STATE OF MINNESOTA

Journal of the House

NINETY-THIRD SESSION — 2024

ONE HUNDRED THIRTEENTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MAY 7, 2024

The House of Representatives convened at 11:00 a.m. and was called to order by Mark Wiens, Speaker pro tempore.

Prayer was offered by Joshua Foster, Minister for Church Ambassador Network, St. Paul, Minnesota.

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

The roll was called and the following members were present:

Acomb	Demuth	Heintzeman	Kozlowski	Niska	Smith
Agbaje	Dotseth	Hemmingsen-Jaeger	Koznick	Noor	Stephenson
Altendorf	Edelson	Her	Kraft	Norris	Swedzinski
Anderson, P. E.	Elkins	Hicks	Kresha	Novotny	Tabke
Anderson, P. H.	Engen	Hill	Lawrence	Olson, B.	Torkelson
Backer	Feist	Hollins	Lee, F.	Olson, L.	Urdahl
Bahner	Finke	Hornstein	Lee, K.	Pelowski	Vang
Bakeberg	Fischer	Howard	Liebling	Pérez-Vega	Virnig
Baker	Fogelman	Hudson	Lillie	Perryman	West
Becker-Finn	Franson	Huot	Lislegard	Petersburg	Wiener
Bennett	Frazier	Hussein	Long	Pfarr	Wiens
Berg	Frederick	Igo	McDonald	Pinto	Witte
Bierman	Freiberg	Jacob	Mekeland	Pryor	Wolgamott
Bliss	Garofalo	Johnson	Mueller	Pursell	Xiong
Brand	Gillman	Jordan	Murphy	Quam	Youakim
Burkel	Gomez	Joy	Myers	Rarick	Zeleznikar
Carroll	Greenman	Keeler	Nadeau	Rehm	Spk. Hortman
Cha	Grossell	Kiel	Nash	Reyer	
Clardy	Hansen, R.	Klevorn	Nelson, M.	Robbins	
Coulter	Hanson, J.	Knudsen	Nelson, N.	Schomacker	
Curran	Harder	Koegel	Neu Brindley	Scott	
Davis	Hassan	Kotyza-Witthuhn	Newton	Sencer-Mura	

A quorum was present.

Daniels, Davids, Hudella, Schultz and Skraba were excused.

Moller was excused until 12:35 p.m. O'Driscoll was excused until 1:35 p.m.

Speaker pro tempore Wiens called Her to the Chair.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 4942 and H. F. No. 4975, which had been referred to the Chief Clerk for comparison, were examined and found to be not identical.

Acomb moved that S. F. No. 4942 be substituted for H. F. No. 4975 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 6, 2024

The Honorable Melissa Hortman
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Hortman:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 3376, relating to natural resources; allowing the use of a digital image as proof of possession of certain passes and licenses; providing for using electronic devices to display documents.

H. F. No. 3868, relating to commerce; adopting amendments to the Uniform Commercial Code to accommodate emerging technologies.

Sincerely,

TIM WALZ
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Melissa Hortman
Speaker of the House of Representatives

The Honorable Bobby Joe Champion
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2024 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	*H. F. No.*	*Session Laws Chapter No.*	*Time and Date Approved 2024*	*Date Filed 2024*
	3376	92	9:32 a.m. May 6	May 6
	3868	93	9:33 a.m. May 6	May 6
3204		95	9:36 a.m. May 6	May 6

Sincerely,

STEVE SIMON
Secretary of State

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Olson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 912, A bill for an act relating to human services; establishing the Layla Jackson Law; modifying child welfare provisions; establishing the African American Child Well-Being Advisory Council; requiring reports; appropriating money; amending Minnesota Statutes 2022, section 260C.329, subdivisions 3, 8; proposing coding for new law in Minnesota Statutes, chapter 260.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[260.61] CITATION.**

Sections 260.61 to 260.693 may be cited as the "Minnesota African American Family Preservation and Child Welfare Disproportionality Act."

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 2. **[260.62] PURPOSES.**

(a) The purposes of the Minnesota African American Family Preservation and Child Welfare Disproportionality Act are to:

(1) protect the best interests of African American and disproportionately represented children;

(2) promote the stability and security of African American and disproportionately represented children and their families by establishing minimum standards to prevent the arbitrary and unnecessary removal of African American and disproportionately represented children from their families; and

(3) improve permanency outcomes, including family reunification, for African American and disproportionately represented children.

(b) Nothing in this legislation is intended to interfere with the protections of the Indian Child Welfare Act of 1978, United States Code, title 25, sections 1901 to 1963, or the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 3. **[260.63] DEFINITIONS.**

Subdivision 1. **Scope.** The definitions in this section apply to sections 260.61 to 260.693.

Subd. 2. **Active efforts.** "Active efforts" means a rigorous and concerted level of effort that the responsible social services agency must continuously make throughout the time that the responsible social services agency is involved with an African American or a disproportionately represented child and the child's family. To provide active efforts to preserve an African American or a disproportionately represented child's family, the responsible social services agency must continuously involve an African American or a disproportionately represented child's family in all services for the family, including case planning and choosing services and providers, and inform the family of the ability to file a report of noncompliance with this act with the commissioner through the child welfare compliance and feedback portal. When providing active efforts, a responsible social services agency must consider an African American or a disproportionately represented child's family's social and cultural values at all times while providing services to the African American or disproportionately represented child and the child's family. Active efforts includes continuous efforts to preserve an African American or a disproportionately represented child's family and to prevent the out-of-home placement of an African American or a disproportionately represented child. If an African American or a disproportionately represented child enters out-of-home placement, the responsible social services agency must make active efforts to reunify the African American or disproportionately represented child with the child's family as soon as possible. Active efforts sets a higher standard for the responsible social services agency than reasonable efforts to preserve the child's family, prevent the child's out-of-home placement, and reunify the child with the child's family. Active efforts includes the provision of reasonable efforts as required by Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 679c.

Subd. 3. **Adoptive placement.** "Adoptive placement" means the permanent placement of an African American or a disproportionately represented child made by the responsible social services agency upon a fully executed adoption placement agreement, including the signatures of the adopting parent, the responsible social services agency, and the commissioner of human services according to section 260C.613, subdivision 1.

Subd. 4. **African American child.** "African American child" means a child having origins in Africa, including a child of two or more races who has at least one parent with origins in Africa. Whether a child or parent has origins in Africa is based upon self-identification or identification of the child's origins by the parent or guardian.

Subd. 5. **Best interests of the African American or disproportionately represented child.** The "best interests of the African American or disproportionately represented child" means providing a culturally informed practice lens that acknowledges, utilizes, and embraces the African American or disproportionately represented child's community and cultural norms and allows the child to remain safely at home with the child's family. The best interests of the African American or disproportionately represented child support the child's sense of belonging to the child's family, extended family, kin, and cultural community.

Subd. 6. **Child placement proceeding.** (a) "Child placement proceeding" means any judicial proceeding that could result in:

(1) an adoptive placement;

(2) a foster care placement;

(3) a preadoptive placement; or

(4) a termination of parental rights.

(b) Judicial proceedings under this subdivision include a child's placement based upon a child's juvenile status offense but do not include a child's placement based upon:

(1) an act which if committed by an adult would be deemed a crime; or

(2) an award of child custody in a divorce proceeding to one of the child's parents.

Subd. 7. **Commissioner.** "Commissioner" means the commissioner of human services or the commissioner's designee.

Subd. 8. **Custodian.** "Custodian" means any person who is under a legal obligation to provide care and support for an African American or a disproportionately represented child, or who is in fact providing daily care and support for an African American or a disproportionately represented child. This subdivision does not impose a legal obligation upon a person who is not otherwise legally obligated to provide a child with necessary food, clothing, shelter, education, or medical care.

Subd. 9. **Disproportionality.** "Disproportionality" means the overrepresentation of African American children and other disproportionately represented children in Minnesota's child welfare system population as compared to the representation of those children in Minnesota's total child population.

Subd. 10. **Disproportionately represented child.** "Disproportionately represented child" means a child whose race, culture, ethnicity, disability status, or low-income socioeconomic status is disproportionately encountered, engaged, or identified in the child welfare system as compared to the representation in the state's total child population. Disproportionately represented child includes members of unique cultural groups belonging to larger ethnic or cultural categories used in federal, state, or local demographic data when the members are known to be disproportionately affected.

Subd. 11. **Egregious harm.** "Egregious harm" has the meaning given in section 260E.03, subdivision 5.

Subd. 12. **Foster care placement.** "Foster care placement" means the court-ordered removal of an African American or a disproportionately represented child from the child's home with the child's parent or legal custodian and the temporary placement of the child in a foster home, in shelter care or a facility, or in the home of a guardian, when the parent or legal custodian cannot have the child returned upon demand, but the parent's parental rights have

not been terminated. A foster care placement includes a placement in foster care following an order placing the child under the guardianship of the commissioner, pursuant to section 260C.325, prior to an adoption being finalized.

Subd. 13. **Imminent physical damage or harm.** "Imminent physical damage or harm" means that a child is threatened with immediate and present conditions that are life-threatening or likely to result in abandonment, sexual abuse, or serious physical injury. The existence of community or family poverty, isolation, single parenthood, age of the parent, crowded or inadequate housing, substance use, prenatal drug or alcohol exposure, mental illness, disability or special needs of the parent or child, or nonconforming social behavior does not by itself constitute imminent physical damage or harm.

Subd. 14. **Responsible social services agency.** "Responsible social services agency" has the meaning given in section 260C.007, subdivision 27a.

Subd. 15. **Parent.** "Parent" means the biological parent of an African American or a disproportionately represented child or any person who has legally adopted an African American or a disproportionately represented child. Parent includes an unmarried father whose paternity has been acknowledged or established and a putative father. Paternity has been acknowledged when an unmarried father takes any action to hold himself out as the biological father of a child.

Subd. 16. **Preadoptive placement.** "Preadoptive placement" means a responsible social services agency's placement of an African American or a disproportionately represented child when the child is under the guardianship of the commissioner for the purpose of adoption but an adoptive placement agreement for the child has not been fully executed.

Subd. 17. **Relative.** "Relative" has the meaning given in section 260C.007, subdivision 27.

Subd. 18. **Safety network.** "Safety network" means a group of individuals identified by the parent and child, when appropriate, that is accountable for developing, implementing, sustaining, supporting, or improving a safety plan to protect the safety and well-being of a child.

Subd. 19. **Sexual abuse.** "Sexual abuse" has the meaning given in section 260E.03, subdivision 20.

Subd. 20. **Termination of parental rights.** "Termination of parental rights" means an action resulting in the termination of the parent-child relationship under section 260C.301.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 4. **[260.64] DUTY TO PREVENT OUT-OF-HOME PLACEMENT AND PROMOTE FAMILY REUNIFICATION.**

Subdivision 1. **Active efforts.** A responsible social services agency shall make active efforts to prevent the out-of-home placement of an African American or a disproportionately represented child, eliminate the need for a child's removal from the child's home, and reunify an African American or a disproportionately represented child with the child's family as soon as practicable.

Subd. 2. **Safety plan.** (a) Prior to petitioning the court to remove an African American or a disproportionately represented child from the child's home under section 260.66, a responsible social services agency must work with the child's family to allow the child to remain in the child's home while implementing a safety plan based on the family's needs. The responsible social services agency must:

(1) make active efforts to engage the child's parent or custodian and the child, when appropriate;

(2) assess the family's cultural and economic needs and, if applicable, needs and services related to the child's disability;

(3) hold a family group consultation meeting and connect the family with supports to establish a safety network for the family; and

(4) provide support, guidance, and input to assist the family and the family's safety network with developing the safety plan.

(b) The safety plan must:

(1) address the specific allegations impacting the child's safety in the home. If neglect is alleged, the safety plan must incorporate economic services and supports for the child and the child's family, if eligible, to address the family's specific needs and prevent neglect;

(2) incorporate family and community support to ensure the child's safety while keeping the family intact; and

(3) be adjusted as needed to address the child's and family's ongoing needs and support.

(c) The responsible social services agency is not required to establish a safety plan:

(1) in a case with allegations of sexual abuse or egregious harm;

(2) when the parent is not willing to follow a safety plan;

(3) when the parent has abandoned the child or is unavailable to follow a safety plan; or

(4) when the parent has chronic substance abuse issues and is unable to parent the child.

Subd. 3. **Out-of-home placement prohibited.** Unless the court finds by clear and convincing evidence that the child would be at risk of serious emotional damage or serious physical damage if the child were to remain in the child's home, a court shall not order a foster care or permanent out-of-home placement of an African American or a disproportionately represented child alleged to be in need of protection or services. At each hearing regarding an African American or a disproportionately represented child who is alleged or adjudicated to be in need of child protective services, the court shall review whether the responsible social services agency has provided active efforts to the child and the child's family and shall require the responsible social services agency to provide evidence and documentation that demonstrate that the agency is providing culturally informed, strength-based, community-involved, and community-based services to the child and the child's family.

Subd. 4. **Required findings that active efforts were provided.** When determining whether the responsible social services agency has made active efforts to preserve the child's family, the court shall make findings regarding whether the responsible social services agency made appropriate and meaningful services available to the child's family based upon the family's specific needs. If a court determines that the responsible social services agency did not make active efforts to preserve the family as required by this section, the court shall order the responsible social services agency to immediately provide active efforts to the child and child's family to preserve the family.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 5. **[260.641] ENSURING FREQUENT VISITATION FOR AFRICAN AMERICAN AND DISPROPORTIONATELY REPRESENTED CHILDREN IN OUT-OF-HOME PLACEMENT.**

A responsible social services agency must engage in best practices related to visitation when an African American or a disproportionately represented child is in out-of-home placement. When the child is in out-of-home placement, the responsible social services agency shall make active efforts to facilitate regular and frequent visitation between the child and the child's parents or custodians, the child's siblings, and the child's relatives. If visitation is infrequent between the child and the child's parents, custodians, siblings, or relatives, the responsible social services agency shall make active efforts to increase the frequency of visitation and address any barriers to visitation.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 6. **[260.65] NONCUSTODIAL PARENTS.**

(a) Prior to or within 48 hours of the removal of an African American or a disproportionately represented child from the child's home, the responsible social services agency must make active efforts to identify and locate the child's noncustodial or nonadjudicated parent and the child's relatives to notify the child's parent and relatives that the child is or will be placed in foster care, and provide the child's parent and relatives with a list of legal resources. The notice to the child's noncustodial or nonadjudicated parent and relatives must also include the information required under section 260C.221, subdivision 2, paragraph (b). The responsible social services agency must maintain detailed records of the agency's efforts to notify parents and relatives under this section.

(b) Notwithstanding the provisions of section 260C.219, the responsible social services agency must assess an African American or a disproportionately represented child's noncustodial or nonadjudicated parent's ability to care for the child before placing the child in foster care. If a child's noncustodial or nonadjudicated parent is willing and able to provide daily care for the African American or disproportionately represented child temporarily or permanently, the court shall order that the child be placed in the home of the noncustodial or nonadjudicated parent pursuant to section 260C.178 or 260C.201, subdivision 1. The responsible social services agency must make active efforts to assist a noncustodial or nonadjudicated parent with remedying any issues that may prevent the child from being placed with the noncustodial or nonadjudicated parent.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 7. **[260.66] EMERGENCY REMOVAL.**

Subdivision 1. **Emergency removal or placement permitted.** Nothing in this section shall be construed to prevent the emergency removal of an African American or a disproportionately represented child's parent or custodian or the emergency placement of the child in a foster setting in order to prevent imminent physical damage or harm to the child.

Subd. 2. **Petition for emergency removal; placement requirements.** A petition for a court order authorizing the emergency removal or continued emergency placement of an African American or a disproportionately represented child or the petition's accompanying documents must contain a statement of the risk of imminent physical damage or harm to the African American or disproportionately represented child and any evidence that the emergency removal or placement continues to be necessary to prevent imminent physical damage or harm to the child. The petition or its accompanying documents must also contain the following information:

(1) the name, age, and last known address of the child;

(2) the name and address of the child's parents and custodians or, if unknown, a detailed explanation of efforts made to locate and contact them;

(3) the steps taken to provide notice to the child's parents and custodians about the emergency proceeding;

(4) a specific and detailed account of the circumstances that led the agency responsible for the emergency removal of the child to take that action; and

(5) a statement of the efforts that have been taken to assist the child's parents or custodians so that the child may safely be returned to their custody.

Subd. 3. **Emergency proceeding requirements.** (a) The court shall hold a hearing no later than 72 hours, excluding weekends and holidays, after the emergency removal of the African American or disproportionately represented child. The court shall determine whether the emergency removal continues to be necessary to prevent imminent physical damage or harm to the child and whether, after considering the child's particular circumstances, the imminent physical damage or harm to the child outweighs the harm that the child will experience as a result of continuing the emergency removal.

(b) The court shall hold additional hearings whenever new information indicates that the emergency situation has ended. The court shall consider all such new information at any court hearing after the emergency proceeding to determine whether the emergency removal or placement is no longer necessary to prevent imminent physical damage or harm to the child.

(c) Notwithstanding section 260C.163, subdivision 3, and the provisions of Minnesota Rules of Juvenile Protection Procedure, rule 25, a parent or custodian of an African American or a disproportionately represented child who is subject to an emergency hearing under this section and Minnesota Rules of Juvenile Protection Procedure, rule 30, has a right to counsel appointed by the court. The court must appoint qualified counsel to represent a parent if the parent meets the eligibility requirements in section 611.17.

Subd. 4. **Termination of emergency removal or placement.** (a) An emergency removal or placement of an African American or a disproportionately represented child must immediately terminate once the responsible social services agency or court possesses sufficient evidence to determine that the emergency removal or placement is no longer necessary to prevent imminent physical damage or harm to the child and the child shall be immediately returned to the custody of the child's parent or custodian. The responsible social services agency or court shall ensure that the emergency removal or placement terminates immediately when the removal or placement is no longer necessary to prevent imminent physical damage or harm to the African American or disproportionately represented child.

(b) An emergency removal or placement ends when the court orders, after service upon the African American or disproportionately represented child's parents or custodians, that the child shall be placed in foster care upon a determination supported by clear and convincing evidence that custody of the child by the child's parent or custodian is likely to result in serious emotional or physical damage to the child.

(c) In no instance shall emergency removal or emergency placement of an African American or a disproportionately represented child extend beyond 30 days unless the court finds by a showing of clear and convincing evidence that:

(1) continued emergency removal or placement is necessary to prevent imminent physical damage or harm to the child; and

(2) it has not been possible to initiate a child placement proceeding with all of the protections under sections 260.61 to 260.68.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 8. **[260.67] TRANSFER OF PERMANENT LEGAL AND PHYSICAL CUSTODY; TERMINATION OF PARENTAL RIGHTS; CHILD PLACEMENT PROCEEDINGS.**

Subdivision 1. **Preference for transfer of permanent legal and physical custody.** If an African American or a disproportionately represented child cannot be returned to the child's parent, the court shall consider the requirements of and responsibilities under section 260.012, paragraph (a), and, if possible, transfer permanent legal and physical custody of the child to:

(1) a noncustodial parent under section 260C.515, subdivision 4, if the child cannot return to the care of the parent or custodian from whom the child was removed or who had legal custody at the time that the child was placed in foster care; or

(2) a willing and able relative, according to the requirements of section 260C.515, subdivision 4, if the court determines that reunification with the child's family is not an appropriate permanency option for the child. Prior to the court ordering a transfer of permanent legal and physical custody to a relative who is not a parent, the responsible social services agency must inform the relative of Northstar kinship assistance benefits and eligibility requirements, and of the relative's ability to apply for benefits on behalf of the child under chapter 256N.

Subd. 2. **Termination of parental rights restrictions.** (a) A court shall not terminate the parental rights of a parent of an African American or a disproportionately represented child based solely on the parent's failure to complete case plan requirements.

(b) Except as provided in paragraph (c), a court shall not terminate the parental rights of a parent of an African American or a disproportionately represented child in a child placement proceeding unless the allegations against the parent involve sexual abuse; egregious harm as defined in section 260C.007, subdivision 14; murder in the first, second, or third degree under section 609.185, 609.19, or 609.195; murder of an unborn child in the first, second, or third degree under section 609.2661, 609.2662, or 609.2663; manslaughter of an unborn child in the first or second degree under section 609.2664 or 609.2665; domestic assault by strangulation under section 609.2247; felony domestic assault under section 609.2242 or 609.2243; kidnapping under section 609.25; solicitation, inducement, and promotion of prostitution under section 609.322, subdivision 1, and subdivision 1a if one or more aggravating factors are present; criminal sexual conduct under sections 609.342 to 609.3451; engaging in, hiring, or agreeing to hire a minor to engage in prostitution under section 609.324, subdivision 1; solicitation of children to engage in sexual conduct under section 609.352; possession of pornographic work involving minors under section 617.247; malicious punishment or neglect or endangerment of a child under section 609.377 or 609.378; use of a minor in sexual performance under section 617.246; or failing to protect a child from an overt act or condition that constitutes egregious harm.

Subd. 3. **Termination of parental rights; exceptions.** (a) The court may terminate the parental rights of a parent of an African American or a disproportionately represented child if a transfer of permanent legal and physical custody under subdivision 1 is not possible because the child has no willing or able noncustodial parent or relative to whom custody can be transferred, if it finds that one or more of the following conditions exist:

(1) that the parent has abandoned the child;

(2) that a parent is palpably unfit to be a party to the parent and child relationship because of a consistent pattern of specific conduct before the child or of specific conditions directly relating to the parent and child relationship, either of which are determined by the court to be of a duration or nature that renders the parent unable, for the reasonably foreseeable future, to care appropriately for the ongoing physical, mental, or emotional needs of the child. It is presumed that a parent is palpably unfit to be a party to the parent and child relationship upon a showing that the parent's parental rights to another child were involuntarily terminated or that the parent's custodial rights to another child have been involuntarily transferred to a relative under section 260C.515, subdivision 4; or a similar law of another jurisdiction;

(3) that following the child's placement out of the home, active efforts, under the direction of the court, have failed to correct the conditions leading to the child's placement. It is presumed that active efforts under this clause have failed upon a showing that:

(i) a child has resided out of the parental home under court order for a cumulative period of 12 months within the preceding 22 months. In the case of a child under age eight at the time that the petition was filed alleging the child to be in need of protection or services, the presumption arises when the child has resided out of the parental home under court order for six months unless the parent has maintained regular contact with the child and the parent is complying with the out-of-home placement plan;

(ii) the court has approved the out-of-home placement plan required under section 260C.212 and filed with the court under section 260C.178;

(iii) conditions leading to the out-of-home placement have not been corrected. It is presumed that conditions leading to a child's out-of-home placement have not been corrected upon a showing that the parent or parents have not substantially complied with the court's orders and a reasonable case plan; and

(iv) active efforts have been made by the responsible social services agency to rehabilitate the parent and reunite the family; and

(4) that a child has experienced egregious harm in the parent's care that is of a nature, duration, or chronicity that indicates a lack of regard for the child's well-being, such that a reasonable person would believe it contrary to the best interests of the child or of any child to be in the parent's care.

