G.134] ORDERS AND INVESTIGATIONS.

(a) The commissioner has the following powers and duties when acting pursuant to the enforcement provisions of this chapter:

(1) to adopt, issue, reissue, modify, deny, revoke, enter into, or enforce reasonable orders, schedules of compliance, and stipulation agreements;

(2) to issue notices of violation;

(3) to require a person holding a permit issued under this chapter or otherwise impacting the public waters of the state without a permit issued under this chapter to:

(i) make reports;

(ii) install, use, and maintain monitoring equipment or methods;

(iii) perform tests according to methods, at locations, at intervals, and in a manner as the commissioner prescribes; and

(iv) provide other information as the commissioner may reasonably require; and

(4) to conduct investigations; issue notices, public and otherwise; and order hearings as the commissioner deems necessary or advisable to discharge duties under this chapter, including but not limited to issuing permits and authorizing an employee or agent appointed by the commissioner to conduct the investigations and other authorities cited in this section.

Sec. 31. **[103G.146] DUTY OF CANDOR.**

(a) A person must not knowingly:

(1) make a false statement of fact or fail to correct a false statement of material fact regarding any matter pertaining to this chapter;

(2) fail to disclose information that the person knows is necessary for the commissioner to make an informed decision under this chapter; or

(3) offer information that the person knows to be false.

(b) If a person has offered material information to the commissioner and the person comes to know the information is false, the person must take reasonable remedial measures to provide the accurate information."

Page 34, delete sections 34, 35 and 36

Page 35, delete section 38

Page 36, delete section 39

Page 37, delete section 42 and insert:

"Sec. 37. Minnesota Statutes 2020, section 103G.299, subdivision 1, is amended to read:

Subdivision 1. **Authority to issue administrative penalty orders.** (a) As provided in paragraph (b), the commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for violations of sections 103G.271 and 103G.275, and any rules adopted under those sections.

(b) An order under this section may be issued to a person for water appropriation activities without a required permit or for violating the terms of a required permit.

(c) The order must be issued as provided in this section and in accordance with the plan prepared under subdivision 12.

Sec. 38. Minnesota Statutes 2020, section 103G.299, subdivision 2, is amended to read:

Subd. 2. **Amount of penalty; considerations.** (a) The commissioner may issue orders assessing administrative penalties ~~based on potential for harm and deviation from compliance. For a violation that presents:~~ up to \$40,000.

~~(1) a minor potential for harm and deviation from compliance, the penalty will be no more than \$1,000;~~

~~(2) a moderate potential for harm and deviation from compliance, the penalty will be no more than \$10,000; and~~

~~(3) a severe potential for harm and deviation from compliance, the penalty will be no more than \$20,000.~~

(b) In determining the amount of a penalty the commissioner may consider:

(1) the gravity of the violation, including potential for, or real, damage to the public interest or natural resources of the state;

(2) the history of past violations;

(3) the number of violations;

(4) the economic benefit gained by the person by allowing or committing the violation based on data from local or state bureaus or educational institutions; and

(5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.

(c) For a violation after an initial violation, including a continuation of the initial violation, the commissioner must, in determining the amount of a penalty, consider the factors in paragraph (b) and the:

(1) similarity of the most recent previous violation and the violation to be penalized;

(2) time elapsed since the last violation;

(3) number of previous violations; and

(4) response of the person to the most recent previous violation identified.

Sec. 39. Minnesota Statutes 2020, section 103G.299, subdivision 5, is amended to read:

Subd. 5. **Penalty.** (a) Except as provided in paragraph (b), if the commissioner determines that the violation has been corrected or appropriate steps have been taken to correct the action, the penalty must be forgiven. Unless the person requests review of the order under subdivision 6 or 7 before the penalty is due, the penalty in the order is due and payable:

(1) on the 31st day after the order was received, if the person subject to the order fails to provide information to the commissioner showing that the violation has been corrected or that appropriate steps have been taken toward correcting the violation; or

(2) on the 20th day after the person receives the commissioner's determination under subdivision 4, paragraph (c), if the person subject to the order has provided information to the commissioner that the commissioner determines is not sufficient to show that the violation has been corrected or that appropriate steps have been taken toward correcting the violation.

(b) For repeated or serious violations, the commissioner may issue an order with a penalty that is not forgiven after the corrective action is taken. The penalty is due by 31 days after the order was received, unless review of the order under subdivision 6 or 7 has been sought.

(c) Interest at the rate established in section 549.09 begins to accrue on penalties under this subdivision on the 31st day after the order with the penalty ~~was~~ is received.

Sec. 40. [103G.2991] PENALTIES; ENFORCEMENT.

Subdivision 1. Civil penalties. (a) The commissioner, according to section 103G.134, may issue a notice to a person who violates:

(1) this chapter;

(2) a permit issued under this chapter or a term or condition of a permit issued under this chapter;

(3) a duty under this chapter to permit an inspection, entry, or monitoring activity or a duty under this chapter to carry out an inspection or monitoring activity;

(4) a rule adopted under this chapter;

(5) a stipulation agreement, variance, or schedule of compliance entered into under this chapter;

or

(6) an order issued by the commissioner under this chapter.

(b) A person issued a notice forfeits and must pay to the state a penalty, in an amount to be determined by the district court, of not more than \$10,000 per day of violation.

(c) In the discretion of the district court, a defendant under this section may be required to:

(1) forfeit and pay to the state a sum that adequately compensates the state for the reasonable value of restoration, monitoring, and other expenses directly resulting from the unauthorized use of or damage to natural resources of the state; and

(2) forfeit and pay to the state an additional sum to constitute just compensation for any damage, loss, or destruction of the state's natural resources and for other actual damages to the state caused by an unauthorized use of natural resources of the state.

(d) As a defense to damages assessed under paragraph (c), a defendant may prove that the violation was caused solely by:

- (1) an act of God;
- (2) an act of war;
- (3) negligence on the part of the state;
- (4) an act or failure to act that constitutes sabotage or vandalism; or
- (5) any combination of clauses (1) to (5).

(e) The civil penalties and damages provided for in this subdivision may be recovered by a civil action brought by the attorney general in the name of the state in Ramsey County District Court. Civil penalties and damages provided for in this subdivision may be resolved by the commissioner through a negotiated stipulation agreement according to the authority granted to the commissioner in section 103G.134.

Subd. 2. **Enforcement.** This chapter and rules, standards, orders, stipulation agreements, schedules of compliance, and permits adopted or issued by the commissioner under this chapter or any other law for preventing, controlling, or abating damage to natural resources may be enforced by one or more of the following:

- (1) criminal prosecution;
- (2) action to recover civil penalties;
- (3) injunction;
- (4) action to compel performance; or
- (5) other appropriate action according to this chapter.

Subd. 3. **Injunctions.** A violation of this chapter or rules, standards, orders, stipulation agreements, variances, schedules of compliance, and permits adopted or issued under this chapter constitutes a public nuisance and may be enjoined as provided by law in an action, in the name of the state, brought by the attorney general.

Subd. 4. **Actions to compel performance.** (a) In an action to compel performance of an order issued by the commissioner for any purpose related to preventing, controlling, or abating damage to natural resources under this chapter, the court may require a defendant adjudged responsible to do and perform any and all acts and things within the defendant's power that are reasonably necessary to accomplish the purposes of the order.

(b) In case a municipality or its governing or managing body or any of its officers is a defendant, the court may require the municipality to exercise its powers, without regard to any limitation of a requirement for an election or referendum imposed thereon by law and without restricting the powers of the commissioner, to do any or all of the following, without limiting the generality hereof:

(1) levy taxes or special assessments;

(2) prescribe service or use charges;

(3) borrow money;

(4) issue bonds;

(5) employ assistance;

(6) acquire real or personal property;

(7) let contracts;

(8) otherwise provide for doing work or constructing, installing, maintaining, or operating facilities; and

(9) do all other acts and things reasonably necessary to accomplish the purposes of the order.

(c) The court must grant a municipality under paragraph (b) the opportunity to determine the appropriate financial alternatives to be used to comply with the court-imposed requirements.

(d) An action brought under this subdivision must be venued in Ramsey County District Court."

Page 38, delete section 43

Page 42, delete section 44

Page 43, delete sections 46, 47, and 48

Page 57, delete section 56

Page 60, delete section 57

Page 63, delete section 58

Page 64, delete section 61

Page 77, delete section 71

Page 78, delete section 72

Page 79, delete section 75

Page 80, delete section 76

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 36, as follows:

Those who voted in the affirmative were:

Abeler	Dibble	Hoffman	Marty	Putnam
Bigham	Dziedzic	Isaacson	McEwen	Rest
Carlson	Eaton	Johnson Stewart	Murphy	Torres Ray
Champion	Fateh	Kent	Newton	Wiger
Clausen	Frentz	Klein	Pappas	Wiklund
Cwodzinski	Hawj	Kunesh	Port	

Pursuant to Rule 40, Senator Frentz cast the affirmative vote on behalf of the following Senators: Champion, Clausen, Kent, Newton, and Port.

Those who voted in the negative were:

Anderson	Duckworth	Jasinski	Nelson	Tomassoni
Bakk	Eichorn	Johnson	Newman	Utke
Benson	Eken	Kiffmeyer	Osmek	Weber
Chamberlain	Gazelka	Koran	Pratt	Westrom
Coleman	Goggin	Lang	Rarick	
Dahms	Housley	Limmer	Rosen	
Dornink	Howe	Mathews	Ruud	
Draheim	Ingebrigtsen	Miller	Senjem	

Pursuant to Rule 40, Senator Duckworth cast the negative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Miller, Rosen, and Tomassoni.

The motion did not prevail. So the amendment was not adopted.

Senator McEwen moved to amend S.F. No. 4062 as follows:

Page 3, delete lines 4 to 6

Page 3, line 7, delete "(d)" and insert "(c)"

Page 3, line 10, delete "(e)" and insert "(d)"

Page 4, line 6, delete "(f)" and insert "(e)"

Page 4, line 15, delete "(g)" and insert "(f)"

Page 4, after line 22, insert:

"(g) \$74,000 the second year is from the environmental fund to complete compliance monitoring and testing for cadmium and lead in consumer products. The base for this appropriation in fiscal year 2024 and later is \$74,000. "

Correct the subdivision and section totals and the appropriations by fund

Page 13, before line 3, insert:

"Section 1. Minnesota Statutes 2020, section 13.7411, subdivision 4, is amended to read:

Subd. 4. **Waste management.** (a) **Product stewardship program.** Trade secret and sales data information submitted to the Pollution Control Agency under the product stewardship ~~program~~ programs is classified under ~~section~~ sections 115A.1415 and 115A.1416.

(b) **Transfer station data.** Data received by a county or district from a transfer station under section 115A.84, subdivision 5, are classified under that section.

(c) **Solid waste records.** Records of solid waste facilities received, inspected, or copied by a county pursuant to section 115A.882 are classified pursuant to section 115A.882, subdivision 3.

(d) **Customer lists.** Customer lists provided to counties or cities by solid waste collectors are classified under section 115A.93, subdivision 5.