(b) For purposes of paragraph (a), clause (1), abandonment is presumed when:

(1) the parent has had no contact with the child on a regular basis and has not demonstrated consistent interest in the child's well-being for six months and the social services agency has made active efforts to facilitate contact with the parent, unless the parent establishes that an extreme financial or physical hardship or treatment for mental disability or substance use disorder or other good cause prevented the parent from making contact with the child. This presumption does not apply to children whose custody has been determined under chapter 257 or 518; or

(2) the child is an infant under two years of age and has been deserted by the parent under circumstances that show an intent not to return to care for the child.

Subd. 4. **Voluntary termination of parental rights.** Nothing in subdivisions 2 and 3 precludes the court from terminating the parental rights of a parent of an African American or a disproportionately represented child if the parent desires to voluntarily terminate the parent's own parental rights for good cause under section 260C.301, subdivision 1, paragraph (a).

Subd. 5. **Appeals.** Notwithstanding the Minnesota Rules of Juvenile Protection Procedure, rule 47.02, subdivision 2, a parent of an African American or a disproportionately represented child whose parental rights have been terminated may appeal the decision within 90 days of the service of notice by the court administrator of the filing of the court's order.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 9. **[260.68] RESPONSIBLE SOCIAL SERVICES AGENCY CONDUCT AND CASE REVIEW.**

Subdivision 1. **Responsible social services agency conduct.** (a) A responsible social services agency employee who has duties related to child protection shall not knowingly:

(1) make untrue statements about any case involving a child alleged to be in need of protection or services;

(2) intentionally withhold any information that may be material to a case involving a child alleged to be in need of protection or services; or

(3) fabricate or falsify any documentation or evidence relating to a case involving a child alleged to be in need of protection or services.

(b) Any of the actions listed in paragraph (a) shall constitute grounds for adverse employment action.

Subd. 2. **Case review.** (a) Each responsible social services agency shall conduct a review of all child welfare cases for African American and other disproportionately represented children handled by the agency. Each responsible social services agency shall create a summary report of trends identified under paragraphs (b) and (c), a remediation plan as provided in paragraph (d), and an update on implementation of any previous remediation plans. The first report shall be provided to the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over child welfare by October 1, 2029, and annually thereafter. For purposes of determining outcomes in this subdivision, responsible social services agencies shall use guidance from the commissioner. The commissioner shall provide guidance starting on November 1, 2028, and annually thereafter.

(b) The case review must include:

(1) the number of African American and disproportionately represented children represented in the county child welfare system;

(2) the number and sources of maltreatment reports received and reports screened in for investigation or referred for family assessment and the race of the children and parents or custodians involved in each report;

(3) the number and race of children and parents or custodians who receive in-home preventive case management services;

(4) the number and race of children whose parents or custodians are referred to community-based, culturally appropriate, strength-based, or trauma-informed services;

(5) the number and race of children removed from their homes;

(6) the number and race of children reunified with their parents or custodians;

(7) the number and race of children whose parents or custodians are offered family group decision-making services;

(8) the number and race of children whose parents or custodians are offered the parent support outreach program;

(9) the number and race of children in foster care or out-of-home placement at the time that the data is gathered;

(10) the number and race of children who achieve permanency through a transfer of permanent legal and physical custody to a relative or an adoption; and

(11) the number and race of children who are under the guardianship of the commissioner or awaiting a permanency disposition.

(c) The required case review must also:

(1) identify barriers to reunifying children with their families;

(2) identify the family conditions that led to the out-of-home placement;

(3) identify any barriers to accessing culturally informed mental health or substance use disorder treatment services for the parents or children;

(4) document efforts to identify fathers and maternal and paternal relatives and to provide services to custodial and noncustodial fathers, if appropriate; and

(5) document and summarize court reviews of active efforts.

(d) Any responsible social services agency that has a case review showing disproportionality and disparities in child welfare outcomes for African American and other disproportionately represented children and the children's families, compared to the agency's overall outcomes, must include in their case review summary report a remediation plan with measurable outcomes to identify, address, and reduce the factors that led to the disproportionality and disparities in the agency's child welfare outcomes. The remediation plan shall also include information about how the responsible social services agency will achieve and document trauma-informed, positive child well-being outcomes through remediation efforts.

Subd. 3. **Noncompliance.** Any responsible social services agency that fails to comply with this section is subject to corrective action and a fine determined by the commissioner. The commissioner shall use fines received under this subdivision to support compliance with this act but shall not use amounts received to supplant funding for existing services.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 10. **[260.69] CULTURAL COMPETENCY TRAINING FOR INDIVIDUALS WORKING WITH AFRICAN AMERICAN AND DISPROPORTIONATELY REPRESENTED CHILDREN.**

Subdivision 1. **Applicability.** The commissioner of human services must collaborate with the Children's Justice Initiative to ensure that cultural competency training is given to individuals working in the child welfare system, including child welfare workers, supervisors, attorneys, juvenile court judges, and family law judges.

Subd. 2. **Training.** (a) The commissioner must develop training content and establish the frequency of trainings.

(b) The cultural competency training under this section is required prior to or within six months of beginning work with any African American or disproportionately represented child and their family. A responsible social services agency staff person who is unable to complete the cultural competency training prior to working with African American or disproportionately represented children and their families must work with a qualified staff person within the agency who has completed cultural competency training until the person is able to complete the required training. The training must be available by January 1, 2027, and must:

(1) be provided by an African American individual or individual from a community that is disproportionately represented in the child welfare system who is knowledgeable about African American and other disproportionately represented social and cultural norms and historical trauma;

(2) raise awareness and increase a person's competency to value diversity, conduct a self-assessment, manage the dynamics of difference, acquire cultural knowledge, and adapt to diversity and the cultural contexts of communities served;

(3) include instruction on effectively developing a safety plan and instruction on engaging a safety network; and

(4) be accessible and comprehensive and include the ability to ask questions.

(c) The training may be provided in a series of segments, either in person or online.

Subd. 3. **Update.** The commissioner must provide an update to the chairs and ranking minority members of the legislative committees with jurisdiction over child protection by July 1, 2028, on the rollout of the training under subdivision 1 and the content and accessibility of the training under subdivision 2.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 11. **[260.691] AFRICAN AMERICAN CHILD WELL-BEING ADVISORY COUNCIL.**

Subdivision 1. **Duties.** The African American Child Well-Being Advisory Council must:

(1) review annual reports related to African American children involved in the child welfare system. The annual reports may include but are not limited to the maltreatment, out-of-home placement, and permanency of African American children;

(2) assist with and make recommendations to the commissioner for developing strategies to reduce maltreatment determinations, prevent unnecessary out-of-home placement, promote culturally appropriate foster care and shelter or facility placement decisions and settings for African American children in need of out-of-home placement, ensure timely achievement of permanency, and improve child welfare outcomes for African American children and their families;

(3) review summary reports on targeted case reviews prepared by the commissioner to ensure that responsible social services agencies meet the needs of African American children and their families. Based on data collected from those reviews, the council shall assist the commissioner with developing strategies needed to improve any identified child welfare outcomes, including but not limited to maltreatment, out-of-home placement, and permanency for African American children;

(4) assist the Cultural and Ethnic Communities Leadership Council with making recommendations to the commissioner and the legislature for public policy and statutory changes that specifically consider the needs of African American children and their families involved in the child welfare system;

(5) advise the commissioner on stakeholder engagement strategies and actions that the commissioner and responsible social services agencies may take to improve child welfare outcomes for African American children and their families;

(6) assist the commissioner with developing strategies for public messaging and communication related to racial disproportionality and disparities in child welfare outcomes for African American children and their families;

(7) assist the commissioner with identifying and developing internal and external partnerships to support adequate access to services and resources for African American children and their families, including but not limited to housing assistance, employment assistance, food and nutrition support, health care, child care assistance, and educational support and training; and

(8) assist the commissioner with developing strategies to promote the development of a culturally diverse and representative child welfare workforce in Minnesota that includes professionals who are reflective of the community served and who have been directly impacted by lived experiences within the child welfare system. The council must also assist the commissioner with exploring strategies and partnerships to address education and training needs, hiring, recruitment, retention, and professional advancement practices.

Subd. 2. **Annual report.** By January 1, 2026, and annually thereafter, the council shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over child protection on the council's activities under subdivision 1 and other issues on which the council chooses to report. The report may include recommendations for statutory changes to improve the child protection system and child welfare outcomes for African American children and families.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 12. **[260.692] AFRICAN AMERICAN CHILD WELL-BEING UNIT.**

Subdivision 1. **Duties.** The African American Child Well-Being Unit, currently being established by the commissioner, must:

(1) assist with the development of African American cultural competency training and review child welfare curriculum in the Minnesota Child Welfare Training Academy to ensure that responsible social services agency staff and other child welfare professionals are appropriately prepared to engage with African American children and their families and to support family preservation and reunification;

(2) provide technical assistance, including on-site technical assistance, and case consultation to responsible social services agencies to assist agencies with implementing and complying with the Minnesota African American Family Preservation and Child Welfare Disproportionality Act;

(3) monitor individual county and statewide disaggregated and nondisaggregated data to identify trends and patterns in child welfare outcomes, including but not limited to reporting, maltreatment, out-of-home placement, and permanency of African American children and develop strategies to address disproportionality and disparities in the child welfare system;

(4) develop and implement a system for conducting case reviews when the commissioner receives reports of noncompliance with the Minnesota African American Family Preservation and Child Welfare Disproportionality Act or when requested by the parent or custodian of an African American child. Case reviews may include but are not limited to a review of placement prevention efforts, safety planning, case planning and service provision by the responsible social services agency, relative placement consideration, and permanency planning;

(5) establish and administer a request for proposals process for African American and disproportionately represented family preservation grants under section 260.693, monitor grant activities, and provide technical assistance to grantees;

(6) in coordination with the African American Child Well-Being Advisory Council, coordinate services and create internal and external partnerships to support adequate access to services and resources for African American children and their families, including but not limited to housing assistance, employment assistance, food and nutrition support, health care, child care assistance, and educational support and training; and

(7) develop public messaging and communication to inform the public about racial disparities in child welfare outcomes, current efforts and strategies to reduce racial disparities, and resources available to African American children and their families involved in the child welfare system.

Subd. 2. **Case reviews.** (a) The African American Child Well-Being Unit must conduct systemic case reviews to monitor targeted child welfare outcomes, including but not limited to maltreatment, out-of-home placement, and permanency of African American children.

(b) The reviews under this subdivision must be conducted using a random sampling of representative child welfare cases stratified for certain case-related factors, including but not limited to case type, maltreatment type, if the case involves out-of-home placement, and other demographic variables. In conducting the reviews, unit staff may use court records and documents, information from the social services information system, and other available case file information to complete the case reviews.

(c) The frequency of the reviews and the number of cases, child welfare outcomes, and selected counties reviewed shall be determined by the unit in consultation with the African American Child Well-Being Advisory Council, with consideration given to the availability of unit resources needed to conduct the reviews.

(d) The unit must monitor all case reviews and use the collective case review information and data to generate summary case review reports, ensure compliance with the Minnesota African American Family Preservation and Child Welfare Disproportionality Act, and identify trends or patterns in child welfare outcomes for African American children.

(e) The unit must review information from members of the public received through the compliance and feedback portal, including policy and practice concerns related to individual child welfare cases. After assessing a case concern, the unit may determine if further necessary action should be taken, which may include coordinating case remediation with other relevant child welfare agencies in accordance with data privacy laws, including the African American Child Well-Being Advisory Council, and offering case consultation and technical assistance to the responsible local social services agency as needed or requested by the agency.

Subd. 3. **Reports.** (a) The African American Child Well-Being Unit must provide regular updates on unit activities, including summary reports of case reviews, to the African American Child Well-Being Advisory Council and must publish an annual census of African American children in out-of-home placements statewide. The annual census must include data on the types of placements, age and sex of the children, how long the children have been in out-of-home placements, and other relevant demographic information.

(b) The African American Child Well-Being Unit shall gather summary data about the practice and policy inquiries and individual case concerns received through the compliance and feedback portal under subdivision 2, paragraph (e). The unit shall provide regular reports of the nonidentifying compliance and feedback portal summary data to the African American Child Well-Being Advisory Council to identify child welfare trends and patterns to assist with developing policy and practice recommendations to support eliminating disparity and disproportionality for African American children.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 13. **[260.693] AFRICAN AMERICAN AND DISPROPORTIONATELY REPRESENTED FAMILY PRESERVATION GRANTS.**

Subdivision 1. **Primary support grants.** The commissioner shall establish direct grants to organizations, service providers, and programs owned and led by African Americans and other individuals from communities disproportionately represented in the child welfare system to provide services and support for African American and disproportionately represented children and their families involved in Minnesota's child welfare system, including supporting existing eligible services and facilitating the development of new services and providers, to create a more expansive network of service providers available for African American and disproportionately represented children and their families.

Subd. 2. **Eligible services.** (a) Services eligible for grants under this section include but are not limited to:

(1) child out-of-home placement prevention and reunification services;

(2) family-based services and reunification therapy;

(3) culturally specific individual and family counseling;

(4) court advocacy;

(5) training for and consultation to responsible social services agencies and private social services agencies regarding this act;

(6) development and promotion of culturally informed, affirming, and responsive community-based prevention and family preservation services that target the children, youth, families, and communities of African American and African heritage experiencing the highest disparities, disproportionality, and overrepresentation in the Minnesota child welfare system;

(7) culturally affirming and responsive services that work with children and families in their communities to address their needs and ensure child and family safety and well-being within a culturally appropriate lens and framework;

(8) services to support informal kinship care arrangements; and

(9) other activities and services approved by the commissioner that further the goals of the Minnesota African American Family Preservation and Child Welfare Disproportionality Act, including but not limited to the recruitment of African American staff and staff from other communities disproportionately represented in the child welfare system to work for responsible social services agencies and licensed child-placing agencies.

(b) The commissioner may specify the priority of an activity and service based on its success in furthering these goals. The commissioner shall give preference to programs and service providers that are located in or serve counties with the highest rates of child welfare disproportionality for African American and other disproportionately represented children and their families and employ staff who represent the population primarily served.

Subd. 3. **Ineligible services.** Grant money may not be used to supplant funding for existing services or for the following purposes:

(1) child day care that is necessary solely because of the employment or training for employment of a parent or another relative with whom the child is living;

(2) foster care maintenance or difficulty of care payments;

(3) residential treatment facility payments;

(4) adoption assistance or Northstar kinship assistance payments under chapter 259A or 256N;

(5) public assistance payments for Minnesota family investment program assistance, supplemental aid, medical assistance, general assistance, general assistance medical care, or community health services; or

(6) administrative costs for income maintenance staff.

Subd. 4. **Requests for proposals.** The commissioner shall request proposals for grants under subdivisions 1, 2, and 3 and specify the information and criteria required.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 14. Minnesota Statutes 2022, section 260C.329, subdivision 3, is amended to read:

Subd. 3. **Petition.** The county attorney ~~or,~~ a parent whose parental rights were terminated under a previous order of the court, a child who is ten years of age or older, the responsible social services agency, or a guardian ad litem may file a petition for the reestablishment of the legal parent and child relationship. A parent filing a petition under this section shall pay a filing fee in the amount required under section 357.021, subdivision 2, clause (1). The filing fee may be waived pursuant to chapter 563. A petition for the reestablishment of the legal parent and child relationship may be filed when:

~~(1) in cases where the county attorney is the petitioning party, both the responsible social services agency and the county attorney agree that reestablishment of the legal parent and child relationship is in the child's best interests;~~

~~(2)~~ (1) the parent has corrected the conditions that led to an order terminating parental rights;

~~(3)~~ (2) the parent is willing and has the capability to provide day-to-day care and maintain the health, safety, and welfare of the child;

~~(4)~~ (3) the child has been in foster care for at least ~~48~~ 24 months after the court issued the order terminating parental rights;

~~(5)~~ (4) the child has not been adopted; and

~~(6)~~ (5) the child is not the subject of a written adoption placement agreement between the responsible social services agency and the prospective adoptive parent, as required under Minnesota Rules, part 9560.0060, subpart 2.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 15. Minnesota Statutes 2022, section 260C.329, subdivision 8, is amended to read:

Subd. 8. **Hearing.** The court may grant the petition ordering the reestablishment of the legal parent and child relationship only if it finds by clear and convincing evidence that:

(1) reestablishment of the legal parent and child relationship is in the child's best interests;

(2) the child has not been adopted;

(3) the child is not the subject of a written adoption placement agreement between the responsible social services agency and the prospective adoptive parent, as required under Minnesota Rules, part 9560.0060, subpart 2;

(4) at least ~~48~~ 24 months have elapsed following a final order terminating parental rights and the child remains in foster care;

(5) the child desires to reside with the parent;

(6) the parent has corrected the conditions that led to an order terminating parental rights; and

(7) the parent is willing and has the capability to provide day-to-day care and maintain the health, safety, and welfare of the child.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 16. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; DISAGGREGATE DATA.**

The commissioner of human services must establish a process to improve the disaggregation of data to monitor child welfare outcomes for African American and other disproportionately represented children in the child welfare system. The commissioner must begin disaggregating data by January 1, 2027.

EFFECTIVE DATE. This section is effective July 1, 2027.

Sec. 17. **CHILD WELFARE COMPLIANCE AND FEEDBACK PORTAL.**

The commissioner of human services shall develop, maintain, and administer a publicly accessible online compliance and feedback portal to receive reports of noncompliance with the Minnesota African American Family Preservation and Child Welfare Disproportionality Act under Minnesota Statutes, sections 260.61 to 260.693, and other statutes related to child maltreatment, safety, and placement. Reports received through the portal must be transferred for review and further action to the appropriate unit or department within the Department of Human Services, including but not limited to the African American Child Well-Being Unit.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 18. **DIRECTION TO COMMISSIONER; MAINTAINING CONNECTIONS IN FOSTER CARE BEST PRACTICES.**

The commissioner of human services shall develop and publish guidance on best practices for ensuring that African American and disproportionately represented children in foster care maintain connections and relationships with their parents, custodians, and extended relatives. The commissioner shall also develop and publish best practice guidance on engaging and assessing noncustodial and nonadjudicated parents to care for their African American or disproportionately represented children who cannot remain with the children's custodial parents.

EFFECTIVE DATE. This section is effective July 1, 2027, except as provided under section 20.

Sec. 19. **DIRECTION TO COMMISSIONER; COMPLIANCE SYSTEM REVIEW DEVELOPMENT.**

(a) By January 1, 2026, the commissioner of human services, in consultation with counties and the working group established under section 21, must develop a system to review county compliance with the Minnesota African American Family Preservation and Child Welfare Disproportionality Act. The system may include but is not limited to the cases to be reviewed, the criteria to be reviewed to demonstrate compliance, the rate of noncompliance and the coordinating penalty, the program improvement plan, and training.

(b) By January 1, 2026, the commissioner of human services must provide a report to the chairs and ranking minority members of the legislative committees with jurisdiction over child welfare on the proposed compliance system review process and language to codify that process in statute.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 20. **MINNESOTA AFRICAN AMERICAN FAMILY PRESERVATION AND CHILD WELFARE DISPROPORTIONALITY ACT; PHASE-IN PROGRAM.**

(a) The commissioner of human services must establish a phase-in program that implements sections 1 to 17 in Hennepin and Ramsey Counties. The commissioner may allow additional counties to participate in the phase-in program upon the request of the counties.

(b) The commissioner of human services must report on the outcomes of the phase-in program, including the number of participating families, the rate of children in out-of-home placement, and the measures taken to prevent out-of-home placement for each participating family, to the chairs and ranking minority members of the legislative committees with jurisdiction over child welfare.

(c) Sections 1 to 17 are effective July 1, 2024, for purposes of this phase-in program.

(d) This section expires July 1, 2027.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 21. **MINNESOTA AFRICAN AMERICAN FAMILY PRESERVATION AND CHILD WELFARE DISPROPORTIONALITY ACT; WORKING GROUP.**

(a) The commissioner of human services must establish a working group to provide guidance and oversight for the Minnesota African American Family Preservation and Child Welfare Disproportionality Act phase-in program.

(b) The members of the working group must include representatives from the Minnesota Association of County Social Service Administrators, the Association of Minnesota Counties, Hennepin County, Ramsey County, the Department of Human Services, and community organizations with experience in child welfare. The legislature may provide recommendations to the commissioner on the selection of the representatives from the community organizations.

(c) The working group must provide oversight of the phase-in program and evaluate the cost of the phase-in program. The working group must also assess future costs of implementing the Minnesota African American Family Preservation and Child Welfare Disproportionality Act statewide.

(d) By June 30, 2026, the working group must develop an implementation plan and best practices for the Minnesota African American Family Preservation and Child Welfare Disproportionality Act to go into effect statewide.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 22. **DIRECTION TO COMMISSIONER; IMPLEMENTATION COSTS.**

The commissioner of human services must handle any administrative or implementation costs for the Minnesota African American Family Preservation and Child Welfare Disproportionality Act within the limits of existing funding.

Sec. 23. **APPROPRIATION; MINNESOTA AFRICAN AMERICAN FAMILY PRESERVATION AND CHILD WELFARE DISPROPORTIONALITY ACT PHASE-IN PROGRAM GRANTS.**

$5,000,000 in fiscal year 2025 is appropriated from the general fund to the commissioner of human services for grants to Hennepin and Ramsey Counties to implement the Minnesota African American Family Preservation and Child Welfare Disproportionality Act phase-in program. Of this amount, $2,500,000 must be provided to Hennepin County and $2,500,000 must be provided to Ramsey County. The commissioner must handle any administrative or implementation costs for the phase-in program within the limits of existing funding. This is a onetime appropriation and is available until June 30, 2026."

Amend the title as follows:

Page 1, line 2, delete "Layla Jackson Law" and insert "Minnesota African American Family Preservation and Child Welfare Disproportionality Act"

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Olson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 4822, A bill for an act relating to taxation; property; modifying distribution of excess proceeds from sales of tax-forfeited property; appropriating money; amending Minnesota Statutes 2022, sections 281.23, subdivision 2; 282.241, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 282.

Reported the same back with the following amendments:

Page 3, line 12, delete the first "the" and insert "any party with an interest in the real estate including but not limited to an" and after "property" insert ", a lienholder,"

Page 3, line 16, delete "the product of (i) 1.05, and (ii)"

Page 3, line 17, delete "levied" and insert "assessed"

Page 7, after line 23, insert:

"Sec. 4. Minnesota Statutes 2022, section 282.01, subdivision 6, is amended to read:

Subd. 6. **Duties of commissioner after sale.** (a) When any sale has been made by the county auditor under sections ~~282.01~~ 282.005 to 282.13, the auditor shall immediately certify to the commissioner of revenue such information relating to such sale, on such forms as the commissioner of revenue may prescribe as will enable the commissioner of revenue to prepare an appropriate deed if the sale is for cash, or keep necessary records if the sale is on terms; and not later than October 31 of each year the county auditor shall submit to the commissioner of revenue a statement of all instances wherein any payment of principal, interest, or current taxes on lands held under certificate, due or to be paid during the preceding calendar years, are still outstanding at the time such certificate is made. When such statement shows that a purchaser or the purchaser's assignee is in default, the commissioner of revenue may instruct the county board of the county in which the land is located to cancel said certificate of sale in the manner provided by subdivision 5, provided that upon recommendation of the county board, and where the circumstances are such that the commissioner of revenue after investigation is satisfied that the purchaser has made

every effort reasonable to make payment of both the annual installment and said taxes, and that there has been no willful neglect on the part of the purchaser in meeting these obligations, then the commissioner of revenue may extend the time for the payment for such period as the commissioner may deem warranted, not to exceed one year. On payment in full of the purchase price, appropriate conveyance in fee, in such form as may be prescribed by the attorney general, shall be issued by the commissioner of revenue, which conveyance must be recorded by the county and shall have the force and effect of a patent from the state subject to easements and restrictions of record at the date of the tax judgment sale, including, but without limitation, permits for telephone and electric power lines either by underground cable or conduit or otherwise, sewer and water lines, highways, railroads, and pipe lines for gas, liquids, or solids in suspension.