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

Page 14, delete section 2

Page 21, delete section 14

Page 38, delete section 43

Page 42, delete section 44

Page 43, delete sections 45, 46, 47, and 48

Page 44, delete sections 49, 50, 51, and 52

Page 45, before line 3, insert:

"Sec. 42. Minnesota Statutes 2020, section 115.061, is amended to read:

115.061 DUTY TO NOTIFY; AVOIDING WATER POLLUTION.

(a) Except as provided in paragraph (b), it is the duty of every person to notify the agency immediately of the discharge, accidental or otherwise, of any substance or material under its control which, if not recovered, may cause pollution of waters of the state, and the responsible person shall recover as rapidly and as thoroughly as possible such substance or material and take immediately such other action as may be reasonably possible to minimize or abate pollution of waters of the state caused thereby.

(b) Notification is not required under paragraph (a) for a discharge of five gallons or less of petroleum, as defined in section 115C.02, subdivision 10. This paragraph does not affect the other requirements of paragraph (a).

(c) Promptly after notifying the agency of a discharge under paragraph (a), a publicly owned treatment works or a publicly or privately owned domestic sewer system owner must provide notice to the potentially impacted public and to any downstream drinking water facility that may be impacted by the discharge. Notice to the public and to any drinking water facility must be made using the most efficient communications system available to the facility owner such as in person, phone call, radio, social media, web page, or another expedited form. In addition, signs in sufficient number to alert the public must be posted at all impacted public use areas within the same jurisdiction or notice must be provided to the entity that has jurisdiction over any impacted public use areas. A notice under this paragraph must include the date and time of the discharge, a description of the material released, a warning of the potential public health risk, and the permittee's contact information. The agency must provide guidance that includes but is not limited to methods and protocols for providing timely notice under this section.

Sec. 43. **[115A.1416] SOLAR PHOTOVOLTAIC MODULES; PRODUCT STEWARDSHIP.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "brand" means a name, symbol, word, or mark that:

(i) identifies a solar photovoltaic module, rather than the solar photovoltaic module's components; and

(ii) attributes the solar photovoltaic module to the owner or licensee of the name, symbol, word, or mark as the manufacturer;

(2) "consumer electronic device" means a device that contains an electronic circuit board and is intended for everyday use by individuals, such as a watch or calculator;

(3) "discarded solar photovoltaic module" means a solar photovoltaic module that was used and removed from service in the state and is no longer used for its manufactured purpose;

(4) "distributor" means a person that markets and sells solar photovoltaic modules to retailers or consumers in the state;

(5) "independent auditor" means a professional accounting firm qualified to conduct the audit under subdivision 4, paragraph (e);

(6) "installation component" means material used to install and hold solar photovoltaic modules in place or collect energy from the modules, such as bracketing, wiring, inverters, or batteries;

(7) "installer" means a person that assembles, installs, or maintains solar photovoltaic modules as part of a solar energy system;

(8) "manufacturer" means a person and the person's successor in interest that, irrespective of the selling technique used:

(i) manufactures or has manufactured a solar photovoltaic module under its own brand for use or sale in the state;

(ii) assembles or has assembled a solar photovoltaic module that uses parts manufactured by others for use or sale in the state under the assembler's brand;

(iii) resells or has resold in the state under its own brand a solar photovoltaic module produced by other suppliers, including a person that sells solar photovoltaic modules under the person's own brand;

(iv) manufactures or has manufactured a cobranded solar photovoltaic module for use or sale in the state that carries the name of both the manufacturer and the brand owner;

(v) imports or has imported a solar photovoltaic module into the United States that is used or sold in the state, except that if the imported solar photovoltaic module is manufactured by a person that has a presence in the United States and meets the definition of a manufacturer under this clause, then that person is the manufacturer of the solar photovoltaic module;

(vi) sells a solar photovoltaic module acquired from an importer that is the manufacturer and elects to register as the manufacturer for that product; or

(vii) elects to assume the responsibility and register in lieu of a manufacturer of a solar photovoltaic module;

(9) "retailer" means a person that offers a solar photovoltaic module for sale at retail in the state;

(10) "reuse" means using a discarded solar photovoltaic module or an installation component again for its manufactured purpose;

(11) "sale" or "sell" means a transfer of title to a solar photovoltaic module for consideration, including:

(i) a transfer conducted remotely or in person;

(ii) a transfer conducted electronically;

(iii) a transfer conducted through a sales outlet, catalog, or website or by using any other selling technique; and

(iv) a lease through which a solar photovoltaic module is provided to a consumer by a manufacturer, distributor, retailer, or other seller;

(12) "solar photovoltaic module" means the smallest nondivisible, environmentally protected assembly of photovoltaic cells or other photovoltaic collector technology and ancillary parts intended to generate electrical power under sunlight, except that solar photovoltaic module does not include a photovoltaic cell that is part of a consumer electronic device for which it provides electricity needed to make the consumer electronic device function. Solar photovoltaic module includes but is not limited to interconnections, terminals, and protective devices such as diodes that:

(i) are installed on, connected to, or integral with buildings;

(ii) are used as components of freestanding, off-grid power generation systems, such as for powering water pumping stations, electric-vehicle charging stations, fencing, street and sign lights, and other commercial or agricultural purposes; or

(iii) are part of a system connected to the electrical grid or utility service;

(13) "stewardship assessment" means the amount added by the manufacturer to the purchase price of each solar photovoltaic module sold in the state that is established according to subdivision 4;

(14) "stewardship assessment account" means an account established for purposes of this section in a bank chartered in the state;

(15) "stewardship organization" means an organization that is:

(i) appointed by manufacturers to act as an agent on behalf of the manufacturers to design, submit, and administer a product stewardship program according to an approved plan under this section; and

(ii) organized as a nonprofit organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986; and

(16) "stewardship plan" or "plan" means a detailed plan describing the manner in which a product stewardship program under subdivision 2 is implemented.

Subd. 2. **Product stewardship organization.** Manufacturers must establish a stewardship organization to implement and finance a statewide product stewardship program that:

(1) manages discarded solar photovoltaic modules and installation components by:

(i) reducing waste generation;

(ii) promoting reuse and recycling;

(iii) providing consumer education; and

(iv) negotiating and executing agreements to collect, store, transport, reuse, and recycle the discarded solar photovoltaic modules and installation components; and

(2) otherwise fulfills the requirements of this section.

Subd. 3. **Requirement for sale.** Effective on the implementation date established by the commissioner according to subdivision 5, no manufacturer or other person may sell or offer for sale in the state a solar photovoltaic module, unless:

(1) the manufacturer of the solar photovoltaic module has entered into an agreement with the stewardship organization;

(2) the stewardship organization operates a product stewardship program according to a stewardship plan that has been approved by the commissioner; and

(3) the full amount of the stewardship assessment is included in the purchase price of each solar photovoltaic module according to subdivision 4.

Subd. 4. **Stewardship assessment.** (a) By, the stewardship organization must establish and impose an initial stewardship assessment that is projected to meet the requirements of paragraph (c) and is approved according to paragraph (e).

(b) After the initial stewardship assessment is established, the stewardship organization must propose an updated stewardship assessment concurrent with each plan update and at any other time if necessary to meet the requirements of paragraph (c).

(c) The stewardship organization must not set the stewardship assessment as a percentage of the purchase price. The stewardship assessment must be reasonable to achieve the requirements of this section and cover but not exceed the costs of:

(1) developing the stewardship plan according to subdivisions 5 and 6;

(2) operating and administering the product stewardship program according to an approved stewardship plan and the requirements of this section; and

(3) maintaining a financial reserve sufficient to operate the program over the five-year plan cycle in a fiscally prudent and responsible manner, but not to exceed 75 percent of the annual average expenses budgeted for the five-year plan cycle.

(d) The stewardship organization may set different stewardship assessment levels to accommodate rated power output, physical dimensions, operating type of the solar photovoltaic module, or other categories relevant to the program.

(e) A proposed stewardship assessment must be established according to the following procedure:

(1) The stewardship organization must select an independent auditor to review the proposed stewardship assessment. The commissioner must approve or reject the selected independent auditor. If the commissioner rejects the selected independent auditor, the stewardship organization must select a different independent auditor for approval or rejection by the commissioner.

(2) Within 60 days after the stewardship organization proposes a stewardship assessment, the approved auditor must provide the stewardship organization and the commissioner with a written auditor's report describing whether the proposed stewardship assessment does or does not meet the requirements of paragraph (c).

(3) If the auditor concludes that the proposed stewardship assessment does not meet the requirements of paragraph (c), the stewardship organization must submit a revised stewardship assessment according to the procedure in this paragraph within 60 days after receiving the auditor's report.

(4) If the auditor concludes that the proposed stewardship assessment meets the requirements of paragraph (c), the commissioner must solicit public comments on the proposed stewardship assessment and auditor's report in a manner determined by the commissioner.

(5) The commissioner must, after reviewing the auditor's report and any public comments, approve or reject the proposed stewardship assessment.

(6) If the commissioner rejects a proposed stewardship assessment, the stewardship organization must submit a revised stewardship assessment according to the procedure in this paragraph within 60 days after receiving notice of the rejection. If the commissioner rejects a stewardship assessment that was revised according to this clause, the commissioner must modify the stewardship assessment to comply with paragraph (c) and then approve the assessment.

(7) A proposed stewardship assessment goes into effect when it is approved by the commissioner.

(8) The cost of any work performed by the auditor under this paragraph must be covered by the stewardship assessment.

(f) On and after the implementation date of a product stewardship program under this section, a manufacturer of solar photovoltaic modules must add the stewardship assessment, as approved by the commissioner, to the cost of each solar photovoltaic module sold in the state and must remit stewardship assessments to the stewardship organization. The stewardship organization must determine the procedures necessary to collect the stewardship assessment in a fair, efficient, and lawful manner.

Subd. 5. **Stewardship plan procedure.** (a) By, and every five years thereafter, the stewardship organization must submit to the commissioner a proposed stewardship plan for review and approval according to this subdivision.

(b) When developing a stewardship plan, the stewardship organization must consult with stakeholders, including distributors, retailers, installers, owners, collectors, persons engaged in reuse activities, recyclers, and local government.

(c) Within 120 days after receiving a proposed stewardship plan or five-year update to a stewardship plan, the commissioner must determine whether the plan complies with this section. Before approving or rejecting the plan or a proposed change to an approved plan, the commissioner must solicit public comments on the plan in a manner determined by the commissioner. If the commissioner approves a plan or a proposed change to an approved plan, the commissioner must notify the stewardship organization in writing of the approval and the date on which the stewardship organization must implement the plan, which must be no later than 90 days after written notice of the approval. If the commissioner rejects a stewardship plan or a proposed change to an approved plan, the commissioner must notify the stewardship organization in writing of the reasons for the rejection.

(d) If the commissioner rejects a proposed stewardship plan, the stewardship organization must submit a revised plan to the commissioner within 60 days after receiving notice of rejection. If the commissioner rejects a stewardship plan that was revised according to this paragraph, the commissioner must modify the plan to make it comply with this section and then approve the plan.

(e) The stewardship organization must submit any proposed change to an approved plan to the commissioner for review and approval according to this subdivision.

(f) An approved plan remains in effect until a new plan is approved.

Subd. 6. Stewardship plan content. A stewardship plan must contain:

(1) certification that the product stewardship program will accept and properly manage all discarded solar photovoltaic modules and installation components, regardless of type, manufacturer, or constituent components;

(2) contact information for the individual and the entity submitting the plan, a list of all member manufacturers, a contact individual for each member manufacturer participating in the product stewardship program, and the brands covered by the product stewardship program;

(3) a description of the methods proposed to collect and transport discarded solar photovoltaic modules and installation components in all areas in the state;

(4) an explanation of how the collection system is designed to be convenient and adequate to serve the needs of the solar industry, installers, owners of solar photovoltaic module installations, and other persons removing solar photovoltaic modules from service in both urban and rural areas;

(5) a description of the techniques to be used to monitor and maintain the convenience and adequacy of the collection system in all areas of the state where the solar photovoltaic modules are used;

(6) the names and locations of collectors, transporters, and recyclers that will manage discarded solar photovoltaic modules and installation components and a description of how the stewardship organization will work with existing collectors, transporters, and recyclers involved in managing discarded solar photovoltaic modules generated in the state;

(7) a description of how discarded solar photovoltaic modules, components of solar photovoltaic modules, and installation components will be safely and securely transported;

(8) a description of how the program will track solar photovoltaic modules and installation components sold in and used in the state and ensure they are properly managed and handled from collection through reuse or recycling;

(9) a description of how solar photovoltaic modules and installation components will be labeled to identify manufacturer, design, and materials information relevant to reuse and recycling of discarded solar photovoltaic modules and installation components, such as identifying the potential presence of perfluoroalkyl and polyfluoroalkyl substances or lead;

(10) a description of the methods to be used to dismantle and manage discarded solar photovoltaic modules and installation components to ensure that, to the extent feasible, the solar photovoltaic modules and installation components are reused or recycled;

(11) a description of the method to be used to evaluate discarded solar photovoltaic modules and market them for reuse and the names and locations of persons that will carry out these activities for the product stewardship program;

(12) a description of the promotion and outreach activities to be used to encourage participation in the collection, reuse, and recycling program, including measures to evaluate the activities' effectiveness and whether the program requires modification;

(13) a description of incentives or differential assessments and how they can be implemented for solar photovoltaic modules and installation components that are recyclable or less toxic, that are sold for reuse in the state, or that have manufacturer-based take-back options;

(14) an explanation of how the stewardship organization will manage a reserve of the stewardship assessment account according to subdivisions 4 and 7;

(15) evidence of adequate insurance and financial assurance that are required for collection, storage, transportation, reuse, recycling, and disposal operations;

(16) five-year performance goals for reuse and recycling, averaging not less than 85 percent, based on estimates of both the percentage and amount of discarded solar photovoltaic modules to be collected and reused or recycled during each of the first five years of the stewardship plan. The performance goals must state the methodology used to determine the goals and must be based on:

(i) the most recent collection data available for the state;

(ii) the estimated number and weight of discarded solar photovoltaic modules annually removed from service; and

(iii) actual collection data from other existing stewardship programs;

(17) five-year performance goals, averaging not less than 85 percent, for the collection and reuse or recycling of installation components; and

(18) a discussion regarding the status of end markets for discarded solar photovoltaic modules collected and what, if any, additional end markets are needed to improve the program's function.

Subd. 7. Stewardship assessment account. (a) With respect to the stewardship assessment account, the stewardship organization must:

(1) hire an independent auditor to annually review and verify the accuracy of the amount of stewardship assessments remitted to the stewardship organization by manufacturers according to subdivision 4. The accounting firm must prepare and submit to the commissioner a report detailing its findings;

(2) deposit all stewardship assessment revenue received according to subdivision 4 in the stewardship assessment account;

(3) pay an annual administrative fee according to subdivision 15 from the stewardship assessment account;

(4) upon repeal of this section, remit the balance of the stewardship assessment account to the commissioner for deposit in the environmental fund established under section 16A.531; and

(5) authorize other expenditures from the stewardship assessment account to carry out the stewardship plan and fulfill the program requirements of this section.

(b) Stewardship assessment funds must not be used to pay for lobbying or for any litigation arising from or penalties assessed under this section.

Subd. 8. **Stewardship organization responsibilities.** (a) The stewardship organization must provide consumers with educational materials regarding the stewardship assessment and product stewardship program in cooperation with the member manufacturers. The materials must include but are not limited to information:

(1) regarding available end-of-life management options offered through the product stewardship program for discarded solar photovoltaic modules and installation components; and

(2) notifying consumers that a stewardship assessment for operating the product stewardship program is included in the purchase price of each solar photovoltaic module sold in the state.

(b) The stewardship organization must conduct and document due diligence assessments of persons contracted for collection, storage, transportation, reuse, and recycling, including an assessment of items specified under subdivision 9. The stewardship organization must maintain documentation for three years that all discarded solar photovoltaic modules and installation components reused, recycled, or sent to downstream recycling operations comply with subdivision 9.

(c) The stewardship organization must provide the commissioner with contact information for each member manufacturer and an individual who can be contacted regarding the stewardship organization's activities under this section as provided in subdivision 6, clause (2).

(d) The stewardship organization is responsible for all costs of the product stewardship program implemented under this section including but not limited to administration; consumer education; onetime facility modifications; and collection, storage, transportation, reuse, and recycling of discarded solar photovoltaic modules and installation components.

Subd. 9. **Recycler responsibilities.** Beginning, and each thereafter, a recycler must certify to the commissioner that recycling facilities for discarded solar photovoltaic modules and installation components, including all downstream recycling operations:

(1) comply with applicable health, environmental, safety, and financial responsibility regulations;

(2) are licensed by all applicable governmental authorities;

(3) use no prison labor to recycle discarded solar photovoltaic modules and installation components; and

(4) possess liability insurance of not less than \$1,000,000 for environmental releases, accidents, and other emergencies.

Subd. 10. **Seller responsibilities.** (a) Effective 30 days after the implementation date established according to subdivision 5, a person is prohibited from selling a solar photovoltaic module in the state unless the solar photovoltaic module's manufacturer is participating in an approved stewardship plan according to subdivision 3.

(b) Any person selling a solar photovoltaic module may choose to participate as a designated collection site according to a product stewardship program under this section, subject to applicable law.

(c) A person selling a solar photovoltaic module does not violate this subdivision if, on the date a solar photovoltaic module sold by that person was ordered from the manufacturer or its agent, the manufacturer was listed as compliant on the agency website under subdivision 13.

Subd. 11. **Stewardship reports.** Beginning, and each thereafter, the stewardship organization must submit a report to the commissioner describing the product stewardship program. At a minimum, the report must contain:

(1) a description of the methods used to collect, store, transport, reuse, and recycle discarded solar photovoltaic modules and installation components in all regions of the state;

(2) the number and weight of all discarded solar photovoltaic modules collected and the number and weight of all discarded solar photovoltaic modules reused and recycled during the previous calendar year in all regions of the state and a comparison to the performance goals and reuse and recycling rates contained in the stewardship plan;

(3) the number and weight of all discarded installation components collected and the number and weight of all discarded installation components reused and recycled during the previous calendar year in all regions of the state and a comparison to the performance goals and reuse and recycling rates contained in the stewardship plan;

(4) samples of educational materials provided to consumers, an evaluation of the effectiveness of the materials, and an evaluation of the methods used to disseminate the materials; and

(5) an independent financial audit of the product stewardship program.

Subd. 12. **Conduct authorized.** The stewardship organization and its member manufacturers are immune from liability for conduct under state laws relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce. Liability immunity under this subdivision is limited to conduct necessary to plan and implement the stewardship organization's chosen organized collection system, reuse system, or recycling system.

Subd. 13. **Agency responsibilities.** The commissioner must provide on the agency website:

(1) a list of all compliant manufacturers and brands participating in the approved stewardship plan; and

(2) a copy of the approved stewardship plan.

Subd. 14. **Local government responsibilities.** (a) A city, county, or other public entity may choose to participate in a product stewardship program.

(b) Cities, counties, and other public entities are encouraged to work with manufacturers and the stewardship organization to assist in meeting product stewardship program recycling and reuse obligations by providing education and outreach or using other strategies.

Subd. 15. **Administrative fee.** (a) The stewardship organization submitting a stewardship plan under this section must pay an annual administrative fee to the commissioner on or before, and annually thereafter.

(b) By, and by annually thereafter, the commissioner must identify the costs that the agency incurs under this section. The commissioner must set the administrative fee at an amount that is adequate to reimburse the agency's full costs of administering this section. The total annual fees collected under this subdivision must not exceed the amount necessary to reimburse costs incurred by the agency to administer this section.

(c) All fees received under this subdivision must be deposited to the state treasury and credited to a product stewardship account in the environmental fund. For fiscal years and....., the amount collected under this subdivision is annually appropriated to the commissioner to implement and enforce this section.

Subd. 16. **Prohibition.** The stewardship organization is responsible for covering all program costs through the stewardship assessment and must not charge any fees to implement the program according to the stewardship plan. No person participating in the program may charge an end-of-life fee to the last person owning or holding the solar photovoltaic modules or installation components for services provided.

Subd. 17. **Duty to provide information.** Upon request of the commissioner for purposes of determining compliance with this section, a manufacturer, distributor, retailer, stewardship organization, or other person must furnish to the commissioner any information that the person has or may reasonably obtain.

Subd. 18. **Data classification.** Trade secret and sales information, as defined under section 13.37, submitted to the commissioner under this section are nonpublic or private data under section 13.37.

Subd. 19. **Report to legislature and governor.** As part of the report required under section 115A.121, the commissioner must provide a report to the governor and the legislature on the implementation of this section.

Subd. 20. **Disposal prohibition.** A person must not:

(1) place a solar photovoltaic module or installation components in mixed municipal solid waste;
or

(2) dispose of a solar photovoltaic module or installation components in or on the land or in a solid waste processing or disposal facility.

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

Page 56, delete section 54

Page 57, delete section 56

Page 60, delete section 57

Page 63, delete section 58 and insert:

"Sec. 46. Minnesota Statutes 2020, section 116.06, is amended by adding a subdivision to read:

Subd. 10a. **Greenhouse gases.** "Greenhouse gases" means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

Sec. 47. Minnesota Statutes 2020, section 116.07, subdivision 2, is amended to read:

Subd. 2. **Adopting standards.** (a) The Pollution Control Agency shall improve air quality by promoting, in the most practicable way possible, the use of energy sources and waste disposal methods ~~which that~~ produce or emit the least greenhouse gases and other air contaminants consistent with the agency's overall goal of reducing all forms of pollution. The agency shall also adopt standards of air quality, including maximum allowable standards of emission of air contaminants from motor vehicles, recognizing that due to variable factors, no single standard of purity of air is applicable to all areas of the state. In adopting standards the Pollution Control Agency shall give due recognition to the fact that the quantity or characteristics of air contaminants or the duration of their presence in the atmosphere, which may cause air pollution in one area of the state, may cause less or not cause any air pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, prevailing wind directions and velocities, and the fact that a standard of air quality which may be proper as to an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such standards of air quality shall be premised upon scientific knowledge of causes as well as effects based on technically substantiated criteria and commonly accepted practices. No local government unit shall set standards of air quality which are more stringent than those set by the Pollution Control Agency.

(b) The Pollution Control Agency shall promote solid waste disposal control by encouraging the updating of collection systems, elimination of open dumps, and improvements in incinerator practices. The agency shall also adopt standards for the control of the collection, transportation, storage, processing, and disposal of solid waste and sewage sludge for the prevention and abatement of water, air, and land pollution, recognizing that due to variable factors, no single standard of control is applicable to all areas of the state. In adopting standards, the Pollution Control Agency shall give due recognition to the fact that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, topography, soils and geology, climate, transportation, and land use. Such standards of control shall be premised on technical criteria and commonly accepted practices.