(b) The commissioner of revenue shall issue an appropriate conveyance in fee when approval from the county auditor is given based upon written confirmation from a licensed closing agent, title insurer, or title insurance agent as specified in section 82.641. For purposes of this paragraph, "written confirmation" means a written commitment or approval that the funding for the conveyance is held in an escrow account available for disbursement upon delivery of a conveyance. The county recorder or registrar of titles must not record or file a conveyance issued under this paragraph unless the conveyance contains a certification signed by the county auditor where the land is located stating that the recorder or registrar of titles can accept the conveyance for recording or filing. The conveyance issued by the commissioner of revenue shall not be effective as a conveyance until it is recorded. The conveyance shall be issued to the county auditor where the land is located. Upon receipt of the conveyance, the county auditor shall hold the conveyance until the conveyance is requested from a licensed closing agent, title insurer, or title insurance agent to settle and close on the conveyance. If a request for the conveyance is not made within 30 days of the date the conveyance is issued by the commissioner of revenue, the county auditor shall return the conveyance to the commissioner. If the conveyance is delivered to the licensed closing agent, title insurer, or title insurance agent and the closing does not occur within ten days of the request, the licensed closing agent, title insurer, or title insurance agent shall immediately return the conveyance to the county auditor and, upon receipt, the county auditor shall return the conveyance to the commissioner of revenue. The commissioner of revenue shall cancel and destroy all conveyances returned by the county auditor pursuant to this subdivision. The licensed closing agent, title insurer, or title insurance agent must promptly record the conveyance after the closing and must deliver an attested or certified copy to the county auditor and to the grantee or grantees named on the conveyance."

Page 8, after line 17, insert:

"Sec. 6. Minnesota Statutes 2022, section 282.301, is amended to read:

282.301 RECEIPTS FOR PAYMENTS; CERTIFICATION BY COUNTY AUDITOR.

When any sale has been made under sections 282.005, 282.012, and 282.241 to 282.324, the purchaser shall receive from the county auditor at the time of repurchase a receipt, in such form as may be prescribed by the attorney general. When the purchase price of a parcel of land shall be paid in full, the following facts shall be certified by the county auditor to the commissioner of revenue of the state of Minnesota: the description of land and the date when the final installment of the purchase price was paid."

Page 8, lines 19 and 21, delete "$3,762,000" and insert "$1,537,000"

Page 8, after line 22, insert:

"Sec. 8. **EFFECTIVE DATE.**

Section 1 is effective for notices provided after the day following final enactment. Sections 2 to 6 are effective for forfeitures occurring after December 31, 2023."

Renumber the sections in sequence

Correct the title numbers accordingly

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Olson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 5246, A bill for an act relating to state finance; establishing a tax-forfeited lands settlement account; transferring money; requiring reports; appropriating money.

Reported the same back with the following amendments:

Page 2, line 24, before "**Nonparticipating**" insert "**Deemed election to become participating county;**" and before "A" insert "A county that does not affirmatively notify the claims administrator by August 1, 2024, in writing, that it is not a participating county, will be deemed to have elected to become a participating county."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Long from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 37, A bill for an act relating to state government; proposing an amendment to the Minnesota Constitution, article I, by adding a section; providing for equality under the law.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **CONSTITUTIONAL AMENDMENT PROPOSED.**

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted, a section shall be added to article I, to read:

Sec. 18.

All persons shall be guaranteed equal rights under the laws of this state. The state shall not discriminate against any person in intent or effect on account of one or more of the following:

(a) race;

(b) color;

(c) national origin;

(d) ancestry;

(e) disability; or

(f) sex, including but not limited to:

(i) making and effectuating decisions about all matters relating to one's own pregnancy or decision whether to become or remain pregnant;

(ii) gender identity or gender expression; or

(iii) sexual orientation.

Any action by the state that denies an individual's equal rights shall be invalid unless, at a minimum, it is the least restrictive means of achieving a compelling governmental interest.

For purposes of this section, state means the state or any agency or political subdivision of the state.

This section is self-executing. This section does not limit or narrow existing rights in this constitution. Nothing in this section shall invalidate or prevent the adoption of any law, regulation, program, practice, or benefit designed to prevent or remedy discrimination on the basis of characteristics listed in this section.

Sec. 2. **SUBMISSION TO VOTERS.**

(a) The proposed amendment must be submitted to the people at the 2026 general election. If ratified, the amendment is effective January 1, 2027. The question submitted must be:

"Shall the Minnesota Constitution be amended to say that all persons shall be guaranteed equal rights under the laws of this state, and shall not be discriminated against on account of race, color, national origin, ancestry, disability, or sex, including pregnancy, gender, and sexual orientation?

Yes .....
No ..... "

(b) The title required under Minnesota Statutes, section 204D.15, subdivision 1, for the question submitted to the people under paragraph (a) shall be: "Minnesota Equal Rights Amendment.""

Delete the title and insert:

"A bill for an act relating to state government; proposing an amendment to the Minnesota Constitution, article I, by adding a section; providing for equal rights under the law and prohibiting discrimination based on the listed characteristics."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Olson, L., from the Committee on Ways and Means to which was referred:

S. F. No. 4699, A bill for an act relating to state government; modifying provisions governing health care, health insurance, health policy, emergency medical services, the Department of Health, the Department of Human Services, MNsure, health care workforce, health-related licensing boards, health care affordability and delivery, background studies, child protection and welfare, child care licensing, behavioral health, economic assistance, housing and homelessness, human services policy, the Minnesota Indian Family Preservation Act, and the Department of Children, Youth, and Families; establishing the Office of Emergency Medical Services; establishing the Minnesota African American Family Preservation and Child Welfare Disproportionality Act; making technical and conforming changes; requiring reports; imposing penalties; providing appointments; making forecast adjustments; appropriating money; amending Minnesota Statutes 2022, sections 16A.055, subdivision 1a, by adding a subdivision; 16A.103, by adding a subdivision; 62A.0411; 62A.15, subdivision 4, by adding a subdivision; 62A.28, subdivision 2; 62D.02, subdivisions 4, 7; 62D.03, subdivision 1; 62D.05, subdivision 1; 62D.06, subdivision 1; 62D.14, subdivision 1; 62D.19; 62D.20, subdivision 1; 62D.22, subdivision 5; 62E.02, subdivision 3; 62J.49, subdivision 1; 62J.61, subdivision 5; 62M.01, subdivision 3; 62Q.097, by adding a subdivision; 62Q.14; 62V.05, subdivision 12; 62V.08; 62V.11, subdivision 4; 103I.621, subdivisions 1, 2; 121A.15, subdivision 3, by adding a subdivision; 144.05, subdivision 6, by adding a subdivision; 144.058; 144.0724, subdivisions 2, 3a, 4, 6, 7, 8, 9, 11; 144.1464, subdivisions 1, 2, 3; 144.1501, subdivision 5; 144.1911, subdivision 2; 144.212, by adding a subdivision; 144.216, subdivision 2, by adding subdivisions; 144.218, by adding a subdivision; 144.292, subdivision 6; 144.293, subdivisions 2, 4, 9, 10; 144.493, by adding a subdivision; 144.494, subdivision 2; 144.551, subdivision 1; 144.555, subdivisions 1a, 1b, 2, by adding subdivisions; 144.605, by adding a subdivision; 144.99, subdivision 3; 144A.10, subdivisions 15, 16; 144A.471, by adding a subdivision; 144A.474, subdivision 13; 144A.61, subdivision 3a; 144A.70, subdivisions 3, 5, 6, 7; 144A.71, subdivision 2, by adding a subdivision; 144A.72, subdivision 1; 144A.73; 144E.001, subdivision 3a, by adding subdivisions; 144E.101, by adding a subdivision; 144E.16, subdivisions 5, 7; 144E.19, subdivision 3; 144E.27, subdivisions 3, 5, 6; 144E.28, subdivisions 3, 5, 6, 8; 144E.285, subdivisions 1, 2, 4, 6, by adding subdivisions; 144E.287; 144E.305, subdivision 3; 144G.08, subdivision 29; 144G.10, by adding a subdivision; 144G.16, subdivision 6; 146B.03, subdivision 7a; 146B.10, subdivisions 1, 3; 148.235, subdivision 10; 149A.02, subdivisions 3, 3b, 16, 23, 26a, 27, 35, 37c, by adding subdivisions; 149A.03; 149A.65; 149A.70, subdivisions 1, 2, 3, 5; 149A.71, subdivisions 2, 4; 149A.72, subdivisions 3, 9; 149A.73, subdivision 1; 149A.74, subdivision 1; 149A.93, subdivision 3; 149A.94, subdivisions 1, 3, 4; 149A.97, subdivision 2; 151.01, subdivisions 23, 27; 151.065, by adding subdivisions; 151.066, subdivisions 1, 2, 3; 151.212, by adding a subdivision; 151.37, by adding a subdivision; 151.74, subdivision 6; 152.22, subdivision 14, by adding a subdivision; 152.25, subdivision 2; 152.27, subdivisions 2, 6, by adding a subdivision; 176.175, subdivision 2; 214.025; 214.04, subdivision 2a; 214.29; 214.31; 214.355; 243.166, subdivision 7, as amended; 245.096; 245.462, subdivision 6; 245.4663, subdivision 2; 245A.04, subdivision 10, by adding a subdivision; 245A.043, subdivisions 2, 4, by adding subdivisions; 245A.07, subdivision 6; 245A.10, subdivisions 1, as amended, 2, as amended; 245A.14, subdivision 17; 245A.144; 245A.175; 245A.52, subdivision 2, by adding a subdivision; 245A.66, subdivision 2; 245C.05, subdivision 5; 245C.08, subdivision 4; 245C.10, subdivision 18; 245C.14, subdivision 1, by adding a subdivision; 245C.15, subdivisions 3, 4; 245C.22, subdivision 4; 245C.24, subdivisions 2, 5; 245C.30, by adding a subdivision; 245E.08; 245F.09, subdivision 2; 245F.14, by adding a subdivision; 245F.17; 245G.07, subdivision 4; 245G.08, subdivisions 5, 6; 245G.10, by adding a subdivision; 245G.22, subdivisions 6, 7; 245H.01, by adding subdivisions; 245H.08, subdivision 1; 245H.14, subdivisions 1, 4; 245I.02, subdivisions 17, 19; 245I.10, subdivision 9; 245I.11, subdivision 1, by adding a subdivision; 245I.20, subdivision 4; 245I.23, subdivision 14; 256.01, subdivision 41, by adding a subdivision; 256.029, as amended; 256.045, subdivisions 3b, as amended, 5, as amended, 7, as amended; 256.0451, subdivisions 1, as amended, 22, 24; 256.046, subdivision 2, as amended; 256.9657, subdivision 8, by adding a subdivision; 256.969, by adding subdivisions; 256B.056, subdivisions 1a, 10; 256B.0622, subdivisions 2a, 3a, 7a, 7d; 256B.0623, subdivision 5; 256B.0625, subdivisions 12, 20, 39, by adding subdivisions; 256B.0757, subdivisions 4a, 4d, by adding a subdivision; 256B.0943, subdivision 12; 256B.0947,

subdivision 5; 256B.76, subdivision 6; 256B.795; 256I.04, subdivision 2f; 256J.08, subdivision 34a; 256J.28, subdivision 1; 256K.45, subdivision 2; 256N.22, subdivision 10; 256N.24, subdivision 10; 256N.26, subdivisions 12, 13, 15, 16, 18, 21, 22; 256P.05, by adding a subdivision; 256R.02, subdivision 20; 259.20, subdivision 2; 259.37, subdivision 2; 259.52, subdivisions 2, 4; 259.53, by adding a subdivision; 259.79, subdivision 1; 259.83, subdivision 4; 260.755, subdivisions 2a, 5, 14, 17a, by adding subdivisions; 260.775; 260.785, subdivisions 1, 3; 260.810, subdivision 3; 260C.007, subdivisions 6, 26b; 260C.141, by adding a subdivision; 260C.178, subdivisions 1, as amended, 7; 260C.202; 260C.209, subdivision 1; 260C.212, subdivisions 1, 2; 260C.301, subdivision 1, as amended; 260C.329, subdivisions 3, 8; 260C.4411, by adding a subdivision; 260C.515, subdivision 4; 260C.607, subdivisions 1, 6; 260C.611; 260C.613, subdivision 1; 260C.615, subdivision 1; 260D.01; 260E.03, subdivision 23, as amended; 260E.30, subdivision 3, as amended; 260E.33, subdivision 2, as amended; 317A.811, subdivisions 1, 2, 4; 393.07, subdivision 10a; 518.17, by adding a subdivision; 519.05; 524.3-801, as amended; Minnesota Statutes 2023 Supplement, sections 13.46, subdivision 4, as amended; 15A.0815, subdivision 2; 43A.08, subdivision 1a; 62J.84, subdivision 10; 62Q.46, subdivision 1; 62Q.473, by adding subdivisions; 62Q.522, subdivision 1; 119B.011, subdivision 15; 119B.16, subdivisions 1a, 1c; 119B.161, subdivision 2; 124D.142, subdivision 2, as amended; 142A.03, by adding a subdivision; 144.0526, subdivision 1; 144.1501, subdivisions 1, 2, 3, 4; 144.1505, subdivision 2; 144.2252, subdivision 2; 144.2253; 144.587, subdivision 4; 144A.4791, subdivision 10; 144E.101, subdivisions 6, 7, as amended; 145.561, subdivision 4; 151.555, subdivisions 1, 4, 5, 6, 7, 8, 9, 11, 12; 151.74, subdivision 3; 152.126, subdivision 6; 152.28, subdivision 1; 245.4889, subdivision 1; 245A.02, subdivision 2c; 245A.03, subdivisions 2, as amended, 7, as amended; 245A.043, subdivision 3; 245A.07, subdivision 1, as amended; 245A.11, subdivision 7; 245A.16, subdivisions 1, as amended, 11; 245A.211, subdivision 4; 245A.242, subdivision 2; 245A.50, subdivisions 3, 4; 245A.66, subdivision 4, as amended; 245C.02, subdivisions 6a, 13e; 245C.033, subdivision 3; 245C.08, subdivision 1; 245C.10, subdivision 15; 245C.15, subdivisions 2, 4a; 245C.31, subdivision 1; 245G.22, subdivisions 2, 17; 245H.06, subdivisions 1, 2; 245H.08, subdivisions 4, 5; 254B.04, subdivision 1a; 256.01, subdivision 12b; 256.043, subdivisions 3, 3a; 256.045, subdivision 3, as amended; 256.046, subdivision 3; 256.0471, subdivision 1, as amended; 256.969, subdivision 2b; 256B.0622, subdivisions 7b, 8; 256B.0625, subdivisions 3a, 5m, 9, 13e, as amended, 13f, 13k, 16; 256B.064, subdivision 4; 256B.0671, subdivision 5; 256B.0701, subdivision 6; 256B.0947, subdivision 7; 256B.764; 256D.01, subdivision 1a; 256E.38, subdivision 4; 256I.05, subdivisions 1a, 11; 256L.03, subdivision 1; 256M.42, by adding a subdivision; 256P.06, subdivision 3; 259.83, subdivisions 1, 1b, 3a; 260.014, by adding a subdivision; 260.755, subdivisions 1a, 3, 3a, 5b, 20, 22; 260.758, subdivisions 2, 4, 5; 260.761; 260.762; 260.763, subdivisions 1, 4, 5; 260.765, subdivisions 2, 3a, 4b; 260.771, subdivisions 1a, 1b, 1c, 2b, 2d, 6, by adding a subdivision; 260.773, subdivisions 1, 2, 3, 4, 5, 10, 11; 260.774, subdivisions 1, 2, 3; 260.781, subdivision 1; 260.786, subdivision 2; 260.795, subdivision 1; 342.01, subdivision 63; 342.52, subdivision 3; 342.53; 342.54, subdivision 2; 342.55, subdivision 2; 518A.42, subdivision 3; Laws 1987, chapter 404, section 18, subdivision 1; Laws 2023, chapter 22, section 4, subdivision 2; Laws 2023, chapter 57, article 1, section 6; Laws 2023, chapter 70, article 1, section 35; article 11, section 13, subdivision 8; article 12, section 30, subdivisions 2, 3; article 14, section 42, subdivision 6; article 20, sections 2, subdivisions 5, 22, 24, 29, 31; 3, subdivision 2; 12, as amended; 23; Laws 2024, chapter 80, article 1, sections 38, subdivisions 1, 2, 5, 6, 7, 9; 96; article 2, sections 5, subdivision 21, by adding a subdivision; 6, subdivisions 2, 3, 3a, by adding a subdivision; 7, subdivision 2; 10, subdivisions 1, 6; 16, subdivision 1, by adding a subdivision; 30, subdivision 2; 31; 74; article 4, section 26; article 6, section 4; article 7, section 4; proposing coding for new law in Minnesota Statutes, chapters 62D; 62J; 62Q; 137; 142A; 144; 144A; 144E; 145; 149A; 151; 214; 245C; 245H; 256B; 259; 260; 260D; 260E; 524; proposing coding for new law as Minnesota Statutes, chapters 142B; 142F; 332C; repealing Minnesota Statutes 2022, sections 62A.041, subdivision 3; 144.218, subdivision 3; 144.497; 144E.001, subdivision 5; 144E.01; 144E.123, subdivision 5; 144E.27, subdivisions 1, 1a; 144E.50, subdivision 3; 245A.065; 245C.125; 256.01, subdivisions 12, 12a; 256B.79, subdivision 6; 256D.19, subdivisions 1, 2; 256D.20, subdivisions 1, 2, 3, 4; 256D.23, subdivisions 1, 2, 3; 256R.02, subdivision 46; 260.755, subdivision 13; Minnesota Statutes 2023 Supplement, sections 62J.312, subdivision 6; 62Q.522, subdivisions 3, 4; 144.0528, subdivision 5; 245C.08, subdivision 2; Laws 2023, chapter 25, section 190, subdivision 10; Laws 2024, chapter 80, article 1, sections 38,

subdivisions 3, 4, 11; 39; 43, subdivision 2; article 2, sections 1, subdivision 11; 3, subdivision 3; 4, subdivision 4; 6, subdivision 4; 10, subdivision 4; 33; 69; article 7, sections 3; 9; Minnesota Rules, parts 9502.0425, subparts 5, 10; 9545.0805, subpart 1; 9545.0845; 9560.0232, subpart 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
DEPARTMENT OF HUMAN SERVICES HEALTH CARE FINANCE

Section 1. **[62V.12] STATE-FUNDED COST-SHARING REDUCTIONS.**

Subdivision 1. **Establishment.** (a) The board must develop and administer a state-funded cost-sharing reduction program for eligible persons who enroll in a silver level qualified health plan through MNsure. The board must implement the cost-sharing reduction program for plan years beginning on or after January 1, 2027.

(b) For purposes of this section, an "eligible person" is an individual who meets the eligibility criteria to receive a cost-sharing reduction under Code of Federal Regulations, title 45, section 155.305(g).

Subd. 2. **Reduction in cost-sharing.** The cost-sharing reduction program must use state money to reduce enrollee cost-sharing by increasing the actuarial value of silver level health plans for eligible persons beyond the 73 percent value established in Code of Federal Regulations, title 45, section 156.420(a)(3)(ii), to an actuarial value of 87 percent.

Subd. 3. **Administration.** The board, when administering the program, must:

(1) allow eligible persons to enroll in a silver level health plan with a state-funded cost-sharing reduction;

(2) modify the MNsure shopping tool to display the total cost-sharing reduction benefit available to individuals eligible under this section; and

(3) reimburse health carriers on a quarterly basis for the cost to the health plan providing the state-funded cost-sharing reductions.

Sec. 2. Minnesota Statutes 2023 Supplement, section 256.9631, is amended to read:

256.9631 ~~DIRECT PAYMENT SYSTEM~~ ALTERNATIVE CARE DELIVERY MODELS FOR MEDICAL ASSISTANCE AND MINNESOTACARE.

Subdivision 1. **Direction to the commissioner.** (a) The commissioner, in order to deliver services to eligible individuals, achieve better health outcomes, and reduce the cost of health care for the state, shall develop ~~an~~ implementation ~~plan~~ plans for ~~a direct payment system to deliver services to eligible individuals in order to achieve better health outcomes and reduce the cost of health care for the state. Under this system,~~ at least three care delivery models that:

(1) are alternatives to the use of commercial managed care plans to deliver health care to Minnesota health care program enrollees; and

(2) do not shift financial risk to nongovernmental entities.

(b) One of the alternative models must be a direct payment system under which eligible individuals ~~must~~ receive services through the ~~medical assistance~~ fee-for-service system, county-based purchasing plans, ~~or~~ and county-owned health maintenance organizations. At least one additional model must include county-based purchasing plans and county-owned health maintenance organizations in their design, and must allow these entities to deliver care in geographic areas on a single plan basis, if:

(1) these entities contract with all providers that agree to contract terms for network participation; and

(2) the commissioner of human services determines that an entity's provider network is adequate to ensure enrollee access and choice.

(c) Before determining the alternative models for which implementation plans will be developed, the commissioner shall consult with the chairs and ranking minority members of the legislative committees with jurisdiction over health care finance and policy.

(d) The commissioner shall present ~~an~~ implementation ~~plan~~ plans for the ~~direct payment system~~ selected models to the chairs and ranking minority members of the legislative committees with jurisdiction over health care finance and policy by January 15, 2026. The commissioner may contract for technical assistance in developing the implementation ~~plan~~ plans and conducting related studies and analyses.

~~(b) For the purposes of the direct payment system, the commissioner shall make the following assumptions:~~

~~(1) health care providers are reimbursed directly for all medical assistance covered services provided to eligible individuals, using the fee-for-service payment methods specified in chapters 256, 256B, 256R, and 256S;~~

~~(2) payments to a qualified hospital provider are equivalent to the payments that would have been received based on managed care direct payment arrangements. If necessary, a qualified hospital provider may use a county-owned health maintenance organization to receive direct payments as described in section 256B.1973; and~~

~~(3) county-based purchasing plans and county-owned health maintenance organizations must be reimbursed at the capitation rate determined under sections 256B.69 and 256B.692.~~

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Eligible individuals" means ~~qualified~~ all medical assistance ~~enrollees, defined as persons eligible for medical assistance as families and children and adults without children~~ and MinnesotaCare enrollees.

(c) "Minnesota health care programs" means the medical assistance and MinnesotaCare programs.

~~(c)~~ (d) "Qualified hospital provider" means a nonstate government teaching hospital with high medical assistance utilization and a level 1 trauma center, and all of the hospital's owned or affiliated health care professionals, ambulance services, sites, and clinics.