(c) The Pollution Control Agency shall also adopt standards describing the maximum levels of noise in terms of sound pressure level which may occur in the outdoor atmosphere, recognizing that due to variable factors no single standard of sound pressure is applicable to all areas of the state. Such standards shall give due consideration to such factors as the intensity of noises, the types of noises, the frequency with which noises recur, the time period for which noises continue, the times of day during which noises occur, and such other factors as could affect the extent to which noises may be injurious to human health or welfare, animal or plant life, or property, or could interfere unreasonably with the enjoyment of life or property. In adopting standards, the Pollution Control Agency shall give due recognition to the fact that the quantity or characteristics of noise or the duration of its presence in the outdoor atmosphere, which may cause noise pollution in one area of the state, may cause less or not cause any noise pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper,

as existing physical conditions, zoning classifications, topography, meteorological conditions and the fact that a standard which may be proper in an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such noise standards shall be premised upon scientific knowledge as well as effects based on technically substantiated criteria and commonly accepted practices. No local governing unit shall set standards describing the maximum levels of sound pressure which are more stringent than those set by the Pollution Control Agency.

(d) The Pollution Control Agency shall adopt standards for the identification of hazardous waste and for the management, identification, labeling, classification, storage, collection, transportation, processing, and disposal of hazardous waste, recognizing that due to variable factors, a single standard of hazardous waste control may not be applicable to all areas of the state. In adopting standards, the Pollution Control Agency shall recognize that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state. The agency shall consider existing physical conditions, topography, soils, and geology, climate, transportation and land use. Standards of hazardous waste control shall be premised on technical knowledge, and commonly accepted practices. Hazardous waste generator licenses may be issued for a term not to exceed five years. No local government unit shall set standards of hazardous waste control which are in conflict or inconsistent with those set by the Pollution Control Agency.

(e) A person who generates less than 100 kilograms of hazardous waste per month is exempt from the following agency hazardous waste rules:

(1) rules relating to transportation, manifesting, storage, and labeling for photographic fixer and x-ray negative wastes that are hazardous solely because of silver content; and

(2) any rule requiring the generator to send to the agency or commissioner a copy of each manifest for the transportation of hazardous waste for off-site treatment, storage, or disposal, except that counties within the metropolitan area may require generators to provide manifests.

Nothing in this paragraph exempts the generator from the agency's rules relating to on-site accumulation or outdoor storage. A political subdivision or other local unit of government may not adopt management requirements that are more restrictive than this paragraph.

(f) In any rulemaking proceeding under chapter 14 to adopt standards for air quality, solid waste, or hazardous waste under this chapter, or standards for water quality under chapter 115, the statement of need and reasonableness must include:

(1) an assessment of any differences between the proposed rule and:

(i) existing federal standards adopted under the Clean Air Act, United States Code, title 42, section 7412(b)(2); the Clean Water Act, United States Code, title 33, sections 1312(a) and 1313(c)(4); and the Resource Conservation and Recovery Act, United States Code, title 42, section 6921(b)(1);

(ii) similar standards in states bordering Minnesota; and

(iii) similar standards in states within the Environmental Protection Agency Region 5; and

(2) a specific analysis of the need and reasonableness of each difference.

Sec. 48. Minnesota Statutes 2020, section 116.07, subdivision 4, is amended to read:

Subd. 4. **Rules and standards.** (a) Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the Pollution Control Agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1967, chapter 882, for the prevention, abatement, or control of air pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to sources or emissions of greenhouse gases, air contamination, or air pollution; to the quality or composition of such emissions; ~~or~~ to the quality of or composition of the ambient air or outdoor atmosphere; or to any other matter relevant to the prevention, abatement, or control of air pollution.

(b) Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the Pollution Control Agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1969, chapter 1046, for the collection, transportation, storage, processing, and disposal of solid waste and the prevention, abatement, or control of water, air, and land pollution which may be related thereto, and the deposit in or on land of any other material that may tend to cause pollution. The agency shall adopt such rules and standards for sewage sludge, addressing the intrinsic suitability of land, the volume and rate of application of sewage sludge of various degrees of intrinsic hazard, design of facilities, and operation of facilities and sites. Any such rule or standard may be of general application throughout the state or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to collection, transportation, processing, disposal, equipment, location, procedures, methods, systems or techniques or to any other matter relevant to the prevention, abatement or control of water, air, and land pollution which may be advised through the control of collection, transportation, processing, and disposal of solid waste and sewage sludge, and the deposit in or on land of any other material that may tend to cause pollution. By January 1, 1983, the rules for the management of sewage sludge shall include an analysis of the sewage sludge determined by the commissioner of agriculture to be necessary to meet the soil amendment labeling requirements of section 18C.215.

(c) The rules for the disposal of solid waste shall include site-specific criteria to prohibit solid waste disposal based on the area's sensitivity to groundwater contamination, including site-specific testing. The rules shall provide criteria for locating landfills based on a site's sensitivity to groundwater contamination. Sensitivity to groundwater contamination is based on the predicted minimum time of travel of groundwater contaminants from the solid waste to the compliance boundary. The rules shall prohibit landfills in areas where karst is likely to develop. The rules shall specify testable or otherwise objective thresholds for these criteria. The rules shall also include modifications to financial assurance requirements under subdivision 4h that ensure the state is protected from financial responsibility for future groundwater contamination. The modifications to the financial assurance rules specified in this paragraph must require that a solid waste disposal facility subject to them maintain financial assurance so long as the facility poses a potential environmental risk to human health, wildlife, or the environment, as determined by the agency following an empirical assessment. The financial assurance and siting modifications to the rules specified in this paragraph do not apply to:

(1) solid waste facilities initially permitted before January 1, 2011, including future contiguous expansions and noncontiguous expansions within 600 yards of a permitted boundary;

(2) solid waste disposal facilities that accept only construction and demolition debris and incidental nonrecyclable packaging, and facilities that accept only industrial waste that is limited to wood, concrete, porcelain fixtures, shingles, or window glass resulting from the manufacture of construction materials; and

(3) requirements for permit by rule solid waste disposal facilities.

(d) Until the rules are modified as provided in paragraph (c) to include site-specific criteria to prohibit areas from solid waste disposal due to groundwater contamination sensitivity, as required under this section, the agency shall not issue a permit for a new solid waste disposal facility, except for:

(1) the reissuance of a permit for a land disposal facility operating as of March 1, 2008;

(2) a permit to expand a land disposal facility operating as of March 1, 2008, beyond its permitted boundaries, including expansion on land that is not contiguous to, but is located within 600 yards of, the land disposal facility's permitted boundaries;

(3) a permit to modify the type of waste accepted at a land disposal facility operating as of March 1, 2008;

(4) a permit to locate a disposal facility that accepts only construction debris as defined in section 115A.03, subdivision 7;

(5) a permit to locate a disposal facility that:

(i) accepts boiler ash from an electric energy power plant that has wet scrubbed units or has units that have been converted from wet scrubbed units to dry scrubbed units as those terms are defined in section 216B.68;

(ii) is on land that was owned on May 1, 2008, by the utility operating the electric energy power plant; and

(iii) is located within three miles of the existing ash disposal facility for the power plant; or

(6) a permit to locate a new solid waste disposal facility for ferrous metallic minerals regulated under Minnesota Rules, chapter 6130, or for nonferrous metallic minerals regulated under Minnesota Rules, chapter 6132.

(e) Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the Pollution Control Agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1971, chapter 727, for the prevention, abatement, or control of noise pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances or conditions in order to make due allowances for variations therein. Without limitation, rules or standards may relate to sources or emissions of noise or noise pollution, to the quality or composition of noises in the natural environment, or to any other matter relevant to the prevention, abatement, or control of noise pollution.

(f) As to any matters subject to this chapter, local units of government may set emission regulations with respect to stationary sources which are more stringent than those set by the Pollution Control Agency.

(g) Pursuant to chapter 14, the Pollution Control Agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of this chapter for generators of hazardous waste, the management, identification, labeling, classification, storage, collection, treatment, transportation, processing, and disposal of hazardous waste and the location of hazardous waste facilities. A rule or standard may be of general application throughout the state or may be limited as to time, places, circumstances, or conditions. In implementing its hazardous waste rules, the Pollution Control Agency shall give high priority to providing planning and technical assistance to hazardous waste generators. The agency shall assist generators in investigating the availability and feasibility of both interim and long-term hazardous waste management methods. The methods shall include waste reduction, waste separation, waste processing, resource recovery, and temporary storage.

(h) The Pollution Control Agency shall give highest priority in the consideration of permits to authorize disposal of diseased shade trees by open burning at designated sites to evidence concerning economic costs of transportation and disposal of diseased shade trees by alternative methods.

Sec. 49. Minnesota Statutes 2020, section 116.07, subdivision 4a, is amended to read:

Subd. 4a. **Permits.** (a) The Pollution Control Agency may issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the emission of greenhouse gases or other air contaminants,~~or~~; for the installation or operation of any emission facility, air contaminant treatment facility, treatment facility, potential air contaminant storage facility, or storage facility, or any part thereof;~~;~~ or for the sources or emissions of noise pollution.

(b) The Pollution Control Agency may also issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the storage, collection, transportation, processing, or disposal of waste, or for the installation or operation of any system or facility, or any part thereof, related to the storage, collection, transportation, processing, or disposal of waste.

(c) The agency may not issue a permit to a facility without analyzing and considering the cumulative levels and effects of past and current environmental pollution from all sources on the environment and residents of the geographic area within which the facility's emissions are likely to be deposited, provided that the facility is located in a community in a city of the first class in Hennepin County that meets all of the following conditions:

(1) is within a half mile of a site designated by the federal government as an EPA superfund site due to residential arsenic contamination;

(2) a majority of the population are low-income persons of color and American Indians;

(3) a disproportionate percent of the children have childhood lead poisoning, asthma, or other environmentally related health problems;

(4) is located in a city that has experienced numerous air quality alert days of dangerous air quality for sensitive populations between February 2007 and February 2008; and

(5) is located near the junctions of several heavily trafficked state and county highways and two one-way streets which carry both truck and auto traffic.

(d) The Pollution Control Agency may revoke or modify any permit issued under this subdivision and section 116.081 whenever it is necessary, in the opinion of the agency, to prevent or abate pollution.

(e) The Pollution Control Agency has the authority for approval over the siting, expansion, or operation of a solid waste facility with regard to environmental issues. However, the agency's issuance of a permit does not release the permittee from any liability, penalty, or duty imposed by any applicable county ordinances. Nothing in this chapter precludes, or shall be construed to preclude, a county from enforcing land use controls, regulations, and ordinances existing at the time of the permit application and adopted pursuant to sections 366.10 to 366.181, 394.21 to 394.37, or 462.351 to 462.365, with regard to the siting, expansion, or operation of a solid waste facility.

(f) Except as prohibited by federal law, a person may commence construction, reconstruction, replacement, or modification of any facility prior to the issuance of a construction permit by the agency."

Page 64, delete section 61

Page 75, after line 3, insert:

"Sec. 57. [325E.3892] LEAD AND CADMIUM IN CONSUMER PRODUCTS; PROHIBITION.

Subdivision 1. Definitions. For purposes of this section, "covered product" means any of the following products or product components:

- (1) jewelry;
- (2) toys;
- (3) cosmetics and personal care products;
- (4) puzzles, board games, card games, and similar games;
- (5) play sets and play structures;
- (6) outdoor games;
- (7) school supplies;
- (8) pots and pans;
- (9) cups, bowls, and other food containers;
- (10) craft supplies and jewelry-making supplies;

(11) chalk, crayons, paints, and other art supplies;

(12) fidget spinners;

(13) costumes, costume accessories, and children's and seasonal party supplies;

(14) keys, key chains, and key rings; and

(15) clothing, footwear, headwear, and accessories.

Subd. 2. **Prohibition.** (a) A person must not import, manufacture, sell, hold for sale, or distribute or offer for use in this state any covered product containing:

(1) lead at more than 0.009 percent by total weight (90 parts per million); or

(2) cadmium at more than 0.0075 percent by total weight (75 parts per million).

(b) This section does not apply to covered products containing lead or cadmium, or both, when regulation is preempted by federal law.

Subd. 3. **Enforcement.** The commissioners of the Pollution Control Agency, commerce, and health may coordinate in enforcing this section. The commissioner of the Pollution Control Agency or commerce may, with the attorney general, enforce any federal restrictions on the sale of products containing lead or cadmium, or both, as allowed under federal law. The commissioner of the Pollution Control Agency may enforce this section under sections 115.071 and 116.072. The commissioner of commerce may enforce this section under section 45.027, subdivisions 1 to 6, 325F.10 to 325F.12, and 325F.14 to 325F.16. The attorney general may enforce this section under section 8.31.

EFFECTIVE DATE. This section is effective July 1, 2023."

Page 77, delete section 71

Page 78, delete section 72

Page 79, delete section 75

Page 80, delete section 76

Page 81, delete section 79 and insert:

"Sec. 66. **REPEALER.**

(a) Minnesota Statutes 2020, sections 97B.318; 97C.515, subdivisions 4 and 5; 325E.389; 325E.3891; and 471.9998, are repealed.

(b) Minnesota Rules, parts 6100.5000, subparts 3, 4, and 5; 6100.5700, subpart 4; and 6232.0350, are repealed.

(c) Laws 2013, chapter 121, section 53, is repealed.

EFFECTIVE DATE. The repeal of Minnesota Statutes, sections 325E.389 and 325E.3891, is effective July 1, 2023. The repeal of Minnesota Statutes, section 471.9998, is effective the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 37, as follows:

Those who voted in the affirmative were:

Bigham	Dziedzic	Johnson Stewart	Murphy	Torres Ray
Carlson	Eaton	Kent	Newton	Wiger
Champion	Fateh	Klein	Pappas	Wiklund
Clausen	Frentz	Kunesh	Port	
Cwodzinski	Hawj	Marty	Putnam	
Dibble	Isacson	McEwen	Rest	

Pursuant to Rule 40, Senator Frentz cast the affirmative vote on behalf of the following Senators: Champion, Clausen, Kent, Newton, and Port.

Those who voted in the negative were:

Anderson	Duckworth	Ingebrigtsen	Miller	Senjem
Bakk	Eichorn	Jasinski	Nelson	Tomassoni
Benson	Eken	Johnson	Newman	Utke
Chamberlain	Gazelka	Kiffmeyer	Osmek	Weber
Coleman	Goggin	Koran	Pratt	Westrom
Dahms	Hoffman	Lang	Rarick	
Dornink	Housley	Limmer	Rosen	
Draheim	Howe	Mathews	Ruud	

Pursuant to Rule 40, Senator Duckworth cast the negative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Lang, Miller, Rosen, and Tomassoni.

The motion did not prevail. So the amendment was not adopted.

Senator Bigham moved to amend S.F. No. 4062 as follows:

Page 63, after line 12, insert:

"Sec. 59. **[116.943] PFAS IN APPAREL.**

Subdivision 1. Definitions. For purposes of this section, the following terms have the meanings given:

(1) "apparel" means items intended to be worn on the human body, including footwear; handbags, backpacks, scarves, and other accessories; and clothing intended for:

(i) daily wear or formal occasions, including but not limited to undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, vests, dance wear, suits, saris, tops, leggings, school uniforms, leisure wear, swimwear, formal wear, onesies, bibs, diapers, costumes, and professional uniforms,

except professional uniforms that are worn to protect the wearer from health or environmental hazards; and

(ii) outdoor activities, including but not limited to clothing items intended for hiking, camping, skiing, climbing, bicycling, boating, and fishing;

(2) "outerwear" means clothing intended to be worn over apparel, including but not limited to jackets, coats, snow pants, and ski pants, but does not include professional uniforms; and

(3) "perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means substances that include any member of the class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

Subd. 2. **Prohibition.** (a) A person must not manufacture, distribute, sell, or offer for sale in the state apparel or outerwear that contains perfluoroalkyl and polyfluoroalkyl substances.

(b) This subdivision does not apply to the sale or resale of used products.

Subd. 3. **Enforcement.** (a) The commissioner of the Pollution Control Agency may enforce this section under sections 115.071 and 116.072. The commissioner may coordinate with the commissioners of commerce and health in enforcing this section.

(b) When requested by the commissioner of the Pollution Control Agency, a person must furnish to the commissioner any information that the person may have or may reasonably obtain that is relevant to show compliance with this section.

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

Sec. 60. **[116.9432] PFAS IN SKI WAX.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "intentionally added" means PFAS deliberately added during the manufacture of a product where the continued presence of PFAS is desired in the final product to perform a specific function;

(2) "perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom; and

(3) "ski wax" means a lubricant applied to the bottom of snow runners, including skis and snowboards, to improve their grip and glide properties.

Subd. 2. **Prohibition.** (a) A person must not manufacture, knowingly sell, offer for sale, distribute for sale, or distribute for use in the state ski wax or related tuning products to which PFAS have been intentionally added in any amount.

(b) This subdivision does not apply to the sale or resale of used products.

Subd. 3. **Enforcement.** (a) The commissioner of the Pollution Control Agency may enforce this section under sections 115.071 and 116.072. The commissioner may coordinate with the commissioners of commerce and health in enforcing this section.

(b) When requested by the commissioner of the Pollution Control Agency, a person must furnish to the commissioner any information that the person may have or may reasonably obtain that is relevant to show compliance with this section.

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

Sec. 61. **[116.9433] PFAS IN COOKWARE.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "cookware" means durable houseware items that are used in homes and restaurants to prepare, dispense, or store food, foodstuffs, or beverages. Cookware includes pots, pans, skillets, grills, baking sheets, baking molds, trays, bowls, and cooking utensils; and

(2) "perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means substances that include any member of the class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

Subd. 2. **Prohibition.** (a) A person must not distribute, sell, or offer for sale in the state any cookware that contains perfluoroalkyl and polyfluoroalkyl substances.

(b) This subdivision does not apply to the sale or resale of used products.

Subd. 3. **Enforcement.** (a) The commissioner of the Pollution Control Agency may enforce this section under sections 115.071 and 116.072. The commissioner may coordinate with the commissioners of commerce and health in enforcing this section.

(b) When requested by the commissioner of the Pollution Control Agency, a person must furnish to the commissioner any information that the person may have or may reasonably obtain that is relevant to show compliance with this section.

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

Sec. 62. **[116.9434] PFAS IN COSMETICS.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "cosmetic product" means an article intended to be applied to the human body for cleansing, beautifying, promoting attractiveness, or altering appearance. Cosmetic product does not include a product for which a prescription is required for distribution or dispensing; and

(2) "perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means substances that include any member of the class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

Subd. 2. **Prohibition.** A person must not manufacture, distribute, sell, or offer for sale in the state any cosmetic product that contains perfluoroalkyl and polyfluoroalkyl substances.

Subd. 3. **Enforcement.** (a) The commissioner of the Pollution Control Agency may enforce this section under sections 115.071 and 116.072. The commissioner may coordinate with the commissioners of commerce and health in enforcing this section.

(b) When requested by the commissioner of the Pollution Control Agency, a person must furnish to the commissioner any information that the person may have or may reasonably obtain that is relevant to show compliance with this section.

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

Sec. 63. **[116.9435] PFAS IN CARPETS AND TEXTILES.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "carpet or rug" means a fabric marketed or intended for use as a floor covering;

(2) "fabric treatment" means a substance applied to fabric to give the fabric one or more characteristics, including but not limited to stain resistance or water resistance;

(3) "perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means substances that include any member of the class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom;

(4) "upholstered furniture" means an article of furniture that is designed to be used for sitting, resting, or reclining and that is wholly or partly stuffed or filled with any filling material;

(5) "textile" means an item made in whole or part from a natural or synthetic fiber, yarn, or fabric. Textile includes but is not limited to leather, cotton, silk, jute, hemp, wool, nylon, and polyester; and

(6) "textile furnishings" means textile goods of a type customarily used in households and businesses, including but not limited to draperies, floor coverings, furnishings, beddings, towels, and tablecloths.

Subd. 2. **Prohibition.** (a) A person must not sell, offer to sell, or distribute for sale in the state any of the following that contains perfluoroalkyl and polyfluoroalkyl substances:

(1) a carpet or rug;

(2) a fabric treatment;

(3) upholstered furniture; or

(4) textile furnishings.

(b) This subdivision does not apply to sale or resale of used products.

Subd. 3. **Enforcement.** (a) The commissioner of the Pollution Control Agency may enforce this section under sections 115.071 and 116.072. The commissioner may coordinate with the commissioners of commerce and health in enforcing this section.

(b) When requested by the commissioner of the Pollution Control Agency, a person must furnish to the commissioner any information that the person may have or may reasonably obtain that is relevant to show compliance with this section.

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

Sec. 64. **[116.9436] PFAS IN JUVENILE PRODUCTS.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given:

(1) "adult mattress" means a mattress other than a crib mattress or toddler mattress;

(2) "juvenile product" means a product designed for use by infants and children under 12 years of age:

(i) including but not limited to a baby or toddler foam pillow; bassinet; bedside sleeper; booster seat; changing pad; child restraint system for use in motor vehicles and aircraft; co-sleeper; crib mattress; highchair; highchair pad; infant bouncer; infant carrier; infant seat; infant sleep positioner; infant swing; infant travel bed; infant walker; nap cot; nursing pad; nursing pillow; play mat; playpen; play yard; polyurethane foam mat, pad, or pillow; portable foam nap mat; portable infant sleeper; portable hook-on chair; soft-sided portable crib; stroller; and toddler mattress; and

(ii) not including a children's electronic product such as a personal computer, audio and video equipment, calculator, wireless phone, game console, handheld device incorporating a video screen, or any associated peripheral such as a mouse, keyboard, power supply unit, or power cord; a medical device; or an adult mattress;

(3) "medical device" has the meaning given "device" under United States Code, title 21, section 321, subsection (h); and

(4) "perfluoroalkyl and polyfluoroalkyl substances" or "PFAS" means substances that include any member of the class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom.

Subd. 2. **Prohibition.** (a) A person must not sell or distribute in commerce in the state any new juvenile product that contains perfluoroalkyl and polyfluoroalkyl substances.

(b) This subdivision does not apply to sale or resale of used juvenile products.

Subd. 3. **Enforcement.** (a) The commissioner of the Pollution Control Agency may enforce this section under sections 115.071 and 116.072. The commissioner may coordinate with the commissioners of commerce and health in enforcing this section.

(b) When requested by the commissioner of the Pollution Control Agency, a person must furnish to the commissioner any information that the person may have or may reasonably obtain that is relevant to show compliance with this section.