Subd. 3. **Implementation ~~plan~~ plans.** (a) ~~The~~ Each implementation plan must include:

(1) a timeline for the development and recommended implementation date of the ~~direct payment system~~ alternative model. In recommending a timeline, the commissioner must consider:

(i) timelines required by the existing contracts with managed care plans and county-based purchasing plans to sunset existing delivery models;

(ii) in counties that choose to operate a county-based purchasing plan under section 256B.692, timelines for any new procurements required for those counties to establish a new county-based purchasing plan or participate in an existing county-based purchasing plan;

(iii) in counties that choose to operate a county-owned health maintenance organization under section 256B.69, timelines for any new procurements required for those counties to establish a new county-owned health maintenance organization or to continue serving enrollees through an existing county-owned health maintenance organization; and

(iv) a recommendation on whether the commissioner should contract with a third-party administrator to administer the ~~direct payment system~~ alternative model, and the timeline needed for procuring an administrator;

(2) the procedures to be used to ensure continuity of care for enrollees who transition from managed care to fee-for-service and any administrative resources needed to carry out these procedures;

(3) recommended quality measures for health care service delivery;

(4) any changes to fee-for-service payment rates that the commissioner determines are necessary to ensure provider access and high-quality care and to reduce health disparities;

(5) recommendations on ensuring effective care coordination under the ~~direct payment system~~ alternative model, especially for enrollees who:

(i) are age 65 or older, blind, or have disabilities;

(ii) have complex medical conditions~~, who~~;

(iii) face socioeconomic barriers to receiving care~~, or who~~; or

(iv) are from underserved populations that experience health disparities;

(6) recommendations on ~~whether the direct payment system should provide supplemental payments~~ payment arrangements for care coordination, including:

(i) the provider types eligible for ~~supplemental~~ care coordination payments;

(ii) procedures to coordinate ~~supplemental~~ care coordination payments with existing supplemental or cost-based payment methods or to replace these existing methods; and

(iii) procedures to align care coordination initiatives funded ~~through supplemental payments~~ under ~~this section~~ the alternative model with existing care coordination initiatives;

(7) recommendations on whether the ~~direct payment system~~ alternative model should include funding to providers for outreach initiatives to patients who, because of mental illness, homelessness, or other circumstances, are unlikely to obtain needed care and treatment;

(8) recommendations for a supplemental payment to qualified hospital providers to offset any potential revenue losses resulting from the shift from managed care payments; and

~~(9) recommendations on whether and how the direct payment system should be expanded to deliver services and care coordination to medical assistance enrollees who are age 65 or older, are blind, or have a disability and to persons enrolled in MinnesotaCare; and~~

~~(10)~~ (9) recommendations for statutory changes necessary to implement the ~~direct payment system~~ alternative model.

(b) In developing ~~the~~ each implementation plan, the commissioner shall:

(1) calculate the projected cost of ~~a direct payment system~~ the alternative model relative to the cost of the current system;

(2) assess gaps in care coordination under the current medical assistance and MinnesotaCare programs;

(3) evaluate the effectiveness of approaches other states have taken to coordinate care under a fee-for-service system, including the coordination of care provided to persons who are age 65 or older, are blind, or have disabilities;

(4) estimate the loss of revenue and cost savings from other payment enhancements based on managed care plan directed payments and pass-throughs;

(5) estimate cost trends under ~~a direct payment system~~ the alternative model for managed care payments to county-based purchasing plans and county-owned health maintenance organizations;

(6) estimate the impact of ~~a direct payment system~~ the alternative model on other revenue, including taxes, surcharges, or other federally approved in lieu of services and on other arrangements allowed under managed care;

(7) consider allowing eligible individuals to opt out of managed care as an alternative approach;

~~(8) assess the feasibility of a medical assistance outpatient prescription drug benefit carve-out under section 256B.69, subdivision 6d, and in consultation with the commissioners of commerce and health, assess the feasibility of including MinnesotaCare enrollees and private sector enrollees of health plan companies in the drug benefit carve-out. The assessment of feasibility must address and include recommendations related to the process and terms by which the commissioner would contract with health plan companies to administer prescription drug benefits and develop and manage a drug formulary, and the impact of the drug benefit carve-out on health care providers, including small pharmacies;~~

~~(9)~~ (8) consult with the commissioners of health and commerce and the contractor or contractors analyzing the Minnesota Health Plan ~~under section 19~~ and other health reform models on plan design and assumptions; and

~~(10)~~ (9) conduct other analyses necessary to develop the implementation plan.

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

Sec. 3. Minnesota Statutes 2022, section 256.9657, is amended by adding a subdivision to read:

Subd. 2a. **Teaching hospital surcharge.** (a) Each teaching hospital shall pay to the medical assistance account a surcharge equal to 0.01 percent of net non-Medicare patient care revenue. The initial surcharge must be paid 60 days after both this subdivision and section 256.969, subdivision 2g, have received federal approval, and subsequent surcharge payments must be made annually in the form and manner specified by the commissioner.

(b) The commissioner shall use revenue from the surcharge only to pay the nonfederal share of the medical assistance supplemental payments described in section 256.969, subdivision 2g, and to supplement, and not supplant, medical assistance reimbursement to teaching hospitals. The surcharge must comply with Code of Federal Regulations, title 42, section 433.68.

(c) For purposes of this subdivision, "teaching hospital" means any Minnesota hospital, except facilities of the federal Indian Health Service and regional treatment centers, with a Centers for Medicare and Medicaid Services designation of "teaching hospital" as reported on form CMS-2552-10, worksheet S-2, line 56, that is eligible for reimbursement under section 256.969, subdivision 2g.

EFFECTIVE DATE. This section is effective the later of January 1, 2025, or federal approval of this section and sections 4 and 5. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 4. Minnesota Statutes 2023 Supplement, section 256.969, subdivision 2b, is amended to read:

Subd. 2b. **Hospital payment rates.** (a) For discharges occurring on or after November 1, 2014, hospital inpatient services for hospitals located in Minnesota shall be paid according to the following:

(1) critical access hospitals as defined by Medicare shall be paid using a cost-based methodology;

(2) long-term hospitals as defined by Medicare shall be paid on a per diem methodology under subdivision 25;

(3) rehabilitation hospitals or units of hospitals that are recognized as rehabilitation distinct parts as defined by Medicare shall be paid according to the methodology under subdivision 12; and

(4) all other hospitals shall be paid on a diagnosis-related group (DRG) methodology.

(b) For the period beginning January 1, 2011, through October 31, 2014, rates shall not be rebased, except that a Minnesota long-term hospital shall be rebased effective January 1, 2011, based on its most recent Medicare cost report ending on or before September 1, 2008, with the provisions under subdivisions 9 and 23, based on the rates in effect on December 31, 2010. For rate setting periods after November 1, 2014, in which the base years are updated, a Minnesota long-term hospital's base year shall remain within the same period as other hospitals.

(c) Effective for discharges occurring on and after November 1, 2014, payment rates for hospital inpatient services provided by hospitals located in Minnesota or the local trade area, except for the hospitals paid under the methodologies described in paragraph (a), clauses (2) and (3), shall be rebased, incorporating cost and payment methodologies in a manner similar to Medicare. The base year or years for the rates effective November 1, 2014, shall be calendar year 2012. The rebasing under this paragraph shall be budget neutral, ensuring that the total aggregate payments under the rebased system are equal to the total aggregate payments that were made for the same number and types of services in the base year. Separate budget neutrality calculations shall be determined for payments made to critical access hospitals and payments made to hospitals paid under the DRG system. Only the rate increases or decreases under subdivision 3a or 3c that applied to the hospitals being rebased during the entire base period shall be incorporated into the budget neutrality calculation.

(d) For discharges occurring on or after November 1, 2014, through the next rebasing that occurs, the rebased rates under paragraph (c) that apply to hospitals under paragraph (a), clause (4), shall include adjustments to the projected rates that result in no greater than a five percent increase or decrease from the base year payments for any hospital. Any adjustments to the rates made by the commissioner under this paragraph and paragraph (e) shall maintain budget neutrality as described in paragraph (c).

(e) For discharges occurring on or after November 1, 2014, the commissioner may make additional adjustments to the rebased rates, and when evaluating whether additional adjustments should be made, the commissioner shall consider the impact of the rates on the following:

(1) pediatric services;

(2) behavioral health services;

(3) trauma services as defined by the National Uniform Billing Committee;

(4) transplant services;

(5) obstetric services, newborn services, and behavioral health services provided by hospitals outside the seven-county metropolitan area;

(6) outlier admissions;

(7) low-volume providers; and

(8) services provided by small rural hospitals that are not critical access hospitals.

(f) Hospital payment rates established under paragraph (c) must incorporate the following:

(1) for hospitals paid under the DRG methodology, the base year payment rate per admission is standardized by the applicable Medicare wage index and adjusted by the hospital's disproportionate population adjustment;

(2) for critical access hospitals, payment rates for discharges between November 1, 2014, and June 30, 2015, shall be set to the same rate of payment that applied for discharges on October 31, 2014;

(3) the cost and charge data used to establish hospital payment rates must only reflect inpatient services covered by medical assistance; and

(4) in determining hospital payment rates for discharges occurring on or after the rate year beginning January 1, 2011, through December 31, 2012, the hospital payment rate per discharge shall be based on the cost-finding methods and allowable costs of the Medicare program in effect during the base year or years. In determining hospital payment rates for discharges in subsequent base years, the per discharge rates shall be based on the cost-finding methods and allowable costs of the Medicare program in effect during the base year or years.

(g) The commissioner shall validate the rates effective November 1, 2014, by applying the rates established under paragraph (c), and any adjustments made to the rates under paragraph (d) or (e), to hospital claims paid in calendar year 2013 to determine whether the total aggregate payments for the same number and types of services under the rebased rates are equal to the total aggregate payments made during calendar year 2013.

(h) Effective for discharges occurring on or after July 1, 2017, and every two years thereafter, payment rates under this section shall be rebased to reflect only those changes in hospital costs between the existing base year or years and the next base year or years. In any year that inpatient claims volume falls below the threshold required to ensure a statistically valid sample of claims, the commissioner may combine claims data from two consecutive years to serve as the base year. Years in which inpatient claims volume is reduced or altered due to a pandemic or other public health emergency shall not be used as a base year or part of a base year if the base year includes more than one year. Changes in costs between base years shall be measured using the lower of the hospital cost index defined in subdivision 1, paragraph (a), or the percentage change in the case mix adjusted cost per claim. The commissioner shall establish the base year for each rebasing period considering the most recent year or years for which filed Medicare cost reports are available, except that the base years for the rebasing effective July 1, 2023, are calendar years 2018 and 2019. The estimated change in the average payment per hospital discharge resulting from a scheduled rebasing must be calculated and made available to the legislature by January 15 of each year in which rebasing is scheduled to occur, and must include by hospital the differential in payment rates compared to the individual hospital's costs.

(i) Effective for discharges occurring on or after July 1, 2015, inpatient payment rates for critical access hospitals located in Minnesota or the local trade area shall be determined using a new cost-based methodology. The commissioner shall establish within the methodology tiers of payment designed to promote efficiency and cost-effectiveness. Payment rates for hospitals under this paragraph shall be set at a level that does not exceed the total cost for critical access hospitals as reflected in base year cost reports. Until the next rebasing that occurs, the new methodology shall result in no greater than a five percent decrease from the base year payments for any hospital, except a hospital that had payments that were greater than 100 percent of the hospital's costs in the base year shall have their rate set equal to 100 percent of costs in the base year. The rates paid for discharges on and after July 1, 2016, covered under this paragraph shall be increased by the inflation factor in subdivision 1, paragraph (a). The new cost-based rate shall be the final rate and shall not be settled to actual incurred costs. Hospitals shall be assigned a payment tier based on the following criteria:

(1) hospitals that had payments at or below 80 percent of their costs in the base year shall have a rate set that equals 85 percent of their base year costs;

(2) hospitals that had payments that were above 80 percent, up to and including 90 percent of their costs in the base year shall have a rate set that equals 95 percent of their base year costs; and

(3) hospitals that had payments that were above 90 percent of their costs in the base year shall have a rate set that equals 100 percent of their base year costs.

(j) The commissioner may refine the payment tiers and criteria for critical access hospitals to coincide with the next rebasing under paragraph (h). The factors used to develop the new methodology may include, but are not limited to:

(1) the ratio between the hospital's costs for treating medical assistance patients and the hospital's charges to the medical assistance program;

(2) the ratio between the hospital's costs for treating medical assistance patients and the hospital's payments received from the medical assistance program for the care of medical assistance patients;

(3) the ratio between the hospital's charges to the medical assistance program and the hospital's payments received from the medical assistance program for the care of medical assistance patients;

(4) the statewide average increases in the ratios identified in clauses (1), (2), and (3);

(5) the proportion of that hospital's costs that are administrative and trends in administrative costs; and

(6) geographic location.

(k) Subject to section 256.969, subdivision 2g, paragraph (i), effective for discharges occurring on or after January 1, 2024, the rates paid to hospitals described in paragraph (a), clauses (2) to (4), must include a rate factor specific to each hospital that qualifies for a medical education and research cost distribution under section 62J.692, subdivision 4, paragraph (a).

EFFECTIVE DATE. This section is effective the later of January 1, 2025, or federal approval of this section and sections 3 and 5. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 5. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to read:

Subd. 2g. **Annual supplemental payments; direct and indirect physician graduate medical education.** (a) For discharges occurring on or after January 1, 2025, the commissioner shall determine and pay annual supplemental payments to all eligible hospitals as provided in this subdivision for direct and indirect physician graduate medical education cost reimbursement. A hospital must be an eligible hospital to receive an annual supplemental payment under this subdivision.

(b) The commissioner must use the following information to calculate the total cost of direct graduate medical education incurred by each eligible hospital:

(1) the total allowable direct graduate medical education cost, as calculated by adding form CMS-2552-10, worksheet B, part 1, columns 21 and 22, line 202; and

(2) the Medicaid share of total allowable direct graduate medical education cost percentage, representing the allocation of total graduate medical education costs to Medicaid based on the share of all Medicaid inpatient days, as reported on form CMS-2552-10, worksheets S-2 and S-3, divided by the hospital's total inpatient days, as reported on worksheet S-3.

(c) The commissioner may obtain the information in paragraph (b) from an eligible hospital upon request by the commissioner or from the eligible hospital's most recently filed form CMS-2552-10.

(d) The commissioner must use the following information to calculate the total allowable indirect cost of graduate medical education incurred by each eligible hospital:

(1) for eligible hospitals that are not children's hospitals, the indirect graduate medical education amount attributable to Medicaid, calculated based on form CMS-2552-10, worksheet E, part A, including:

(i) the Medicare indirect medical education formula, using Medicaid variables;

(ii) Medicaid payments for inpatient services under fee-for-service and managed care, as determined by the commissioner in consultation with each eligible hospital;

(iii) total inpatient beds available, as reported on form CMS-2552-10, worksheet E, part A, line 4; and

(iv) full-time employees, as determined by adding form CMS-2552-10, worksheet E, part A, lines 10 and 11; and

(2) for eligible hospitals that are children's hospitals:

(i) the Medicare indirect medical education formula, using Medicaid variables;

(ii) Medicaid payments for inpatient services under fee-for-service and managed care, as determined by the commissioner in consultation with each eligible hospital;

(iii) total inpatient beds available, as reported on form CMS-2552-10, worksheet S-3, part 1; and

(iv) full-time equivalent interns and residents, as determined by adding form CMS-2552-10, worksheet E-4, lines 6, 10.01, and 15.01.

(e) The commissioner shall determine each eligible hospital's maximum allowable Medicaid direct graduate medical education supplemental payment amount by calculating the sum of:

(1) the total allowable direct graduate medical education costs determined under paragraph (b), clause (1), multiplied by the Medicaid share of total allowable direct graduate medical education cost percentage in paragraph (b), clause (2); and

(2) the total allowable direct graduate medical education costs determined under paragraph (b), clause (1), multiplied by the most recently updated Medicaid utilization percentage from form CMS-2552-10, as submitted to Medicare by each eligible hospital.

(f) The commissioner shall determine each eligible hospital's indirect graduate medical education supplemental payment amount by multiplying the total allowable indirect cost of graduate medical education amount calculated in paragraph (d) by:

(1) 0.95 for prospective payment system, for hospitals that are not children's hospitals and have fewer than 50 full-time equivalent trainees;

(2) 1.0 for prospective payment system, for hospitals that are not children's hospitals and have equal to or greater than 50 full-time equivalent trainees; and

(3) 1.05 for children's hospitals.

(g) An eligible hospital's annual supplemental payment under this subdivision equals the sum of the amount calculated for the eligible hospital under paragraph (e) and the amount calculated for the eligible hospital under paragraph (f).

(h) The annual supplemental payments under this subdivision are contingent upon federal approval and must conform with the requirements for permissible supplemental payments for direct and indirect graduate medical education under all applicable federal laws.

(i) An eligible hospital is only eligible for reimbursement under section 62J.692 for nonphysician graduate medical education training costs that are not accounted for in the calculation of an annual supplemental payment under this section. An eligible hospital must not accept reimbursement under section 62J.692 for physician graduate medical education training costs that are accounted for in the calculation of an annual supplemental payment under this section.

(j) For purposes of this subdivision, "children's hospital" means a Minnesota hospital designated as a children's hospital under Medicare.

(k) For purposes of this subdivision, "eligible hospital" means a hospital located in Minnesota:

(1) participating in Minnesota's medical assistance program;

(2) that has received fee-for-service medical assistance payments in the payment year; and

(3) that is either:

(i) eligible to receive graduate medical education payments from the Medicare program under Code of Federal Regulations, title 42, section 413.75; or

(ii) a children's hospital.

EFFECTIVE DATE. This section is effective the later of January 1, 2025, or federal approval of this section and sections 3 and 4. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 6. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to read:

Subd. 2h. **Alternate inpatient payment rate for a discharge.** (a) Effective retroactively from January 1, 2024, in any rate year in which a children's hospital discharge is included in the federally required disproportionate share hospital payment audit where the patient discharged had resided in a children's hospital for over 20 years, the commissioner shall compute an alternate inpatient rate for the children's hospital. The alternate payment rate must be the rate computed under this section excluding the disproportionate share hospital payment under subdivision 9, paragraph (d), clause (1), increased by an amount equal to 99 percent of what the disproportionate share hospital payment would have been under subdivision 9, paragraph (d), clause (1), had the discharge been excluded.

(b) In any rate year in which payment to a children's hospital is made using this alternate payment rate, payments must not be made to the hospital under subdivisions 2e, 2f, and 9.

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. 7. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13e, as amended by Laws 2024, chapter 85, section 66, is amended to read:

Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall be the lower of the ingredient costs of the drugs plus the professional dispensing fee; or the usual and customary price charged to the public. The usual and customary price means the lowest price charged by the provider to a patient who pays for the prescription by cash, check, or charge account and includes prices the pharmacy charges to a patient enrolled in a prescription savings club or prescription discount club administered by the pharmacy or pharmacy chain. The amount of payment basis must be reduced to reflect all discount amounts applied to the charge by any third-party provider/insurer agreement or contract for submitted charges to medical assistance programs. The net submitted charge may not be greater than the patient liability for the service. The professional dispensing fee shall be ~~$10.77~~ $11.55 for prescriptions filled with legend drugs meeting the definition of "covered outpatient drugs" according to United States Code, title 42, section 1396r-8(k)(2). The dispensing fee for intravenous solutions that must be compounded by the pharmacist shall be ~~$10.77~~ $11.55 per claim. The professional dispensing fee for prescriptions filled with over-the-counter drugs meeting the definition of covered outpatient drugs shall be ~~$10.77~~ $11.55 for dispensed quantities equal to or greater than the number of units contained in the manufacturer's original package. The professional dispensing fee shall be prorated based on the percentage of the package dispensed when the pharmacy dispenses a quantity less than the number of units contained in the manufacturer's original package. The pharmacy dispensing fee for prescribed over-the-counter drugs not meeting the definition of covered outpatient drugs shall be $3.65 for quantities equal to or greater than the number of units contained in the manufacturer's original package and shall be prorated based on the percentage of the package dispensed when the pharmacy dispenses a quantity less than the number of units contained in the manufacturer's original package. The National Average Drug Acquisition Cost (NADAC) shall be used to determine the ingredient cost of a drug. For drugs for which a NADAC is not reported, the commissioner shall estimate the ingredient cost at the wholesale acquisition

cost minus two percent. The ingredient cost of a drug for a provider participating in the federal 340B Drug Pricing Program shall be either the 340B Drug Pricing Program ceiling price established by the Health Resources and Services Administration or NADAC, whichever is lower. Wholesale acquisition cost is defined as the manufacturer's list price for a drug or biological to wholesalers or direct purchasers in the United States, not including prompt pay or other discounts, rebates, or reductions in price, for the most recent month for which information is available, as reported in wholesale price guides or other publications of drug or biological pricing data. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to the actual acquisition cost of the drug product and no higher than the NADAC of the generic product. Establishment of the amount of payment for drugs shall not be subject to the requirements of the Administrative Procedure Act.

(b) Pharmacies dispensing prescriptions to residents of long-term care facilities using an automated drug distribution system meeting the requirements of section 151.58, or a packaging system meeting the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse, may employ retrospective billing for prescription drugs dispensed to long-term care facility residents. A retrospectively billing pharmacy must submit a claim only for the quantity of medication used by the enrolled recipient during the defined billing period. A retrospectively billing pharmacy must use a billing period not less than one calendar month or 30 days.

(c) A pharmacy provider using packaging that meets the standards set forth in Minnesota Rules, part 6800.2700, is required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse, unless the pharmacy is using retrospective billing. The commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply.

(d) If a pharmacy dispenses a multisource drug, the ingredient cost shall be the NADAC of the generic product or the maximum allowable cost established by the commissioner unless prior authorization for the brand name product has been granted according to the criteria established by the Drug Formulary Committee as required by subdivision 13f, paragraph (a), and the prescriber has indicated "dispense as written" on the prescription in a manner consistent with section 151.21, subdivision 2.

(e) The basis for determining the amount of payment for drugs administered in an outpatient setting shall be the lower of the usual and customary cost submitted by the provider, 106 percent of the average sales price as determined by the United States Department of Health and Human Services pursuant to title XVIII, section 1847a of the federal Social Security Act, the specialty pharmacy rate, or the maximum allowable cost set by the commissioner. If average sales price is unavailable, the amount of payment must be lower of the usual and customary cost submitted by the provider, the wholesale acquisition cost, the specialty pharmacy rate, or the maximum allowable cost set by the commissioner. The commissioner shall discount the payment rate for drugs obtained through the federal 340B Drug Pricing Program by 28.6 percent. The payment for drugs administered in an outpatient setting shall be made to the administering facility or practitioner. A retail or specialty pharmacy dispensing a drug for administration in an outpatient setting is not eligible for direct reimbursement.

(f) The commissioner may establish maximum allowable cost rates for specialty pharmacy products that are lower than the ingredient cost formulas specified in paragraph (a). The commissioner may require individuals enrolled in the health care programs administered by the department to obtain specialty pharmacy products from providers with whom the commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are defined as those used by a small number of recipients or recipients with complex and chronic diseases that require expensive and challenging drug regimens. Examples of these conditions include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C, growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of cancer. Specialty pharmaceutical products include injectable and infusion therapies, biotechnology drugs, antihemophilic factor products, high-cost therapies, and therapies that require complex care. The commissioner shall consult with the Formulary Committee to develop a list of specialty pharmacy products

subject to maximum allowable cost reimbursement. In consulting with the Formulary Committee in developing this list, the commissioner shall take into consideration the population served by specialty pharmacy products, the current delivery system and standard of care in the state, and access to care issues. The commissioner shall have the discretion to adjust the maximum allowable cost to prevent access to care issues.