EFFECTIVE DATE. This section is effective January 1, 2024."

Page 80, delete section 77

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Abeler	Dziedzic	Housley	McEwen	Torres Ray
Bigham	Eaton	Isaacson	Murphy	Wiger
Carlson	Eken	Johnson Stewart	Newton	Wiklund
Champion	Fateh	Kent	Pappas	
Clausen	Frentz	Klein	Port	
Cwodzinski	Hawj	Kunesh	Putnam	
Dibble	Hoffman	Marty	Rest	

Pursuant to Rule 40, Senator Frentz cast the affirmative vote on behalf of the following Senators: Champion, Clausen, Kent, Newton, and Port.

Those who voted in the negative were:

Anderson	Draheim	Jasinski	Miller	Ruud
Bakk	Duckworth	Johnson	Nelson	Senjem
Benson	Eichorn	Kiffmeyer	Newman	Tomassoni
Chamberlain	Gazelka	Koran	Osmek	Utke
Coleman	Goggin	Lang	Pratt	Weber
Dahms	Howe	Limmer	Rarick	Westrom
Dornink	Ingebrigtsen	Mathews	Rosen	

Pursuant to Rule 40, Senator Duckworth cast the negative vote on behalf of the following Senators: Anderson, Benson, Draheim, Gazelka, Johnson, Lang, Miller, Rosen, and Tomassoni.

The motion did not prevail. So the amendment was not adopted.

Senator Marty moved to amend S.F. No. 4062 as follows:

Page 13, before line 3, insert:

"Section 1. Minnesota Statutes 2020, section 35.155, subdivision 10, is amended to read:

Subd. 10. **Mandatory registration.** (a) A person may not possess live Cervidae in Minnesota unless the person is registered with the Board of Animal Health and meets all the requirements for farmed Cervidae under this section. Cervidae possessed in violation of this subdivision may be seized and destroyed by the commissioner of natural resources.

(b) A person whose registration is revoked by the board is ineligible for future registration under this section unless the board determines that the person has undertaken measures that make future escapes extremely unlikely.

(c) The board must not allow new registrations under this section for possessing white-tailed deer.

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

Sec. 2. Minnesota Statutes 2021 Supplement, section 35.155, subdivision 11, is amended to read:

Subd. 11. **Mandatory surveillance for chronic wasting disease; depopulation.** (a) An inventory for each farmed Cervidae herd must be verified by an accredited veterinarian and filed with the Board of Animal Health every 12 months.

(b) Movement of farmed Cervidae from any premises to another location must be reported to the Board of Animal Health within 14 days of the movement on forms approved by the Board of Animal Health. A person must not move farmed white-tailed deer from any premises to another location unless the movement is directly to a location for slaughter.

(c) All animals from farmed Cervidae herds that are over 12 months of age that die or are slaughtered must be tested for chronic wasting disease.

(d) The owner of a premises where chronic wasting disease is detected must:

(1) depopulate the premises of Cervidae after the federal indemnification process has been completed or, if an indemnification application is not submitted, within a reasonable time determined by the board in consultation with the commissioner of natural resources;

(2) maintain the fencing required under subdivision 4 on the premises for five years after the date of detection; and

(3) post the fencing on the premises with biohazard signs as directed by the board.

Sec. 3. Minnesota Statutes 2020, section 35.155, subdivision 12, is amended to read:

Subd. 12. **Importation.** A person must not import white-tailed deer into the state from a farmed Cervidae herd. A person must not import other Cervidae into the state from a herd that is infected or exposed to chronic wasting disease or from a known chronic wasting disease endemic area, as determined by the board. A person may import Cervidae other than white-tailed deer into the state only from a herd that is not in a known chronic wasting disease endemic area, as determined by the board, and the herd has been subject to a state or provincial approved chronic wasting disease monitoring program for at least three years. Cervidae imported in violation of this section may be seized and destroyed by the commissioner of natural resources."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 33, as follows:

Those who voted in the affirmative were:

Bigham	Eaton	Johnson Stewart	Nelson	Ruud
Carlson	Eken	Kent	Newton	Torres Ray
Champion	Fateh	Klein	Osmeck	Wiger
Clausen	Hawj	Kunesh	Pappas	Wiklund
Cwodzinski	Hoffman	Marty	Port	
Dibble	Housley	McEwen	Putnam	
Dziedzic	Isaacson	Murphy	Rest	

Pursuant to Rule 40, Senator Frentz cast the affirmative vote on behalf of the following Senators: Champion, Clausen, Kent, Newton, and Port.

Those who voted in the negative were:

Abeler	Dornink	Howe	Limmer	Senjem
Anderson	Draheim	Ingebrigtsen	Mathews	Tomassoni
Bakk	Duckworth	Jasinski	Miller	Utke
Benson	Eichorn	Johnson	Newman	Weber
Chamberlain	Frentz	Kiffmeyer	Pratt	Westrom
Coleman	Gazelka	Koran	Rarick	
Dahms	Goggin	Lang	Rosen	

Pursuant to Rule 40, Senator Duckworth cast the negative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Lang, Miller, Rosen, and Tomassoni.

The motion did not prevail. So the amendment was not adopted.

Senator Kunesh moved to amend S.F. No. 4062 as follows:

Page 70, after line 24, insert:

"Sec. 65. [216G.13] REMOVAL OF PIPELINE UPON CESSATION OF OPERATIONS.

The owner of a pipeline must, at the owner's expense, remove a pipeline if the pipeline ceases operation for a period of five years or is decommissioned."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Ingebrigtsen questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

Senator Kunesh appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?"

The roll was called, and there were yeas 36 and nays 29, as follows:

Those who voted in the affirmative were:

Abeler	Draheim	Jasinski	Nelson	Tomassoni
Anderson	Duckworth	Johnson	Newman	Utke
Bakk	Eichorn	Kiffmeyer	Osmek	Weber
Benson	Gazelka	Koran	Pratt	Westrom
Chamberlain	Goggin	Lang	Rarick	
Coleman	Housley	Limmer	Rosen	
Dahms	Howe	Mathews	Ruud	
Dornink	Ingebrigtsen	Miller	Senjem	

Pursuant to Rule 40, Senator Duckworth cast the affirmative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Lang, Miller, Rosen, and Tomassoni.

Those who voted in the negative were:

Bigham	Dziedzic	Hoffman	Marty	Putnam
Carlson	Eaton	Isaacson	McEwen	Rest
Champion	Eken	Johnson Stewart	Murphy	Torres Ray
Clausen	Fatch	Kent	Newton	Wiger
Cwodzinski	Frentz	Klein	Pappas	Wiklund
Dibble	Hawj	Kunesh	Port	

Pursuant to Rule 40, Senator Frentz cast the negative vote on behalf of the following Senators: Champion, Clausen, Kent, Newton, and Port.

So the decision of the President was sustained.

Senator Dibble moved to amend S.F. No. 4062 as follows:

Page 60, after line 23, insert:

"Sec. 57. Minnesota Statutes 2020, section 116.06, is amended by adding a subdivision to read:

Subd. 10a. **Greenhouse gases.** "Greenhouse gases" means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

Sec. 58. Minnesota Statutes 2020, section 116.07, subdivision 2, is amended to read:

Subd. 2. **Adopting standards.** (a) The Pollution Control Agency shall improve air quality by promoting, in the most practicable way possible, the use of energy sources and waste disposal methods ~~which~~ that produce or emit the least greenhouse gases and other air contaminants consistent with the agency's overall goal of reducing all forms of pollution. The agency shall also adopt standards of air quality, including maximum allowable standards of emission of air contaminants from motor vehicles, recognizing that due to variable factors, no single standard of purity of air is applicable to all areas of the state. In adopting standards the Pollution Control Agency shall give due recognition to the fact that the quantity or characteristics of air contaminants or the duration of their presence in the atmosphere, which may cause air pollution in one area of the state, may cause less or not cause any air pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, prevailing wind directions and velocities, and the fact that a standard of air quality which may be proper as to an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such standards of air quality shall be premised upon scientific knowledge of causes as well as effects based on technically substantiated

criteria and commonly accepted practices. No local government unit shall set standards of air quality which are more stringent than those set by the Pollution Control Agency.

(b) The Pollution Control Agency shall promote solid waste disposal control by encouraging the updating of collection systems, elimination of open dumps, and improvements in incinerator practices. The agency shall also adopt standards for the control of the collection, transportation, storage, processing, and disposal of solid waste and sewage sludge for the prevention and abatement of water, air, and land pollution, recognizing that due to variable factors, no single standard of control is applicable to all areas of the state. In adopting standards, the Pollution Control Agency shall give due recognition to the fact that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, topography, soils and geology, climate, transportation, and land use. Such standards of control shall be premised on technical criteria and commonly accepted practices.

(c) The Pollution Control Agency shall also adopt standards describing the maximum levels of noise in terms of sound pressure level which may occur in the outdoor atmosphere, recognizing that due to variable factors no single standard of sound pressure is applicable to all areas of the state. Such standards shall give due consideration to such factors as the intensity of noises, the types of noises, the frequency with which noises recur, the time period for which noises continue, the times of day during which noises occur, and such other factors as could affect the extent to which noises may be injurious to human health or welfare, animal or plant life, or property, or could interfere unreasonably with the enjoyment of life or property. In adopting standards, the Pollution Control Agency shall give due recognition to the fact that the quantity or characteristics of noise or the duration of its presence in the outdoor atmosphere, which may cause noise pollution in one area of the state, may cause less or not cause any noise pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, meteorological conditions and the fact that a standard which may be proper in an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such noise standards shall be premised upon scientific knowledge as well as effects based on technically substantiated criteria and commonly accepted practices. No local governing unit shall set standards describing the maximum levels of sound pressure which are more stringent than those set by the Pollution Control Agency.

(d) The Pollution Control Agency shall adopt standards for the identification of hazardous waste and for the management, identification, labeling, classification, storage, collection, transportation, processing, and disposal of hazardous waste, recognizing that due to variable factors, a single standard of hazardous waste control may not be applicable to all areas of the state. In adopting standards, the Pollution Control Agency shall recognize that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state. The agency shall consider existing physical conditions, topography, soils, and geology, climate, transportation and land use. Standards of hazardous waste control shall be premised on technical knowledge, and commonly accepted practices. Hazardous waste generator licenses may be issued for a term not to exceed five years. No local government unit shall set standards of hazardous waste control which are in conflict or inconsistent with those set by the Pollution Control Agency.

(e) A person who generates less than 100 kilograms of hazardous waste per month is exempt from the following agency hazardous waste rules:

(1) rules relating to transportation, manifesting, storage, and labeling for photographic fixer and x-ray negative wastes that are hazardous solely because of silver content; and

(2) any rule requiring the generator to send to the agency or commissioner a copy of each manifest for the transportation of hazardous waste for off-site treatment, storage, or disposal, except that counties within the metropolitan area may require generators to provide manifests.

Nothing in this paragraph exempts the generator from the agency's rules relating to on-site accumulation or outdoor storage. A political subdivision or other local unit of government may not adopt management requirements that are more restrictive than this paragraph.