(g) Home infusion therapy services provided by home infusion therapy pharmacies must be paid at rates according to subdivision 8d.

(h) The commissioner shall contract with a vendor to conduct a cost of dispensing survey for all pharmacies that are physically located in the state of Minnesota that dispense outpatient drugs under medical assistance. The commissioner shall ensure that the vendor has prior experience in conducting cost of dispensing surveys. Each pharmacy enrolled with the department to dispense outpatient prescription drugs to fee-for-service members must respond to the cost of dispensing survey. The commissioner may sanction a pharmacy under section 256B.064 for failure to respond. The commissioner shall require the vendor to measure a single statewide cost of dispensing for specialty prescription drugs and a single statewide cost of dispensing for nonspecialty prescription drugs for all responding pharmacies to measure the mean, mean weighted by total prescription volume, mean weighted by medical assistance prescription volume, median, median weighted by total prescription volume, and median weighted by total medical assistance prescription volume. The commissioner shall post a copy of the final cost of dispensing survey report on the department's website. The initial survey must be completed no later than January 1, 2021, and repeated every three years. The commissioner shall provide a summary of the results of each cost of dispensing survey and provide recommendations for any changes to the dispensing fee to the chairs and ranking minority members of the legislative committees with jurisdiction over medical assistance pharmacy reimbursement. Notwithstanding section 256.01, subdivision 42, this paragraph does not expire.

(i) The commissioner shall increase the ingredient cost reimbursement calculated in paragraphs (a) and (f) by 1.8 percent for prescription and nonprescription drugs subject to the wholesale drug distributor tax under section 295.52.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 8. Minnesota Statutes 2022, section 256B.69, is amended by adding a subdivision to read:

Subd. 38. **Reimbursement of network providers.** (a) A managed care plan that is a staff model health plan company, when reimbursing network providers for services provided to medical assistance and MinnesotaCare enrollees, must not reimburse network providers who are employees at a higher rate than network providers who provide services under contract for each separate service or grouping of services. This requirement does not apply to reimbursement:

(1) of network providers when participating in value-based purchasing models that are intended to recognize value or outcomes over volume of services, including:

(i) total cost of care and risk/gain sharing arrangements under section 256B.0755; and

(ii) other pay-for-performance arrangements or service payments, as long as the terms and conditions of the value-based purchasing model are applied uniformly to all participating network providers; and

(2) for services furnished by providers who are out-of-network.

(b) Any contract or agreement between a managed care plan and a network administrator, for purposes of delivering services to medical assistance and MinnesotaCare enrollees, must require the network administrator to comply with the requirements that apply to a managed care plan that is a staff model health plan company under

paragraph (a) when reimbursing providers who are employees of the network administrator and providers who provide services under contract with the network administrator. This provision applies whether or not the managed care plan, network administrator, and providers are under the same corporate ownership.

(c) For purposes of this subdivision, "network provider" has the meaning specified in subdivision 37. For purposes of this subdivision, "network administrator" means any entity that furnishes a provider network for a managed care plan company, or furnishes individual health care providers or provider groups to a managed care plan for inclusion in the managed care plan's provider network.

Sec. 9. **COUNTY-ADMINISTERED MEDICAL ASSISTANCE MODEL.**

Subdivision 1. **Model development.** (a) The commissioner of human services, in collaboration with the Association of Minnesota Counties and county-based purchasing plans, shall develop a county-administered medical assistance (CAMA) model and a detailed plan for implementing the CAMA model.

(b) The CAMA model must be designed to achieve the following objectives:

(1) provide a distinct county owned and administered alternative to the prepaid medical assistance program;

(2) facilitate greater integration of health care and social services to address social determinants of health in rural and nonrural communities, with the degree of integration of social services varying with each county's needs and resources;

(3) account for differences between counties in the number of medical assistance enrollees and locally available providers of behavioral health, oral health, specialty and tertiary care, nonemergency medical transportation, and other health care services in rural communities; and

(4) promote greater accountability for health outcomes, health equity, customer service, community outreach, and cost of care.

Subd. 2. **County participation.** (a) The CAMA model must give each rural and nonrural county the option of applying to participate in the CAMA model as an alternative to participation in the prepaid medical assistance program. The CAMA model must include a process for the commissioner to determine whether and how a county can participate.

(b) The CAMA model may allow a county-administered managed care organization to deliver care on a single-plan basis to all medical assistance enrollees residing in a county if:

(1) the managed care organization contracts with all health care providers that agree to accept the contract terms for network participation; and

(2) the commissioner determines that the health care provider network of the managed care organization is adequate to ensure enrollee access to care and enrollee choice of providers.

Subd. 3. **Report to the legislature.** (a) The commissioner shall report recommendations and an implementation plan for the CAMA model to the chairs and ranking minority members of the legislative committees with jurisdiction over health care policy and finance by January 15, 2025. The CAMA model and implementation plan must address the issues and consider the recommendations identified in the document titled "Recommendations Not Contingent on Outcome(s) of Current Litigation," attached to the September 13, 2022, e-filing to the Second Judicial

District Court (Correspondence for Judicial Approval Index #102), that relates to the final contract decisions of the commissioner of human services regarding *South Country Health Alliance v. Minnesota Department of Human Services*, No. 62-CV-22-907 (Ramsey Cnty. Dist. Ct. 2022).

(b) The report must also identify the clarifications, approvals, and waivers that are needed from the Centers for Medicare and Medicaid Services and include any draft legislation necessary to implement the CAMA model.

Sec. 10. **REVISOR INSTRUCTION.**

When the proposed rule published at Federal Register, volume 88, page 25313, becomes effective, the revisor of statutes must change: (1) the reference in Minnesota Statutes, section 256B.06, subdivision 4, paragraph (d), from Code of Federal Regulations, title 8, section 103.12, to Code of Federal Regulations, title 42, section 435.4; and (2) the reference in Minnesota Statutes, section 256L.04, subdivision 10, paragraph (a), from Code of Federal Regulations, title 8, section 103.12, to Code of Federal Regulations, title 45, section 155.20. The commissioner of human services shall notify the revisor of statutes when the proposed rule published at Federal Register, volume 88, page 25313, becomes effective.

ARTICLE 2
DEPARTMENT OF HUMAN SERVICES HEALTH CARE POLICY

Section 1. Minnesota Statutes 2023 Supplement, section 256.0471, subdivision 1, as amended by Laws 2024, chapter 80, article 1, section 76, is amended to read:

Subdivision 1. **Qualifying overpayment.** Any overpayment for state-funded medical assistance under chapter 256B and state-funded MinnesotaCare under chapter 256L granted pursuant to section 256.045, subdivision 10; ~~chapter 256B for state-funded medical assistance;~~ and for assistance granted under chapters 256D, 256I, and 256K, ~~and 256L for state-funded MinnesotaCare~~ except agency error claims, become a judgment by operation of law 90 days after the notice of overpayment is personally served upon the recipient in a manner that is sufficient under rule 4.03(a) of the Rules of Civil Procedure for district courts, or by certified mail, return receipt requested. This judgment shall be entitled to full faith and credit in this and any other state.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 2. Minnesota Statutes 2022, 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 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. This paragraph expires January 1, 2032.~~

~~(b)~~ (a) 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)~~ (b) 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. 3. Minnesota Statutes 2022, section 256B.056, subdivision 1a, is amended to read:

Subd. 1a. **Income and assets generally.** (a)(1) Unless specifically required by state law or rule or federal law or regulation, the methodologies used in counting income and assets to determine eligibility for medical assistance for persons whose eligibility category is based on blindness, disability, or age of 65 or more years, the methodologies for the Supplemental Security Income program shall be used, except as provided ~~under~~ in clause (2) and subdivision 3, paragraph (a), clause (6).

(2) State tax credits, rebates, and refunds must not be counted as income. State tax credits, rebates, and refunds must not be counted as assets for a period of 12 months after the month of receipt.

~~(2)~~ (3) 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. Effective upon federal approval, for children eligible under section 256B.055, subdivision 12, or for home and community-based waiver services whose eligibility for medical assistance is determined without regard to parental income, child support payments, including any payments made by an obligor in satisfaction of or in addition to a temporary or permanent order for child support, and Social Security payments are not counted as income.

(b)(1) The modified adjusted gross income methodology as defined in United States Code, title 42, section 1396a(e)(14), shall be used for eligibility categories based on:

(i) children under age 19 and their parents and relative caretakers as defined in section 256B.055, subdivision 3a;

(ii) children ages 19 to 20 as defined in section 256B.055, subdivision 16;

(iii) pregnant women as defined in section 256B.055, subdivision 6;

(iv) infants as defined in sections 256B.055, subdivision 10, and 256B.057, subdivision 1; and

(v) adults without children as defined in section 256B.055, subdivision 15.

For these purposes, a "methodology" does not include an asset or income standard, or accounting method, or method of determining effective dates.

(2) For individuals whose income eligibility is determined using the modified adjusted gross income methodology in clause (1):

(i) the commissioner shall subtract from the individual's modified adjusted gross income an amount equivalent to five percent of the federal poverty guidelines; and

(ii) the individual's current monthly income and household size is used to determine eligibility for the 12-month eligibility period. If an individual's income is expected to vary month to month, eligibility is determined based on the income predicted for the 12-month eligibility period.

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

Sec. 4. Minnesota Statutes 2022, section 256B.056, subdivision 10, is amended to read:

Subd. 10. **Eligibility verification.** (a) The commissioner shall require women who are applying for the continuation of medical assistance coverage following the end of the 12-month postpartum period to update their income and asset information and to submit any required income or asset verification.

(b) The commissioner shall determine the eligibility of private-sector health care coverage for infants less than one year of age eligible under section 256B.055, subdivision 10, or 256B.057, subdivision 1, paragraph (c), and shall pay for private-sector coverage if this is determined to be cost-effective.

(c) The commissioner shall verify assets and income for all applicants, and for all recipients upon renewal.

(d) The commissioner shall utilize information obtained through the electronic service established by the secretary of the United States Department of Health and Human Services and other available electronic data sources in Code of Federal Regulations, title 42, sections 435.940 to 435.956, to verify eligibility requirements. The commissioner shall establish standards to define when information obtained electronically is reasonably compatible with information provided by applicants and enrollees, including use of self-attestation, to accomplish real-time eligibility determinations and maintain program integrity.

(e) Each person applying for or receiving medical assistance under section 256B.055, subdivision 7, and any other person whose resources are required by law to be disclosed to determine the applicant's or recipient's eligibility must authorize the commissioner to obtain information from financial institutions to ~~identify unreported accounts~~ verify assets as required in section 256.01, subdivision 18f. If a person refuses or revokes the authorization, the commissioner may determine that the applicant or recipient is ineligible for medical assistance. For purposes of this paragraph, an authorization to ~~identify unreported accounts~~ verify assets meets the requirements of the Right to Financial Privacy Act, United States Code, title 12, chapter 35, and need not be furnished to the financial institution.

(f) County and tribal agencies shall comply with the standards established by the commissioner for appropriate use of the asset verification system specified in section 256.01, subdivision 18f.

Sec. 5. Minnesota Statutes 2023 Supplement, section 256B.0701, subdivision 6, is amended to read:

Subd. 6. **Recuperative care facility rate.** (a) The recuperative care facility rate is for facility costs and must be paid from state money in an amount equal to the ~~medical assistance room and board~~ MSA equivalent rate as defined in section 256I.03, subdivision 11a, at the time the recuperative care services were provided. The eligibility standards in chapter 256I do not apply to the recuperative care facility rate. The recuperative care facility rate is only paid when the recuperative care services rate is paid to a provider. Providers may opt to only receive the recuperative care services rate.

(b) Before a recipient is discharged from a recuperative care setting, the provider must ensure that the recipient's medical condition is stabilized or that the recipient is being discharged to a setting that is able to meet that recipient's needs.

Sec. 6. Minnesota Statutes 2022, section 256B.0757, subdivision 4a, is amended to read:

Subd. 4a. **Behavioral health home services provider requirements.** A behavioral health home services provider must:

(1) be an enrolled Minnesota Health Care Programs provider;

(2) provide a medical assistance covered primary care or behavioral health service;

(3) utilize an electronic health record;

(4) utilize an electronic patient registry that contains data elements required by the commissioner;

(5) demonstrate the organization's capacity to administer screenings approved by the commissioner for substance use disorder or alcohol and tobacco use;

(6) demonstrate the organization's capacity to refer an individual to resources appropriate to the individual's screening results;

(7) have policies and procedures to track referrals to ensure that the referral met the individual's needs;

(8) conduct a brief needs assessment when an individual begins receiving behavioral health home services. The brief needs assessment must be completed with input from the individual and the individual's identified supports. The brief needs assessment must address the individual's immediate safety and transportation needs and potential barriers to participating in behavioral health home services;

(9) conduct a health wellness assessment within 60 days after intake that contains all required elements identified by the commissioner;

(10) conduct a health action plan that contains all required elements identified by the commissioner. The plan must be completed within 90 days after intake and must be updated at least once every six months, or more frequently if significant changes to an individual's needs or goals occur;

(11) agree to cooperate with and participate in the state's monitoring and evaluation of behavioral health home services; and

(12) obtain the individual's ~~written~~ consent to begin receiving behavioral health home services using a form approved by the commissioner.

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

Sec. 7. Minnesota Statutes 2022, section 256B.0757, subdivision 4d, is amended to read:

Subd. 4d. **Behavioral health home services delivery standards.** (a) A behavioral health home services provider must meet the following service delivery standards:

(1) establish and maintain processes to support the coordination of an individual's primary care, behavioral health, and dental care;

(2) maintain a team-based model of care, including regular coordination and communication between behavioral health home services team members;

(3) use evidence-based practices that recognize and are tailored to the medical, social, economic, behavioral health, functional impairment, cultural, and environmental factors affecting the individual's health and health care choices;

(4) use person-centered planning practices to ensure the individual's health action plan accurately reflects the individual's preferences, goals, resources, and optimal outcomes for the individual and the individual's identified supports;

(5) use the patient registry to identify individuals and population subgroups requiring specific levels or types of care and provide or refer the individual to needed treatment, intervention, or services;

(6) ~~utilize the Department of Human Services Partner Portal to~~ identify past and current treatment or services and identify potential gaps in care using a tool approved by the commissioner;

(7) deliver services consistent with the standards for frequency and face-to-face contact required by the commissioner;

(8) ensure that a diagnostic assessment is completed for each individual receiving behavioral health home services within six months of the start of behavioral health home services;

(9) deliver services in locations and settings that meet the needs of the individual;

(10) provide a central point of contact to ensure that individuals and the individual's identified supports can successfully navigate the array of services that impact the individual's health and well-being;

(11) have capacity to assess an individual's readiness for change and the individual's capacity to integrate new health care or community supports into the individual's life;

(12) offer or facilitate the provision of wellness and prevention education on evidenced-based curriculums specific to the prevention and management of common chronic conditions;

(13) help an individual set up and prepare for medical, behavioral health, social service, or community support appointments, including accompanying the individual to appointments as appropriate, and providing follow-up with the individual after these appointments;

(14) offer or facilitate the provision of health coaching related to chronic disease management and how to navigate complex systems of care to the individual, the individual's family, and identified supports;

(15) connect an individual, the individual's family, and identified supports to appropriate support services that help the individual overcome access or service barriers, increase self-sufficiency skills, and improve overall health;

(16) provide effective referrals and timely access to services; and

(17) establish a continuous quality improvement process for providing behavioral health home services.

(b) The behavioral health home services provider must also create a plan, in partnership with the individual and the individual's identified supports, to support the individual after discharge from a hospital, residential treatment program, or other setting. The plan must include protocols for:

(1) maintaining contact between the behavioral health home services team member, the individual, and the individual's identified supports during and after discharge;

(2) linking the individual to new resources as needed;

(3) reestablishing the individual's existing services and community and social supports; and

(4) following up with appropriate entities to transfer or obtain the individual's service records as necessary for continued care.

(c) If the individual is enrolled in a managed care plan, a behavioral health home services provider must:

(1) notify the behavioral health home services contact designated by the managed care plan within 30 days of when the individual begins behavioral health home services; and

(2) adhere to the managed care plan communication and coordination requirements described in the behavioral health home services manual.

(d) Before terminating behavioral health home services, the behavioral health home services provider must:

(1) provide a 60-day notice of termination of behavioral health home services to all individuals receiving behavioral health home services, the commissioner, and managed care plans, if applicable; and

(2) refer individuals receiving behavioral health home services to a new behavioral health home services provider.

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

Sec. 8. Minnesota Statutes 2023 Supplement, section 256B.764, is amended to read:

256B.764 REIMBURSEMENT FOR FAMILY PLANNING SERVICES.

(a) Effective for services rendered on or after July 1, 2007, payment rates for family planning services shall be increased by 25 percent over the rates in effect June 30, 2007, when these services are provided by a community clinic as defined in section 145.9268, subdivision 1.

(b) Effective for services rendered on or after July 1, 2013, payment rates for family planning services shall be increased by 20 percent over the rates in effect June 30, 2013, when these services are provided by a community clinic as defined in section 145.9268, subdivision 1. The commissioner shall adjust capitation rates to managed care and county-based purchasing plans to reflect this increase, and shall require plans to pass on the full amount of the rate increase to eligible community clinics, in the form of higher payment rates for family planning services.

(c) Effective for services provided on or after January 1, 2024, payment rates for family planning, when such services are provided by an eligible community clinic as defined in section 145.9268, subdivision 1, and abortion services shall be increased by 20 percent. This increase does not apply to federally qualified health centers, rural health centers, or Indian health services.

Sec. 9. Minnesota Statutes 2023 Supplement, section 256L.03, subdivision 1, is amended to read:

Subdivision 1. **Covered health services.** (a) "Covered health services" means the health services reimbursed under chapter 256B, with the exception of special education services, home care nursing services, ~~adult dental care services other than services covered under section 256B.0625, subdivision 9, orthodontic services,~~ nonemergency medical transportation services, personal care assistance and case management services, community first services and supports under section 256B.85, behavioral health home services under section 256B.0757, housing stabilization services under section 256B.051, and nursing home or intermediate care facilities services.

(b) Covered health services shall be expanded as provided in this section.

(c) For the purposes of covered health services under this section, "child" means an individual younger than 19 years of age.

Sec. 10. Minnesota Statutes 2022, section 524.3-801, as amended by Laws 2024, chapter 79, article 9, section 20, is amended to read:

524.3-801 NOTICE TO CREDITORS. (a) Unless notice has already been given under this section, upon appointment of a general personal representative in informal proceedings or upon the filing of a petition for formal appointment of a general personal representative, notice thereof, in the form prescribed by court rule, shall be given under the direction of the court administrator by publication once a week for two successive weeks in a legal newspaper in the county wherein the proceedings are pending giving the name and address of the general personal representative and notifying creditors of the estate to present their claims within four months after the date of the court administrator's notice which is subsequently published or be forever barred, unless they are entitled to further service of notice under paragraph (b) or (c).

(b) The personal representative shall, within three months after the date of the first publication of the notice, serve a copy of the notice upon each then known and identified creditor in the manner provided in paragraph (c). If the decedent or a predeceased spouse of the decedent received assistance for which a claim could be filed under section 246.53, 256B.15, 256D.16, or 261.04, notice to the commissioner of human services or direct care and treatment executive board, as applicable, must be given under paragraph (d) instead of under this paragraph or paragraph (c). A creditor is "known" if: (i) the personal representative knows that the creditor has asserted a claim that arose during the decedent's life against either the decedent or the decedent's estate; (ii) the creditor has asserted a claim that arose during the decedent's life and the fact is clearly disclosed in accessible financial records known and available to the personal representative; or (iii) the claim of the creditor would be revealed by a reasonably diligent search for creditors of the decedent in accessible financial records known and available to the personal representative. Under this section, a creditor is "identified" if the personal representative's knowledge of the name and address of the creditor will permit service of notice to be made under paragraph (c).

(c) Unless the claim has already been presented to the personal representative or paid, the personal representative shall serve a copy of the notice required by paragraph (b) upon each creditor of the decedent who is then known to the personal representative and identified either by delivery of a copy of the required notice to the creditor, or by mailing a copy of the notice to the creditor by certified, registered, or ordinary first class mail addressed to the creditor at the creditor's office or place of residence.

(d)(1) Effective for decedents dying on or after July 1, 1997, if the decedent or a predeceased spouse of the decedent received assistance for which a claim could be filed under section 246.53, 256B.15, 256D.16, or 261.04, the personal representative or the attorney for the personal representative shall serve the commissioner or executive board, as applicable, with notice in the manner prescribed in paragraph (c), or electronically in a manner prescribed by the commissioner, as soon as practicable after the appointment of the personal representative. The notice must state the decedent's full name, date of birth, and Social Security number and, to the extent then known after making a reasonably diligent inquiry, the full name, date of birth, and Social Security number for each of the decedent's predeceased spouses. The notice may also contain a statement that, after making a reasonably diligent inquiry, the personal representative has determined that the decedent did not have any predeceased spouses or that the personal representative has been unable to determine one or more of the previous items of information for a predeceased spouse of the decedent. A copy of the notice to creditors must be attached to and be a part of the notice to the commissioner or executive board.

(2) Notwithstanding a will or other instrument or law to the contrary, except as allowed in this paragraph, no property subject to administration by the estate may be distributed by the estate or the personal representative until 70 days after the date the notice is served on the commissioner or executive board as provided in paragraph (c), unless the local agency consents as provided for in clause (6). This restriction on distribution does not apply to the personal representative's sale of real or personal property, but does apply to the net proceeds the estate receives from these sales. The personal representative, or any person with personal knowledge of the facts, may provide an affidavit containing the description of any real or personal property affected by this paragraph and stating facts

showing compliance with this paragraph. If the affidavit describes real property, it may be filed or recorded in the office of the county recorder or registrar of titles for the county where the real property is located. This paragraph does not apply to proceedings under sections 524.3-1203 and 525.31, or when a duly authorized agent of a county is acting as the personal representative of the estate.

(3) At any time before an order or decree is entered under section 524.3-1001 or 524.3-1002, or a closing statement is filed under section 524.3-1003, the personal representative or the attorney for the personal representative may serve an amended notice on the commissioner or executive board to add variations or other names of the decedent or a predeceased spouse named in the notice, the name of a predeceased spouse omitted from the notice, to add or correct the date of birth or Social Security number of a decedent or predeceased spouse named in the notice, or to correct any other deficiency in a prior notice. The amended notice must state the decedent's name, date of birth, and Social Security number, the case name, case number, and district court in which the estate is pending, and the date the notice being amended was served on the commissioner or executive board. If the amendment adds the name of a predeceased spouse omitted from the notice, it must also state that spouse's full name, date of birth, and Social Security number. The amended notice must be served on the commissioner or executive board in the same manner as the original notice. Upon service, the amended notice relates back to and is effective from the date the notice it amends was served, and the time for filing claims arising under section 246.53, 256B.15, 256D.16 or 261.04 is extended by 60 days from the date of service of the amended notice. Claims filed during the 60-day period are undischarged and unbarred claims, may be prosecuted by the entities entitled to file those claims in accordance with section 524.3-1004, and the limitations in section 524.3-1006 do not apply. The personal representative or any person with personal knowledge of the facts may provide and file or record an affidavit in the same manner as provided for in clause (1).