(f) In any rulemaking proceeding under chapter 14 to adopt standards for air quality, solid waste, or hazardous waste under this chapter, or standards for water quality under chapter 115, the statement of need and reasonableness must include:

(1) an assessment of any differences between the proposed rule and:

(i) existing federal standards adopted under the Clean Air Act, United States Code, title 42, section 7412(b)(2); the Clean Water Act, United States Code, title 33, sections 1312(a) and 1313(c)(4); and the Resource Conservation and Recovery Act, United States Code, title 42, section 6921(b)(1);

(ii) similar standards in states bordering Minnesota; and

(iii) similar standards in states within the Environmental Protection Agency Region 5; and

(2) a specific analysis of the need and reasonableness of each difference.

Sec. 59. Minnesota Statutes 2020, section 116.07, subdivision 4, is amended to read:

Subd. 4. **Rules and standards.** (a) Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the Pollution Control Agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1967, chapter 882, for the prevention, abatement, or control of air pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to sources or emissions of greenhouse gases, air contamination, or air pollution; to the quality or composition of such emissions; ~~or~~ to the quality of or composition of the ambient air or outdoor atmosphere; or to any other matter relevant to the prevention, abatement, or control of air pollution.

(b) Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the Pollution Control Agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1969, chapter 1046, for the collection, transportation, storage, processing, and disposal of solid waste and the prevention, abatement, or control of water, air, and land pollution which may be related thereto, and the deposit in or on land of any other material that may tend to cause pollution. The agency shall adopt such rules and standards for sewage sludge, addressing the intrinsic suitability of land, the volume and rate of application of sewage

sludge of various degrees of intrinsic hazard, design of facilities, and operation of facilities and sites. Any such rule or standard may be of general application throughout the state or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, rules or standards may relate to collection, transportation, processing, disposal, equipment, location, procedures, methods, systems or techniques or to any other matter relevant to the prevention, abatement or control of water, air, and land pollution which may be advised through the control of collection, transportation, processing, and disposal of solid waste and sewage sludge, and the deposit in or on land of any other material that may tend to cause pollution. By January 1, 1983, the rules for the management of sewage sludge shall include an analysis of the sewage sludge determined by the commissioner of agriculture to be necessary to meet the soil amendment labeling requirements of section 18C.215.

(c) The rules for the disposal of solid waste shall include site-specific criteria to prohibit solid waste disposal based on the area's sensitivity to groundwater contamination, including site-specific testing. The rules shall provide criteria for locating landfills based on a site's sensitivity to groundwater contamination. Sensitivity to groundwater contamination is based on the predicted minimum time of travel of groundwater contaminants from the solid waste to the compliance boundary. The rules shall prohibit landfills in areas where karst is likely to develop. The rules shall specify testable or otherwise objective thresholds for these criteria. The rules shall also include modifications to financial assurance requirements under subdivision 4h that ensure the state is protected from financial responsibility for future groundwater contamination. The modifications to the financial assurance rules specified in this paragraph must require that a solid waste disposal facility subject to them maintain financial assurance so long as the facility poses a potential environmental risk to human health, wildlife, or the environment, as determined by the agency following an empirical assessment. The financial assurance and siting modifications to the rules specified in this paragraph do not apply to:

(1) solid waste facilities initially permitted before January 1, 2011, including future contiguous expansions and noncontiguous expansions within 600 yards of a permitted boundary;

(2) solid waste disposal facilities that accept only construction and demolition debris and incidental nonrecyclable packaging, and facilities that accept only industrial waste that is limited to wood, concrete, porcelain fixtures, shingles, or window glass resulting from the manufacture of construction materials; and

(3) requirements for permit by rule solid waste disposal facilities.

(d) Until the rules are modified as provided in paragraph (c) to include site-specific criteria to prohibit areas from solid waste disposal due to groundwater contamination sensitivity, as required under this section, the agency shall not issue a permit for a new solid waste disposal facility, except for:

(1) the reissuance of a permit for a land disposal facility operating as of March 1, 2008;

(2) a permit to expand a land disposal facility operating as of March 1, 2008, beyond its permitted boundaries, including expansion on land that is not contiguous to, but is located within 600 yards of, the land disposal facility's permitted boundaries;

(3) a permit to modify the type of waste accepted at a land disposal facility operating as of March 1, 2008;

(4) a permit to locate a disposal facility that accepts only construction debris as defined in section 115A.03, subdivision 7;

(5) a permit to locate a disposal facility that:

(i) accepts boiler ash from an electric energy power plant that has wet scrubbed units or has units that have been converted from wet scrubbed units to dry scrubbed units as those terms are defined in section 216B.68;

(ii) is on land that was owned on May 1, 2008, by the utility operating the electric energy power plant; and

(iii) is located within three miles of the existing ash disposal facility for the power plant; or

(6) a permit to locate a new solid waste disposal facility for ferrous metallic minerals regulated under Minnesota Rules, chapter 6130, or for nonferrous metallic minerals regulated under Minnesota Rules, chapter 6132.

(e) Pursuant and subject to the provisions of chapter 14, and the provisions hereof, the Pollution Control Agency may adopt, amend and rescind rules and standards having the force of law relating to any purpose within the provisions of Laws 1971, chapter 727, for the prevention, abatement, or control of noise pollution. Any such rule or standard may be of general application throughout the state, or may be limited as to times, places, circumstances or conditions in order to make due allowances for variations therein. Without limitation, rules or standards may relate to sources or emissions of noise or noise pollution, to the quality or composition of noises in the natural environment, or to any other matter relevant to the prevention, abatement, or control of noise pollution.

(f) As to any matters subject to this chapter, local units of government may set emission regulations with respect to stationary sources which are more stringent than those set by the Pollution Control Agency.

(g) Pursuant to chapter 14, the Pollution Control Agency may adopt, amend, and rescind rules and standards having the force of law relating to any purpose within the provisions of this chapter for generators of hazardous waste, the management, identification, labeling, classification, storage, collection, treatment, transportation, processing, and disposal of hazardous waste and the location of hazardous waste facilities. A rule or standard may be of general application throughout the state or may be limited as to time, places, circumstances, or conditions. In implementing its hazardous waste rules, the Pollution Control Agency shall give high priority to providing planning and technical assistance to hazardous waste generators. The agency shall assist generators in investigating the availability and feasibility of both interim and long-term hazardous waste management methods. The methods shall include waste reduction, waste separation, waste processing, resource recovery, and temporary storage.

(h) The Pollution Control Agency shall give highest priority in the consideration of permits to authorize disposal of diseased shade trees by open burning at designated sites to evidence concerning economic costs of transportation and disposal of diseased shade trees by alternative methods.

Sec. 60. Minnesota Statutes 2020, section 116.07, subdivision 4a, is amended to read:

Subd. 4a. **Permits.** (a) The Pollution Control Agency may issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the emission of greenhouse gases or other air contaminants~~or~~; for the installation or operation of any emission facility, air contaminant treatment facility, treatment facility, potential air contaminant storage facility, or storage facility, or any part thereof; or for the sources or emissions of noise pollution.

(b) The Pollution Control Agency may also issue, continue in effect or deny permits, under such conditions as it may prescribe for the prevention of pollution, for the storage, collection, transportation, processing, or disposal of waste, or for the installation or operation of any system or facility, or any part thereof, related to the storage, collection, transportation, processing, or disposal of waste.

(c) The agency may not issue a permit to a facility without analyzing and considering the cumulative levels and effects of past and current environmental pollution from all sources on the environment and residents of the geographic area within which the facility's emissions are likely to be deposited, provided that the facility is located in a community in a city of the first class in Hennepin County that meets all of the following conditions:

(1) is within a half mile of a site designated by the federal government as an EPA superfund site due to residential arsenic contamination;

(2) a majority of the population are low-income persons of color and American Indians;

(3) a disproportionate percent of the children have childhood lead poisoning, asthma, or other environmentally related health problems;

(4) is located in a city that has experienced numerous air quality alert days of dangerous air quality for sensitive populations between February 2007 and February 2008; and

(5) is located near the junctions of several heavily trafficked state and county highways and two one-way streets which carry both truck and auto traffic.

(d) The Pollution Control Agency may revoke or modify any permit issued under this subdivision and section 116.081 whenever it is necessary, in the opinion of the agency, to prevent or abate pollution.

(e) The Pollution Control Agency has the authority for approval over the siting, expansion, or operation of a solid waste facility with regard to environmental issues. However, the agency's issuance of a permit does not release the permittee from any liability, penalty, or duty imposed by any applicable county ordinances. Nothing in this chapter precludes, or shall be construed to preclude, a county from enforcing land use controls, regulations, and ordinances existing at the time of the permit application and adopted pursuant to sections 366.10 to 366.181, 394.21 to 394.37, or 462.351 to 462.365, with regard to the siting, expansion, or operation of a solid waste facility.

(f) Except as prohibited by federal law, a person may commence construction, reconstruction, replacement, or modification of any facility prior to the issuance of a construction permit by the agency."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 33, as follows:

Those who voted in the affirmative were:

Abeler	Duckworth	Hoffman	Marty	Rest
Bigham	Dziedzic	Isaacson	McEwen	Torres Ray
Carlson	Eaton	Johnson Stewart	Murphy	Wiger
Champion	Eken	Kent	Newton	Wiklund
Clausen	Fateh	Klein	Pappas	
Cwodzinski	Frentz	Kunesh	Port	
Dibble	Hawj	Limmer	Putnam	

Pursuant to Rule 40, Senator Frentz cast the affirmative vote on behalf of the following Senators: Champion, Clausen, Kent, Newton, and Port.

Those who voted in the negative were:

Anderson	Draheim	Jasinski	Nelson	Senjem
Bakk	Eichorn	Johnson	Newman	Tomassoni
Benson	Gazelka	Kiffmeyer	Osmek	Utke
Chamberlain	Goggin	Koran	Pratt	Weber
Coleman	Housley	Lang	Rarick	Westrom
Dahms	Howe	Mathews	Rosen	
Dornink	Ingebrigtsen	Miller	Ruud	

Pursuant to Rule 40, Senator Duckworth cast the negative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Lang, Miller, Rosen, and Tomassoni.

The motion did not prevail. So the amendment was not adopted.

Senator Isaacson moved to amend S.F. No. 4062 as follows:

Page 26, after line 6, insert:

"Sec. 23. **[97B.032] NONTOXIC AMMUNITION REQUIRED.**

Subdivision 1. Lead ammunition prohibited. A person may not use or possess lead ammunition when hunting with firearms.

Subd. 2. Hunter notification. The commissioner must notify hunters of the requirements of this section.

Subd. 3. Civil penalty. A person who violates this section is subject to the following civil penalties:

(1) \$500 for the first offense; and

(2) a penalty of at least \$1,000 but no more than \$5,000 for each subsequent offense.

Subd. 4. **Nontoxic ammunition vouchers.** (a) To the extent funding is available, the commissioner must establish a program to provide hunters with nontoxic ammunition at no cost or at a reduced cost. The program must include a voucher for nontoxic ammunition with a value not to exceed the average value of nontoxic ammunition in the state as determined by the commissioner. The commissioner may work with partners to secure additional resources for the program from local, federal, and private sources.

(b) The commissioner must submit a report to the chairs and ranking minority leaders of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources on the implementation and redemption rates of vouchers issued in the previous fiscal year. The report must be submitted by January 15 the year following any fiscal year the program was being implemented.

Subd. 5. **Nontoxic shot buy-back and exchange program.** To the extent funding is available, the commissioner must establish a program to buy back lead ammunition from hunters and provide opportunities for hunters to exchange lead ammunition with nontoxic ammunition.

Subd. 6. **Exemption.** This section does not apply to peace officers, other government officials or employees, or their agents when carrying out a duty required by law."