(4) Within one year after the date an order or decree is entered under section 524.3-1001 or 524.3-1002 or a closing statement is filed under section 524.3-1003, any person who has an interest in property that was subject to administration by the estate may serve an amended notice on the commissioner or executive board to add variations or other names of the decedent or a predeceased spouse named in the notice, the name of a predeceased spouse omitted from the notice, to add or correct the date of birth or Social Security number of a decedent or predeceased spouse named in the notice, or to correct any other deficiency in a prior notice. The amended notice must be served on the commissioner or executive board in the same manner as the original notice and must contain the information required for amendments under clause (3). If the amendment adds the name of a predeceased spouse omitted from the notice, it must also state that spouse's full name, date of birth, and Social Security number. Upon service, the amended notice relates back to and is effective from the date the notice it amends was served. If the amended notice adds the name of an omitted predeceased spouse or adds or corrects the Social Security number or date of birth of the decedent or a predeceased spouse already named in the notice, then, notwithstanding any other laws to the contrary, claims against the decedent's estate on account of those persons resulting from the amendment and arising under section 246.53, 256B.15, 256D.16, or 261.04 are undischarged and unbarred claims, may be prosecuted by the entities entitled to file those claims in accordance with section 524.3-1004, and the limitations in section 524.3-1006 do not apply. The person filing the amendment or any other person with personal knowledge of the facts may provide and file or record an affidavit describing affected real or personal property in the same manner as clause (1).

(5) After one year from the date an order or decree is entered under section 524.3-1001 or 524.3-1002, or a closing statement is filed under section 524.3-1003, no error, omission, or defect of any kind in the notice to the commissioner or executive board required under this paragraph or in the process of service of the notice on the commissioner or executive board, or the failure to serve the commissioner or executive board with notice as required by this paragraph, makes any distribution of property by a personal representative void or voidable. The distributee's title to the distributed property shall be free of any claims based upon a failure to comply with this paragraph.

(6) The local agency may consent to a personal representative's request to distribute property subject to administration by the estate to distributees during the 70-day period after service of notice on the commissioner or executive board. The local agency may grant or deny the request in whole or in part and may attach conditions to its consent as it deems appropriate. When the local agency consents to a distribution, it shall give the estate a written certificate evidencing its consent to the early distribution of assets at no cost. The certificate must include the name, case number, and district court in which the estate is pending, the name of the local agency, describe the specific real or personal property to which the consent applies, state that the local agency consents to the distribution of the specific property described in the consent during the 70-day period following service of the notice on the commissioner or executive board, state that the consent is unconditional or list all of the terms and conditions of the consent, be dated, and may include other contents as may be appropriate. The certificate must be signed by the director of the local agency or the director's designees and is effective as of the date it is dated unless it provides otherwise. The signature of the director or the director's designee does not require any acknowledgment. The certificate shall be prima facie evidence of the facts it states, may be attached to or combined with a deed or any other instrument of conveyance and, when so attached or combined, shall constitute a single instrument. If the certificate describes real property, it shall be accepted for recording or filing by the county recorder or registrar of titles in the county in which the property is located. If the certificate describes real property and is not attached to or combined with a deed or other instrument of conveyance, it shall be accepted for recording or filing by the county recorder or registrar of titles in the county in which the property is located. The certificate constitutes a waiver of the 70-day period provided for in clause (2) with respect to the property it describes and is prima facie evidence of service of notice on the commissioner or executive board. The certificate is not a waiver or relinquishment of any claims arising under section 246.53, 256B.15, 256D.16, or 261.04, and does not otherwise constitute a waiver of any of the personal representative's duties under this paragraph. Distributees who receive property pursuant to a consent to an early distribution shall remain liable to creditors of the estate as provided for by law.

(7) All affidavits provided for under this paragraph:

(i) shall be provided by persons who have personal knowledge of the facts stated in the affidavit;

(ii) may be filed or recorded in the office of the county recorder or registrar of titles in the county in which the real property they describe is located for the purpose of establishing compliance with the requirements of this paragraph; and

(iii) are prima facie evidence of the facts stated in the affidavit.

(8) This paragraph applies to the estates of decedents dying on or after July 1, 1997. Clause (5) also applies with respect to all notices served on the commissioner of human services before July 1, 1997, under Laws 1996, chapter 451, article 2, section 55. All notices served on the commissioner before July 1, 1997, pursuant to Laws 1996, chapter 451, article 2, section 55, shall be deemed to be legally sufficient for the purposes for which they were intended, notwithstanding any errors, omissions or other defects.

ARTICLE 3
HEALTH CARE

Section 1. **[62J.805] DEFINITIONS.**

Subdivision 1. **Application.** For purposes of sections 62J.805 to 62J.808, the following terms have the meanings given.

Subd. 2. **Billing error.** "Billing error" means an error in a bill from a health care provider to a patient for health treatment or services that affects the amount owed by the patient according to that bill. Billing error includes but is not limited to miscoding of a health treatment or service, an error in whether a health treatment or service is covered under the patient's health plan, or an error in determining the cost-sharing owed by the patient.

Subd. 3. **Group practice.** "Group practice" has the meaning given to health care provider group practice in section 145D.01, subdivision 1.

Subd. 4. **Health care provider.** "Health care provider" means:

(1) a health professional who is licensed or registered by the state to provide health treatment and services within the professional's scope of practice and in accordance with state law;

(2) a group practice; or

(3) a hospital.

Subd. 5. **Health plan.** "Health plan" has the meaning given in section 62A.011, subdivision 3.

Subd. 6. **Hospital.** "Hospital" means a health care facility licensed as a hospital under sections 144.50 to 144.56.

Subd. 7. **Medically necessary.** "Medically necessary" means:

(1) safe and effective;

(2) not experimental or investigational, except as provided in Code of Federal Regulations, title 42, section 411.15(o);

(3) furnished in accordance with acceptable medical standards of medical practice for the diagnosis or treatment of the patient's condition or to improve the function of a malformed body member;

(4) furnished in a setting appropriate to the patient's medical need and condition;

(5) ordered and furnished by qualified personnel;

(6) meets, but does not exceed, the patient's medical need; and

(7) is at least as beneficial as an existing and available medically appropriate alternative.

Subd. 8. **Payment.** "Payment" includes co-payments and coinsurance and deductible payments made by a patient.

Sec. 2. **[62J.806] POLICY FOR COLLECTION OF MEDICAL DEBT.**

Subdivision 1. **Requirement.** Each health care provider must make available to the public the health care provider's policy for the collection of medical debt from patients. This policy must be made available by:

(1) clearly posting it on the health care provider's website or, for health professionals, on the website of the health clinic, group practice, or hospital at which the health professional is employed or under contract; and

(2) providing a copy of the policy to any individual who requests it.

Subd. 2. **Content.** A policy made available under this section must at least specify the procedures followed by the health care provider for:

(1) communicating with patients about the medical debt owed and collecting medical debt;

(2) referring medical debt to a collection agency or law firm for collection; and

(3) identifying medical debt as uncollectible or satisfied, and ending collection activities.

Sec. 3. **[62J.807] DENIAL OF HEALTH TREATMENT OR SERVICES DUE TO OUTSTANDING MEDICAL DEBT.**

(a) A health care provider must not deny medically necessary health treatment or services to a patient or any member of the patient's family or household because of current or previous outstanding medical debt owed by the patient or any member of the patient's family or household to the health care provider, regardless of whether the health treatment or service may be available from another health care provider.

(b) As a condition of providing medically necessary health treatment or services in the circumstances described in paragraph (a), a health care provider may require the patient to enroll in a payment plan for the outstanding medical debt owed to the health care provider. The payment plan must be reasonable and must take into account any information disclosed by the patient regarding the patient's ability to pay. Before entering into the payment plan, a health care provider must notify the patient that if the patient is unable to make all or part of the agreed-upon installment payments, the patient must communicate the patient's situation to the health care provider and must pay an amount the patient can afford.

Sec. 4. **[62J.808] BILLING ERRORS; HEALTH TREATMENT OR SERVICES.**

Subdivision 1. **Billing and acceptance of payment.** (a) If a health care provider or health plan company determines or receives notice from a patient or other person that a bill from the health care provider to a patient for health treatment or services may contain one or more billing errors, the health care provider or health plan company must review the bill and correct any billing errors found. While the review is being conducted, the health care provider must not bill the patient for any health treatment or service subject to review for potential billing errors. A health care provider may bill the patient for the health treatment and services that were reviewed for potential billing errors under this subdivision only after the review is complete, any billing errors are corrected, and a notice of completed review required under subdivision 3 is transmitted to the patient.

(b) If, after completing the review under paragraph (a) and correcting any billing errors, a health care provider or health plan company determines the patient overpaid the health care provider under that bill, the health care provider must refund to the patient, within 30 days after completing the review, the amount the patient overpaid under that bill.

Subd. 2. **Notice to patient of potential billing error.** (a) If a health care provider or health plan company determines or receives notice from a patient or other person that a bill from the health care provider to a patient for health treatment or services may contain one or more billing errors, the health care provider or health plan company must notify the patient:

(1) of the potential billing error;

(2) that the health care provider or health plan company will review the bill and correct any billing errors found; and

(3) that while the review is being conducted, the health care provider will not bill the patient for any health treatment or service subject to review for potential billing errors.

(b) The notice required under this subdivision must be transmitted to the patient within 30 days after the health care provider or health plan company determines or receives notice that the patient's bill may contain one or more billing errors.

Subd. 3. **Notice to patient of completed review.** When a health care provider or health plan company completes a review of a bill for potential billing errors, the health care provider or health plan company must notify the patient that the review is complete, explain in detail how any identified billing errors were corrected or explain in detail why the health care provider or health plan company did not modify the bill as requested by the patient or other person, and include applicable coding guidelines, references to health records, and other relevant information. This notice must be transmitted to the patient within 30 days after the health care provider or health plan company completes the review.

Sec. 5. Minnesota Statutes 2023 Supplement, section 144.587, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The terms defined in this subdivision apply to this section and sections 144.588 to 144.589.

(b) "Charity care" means the provision of free or discounted care to a patient according to a hospital's financial assistance policies.

(c) "Hospital" means a private, nonprofit, or municipal hospital licensed under sections 144.50 to 144.56.

(d) "Insurance affordability program" has the meaning given in section 256B.02, subdivision 19.

(e) "Navigator" has the meaning given in section 62V.02, subdivision 9.

(f) "Presumptive eligibility" has the meaning given in section 256B.057, subdivision 12.

~~(g) "Revenue recapture" means the use of the procedures in chapter 270A to collect debt.~~

~~(h)~~ (g) "Uninsured service or treatment" means any service or treatment that is not covered by:

(1) a health plan, contract, or policy that provides health coverage to a patient; or

(2) any other type of insurance coverage, including but not limited to no-fault automobile coverage, workers' compensation coverage, or liability coverage.

~~(i)~~ (h) "Unreasonable burden" includes requiring a patient to apply for enrollment in a state or federal program for which the patient is obviously or categorically ineligible or has been found to be ineligible in the previous 12 months.

Sec. 6. Minnesota Statutes 2023 Supplement, section 144.587, subdivision 4, is amended to read:

Subd. 4. **Prohibited actions.** (a) A hospital must not initiate one or more of the following actions until the hospital determines that the patient is ineligible for charity care or denies an application for charity care:

(1) offering to enroll or enrolling the patient in a payment plan;

(2) changing the terms of a patient's payment plan;

(3) offering the patient a loan or line of credit, application materials for a loan or line of credit, or assistance with applying for a loan or line of credit, for the payment of medical debt;

(4) referring a patient's debt for collections, including in-house collections, third-party collections, ~~revenue recapture,~~ or any other process for the collection of debt; or

~~(5) denying health care services to the patient or any member of the patient's household because of outstanding medical debt, regardless of whether the services are deemed necessary or may be available from another provider; or~~

~~(6)~~ (5) accepting a credit card payment of over $500 for the medical debt owed to the hospital.

(b) A violation of section 62J.807 is a violation of this subdivision.

Sec. 7. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "Central repository" means a wholesale distributor that meets the requirements under subdivision 3 and enters into a contract with the Board of Pharmacy in accordance with this section.

(c) "Distribute" means to deliver, other than by administering or dispensing.

(d) "Donor" means:

(1) ~~a health care facility as defined in this subdivision~~ an individual at least 18 years of age, provided that the drug or medical supply that is donated was obtained legally and meets the requirements of this section for donation; or

(2) ~~a skilled nursing facility licensed under chapter 144A;~~ any entity legally authorized to possess medicine with a license or permit in good standing in the state in which it is located, without further restrictions, including but not limited to a health care facility, skilled nursing facility, assisted living facility, pharmacy, wholesaler, and drug manufacturer.

~~(3) an assisted living facility licensed under chapter 144G;~~

~~(4) a pharmacy licensed under section 151.19, and located either in the state or outside the state;~~

~~(5) a drug wholesaler licensed under section 151.47;~~

~~(6) a drug manufacturer licensed under section 151.252; or~~

~~(7) an individual at least 18 years of age, provided that the drug or medical supply that is donated was obtained legally and meets the requirements of this section for donation.~~

(e) "Drug" means any prescription drug that has been approved for medical use in the United States, is listed in the United States Pharmacopoeia or National Formulary, and meets the criteria established under this section for donation; or any over-the-counter medication that meets the criteria established under this section for donation. This

definition includes cancer drugs and antirejection drugs, but does not include controlled substances, as defined in section 152.01, subdivision 4, or a prescription drug that can only be dispensed to a patient registered with the drug's manufacturer in accordance with federal Food and Drug Administration requirements.

(f) "Health care facility" means:

(1) a physician's office or health care clinic where licensed practitioners provide health care to patients;

(2) a hospital licensed under section 144.50;

(3) a pharmacy licensed under section 151.19 and located in Minnesota; or

(4) a nonprofit community clinic, including a federally qualified health center; a rural health clinic; public health clinic; or other community clinic that provides health care utilizing a sliding fee scale to patients who are low-income, uninsured, or underinsured.

(g) "Local repository" means a health care facility that elects to accept donated drugs and medical supplies and meets the requirements of subdivision 4.

(h) "Medical supplies" or "supplies" means any prescription or nonprescription medical supplies needed to administer a drug.

(i) "Original, sealed, unopened, tamper-evident packaging" means packaging that is sealed, unopened, and tamper-evident, including a manufacturer's original unit dose or unit-of-use container, a repackager's original unit dose or unit-of-use container, or unit-dose packaging prepared by a licensed pharmacy according to the standards of Minnesota Rules, part 6800.3750.

(j) "Practitioner" has the meaning given in section 151.01, subdivision 23, except that it does not include a veterinarian.

Sec. 8. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 4, is amended to read:

Subd. 4. **Local repository requirements.** (a) To be eligible for participation in the medication repository program, a health care facility must agree to comply with all applicable federal and state laws, rules, and regulations pertaining to the medication repository program, drug storage, and dispensing. The facility must also agree to maintain in good standing any required state license or registration that may apply to the facility.

(b) A local repository may elect to participate in the program by submitting the following information to the central repository on a form developed by the board and made available on the board's website:

(1) the name, street address, and telephone number of the health care facility and any state-issued license or registration number issued to the facility, including the issuing state agency;

(2) the name and telephone number of a responsible pharmacist or practitioner who is employed by or under contract with the health care facility; and

(3) a statement signed and dated by the responsible pharmacist or practitioner indicating that the health care facility meets the eligibility requirements under this section and agrees to comply with this section.

(c) Participation in the medication repository program is voluntary. A local repository may withdraw from participation in the medication repository program at any time by providing written notice to the central repository on a form developed by the board and made available on the board's website. ~~The central repository shall provide the board with a copy of the withdrawal notice within ten business days from the date of receipt of the withdrawal notice.~~

Sec. 9. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 5, is amended to read:

Subd. 5. **Individual eligibility and application requirements.** (a) ~~To be eligible for the medication repository program~~ At the time of or before receiving donated drugs or supplies as a new eligible patient, an individual must submit to a local repository an electronic or physical intake application form that is signed by the individual and attests that the individual:

(1) is a resident of Minnesota;

(2) is uninsured ~~and is not enrolled in the medical assistance program under chapter 256B or the MinnesotaCare program under chapter 256L~~, has no prescription drug coverage, or is underinsured;

(3) acknowledges that the drugs or medical supplies to be received through the program may have been donated; and

(4) consents to a waiver of the child-resistant packaging requirements of the federal Poison Prevention Packaging Act.

~~(b) Upon determining that an individual is eligible for the program, the local repository shall furnish the individual with an identification card. The card shall be valid for one year from the date of issuance and may be used at any local repository. A new identification card may be issued upon expiration once the individual submits a new application form.~~

~~(c)~~ (b) The local repository shall send a copy of the intake application form to the central repository by regular mail, facsimile, or secured email within ten days from the date the application is approved by the local repository.

~~(d)~~ (c) The board shall develop and make available on the board's website an application form ~~and the format for the identification card~~.

Sec. 10. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 6, is amended to read:

Subd. 6. **Standards and procedures for accepting donations of drugs and supplies.** (a) Notwithstanding any other law or rule, a donor may donate drugs or medical supplies to the central repository or a local repository if the drug or supply meets the requirements of this section as determined by a pharmacist or practitioner who is employed by or under contract with the central repository or a local repository.

(b) A drug is eligible for donation under the medication repository program if the following requirements are met:

~~(1) the donation is accompanied by a medication repository donor form described under paragraph (d) that is signed by an individual who is authorized by the donor to attest to the donor's knowledge in accordance with paragraph (d);~~

~~(2)~~ (1) the drug's expiration date is at least six months after the date the drug was donated. If a donated drug bears an expiration date that is less than six months from the donation date, the drug may be accepted and distributed if the drug is in high demand and can be dispensed for use by a patient before the drug's expiration date;

~~(3)~~ (2) the drug is in its original, sealed, unopened, tamper-evident packaging that includes the expiration date. Single-unit-dose drugs may be accepted if the single-unit-dose packaging is unopened;

~~(4)~~ (3) the drug or the packaging does not have any physical signs of tampering, misbranding, deterioration, compromised integrity, or adulteration;

~~(5)~~ (4) the drug does not require storage temperatures other than normal room temperature as specified by the manufacturer or United States Pharmacopoeia, unless the drug is being donated directly by its manufacturer, a wholesale drug distributor, or a pharmacy located in Minnesota; and

~~(6)~~ (5) the drug is not a controlled substance.

(c) A medical supply is eligible for donation under the medication repository program if the following requirements are met:

(1) the supply has no physical signs of tampering, misbranding, or alteration and there is no reason to believe it has been adulterated, tampered with, or misbranded;

(2) the supply is in its original, unopened, sealed packaging; and

~~(3) the donation is accompanied by a medication repository donor form described under paragraph (d) that is signed by an individual who is authorized by the donor to attest to the donor's knowledge in accordance with paragraph (d); and~~

~~(4)~~ (3) if the supply bears an expiration date, the date is at least six months later than the date the supply was donated. If the donated supply bears an expiration date that is less than six months from the date the supply was donated, the supply may be accepted and distributed if the supply is in high demand and can be dispensed for use by a patient before the supply's expiration date.

(d) The board shall develop the medication repository donor form and make it available on the board's website. ~~The form must state that to the best of the donor's knowledge the donated drug or supply has been properly stored under appropriate temperature and humidity conditions and that the drug or supply has never been opened, used, tampered with, adulterated, or misbranded.~~ Prior to the first donation from a new donor, a central repository or local repository shall verify and record the following information on the donor form:

(1) the donor's name, address, phone number, and license number, if applicable;

(2) that the donor will only make donations in accordance with the program;

(3) to the best of the donor's knowledge, only drugs or supplies that have been properly stored under appropriate temperature and humidity conditions will be donated; and

(4) to the best of the donor's knowledge, only drugs or supplies that have never been opened, used, tampered with, adulterated, or misbranded will be donated.

(e) Notwithstanding any other law or rule, a central repository or a local repository may receive donated drugs from donors. Donated drugs and supplies may be shipped or delivered to the premises of the central repository or a local repository, and shall be inspected by a pharmacist or an authorized practitioner who is employed by or under contract with the repository and who has been designated by the repository ~~to accept donations~~ prior to dispensing. A drop box must not be used to deliver or accept donations.

(f) The central repository and local repository shall maintain a written or electronic inventory of all drugs and supplies donated to the repository upon acceptance of each drug or supply. For each drug, the inventory must include the drug's name, strength, quantity, manufacturer, expiration date, and the date the drug was donated. For each medical supply, the inventory must include a description of the supply, its manufacturer, the date the supply was donated, and, if applicable, the supply's brand name and expiration date. The board may waive the requirement under this paragraph if an entity is under common ownership or control with a central repository or local repository and either the entity or the repository maintains an inventory containing all the information required under this paragraph.

Sec. 11. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 7, is amended to read:

Subd. 7. **Standards and procedures for inspecting and storing donated drugs and supplies.** (a) A pharmacist or authorized practitioner who is employed by or under contract with the central repository or a local repository shall inspect all donated drugs and supplies before the drug or supply is dispensed to determine, to the extent reasonably possible in the professional judgment of the pharmacist or practitioner, that the drug or supply is not adulterated or misbranded, has not been tampered with, is safe and suitable for dispensing, has not been subject to a recall, and meets the requirements for donation. ~~The pharmacist or practitioner who inspects the drugs or supplies shall sign an inspection record stating that the requirements for donation have been met.~~ If a local repository receives drugs and supplies from the central repository, the local repository does not need to reinspect the drugs and supplies.

(b) The central repository and local repositories shall store donated drugs and supplies in a secure storage area under environmental conditions appropriate for the drug or supply being stored. Donated drugs and supplies may not be stored with nondonated inventory.

(c) The central repository and local repositories shall dispose of all drugs and medical supplies that are not suitable for donation in compliance with applicable federal and state statutes, regulations, and rules concerning hazardous waste.

(d) In the event that controlled substances or drugs that can only be dispensed to a patient registered with the drug's manufacturer are shipped or delivered to a central or local repository for donation, the shipment delivery must be documented by the repository and returned immediately to the donor or the donor's representative that provided the drugs.

(e) Each repository must develop drug and medical supply recall policies and procedures. If a repository receives a recall notification, the repository shall destroy all of the drug or medical supply in its inventory that is the subject of the recall and complete a record of destruction form in accordance with paragraph (f). If a drug or medical supply that is the subject of a Class I or Class II recall has been dispensed, the repository shall immediately notify the recipient of the recalled drug or medical supply. A drug that potentially is subject to a recall need not be destroyed if its packaging bears a lot number and that lot of the drug is not subject to the recall. If no lot number is on the drug's packaging, it must be destroyed.

(f) A record of destruction of donated drugs and supplies that are not dispensed under subdivision 8, are subject to a recall under paragraph (e), or are not suitable for donation shall be maintained by the repository for at least two years. For each drug or supply destroyed, the record shall include the following information:

(1) the date of destruction;

(2) the name, strength, and quantity of the drug destroyed; and

(3) the name of the person or firm that destroyed the drug.

No other record of destruction is required.