Page 29, after line 24, insert:

"Sec. 31. **[97C.326] LEAD TACKLE.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given them:

(1) "jig" means a weighted hook. Jig does not include lead fishing-related items, including but not limited to fishing line, flies, lures, or spoons; and

(2) "sinker" means a device that is designed to be attached to a fishing line and intended to sink the line. Sinker does not include artificial lures, weighted line, weighted flies, or jig heads.

Subd. 2. **Prohibition.** A person may not use a sinker or jig to take fish if the sinker or jig contains lead and weighs one ounce or less or measures 2-1/2 inches or less in length.

EFFECTIVE DATE. This section is effective July 1, 2026."

Page 75, after line 3, insert:

"Sec. 69. **[325E.3895] LEAD TACKLE.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given them:

(1) "jig" means a weighted hook. Jig does not include lead fishing-related items, including but not limited to fishing line, flies, lures, or spoons; and

(2) "sinker" means a device that is designed to be attached to a fishing line and intended to sink the line. Sinker does not include artificial lures, weighted line, weighted flies, or jig heads.

Subd. 2. **Manufacture prohibited.** No person shall manufacture for sale in Minnesota a sinker or jig that contains lead and weighs one ounce or less or measures 2-1/2 inches or less in length.

Subd. 3. **Sales prohibited.** A person may not offer for sale or sell any sinker or jig if it contains lead and weighs one ounce or less or measures 2-1/2 inches or less in length.

EFFECTIVE DATE. This section is effective July 1, 2025."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

CALL OF THE SENATE

Senator Klein imposed a call of the Senate for the balance of the proceedings on S.F. No. 4062. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Isaacson amendment.

The roll was called, and there were yeas 29 and nays 36, as follows:

Those who voted in the affirmative were:

Bigham	Dziedzic	Hoffman	Marty	Putnam
Carlson	Eaton	Isaacson	McEwen	Rest
Champion	Eken	Johnson Stewart	Murphy	Torres Ray
Clausen	Fatch	Kent	Newton	Wiger
Cwodzinski	Frentz	Klein	Pappas	Wiklund
Dibble	Hawj	Kunesh	Port	

Pursuant to Rule 40, Senator Frentz cast the affirmative vote on behalf of the following Senators: Champion, Clausen, Kent, Newton, and Port.

Those who voted in the negative were:

Abeler	Draheim	Jasinski	Nelson	Tomassoni
Anderson	Duckworth	Johnson	Newman	Utke
Bakk	Eichorn	Kiffmeyer	Osmek	Weber
Benson	Gazelka	Koran	Pratt	Westrom
Chamberlain	Goggin	Lang	Rarick	
Coleman	Housley	Limmer	Rosen	
Dahms	Howe	Mathews	Ruud	
Dornink	Ingebrigtsen	Miller	Senjem	

Pursuant to Rule 40, Senator Duckworth cast the negative vote on behalf of the following Senators: Anderson, Benson, Dahms, Gazelka, Johnson, Lang, Miller, Rosen, and Tomassoni.

The motion did not prevail. So the amendment was not adopted.

Senator Marty moved to amend S.F. No. 4062 as follows:

Page 18, delete section 9

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 39, as follows:

Those who voted in the affirmative were:

Bigham	Dziedzic	Johnson Stewart	Newton	Wiger
Carlson	Eaton	Kent	Pappas	Wiklund
Champion	Fateh	Kunesh	Port	
Clausen	Frentz	Marty	Putnam	
Cwodzinski	Hawj	McEwen	Rest	
Dibble	Isaacson	Murphy	Torres Ray	

Pursuant to Rule 40, Senator Frentz cast the affirmative vote on behalf of the following Senators: Champion, Clausen, Isaacson, Kent, Newton, and Port.

Those who voted in the negative were:

Abeler	Draheim	Howe	Limmer	Rosen
Anderson	Duckworth	Ingebrigtsen	Mathews	Ruud
Bakk	Eichorn	Jasinski	Miller	Senjem
Benson	Eken	Johnson	Nelson	Tomassoni
Chamberlain	Gazelka	Kiffmeyer	Newman	Utke
Coleman	Goggin	Klein	Osmek	Weber
Dahms	Hoffman	Koran	Pratt	Westrom
Dornink	Housley	Lang	Rarick	

Pursuant to Rule 40, Senator Duckworth cast the negative vote on behalf of the following Senators: Anderson, Benson, Dahms, Gazelka, Johnson, Lang, Miller, Rosen, and Tomassoni.

The motion did not prevail. So the amendment was not adopted.

Senator Jasinski moved to amend S.F. No. 4062 as follows:

Page 18, after line 14, insert:

"Sec. 9. Minnesota Statutes 2020, section 84.87, subdivision 1, is amended to read:

Subdivision 1. **Operation on streets and highways.** (a) No person shall operate a snowmobile upon the roadway, shoulder, or inside bank or slope of any trunk, county state-aid, or county highway in this state and, in the case of a divided trunk or county highway, on the right-of-way between the opposing lanes of traffic, except as provided in sections 84.81 to 84.90. No person shall operate a snowmobile within the right-of-way of any trunk, county state-aid, or county highway between the hours of one-half hour after sunset to one-half hour before sunrise, except on the right-hand side of such right-of-way and in the same direction as the highway traffic on the nearest lane of the roadway adjacent thereto. No snowmobile shall be operated at any time within the right-of-way of any interstate highway or freeway within this state.

(b) Notwithstanding any provision of paragraph (a) to the contrary:

(1) under conditions prescribed by the commissioner of transportation, the commissioner of transportation may allow two-way operation of snowmobiles on either side of the trunk highway right-of-way where the commissioner of transportation determines that two-way operation will not endanger users of the trunk highway or riders of the snowmobiles using the trail;

(2) under conditions prescribed by a local road authority as defined in section 160.02, subdivision 25, the road authority may allow two-way operation of snowmobiles on either side of the right-of-way of a street or highway under the road authority's jurisdiction, where the road authority determines that two-way operation will not endanger users of the street or highway or riders of the snowmobiles using the trail;

(3) the commissioner of transportation under clause (1) and the local road authority under clause (2) shall notify the commissioner of natural resources and the local law enforcement agencies responsible for the streets or highways of the locations of two-way snowmobile trails authorized under this paragraph; and

(4) two-way snowmobile trails authorized under this paragraph shall be posted for two-way operation at the authorized locations.

(c) A snowmobile may make a direct crossing of a street or highway at any hour of the day provided:

(1) the crossing is made at an angle of approximately 90 degrees to the direction of the highway and at a place where no obstruction prevents a quick and safe crossing; and

(2) the snowmobile is brought to a complete stop before crossing the shoulder or main traveled way of the highway; and

(3) the driver yields the right-of-way to all oncoming traffic which constitutes an immediate hazard; and

(4) in crossing a divided highway, the crossing is made only at an intersection of such highway with another public street or highway, or at a safe location approved by the road authority; and

(5) if the crossing is made between the hours of one-half hour after sunset to one-half hour before sunrise or in conditions of reduced visibility, only if both front and rear lights are on; and

(6) a snowmobile may be operated upon a bridge, other than a bridge that is part of the main traveled lanes of an interstate highway, when required for the purpose of avoiding obstructions to travel when no other method of avoidance is possible; provided the snowmobile is operated in the extreme right-hand lane, the entrance to the roadway is made within 100 feet of the bridge and the crossing is made without undue delay.

(d) No snowmobile shall be operated upon a public street or highway unless it is equipped with at least one headlamp, one tail lamp, each of minimum candlepower as prescribed by rules of the commissioner, reflector material of a minimum area of 16 square inches mounted on each side forward of the handle bars, and with brakes each of which shall conform to standards prescribed by

rule of the commissioner pursuant to the authority vested in the commissioner by section 84.86, and each of which shall be subject to approval of the commissioner of public safety.

(e) A snowmobile may be operated upon a public street or highway other than as provided by paragraph (c) in an emergency during the period of time when and at locations where snow upon the roadway renders travel by automobile impractical.

(f) All provisions of chapters 169 and 169A shall apply to the operation of snowmobiles upon streets and highways, except for those relating to required equipment, and except those which by their nature have no application. Section 169.09 applies to the operation of snowmobiles anywhere in the state or on the ice of any boundary water of the state.

(g) Any sled, trailer, or other device being towed by a snowmobile must be equipped with reflective materials as required by rule of the commissioner."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 4062 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 37 and nays 29, as follows:

Those who voted in the affirmative were:

Abeler	Draheim	Howe	Mathews	Senjem
Anderson	Duckworth	Ingebrigtsen	Miller	Tomassoni
Bakk	Eichorn	Jasinski	Nelson	Utke
Benson	Eken	Johnson	Newman	Weber
Chamberlain	Gazelka	Kiffmeyer	Osmek	Westrom
Coleman	Goggin	Koran	Pratt	
Dahms	Hoffman	Lang	Rarick	
Dornink	Housley	Limmer	Rosen	

Pursuant to Rule 40, Senator Duckworth cast the affirmative vote on behalf of the following Senators: Anderson, Benson, Gazelka, Johnson, Lang, Miller, Rosen, and Tomassoni.

Those who voted in the negative were:

Bigham	Dziedzic	Johnson Stewart	McEwen	Rest
Carlson	Eaton	Kent	Murphy	Ruud
Champion	Fateh	Klein	Newton	Torres Ray
Clausen	Frentz	Kunesh	Pappas	Wiger
Cwodzinski	Hawj	López Franzen	Port	Wiklund
Dibble	Isaacson	Marty	Putnam	

Pursuant to Rule 40, Senator Frentz cast the negative vote on behalf of the following Senators: Champion, Clausen, Fateh, Isaacson, Kent, López Franzen, Newton, and Port.

So the bill, as amended, was passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has appointed a committee of five members of the House to act with a similar committee on the part of the Senate to escort the Governor to the Joint Convention to be held in the House Chamber on Sunday, April 24, 2022, said Joint Convention to be convened at 5:45 p.m., and said message of the Governor to be delivered at 6:00 p.m.

Agbaje, Frederick, Klevorn, Demuth and Nelson, N., have been appointed as such committee on the part of the House.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted April 21, 2022

Senators Miller and López Franzen introduced --

Senate Resolution No. 128: A Senate resolution relating to appointment of a committee to escort the Governor to the House Chamber for a Joint Convention.

BE IT RESOLVED, by the Senate of the State of Minnesota:

The President of the Senate shall appoint a committee of five members of the Senate to act with a like committee on the part of the House of Representatives to escort the Honorable Tim Walz, Governor of the State of Minnesota, to the House Chamber on the occasion of the Joint Convention on Sunday, April 24, 2022, at 5:45 p.m.

Senator Housley moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

APPOINTMENTS

Pursuant to the foregoing resolution, the President made the following appointments:

Senators Duckworth, Jasinski, Abeler, Torres Ray, and Putnam.

RECESS

Senator Housley moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

MEMBERS EXCUSED

Senator Latz was excused from the Session of today. Senator Westrom was excused from the Session of today from 11:15 to 11:45 a.m. Senator López Franzen was excused from the Session of today from 2:00 to 4:15 p.m.

ADJOURNMENT

Senator Jasinski moved that the Senate do now adjourn until 5:00 p.m., Sunday, April 24, 2022. The motion prevailed.

Cal R. Ludeman, Secretary of the Senate