Sec. 12. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 8, is amended to read:

Subd. 8. **Dispensing requirements.** (a) Donated prescription drugs and supplies may be dispensed if the drugs or supplies are prescribed by a practitioner for use by an eligible individual and are dispensed by a pharmacist or practitioner. A repository shall dispense drugs and supplies to eligible individuals in the following priority order: (1) individuals who are uninsured; (2) individuals with no prescription drug coverage; and (3) individuals who are

underinsured. A repository shall dispense donated drugs in compliance with applicable federal and state laws and regulations for dispensing drugs, including all requirements relating to packaging, labeling, record keeping, drug utilization review, and patient counseling.

(b) Before dispensing or administering a drug or supply, the pharmacist or practitioner shall visually inspect the drug or supply for adulteration, misbranding, tampering, and date of expiration. Drugs or supplies that have expired or appear upon visual inspection to be adulterated, misbranded, or tampered with in any way must not be dispensed or administered.

(c) Before ~~a~~ the first drug or supply is dispensed or administered to an individual, the individual must sign ~~a~~ an electronic or physical drug repository recipient form acknowledging that the individual understands ~~the information stated on the form. The board shall develop the form and make it available on the board's website. The form must include the following information~~:

(1) that the drug or supply being dispensed or administered has been donated and may have been previously dispensed;

(2) that a visual inspection has been conducted by the pharmacist or practitioner to ensure that the drug or supply has not expired, has not been adulterated or misbranded, and is in its original, unopened packaging; and

(3) that the dispensing pharmacist, the dispensing or administering practitioner, the central repository or local repository, the Board of Pharmacy, and any other participant of the medication repository program cannot guarantee the safety of the drug or medical supply being dispensed or administered and that the pharmacist or practitioner has determined that the drug or supply is safe to dispense or administer based on the accuracy of the donor's form submitted with the donated drug or medical supply and the visual inspection required to be performed by the pharmacist or practitioner before dispensing or administering.

Sec. 13. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 9, is amended to read:

Subd. 9. **Handling fees.** (a) The central or local repository may charge the individual receiving a drug or supply a handling fee of no more than 250 percent of the medical assistance program dispensing fee for each drug or medical supply dispensed or administered by that repository.

(b) A repository that dispenses or administers a drug or medical supply through the medication repository program shall not receive reimbursement under the medical assistance program or the MinnesotaCare program for that dispensed or administered drug or supply.

(c) A supply or handling fee must not be charged to an individual enrolled in the medical assistance or MinnesotaCare program.

Sec. 14. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 11, is amended to read:

Subd. 11. **Forms and record-keeping requirements.** (a) The following forms developed for the administration of this program ~~shall be utilized by the participants of the program and~~ shall be available on the board's website:

(1) intake application form described under subdivision 5;

(2) local repository participation form described under subdivision 4;

(3) local repository withdrawal form described under subdivision 4;

(4) medication repository donor form described under subdivision 6;

(5) record of destruction form described under subdivision 7; and

(6) medication repository recipient form described under subdivision 8.

Participants may use substantively similar electronic or physical forms.

(b) All records, including drug inventory~~, inspection,~~ and disposal of donated drugs and medical supplies, must be maintained by a repository for a minimum of two years. Records required as part of this program must be maintained pursuant to all applicable practice acts.

(c) Data collected by the medication repository program from all local repositories shall be submitted quarterly or upon request to the central repository. Data collected may consist of the information, records, and forms required to be collected under this section.

(d) The central repository shall submit reports to the board as required by the contract or upon request of the board.

Sec. 15. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 12, is amended to read:

Subd. 12. **Liability.** (a) The manufacturer of a drug or supply is not subject to criminal or civil liability for injury, death, or loss to a person or to property for causes of action described in clauses (1) and (2). A manufacturer is not liable for:

(1) the intentional or unintentional alteration of the drug or supply by a party not under the control of the manufacturer; or

(2) the failure of a party not under the control of the manufacturer to transfer or communicate product or consumer information or the expiration date of the donated drug or supply.

(b) A health care facility participating in the program, a pharmacist dispensing a drug or supply pursuant to the program, a practitioner dispensing or administering a drug or supply pursuant to the program, ~~or~~ a donor of a drug or medical supply, or a person or entity that facilitates any of the above is immune from civil liability for an act or omission that causes injury to or the death of an individual to whom the drug or supply is dispensed and no disciplinary action by a health-related licensing board shall be taken against a ~~pharmacist or practitioner~~ person or entity so long as the drug or supply is donated, accepted, distributed, and dispensed according to the requirements of this section. This immunity does not apply if the act or omission involves reckless, wanton, or intentional misconduct, or malpractice unrelated to the quality of the drug or medical supply.

Sec. 16. Minnesota Statutes 2023 Supplement, section 151.74, subdivision 3, is amended to read:

Subd. 3. **Access to urgent-need insulin.** (a) MNsure shall develop an application form to be used by an individual who is in urgent need of insulin. The application must ask the individual to attest to the eligibility requirements described in subdivision 2. The form shall be accessible through MNsure's website. MNsure shall also make the form available to pharmacies and health care providers who prescribe or dispense insulin, hospital emergency departments, urgent care clinics, and community health clinics. By submitting a completed, signed, and dated application to a pharmacy, the individual attests that the information contained in the application is correct.

(b) If the individual is in urgent need of insulin, the individual may present a completed, signed, and dated application form to a pharmacy. The individual must also:

(1) have a valid insulin prescription; and

(2) present the pharmacist with identification indicating Minnesota residency in the form of a valid Minnesota identification card, driver's license or permit, individual taxpayer identification number, or Tribal identification card as defined in section 171.072, paragraph (b). If the individual in urgent need of insulin is under the age of 18, the individual's parent or legal guardian must provide the pharmacist with proof of residency.

(c) Upon receipt of a completed and signed application, the pharmacist shall dispense the prescribed insulin in an amount that will provide the individual with a 30-day supply. The pharmacy must notify the health care practitioner who issued the prescription order no later than 72 hours after the insulin is dispensed.

(d) The pharmacy may submit to the manufacturer of the dispensed insulin product or to the manufacturer's vendor a claim for payment that is in accordance with the National Council for Prescription Drug Program standards for electronic claims processing, unless the manufacturer agrees to send to the pharmacy a replacement supply of the same insulin as dispensed in the amount dispensed. If the pharmacy submits an electronic claim to the manufacturer or the manufacturer's vendor, the manufacturer or vendor shall reimburse the pharmacy in an amount that covers the pharmacy's acquisition cost.

(e) The pharmacy may collect an insulin co-payment from the individual to cover the pharmacy's costs of processing and dispensing in an amount not to exceed $35 for the 30-day supply of insulin dispensed.

(f) The pharmacy shall also provide each eligible individual with the information sheet described in subdivision 7 and a list of trained navigators provided by the Board of Pharmacy for the individual to contact if the individual ~~is in need of accessing~~ needs to access ongoing insulin coverage options, including assistance in:

(1) applying for medical assistance or MinnesotaCare;

(2) applying for a qualified health plan offered through MNsure, subject to open and special enrollment periods;

(3) accessing information on providers who participate in prescription drug discount programs, including providers who are authorized to participate in the 340B program under section 340b of the federal Public Health Services Act, United States Code, title 42, section 256b; and

(4) accessing insulin manufacturers' patient assistance programs, co-payment assistance programs, and other foundation-based programs.

(g) The pharmacist shall retain a copy of the application form submitted by the individual to the pharmacy for reporting and auditing purposes.

(h) A manufacturer may submit to the commissioner of administration a request for reimbursement in an amount not to exceed $35 for each 30-day supply of insulin the manufacturer provides under paragraph (d). The commissioner of administration shall determine the manner and format for submitting and processing requests for reimbursement. After receiving a reimbursement request, the commissioner of administration shall reimburse the manufacturer in an amount not to exceed $35 for each 30-day supply of insulin the manufacturer provided under paragraph (d).

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 17. Minnesota Statutes 2022, section 151.74, subdivision 6, is amended to read:

Subd. 6. **Continuing safety net program; process.** (a) The individual shall submit to a pharmacy the statement of eligibility provided by the manufacturer under subdivision 5, paragraph (b). Upon receipt of an individual's eligibility status, the pharmacy shall submit an order containing the name of the insulin product and the daily dosage amount as contained in a valid prescription to the product's manufacturer.

(b) The pharmacy must include with the order to the manufacturer the following information:

(1) the pharmacy's name and shipping address;

(2) the pharmacy's office telephone number, fax number, email address, and contact name; and

(3) any specific days or times when deliveries are not accepted by the pharmacy.

(c) Upon receipt of an order from a pharmacy and the information described in paragraph (b), the manufacturer shall send to the pharmacy a 90-day supply of insulin as ordered, unless a lesser amount is requested in the order, at no charge to the individual or pharmacy.

(d) Except as authorized under paragraph (e), the pharmacy shall provide the insulin to the individual at no charge to the individual. The pharmacy shall not provide insulin received from the manufacturer to any individual other than the individual associated with the specific order. The pharmacy shall not seek reimbursement for the insulin received from the manufacturer or from any third-party payer.

(e) The pharmacy may collect a co-payment from the individual to cover the pharmacy's costs for processing and dispensing in an amount not to exceed $50 for each 90-day supply if the insulin is sent to the pharmacy.

(f) The pharmacy may submit to a manufacturer a reorder for an individual if the individual's eligibility statement has not expired. Upon receipt of a reorder from a pharmacy, the manufacturer must send to the pharmacy an additional 90-day supply of the product, unless a lesser amount is requested, at no charge to the individual or pharmacy if the individual's eligibility statement has not expired.

(g) Notwithstanding paragraph (c), a manufacturer may send the insulin as ordered directly to the individual if the manufacturer provides a mail order service option.

(h) A manufacturer may submit to the commissioner of administration a request for reimbursement in an amount not to exceed $105 for each 90-day supply of insulin the manufacturer provides under paragraphs (c) and (f). The commissioner of administration shall determine the manner and format for submitting and processing requests for reimbursement. After receiving a reimbursement request, the commissioner of administration shall reimburse the manufacturer in an amount not to exceed $105 for each 90-day supply of insulin the manufacturer provided under paragraphs (c) and (f). If the manufacturer provides less than a 90-day supply of insulin under paragraphs (c) and (f), the manufacturer may submit a request for reimbursement not to exceed $35 for each 30-day supply of insulin provided.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 18. **[151.741] INSULIN MANUFACTURER REGISTRATION FEE.**

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

(b) "Board" means the Minnesota Board of Pharmacy under section 151.02.

(c) "Manufacturer" means a manufacturer licensed under section 151.252 and engaged in the manufacturing of prescription insulin.

Subd. 2. **Assessment of registration fee.** (a) The board shall assess each manufacturer an annual registration fee of $100,000, except as provided in paragraph (b). The board shall notify each manufacturer of this requirement beginning November 1, 2024, and each November 1 thereafter.

(b) A manufacturer may request an exemption from the annual registration fee. The board shall exempt a manufacturer from the annual registration fee if the manufacturer can demonstrate to the board, in the form and manner specified by the board, that sales of prescription insulin produced by that manufacturer and sold or delivered within or into the state totaled $2,000,000 or less in the previous calendar year.

Subd. 3. **Payment of the registration fee; deposit of fee.** (a) Each manufacturer must pay the registration fee by March 1, 2025, and by each March 1 thereafter. In the event of a change in ownership of the manufacturer, the new owner must pay the registration fee that the original owner would have been assessed had the original owner retained ownership. The board may assess a late fee of ten percent per month or any portion of a month that the registration fee is paid after the due date.

(b) The registration fee, including any late fees, must be deposited in the insulin safety net program account.

Subd. 4. **Insulin safety net program account.** The insulin safety net program account is established in the special revenue fund in the state treasury. Money in the account is appropriated each fiscal year to:

(1) the MNsure board in an amount sufficient to carry out assigned duties under section 151.74, subdivision 7; and

(2) the Board of Pharmacy in an amount sufficient to cover costs incurred by the board in assessing and collecting the registration fee under this section and in administering the insulin safety net program under section 151.74.

Subd. 5. **Insulin repayment account; annual transfer from health care access fund.** (a) The insulin repayment account is established in the special revenue fund in the state treasury. Money in the account is appropriated each fiscal year to the commissioner of administration in an amount sufficient for the commissioner to reimburse manufacturers for insulin dispensed under the insulin safety net program in section 151.74, in accordance with section 151.74, subdivisions 3, paragraph (h), and 6, paragraph (h), and to cover costs incurred by the commissioner in providing these reimbursement payments.

(b) The commissioner of management and budget shall transfer from the health care access fund to the insulin repayment account, beginning July 1, 2025, and each July 1 thereafter, an amount sufficient for the commissioner of administration to implement paragraph (a).

Subd. 6. **Contingent transfer by commissioner.** If subdivisions 2 and 3, or the application of subdivisions 2 and 3 to any person or circumstance, are held invalid for any reason in a court of competent jurisdiction, the validity of subdivisions 2 and 3 does not affect other provisions of this act, and the commissioner of management and budget shall annually transfer from the health care access fund to the insulin safety net program account an amount sufficient to implement subdivision 4.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 19. Minnesota Statutes 2023 Supplement, section 270A.03, subdivision 2, is amended to read:

Subd. 2. **Claimant agency.** "Claimant agency" means any state agency, as defined by section 14.02, subdivision 2, the regents of the University of Minnesota, any district court of the state, any county, any statutory or home rule charter city, including a city that is presenting a claim for ~~a municipal hospital or~~ a public library ~~or a municipal ambulance service, a hospital district, any ambulance service licensed under chapter 144E~~, any public agency responsible for child support enforcement, any public agency responsible for the collection of court-ordered restitution, and any public agency established by general or special law that is responsible for the administration of a low-income housing program.

Sec. 20. **[332C.01] DEFINITIONS.**

Subdivision 1. **Application.** For purposes of this chapter, the following terms have the meanings given.

Subd. 2. **Collecting party.** "Collecting party" means a party engaged in the collection of medical debt. Collecting party does not include banks, credit unions, public officers, garnishees, and other parties complying with a court order or statutory obligation to garnish or levy a debtor's property.

Subd. 3. **Debtor.** "Debtor" means a person obligated or alleged to be obligated to pay any debt.

Subd. 4. **Medical debt.** (a) "Medical debt" means debt incurred primarily for medically necessary health treatment or services. Medical debt includes debt charged to any credit card or other credit instrument under an open-end or closed-end credit plan:

(1) offered solely for the payment of health care; or

(2) advertised, promoted, or offered for the payment of health care at the facility in which the credit card or other credit instrument is advertised, promoted, or offered.

(b) Medical debt does not include:

(1) debt charged to a credit card that is not advertised, promoted, or offered expressly for the payment of health care and is intended, advertised, promoted, or offered to make credit purchases for personal, family, or household purposes;

(2) debt incurred for veterinary services;

(3) debt incurred for dental services; or

(4) debt charged to a home equity line of credit.

Subd. 5. **Medically necessary.** "Medically necessary" has the meaning given in section 62J.805, subdivision 7.

Subd. 6. **Person.** "Person" means any individual, partnership, association, or corporation.

Sec. 21. **[332C.02] PROHIBITED PRACTICES.**

No collecting party shall:

(1) in a collection letter, publication, invoice, or any oral or written communication, threaten wage garnishment or legal suit by a particular lawyer, unless the collecting party has actually retained the lawyer to do so;

(2) use or employ sheriffs or any other officer authorized to serve legal papers in connection with the collection of a claim, except when performing their legally authorized duties;

(3) use or threaten to use methods of collection which violate Minnesota law;

(4) furnish legal advice to debtors or represent that the collecting party is competent or able to furnish legal advice to debtors;

(5) communicate with debtors in a misleading or deceptive manner by falsely using the stationery of a lawyer, forms or instruments which only lawyers are authorized to prepare, or instruments which simulate the form and appearance of judicial process;

(6) publish or cause to be published any list of debtors, use shame cards or shame automobiles, advertise or threaten to advertise for sale any claim as a means of forcing payment thereof, or use similar devices or methods of intimidation;

(7) operate under a name or in a manner which falsely implies the collecting party is a branch of or associated with any department of federal, state, county, or local government or an agency thereof;

(8) transact business or hold itself out as a debt settlement company, debt management company, debt adjuster, or any person who settles, adjusts, prorates, pools, liquidates, or pays the indebtedness of a debtor, unless there is no charge to the debtor, or the pooling or liquidation is done pursuant to court order or under the supervision of a creditor's committee;

(9) unless an exemption in the law exists, violate Code of Federal Regulations, title 12, part 1006, while attempting to collect on any account, bill, or other indebtedness. For purposes of this section, Public Law 95-109 and Code of Federal Regulations, title 12, part 1006, apply to collecting parties other than health care providers collecting medical debt in their own name;

(10) communicate with a debtor about medical debt by use of an automatic telephone dialing system or an artificial or prerecorded voice after the debtor expressly informs the collecting party to cease communication utilizing an automatic telephone dialing system or an artificial or prerecorded voice. For purposes of this clause, an automatic telephone dialing system or an artificial or prerecorded voice includes but is not limited to (i) artificial intelligence chat bots, and (ii) the usage of the term under the Telephone Consumer Protection Act, United States Code, title 47, section 227(b)(1)(A);

(11) in collection letters or publications, or in any oral or written communication, imply or suggest that medically necessary health treatment or services will be denied as a result of a medical debt;

(12) when a debtor has a listed telephone number, enlist the aid of a neighbor or third party to request that the debtor contact the collecting party, except a person who resides with the debtor or a third party with whom the debtor has authorized with the collecting party to place the request. This clause does not apply to a call back message left at the debtor's place of employment which is limited solely to the collecting party's telephone number and name;

(13) when attempting to collect a medical debt, fail to provide the debtor with the full name of the collecting party, as registered with the secretary of state;

(14) fail to return any amount of overpayment from a debtor to the debtor or to the state of Minnesota pursuant to the requirements of chapter 345;

(15) accept currency or coin as payment for a medical debt without issuing an original receipt to the debtor and maintaining a duplicate receipt in the debtor's payment records;

(16) except for court costs for filing a civil action with the court and service of process, attempt to collect any interest, fee, charge, or expense incidental to the charge-off obligation from a debtor unless the amount is expressly authorized by the agreement creating the medical debt or is otherwise permitted by law;

(17) falsify any documents with the intent to deceive;

(18) when initially contacting a Minnesota debtor by mail to collect a medical debt, fail to include a disclosure on the contact notice, in a type size or font which is equal to or larger than the largest other type of type size or font used in the text of the notice, that includes and identifies the Office of the Minnesota Attorney General's general telephone number, and states: "You have the right to hire your own attorney to represent you in this matter.";

(19) commence legal action to collect a medical debt outside the limitations period set forth in section 541.053;

(20) report to a credit reporting agency any medical debt which the collecting party knows or should know is or was originally owed to a health care provider, as defined in section 62J.805, subdivision 4; or

(21) challenge a debtor's claim of exemption to garnishment or levy in a manner that is baseless, frivolous, or otherwise in bad faith.

Sec. 22. **[332C.03] MEDICAL DEBT REPORTING PROHIBITED.**

(a) A collecting party is prohibited from reporting medical debt to a consumer reporting agency.

(b) A consumer reporting agency is prohibited from making a consumer report containing an item of information that the consumer reporting agency knows or should know concerns medical debt.

(c) For purposes of this section, "consumer report" and "consumer reporting agency" have the meanings given in the Fair Credit Reporting Act, United States Code, title 15, section 1681a.

(d) This section also applies to collection agencies and debt buyers licensed under chapter 332.

Sec. 23. **[332C.04] DEFENDING MEDICAL DEBT CASES.**

A debtor who successfully defends against a claim for payment of medical debt that is alleged by a collecting party must be awarded the debtor's costs and a reasonable attorney fee, as determined by the court, incurred in defending against the collecting party's claim for debt payment. For purposes of this section, a resolution mutually agreed upon by the debtor and collecting party is not a successful defense subject to an additional award of an attorney fee.

Sec. 24. **[332C.05] ENFORCEMENT.**

(a) The attorney general may enforce this chapter under section 8.31.

(b) A collecting party that violates this chapter is strictly liable to the debtor in question for the sum of:

(1) actual damage sustained by the debtor as a result of the violation;

(2) additional damages as the court may allow, but not exceeding $1,000 per violation; and

(3) in the case of any successful action to enforce the foregoing, the costs of the action, together with a reasonable attorney fee as determined by the court.

(c) A collecting party that willfully and maliciously violates this chapter is strictly liable to the debtor for three times the sums allowable under paragraph (b), clauses (1) and (2).

(d) The dollar amount limit under paragraph (b), clause (2), changes on July 1 of each even-numbered year in an amount equal to changes made in the Consumer Price Index, compiled by the United States Bureau of Labor Statistics. The Consumer Price Index for December 2024 is the reference base index. If the Consumer Price Index is revised, the percentage of change made under this section must be calculated on the basis of the revised Consumer Price Index. If a Consumer Price Index revision changes the reference base index, a revised reference base index must be determined by multiplying the reference base index that is effective at the time by the rebasing factor furnished by the Bureau of Labor Statistics.

(e) If the Consumer Price Index is superseded, the Consumer Price Index referred to in this section is the Consumer Price Index represented by the Bureau of Labor Statistics as most accurately reflecting changes in the prices paid by consumers for consumer goods and services.

(f) The attorney general must publish the base reference index under paragraph (d) in the State Register no later than September 1, 2024. The attorney general must calculate and then publish the revised Consumer Price Index under paragraph (d) in the State Register no later than September 1 each even-numbered year.

(g) A collecting party must not be held liable in any action brought under this section if the collecting party shows by a preponderance of evidence that the violation:

(1) was not intentional and resulted from a bona fide error made notwithstanding the maintenance of procedures reasonably adopted to avoid any such error; or

(2) was the result of inaccurate or incorrect information provided to the collecting party by a health care provider as defined in section 62J.805, subdivision 4; a health carrier as defined in section 62A.011, subdivision 2; or another collecting party currently or previously engaged in collection of the medical debt in question.

Sec. 25. Minnesota Statutes 2022, section 519.05, is amended to read:

519.05 LIABILITY OF ~~HUSBAND AND WIFE~~ SPOUSES.

(a) A spouse is not liable to a creditor for any debts of the other spouse. ~~Where husband and wife are living together, they~~ Spouses shall be jointly and severally liable for ~~necessary medical services that have been furnished to either spouse, including~~ any claims arising under section ~~246.53,~~ 256B.15~~, 256D.16, or 261.04, and necessary household articles and supplies furnished to and used by the family~~. Notwithstanding this paragraph, in a proceeding under chapter 518 the court may apportion such debt between the spouses.

(b) Either spouse may close a credit card account or other unsecured consumer line of credit on which both spouses are contractually liable, by giving written notice to the creditor.

(c) Nothing in this section prevents a creditor's claim against a decedent's estate.

Sec. 26. Laws 2020, chapter 73, section 8, is amended to read:

Sec. 8. **APPROPRIATIONS.**

(a) $297,000 is appropriated in fiscal year 2020 from the health care access fund to the Board of Directors of MNsure ~~to train navigators to assist individuals and provide compensation as required~~ for the insulin safety net program under Minnesota Statutes, section 151.74~~, subdivision 7~~. ~~Of this appropriation, $108,000 is for implementing the training requirements for navigators and $189,000 is for application assistance bonus payments.~~ This is a onetime appropriation and is available until ~~December 31, 2024~~ June 30, 2027.

(b) $250,000 is appropriated in fiscal year 2020 from the health care access fund to the Board of Directors of MNsure for a public awareness campaign for the insulin safety net program established under Minnesota Statutes, section 151.74. This is a onetime appropriation and is available until December 31, 2024.

(c) $76,000 is appropriated in fiscal year 2021 from the health care access fund to the Board of Pharmacy to implement Minnesota Statutes, section 151.74. The base for this appropriation is $76,000 in fiscal year 2022; $76,000 in fiscal year 2023; $76,000 in fiscal year 2024; $38,000 in fiscal year 2025; and $0 in fiscal year 2026.

(d) $136,000 in fiscal year 2021 is appropriated from the health care access fund to the commissioner of health to implement the survey to assess program satisfaction in Minnesota Statutes, section 151.74, subdivision 12. The base for this appropriation is $80,000 in fiscal year 2022 and $0 in fiscal year 2023. This is a onetime appropriation.

Sec. 27. **REPEALER; SUNSET FOR THE LONG-TERM SAFETY NET INSULIN PROGRAM.**

Minnesota Statutes 2022, section 151.74, subdivision 16, is repealed.

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

ARTICLE 4
HEALTH INSURANCE

Section 1. Minnesota Statutes 2022, section 62A.28, subdivision 2, is amended to read:

Subd. 2. **Required coverage.** (a) Every policy, plan, certificate, or contract referred to in subdivision 1 ~~issued or renewed after August 1, 1987,~~ must provide coverage for scalp hair prostheses, including all equipment and accessories necessary for regular use of scalp hair prostheses, worn for hair loss suffered as a result of a health condition, including, but not limited to, alopecia areata or the treatment for cancer, unless there is a clinical basis for limitation.

(b) The coverage required by this section is subject to the co-payment, coinsurance, deductible, and other enrollee cost-sharing requirements that apply to similar types of items under the policy, plan, certificate, or contract and may be limited to one prosthesis per benefit year.

(c) The coverage required by this section for scalp hair prostheses is limited to $1,000 per benefit year.

(d) A scalp hair prostheses must be prescribed by a doctor to be covered under this section.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to all policies, plans, certificates, and contracts offered, issued, or renewed on or after that date.

Sec. 2. **[62A.3098] RAPID WHOLE GENOME SEQUENCING; COVERAGE.**

Subdivision 1. **Definition.** For purposes of this section, "rapid whole genome sequencing" or "rWGS" means an investigation of the entire human genome, including coding and noncoding regions and mitochondrial deoxyribonucleic acid, to identify disease-causing genetic changes that returns the final results in 14 days. Rapid whole genome sequencing includes patient-only whole genome sequencing and duo and trio whole genome sequencing of the patient and the patient's biological parent or parents.

Subd. 2. **Required coverage.** A health plan that provides coverage to Minnesota residents must cover rWGS testing if the enrollee:

(1) is 21 years of age or younger;

(2) has a complex or acute illness of unknown etiology that is not confirmed to have been caused by an environmental exposure, toxic ingestion, an infection with a normal response to therapy, or trauma; and

(3) is receiving inpatient hospital services in an intensive care unit or a neonatal or high acuity pediatric care unit.

Subd. 3. **Coverage criteria.** Coverage may be based on the following medical necessity criteria:

(1) the enrollee has symptoms that suggest a broad differential diagnosis that would require an evaluation by multiple genetic tests if rWGS testing is not performed;

(2) timely identification of a molecular diagnosis is necessary in order to guide clinical decision making, and the rWGS testing may aid in guiding the treatment or management of the enrollee's condition; and

(3) the enrollee's complex or acute illness of unknown etiology includes at least one of the following conditions:

(i) congenital anomalies involving at least two organ systems, or complex or multiple congenital anomalies in one organ system;

(ii) specific organ malformations that are highly suggestive of a genetic etiology;

(iii) abnormal laboratory tests or abnormal chemistry profiles suggesting the presence of a genetic disease, complex metabolic disorder, or inborn error of metabolism;

(iv) refractory or severe hypoglycemia or hyperglycemia;

(v) abnormal response to therapy related to an underlying medical condition affecting vital organs or bodily systems;

(vi) severe muscle weakness, rigidity, or spasticity;

(vii) refractory seizures;

(viii) a high-risk stratification on evaluation for a brief resolved unexplained event with any of the following features:

(A) a recurrent event without respiratory infection;

(B) a recurrent seizure-like event; or

(C) a recurrent cardiopulmonary resuscitation;

(ix) abnormal cardiac diagnostic testing results that are suggestive of possible channelopathies, arrhythmias, cardiomyopathies, myocarditis, or structural heart disease;

(x) abnormal diagnostic imaging studies that are suggestive of underlying genetic condition;

(xi) abnormal physiologic function studies that are suggestive of an underlying genetic etiology; or

(xii) family genetic history related to the patient's condition.

Subd. 4. **Cost sharing.** Coverage provided in this section is subject to the enrollee's health plan cost-sharing requirements, including any deductibles, co-payments, or coinsurance requirements that apply to diagnostic testing services.

Subd. 5. **Payment for services provided.** If the enrollee's health plan uses a capitated or bundled payment arrangement to reimburse a provider for services provided in an inpatient setting, reimbursement for services covered under this section must be paid separately and in addition to any reimbursement otherwise payable to the provider under the capitated or bundled payment arrangement, unless the health carrier and the provider have negotiated an increased capitated or bundled payment rate that includes the services covered under this section.

Subd. 6. **Genetic data.** Genetic data generated as a result of performing rWGS and covered under this section: (1) must be used for the primary purpose of assisting the ordering provider and treating care team to diagnose and treat the patient; (2) is protected health information as set forth under the Health Insurance Portability and Accountability Act (HIPAA), the Health Information Technology for Economic and Clinical Health Act, and any promulgated regulations, including but not limited to Code of Federal Regulations, title 45, parts 160 and 164, subparts A and E; and (3) is a protected health record under sections 144.291 to 144.298.

Subd. 7. **Reimbursement.** The commissioner of commerce must reimburse health carriers for coverage under this section. Reimbursement is available only for coverage that would not have been provided by the health carrier without the requirements of this section. Each fiscal year, an amount necessary to make payments to health carriers to defray the cost of providing coverage under this section is appropriated to the commissioner of commerce. Health carriers must report to the commissioner quantified costs attributable to the additional benefit under this section in a format developed by the commissioner. The commissioner must evaluate submissions and make payments to health carriers as provided in Code of Federal Regulations, title 45, section 155.170.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to a health plan offered, issued, or sold on or after that date.

Sec. 3. **[62A.59] COVERAGE OF SERVICE; PRIOR AUTHORIZATION.**

Subdivision 1. **Service for which prior authorization not required.** A health carrier must not retrospectively deny or limit coverage of a health care service for which prior authorization was not required by the health carrier, unless there is evidence that the health care service was provided based on fraud or misinformation.

Subd. 2. **Service for which prior authorization required but not obtained.** A health carrier must not deny or limit coverage of a health care service which the enrollee has already received solely on the basis of lack of prior authorization if the service would otherwise have been covered had the prior authorization been obtained.

EFFECTIVE DATE. This section is effective January 1, 2026, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 4. **[62C.045] APPLICATION OF OTHER LAW.**

Sections 145D.30 to 145D.37 apply to service plan corporations operating under this chapter.

Sec. 5. Minnesota Statutes 2022, section 62D.02, subdivision 4, is amended to read:

Subd. 4. **Health maintenance organization.** "Health maintenance organization" means a ~~foreign or domestic~~ nonprofit corporation organized under chapter 317A, or a local governmental unit as defined in subdivision 11, controlled and operated as provided in sections 62D.01 to 62D.30, which provides, either directly or through arrangements with providers or other persons, comprehensive health maintenance services, or arranges for the provision of these services, to enrollees on the basis of a fixed prepaid sum without regard to the frequency or extent of services furnished to any particular enrollee.

Sec. 6. Minnesota Statutes 2022, section 62D.02, subdivision 7, is amended to read:

Subd. 7. **Comprehensive health maintenance services.** "Comprehensive health maintenance services" means a set of comprehensive health services which the enrollees might reasonably require to be maintained in good health including as a minimum, but not limited to, emergency care, emergency ground ambulance transportation services, inpatient hospital and physician care, outpatient health services and preventive health services. ~~Elective, induced abortion, except as medically necessary to prevent the death of the mother, whether performed in a hospital, other abortion facility or the office of a physician, shall not be mandatory for any health maintenance organization.~~

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 7. Minnesota Statutes 2022, section 62D.03, subdivision 1, is amended to read:

Subdivision 1. **Certificate of authority required.** Notwithstanding any law of this state to the contrary, any ~~foreign or domestic~~ nonprofit corporation organized to do so or a local governmental unit may apply to the commissioner of health for a certificate of authority to establish and operate a health maintenance organization in compliance with sections 62D.01 to 62D.30. No person shall establish or operate a health maintenance organization in this state, nor sell or offer to sell, or solicit offers to purchase or receive advance or periodic consideration in conjunction with a health maintenance organization or health maintenance contract unless the organization has a certificate of authority under sections 62D.01 to 62D.30.

Sec. 8. Minnesota Statutes 2022, section 62D.05, subdivision 1, is amended to read:

Subdivision 1. **Authority granted.** Any nonprofit corporation or local governmental unit may, upon obtaining a certificate of authority as required in sections 62D.01 to 62D.30, operate as a health maintenance organization.

Sec. 9. Minnesota Statutes 2022, section 62D.06, subdivision 1, is amended to read:

Subdivision 1. **Governing body composition; enrollee advisory body.** The governing body of any health maintenance organization which is a nonprofit corporation may include enrollees, providers, or other individuals; provided, however, that after a health maintenance organization which is a nonprofit corporation has been authorized under sections 62D.01 to 62D.30 for one year, at least 40 percent of the governing body shall be composed of enrollees and members elected by the enrollees and members from among the enrollees and members. For purposes of this section, "member" means a consumer who receives health care services through a self-insured contract that is administered by the health maintenance organization or its related third-party administrator. The number of members elected to the governing body shall not exceed the number of enrollees elected to the governing body. An enrollee or member elected to the governing board may not be a person:

(1) whose occupation involves, or before retirement involved, the administration of health activities or the provision of health services;

(2) who is or was employed by a health care facility as a licensed health professional; or

(3) who has or had a direct substantial financial or managerial interest in the rendering of a health service, other than the payment of a reasonable expense reimbursement or compensation as a member of the board of a health maintenance organization.

After a health maintenance organization which is a local governmental unit has been authorized under sections 62D.01 to 62D.30 for one year, an enrollee advisory body shall be established. The enrollees who make up this advisory body shall be elected by the enrollees from among the enrollees.

Sec. 10. Minnesota Statutes 2022, section 62D.12, subdivision 19, is amended to read:

Subd. 19. **Coverage of service.** A health maintenance organization may not deny or limit coverage of a service which the enrollee has already received solely on the basis of lack of prior authorization or second opinion, to the extent that the service would otherwise have been covered under the member's contract by the health maintenance organization had prior authorization or second opinion been obtained. This subdivision expires December 31, 2025, for health plans offered, sold, issued, or renewed on or after that date.

Sec. 11. Minnesota Statutes 2022, section 62D.19, is amended to read:

62D.19 UNREASONABLE EXPENSES.

No health maintenance organization shall incur or pay for any expense of any nature which is unreasonably high in relation to the value of the service or goods provided. The commissioner of health shall implement and enforce this section by rules adopted under this section.

In an effort to achieve the stated purposes of sections 62D.01 to 62D.30, in order to safeguard the underlying nonprofit status of health maintenance organizations, and in order to ensure that the payment of health maintenance organization money to major participating entities results in a corresponding benefit to the health maintenance organization and its enrollees, when determining whether an organization has incurred an unreasonable expense in relation to a major participating entity, due consideration shall be given to, in addition to any other appropriate factors, whether the officers and trustees of the health maintenance organization have acted with good faith and in the best interests of the health maintenance organization in entering into, and performing under, a contract under which the health maintenance organization has incurred an expense. The commissioner has standing to sue, on behalf of a health maintenance organization, officers or trustees of the health maintenance organization who have breached their fiduciary duty in entering into and performing such contracts.

Sec. 12. Minnesota Statutes 2022, section 62D.20, subdivision 1, is amended to read:

Subdivision 1. **Rulemaking.** The commissioner of health may, pursuant to chapter 14, promulgate such reasonable rules as are necessary or proper to carry out the provisions of sections 62D.01 to 62D.30. Included among such rules shall be those which provide minimum requirements for the provision of comprehensive health maintenance services, as defined in section 62D.02, subdivision 7, and reasonable exclusions therefrom. ~~Nothing in such rules shall force or require a health maintenance organization to provide elective, induced abortions, except as medically necessary to prevent the death of the mother, whether performed in a hospital, other abortion facility, or the office of a physician; the rules shall provide every health maintenance organization the option of excluding or including elective, induced abortions, except as medically necessary to prevent the death of the mother, as part of its comprehensive health maintenance services.~~

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 13. Minnesota Statutes 2022, section 62D.22, subdivision 5, is amended to read:

Subd. 5. **Other state law.** Except as otherwise provided in sections 62A.01 to 62A.42 and 62D.01 to 62D.30, ~~and except as they eliminate elective, induced abortions, wherever performed, from health or maternity benefits,~~ provisions of the insurance laws and provisions of nonprofit health service plan corporation laws shall not be applicable to any health maintenance organization granted a certificate of authority under sections 62D.01 to 62D.30.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 14. Minnesota Statutes 2022, section 62D.22, is amended by adding a subdivision to read:

Subd. 5a. **Application of other law.** Sections 145D.30 to 145D.37 apply to nonprofit health maintenance organizations operating under this chapter.

Sec. 15. **[62D.221] OVERSIGHT OF TRANSACTIONS.**

Subdivision 1. **Insurance provisions applicable to health maintenance organizations.** (a) Health maintenance organizations are subject to sections 60A.135, 60A.136, 60A.137, 60A.16, 60A.161, 60D.17, 60D.18, and 60D.20 and must comply with the provisions of these sections applicable to insurers. In applying these sections to health maintenance organizations, "the commissioner" means the commissioner of health. Health maintenance organizations are subject to Minnesota Rules, chapter 2720, as applicable to sections 60D.17, 60D.18, and 60D.20, and must comply with those provisions of the chapter applicable to insurers unless the commissioner of health adopts rules to implement this subdivision.

(b) In addition to the conditions in section 60D.17, subdivision 1, subjecting a health maintenance organization to filing requirements, no person other than the issuer shall acquire all or substantially all of the assets of a domestic nonprofit health maintenance organization through any means unless at the time the offer, request, or invitation is made or the agreement is entered into the person has filed with the commissioner and has sent to the health maintenance organization a statement containing the information required in section 60D.17 and the offer, request, invitation, agreement, or acquisition has been approved by the commissioner of health in the manner prescribed in section 60D.17.

Subd. 2. **Conversion transactions.** If a health maintenance organization must notify or report a transaction to the commissioner under subdivision 1, the health maintenance organization must include information regarding the plan for a conversion benefit entity, in the form and manner determined by the commissioner, if the reportable transaction qualifies as a conversion transaction as defined in section 145D.30, subdivision 5. The commissioner may consider information regarding the conversion transaction and the conversion benefit entity plan in any actions taken under subdivision 1, including in decisions to approve or disapprove transactions, and may extend time frames to a total of 90 days, with notice to the parties to the transaction.

Sec. 16. Minnesota Statutes 2022, section 62E.02, subdivision 3, is amended to read:

Subd. 3. **Health maintenance organization.** "Health maintenance organization" means a nonprofit corporation licensed and operated as provided in chapter 62D.

Sec. 17. Minnesota Statutes 2022, section 62M.01, subdivision 3, is amended to read:

Subd. 3. **Scope.** (a) Nothing in this chapter applies to review of claims after submission to determine eligibility for benefits under a health benefit plan. The appeal procedure described in section 62M.06 applies to any complaint as defined under section 62Q.68, subdivision 2, that requires a medical determination in its resolution.

(b) Effective January 1, 2026, this chapter ~~does not apply~~ applies to managed care plans or county-based purchasing plans when the plan is providing coverage to state public health care program enrollees under chapter 256B or 256L.

(c) Effective January 1, 2026, the following sections of this chapter apply to services delivered through fee-for-service under chapters 256B and 256L: 62M.02, subdivisions 1 to 5, 7 to 12, 13, 14 to 18, and 21; 62M.04; 62M.05, subdivisions 1 to 4; 62M.06, subdivisions 1 to 3; 62M.07; 62M.072; 62M.09; 62M.10; 62M.12; and 62M.17, subdivision 2.

Sec. 18. Minnesota Statutes 2022, section 62M.02, subdivision 1a, is amended to read:

Subd. 1a. **Adverse determination.** "Adverse determination" means a decision by a utilization review organization relating to an admission, extension of stay, or health care service that is partially or wholly adverse to the enrollee, including:

(1) a decision to deny an admission, extension of stay, or health care service on the basis that it is not medically necessary; or

(2) an authorization for a health care service that is less intensive than the health care service specified in the original request for authorization.

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

Sec. 19. Minnesota Statutes 2022, section 62M.02, subdivision 5, is amended to read:

Subd. 5. **Authorization.** "Authorization" means a determination by a utilization review organization that an admission, extension of stay, or other health care service has been reviewed and that, based on the information provided, it satisfies the utilization review requirements of the applicable health benefit plan and the health plan company or commissioner will then pay for the covered benefit, provided the preexisting limitation provisions, the general exclusion provisions, and any deductible, co-payment, coinsurance, or other policy requirements have been met.

Sec. 20. Minnesota Statutes 2022, section 62M.02, is amended by adding a subdivision to read:

Subd. 8a. **Commissioner.** "Commissioner" means, effective January 1, 2026, for the sections specified in section 62M.01, subdivision 3, paragraph (c), the commissioner of human services, unless otherwise specified.

Sec. 21. Minnesota Statutes 2022, section 62M.02, subdivision 11, is amended to read:

Subd. 11. **Enrollee.** "Enrollee" means:

(1) an individual covered by a health benefit plan and includes an insured policyholder, subscriber, contract holder, member, covered person, or certificate holder; or

(2) effective January 1, 2026, for the sections specified in section 62M.01, subdivision 3, paragraph (c), a recipient receiving coverage through fee-for-service under chapters 256B and 256L.

Sec. 22. Minnesota Statutes 2022, section 62M.02, subdivision 12, is amended to read:

Subd. 12. **Health benefit plan.** (a) "Health benefit plan" means:

(1) a policy, contract, or certificate issued by a health plan company for the coverage of medical, dental, or hospital benefits; or

(2) effective January 1, 2026, for the sections specified in section 62M.01, subdivision 3, paragraph (c), coverage of medical, dental, or hospital benefits through fee-for-service under chapters 256B and 256L, as specified by the commissioner on the agency's public website or through other forms of recipient and provider guidance.

(b) A health benefit plan does not include coverage that is:

(1) limited to disability or income protection coverage;

(2) automobile medical payment coverage;

(3) supplemental to liability insurance;

(4) designed solely to provide payments on a per diem, fixed indemnity, or nonexpense incurred basis;

(5) credit accident and health insurance issued under chapter 62B;

(6) blanket accident and sickness insurance as defined in section 62A.11;

(7) accident only coverage issued by a licensed and tested insurance agent; or

(8) workers' compensation.

Sec. 23. Minnesota Statutes 2022, section 62M.02, subdivision 21, is amended to read:

Subd. 21. **Utilization review organization.** "Utilization review organization" means an entity including but not limited to an insurance company licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01; a prepaid limited health service organization issued a certificate of authority and operating under sections 62A.451 to 62A.4528; a health service plan licensed under chapter 62C; a health maintenance organization licensed under chapter 62D; a community integrated service network licensed under chapter 62N; an accountable provider network operating under chapter 62T; a fraternal benefit society operating under chapter 64B; a joint self-insurance employee health plan operating under chapter 62H; a multiple employer welfare arrangement, as defined in section 3 of the Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, section 1103, as amended; a third-party administrator licensed under section 60A.23, subdivision 8, which conducts utilization review and authorizes or makes adverse determinations regarding an admission, extension of stay, or other health care services for a Minnesota resident; effective January 1, 2026, for the sections specified in section 62M.01, subdivision 3, paragraph (c), the commissioner of human services for purposes of delivering services through fee-for-service under chapters 256B and 256L; any other entity that provides, offers, or administers hospital, outpatient, medical, prescription drug, or other health benefits to individuals treated by a health professional under a policy, plan, or contract; or any entity performing utilization review that is affiliated with, under contract with, or conducting utilization review on behalf of, a business entity in this state. Utilization review organization does not include a clinic or health care system acting pursuant to a written delegation agreement with an otherwise regulated utilization review organization that contracts with the clinic or health care system. The regulated utilization review organization is accountable for the delegated utilization review activities of the clinic or health care system.

Sec. 24. Minnesota Statutes 2022, section 62M.04, subdivision 1, is amended to read:

Subdivision 1. **Responsibility for obtaining authorization.** A health benefit plan that includes utilization review requirements must specify the process for notifying the utilization review organization in a timely manner and obtaining authorization for health care services. Each health plan company must provide a clear and concise description of this process to an enrollee as part of the policy, subscriber contract, or certificate of coverage. Effective January 1, 2026, the commissioner must provide a clear and concise description of this process to fee-for-service recipients receiving services under chapters 256B and 256L, through the agency's public website or through other forms of recipient guidance. In addition to the enrollee, the utilization review organization must allow any provider or provider's designee, or responsible patient representative, including a family member, to fulfill the obligations under the health benefit plan.

A claims administrator that contracts directly with providers for the provision of health care services to enrollees may, through contract, require the provider to notify the review organization in a timely manner and obtain authorization for health care services.

Sec. 25. Minnesota Statutes 2022, section 62M.05, subdivision 3a, is amended to read:

Subd. 3a. **Standard review determination.** (a) ~~Notwithstanding subdivision 3b, a standard review determination on all requests for utilization review must be communicated to the provider and enrollee in accordance with this subdivision within five business days after receiving the request if the request is received electronically, or within six business days if received through nonelectronic means, provided that all information reasonably necessary to make a determination on the request has been made available to the utilization review organization. Effective January 1, 2022,~~ A standard review determination on all requests for utilization review must be communicated to the provider and enrollee in accordance with this subdivision within five business days after receiving the request, regardless of how the request was received, provided that all information reasonably necessary to make a determination on the request has been made available to the utilization review organization.

(b) When a determination is made to authorize, notification must be provided promptly by telephone to the provider. The utilization review organization shall send written notification to the provider or shall maintain an audit trail of the determination and telephone notification. For purposes of this subdivision, "audit trail" includes documentation of the telephone notification, including the date; the name of the person spoken to; the enrollee; the service, procedure, or admission authorized; and the date of the service, procedure, or admission. If the utilization review organization indicates authorization by use of a number, the number must be called the "authorization number." For purposes of this subdivision, notification may also be made by facsimile to a verified number or by electronic mail to a secure electronic mailbox. These electronic forms of notification satisfy the "audit trail" requirement of this paragraph.

(c) When an adverse determination is made, notification must be provided within the time periods specified in paragraph (a) by telephone, by facsimile to a verified number, or by electronic mail to a secure electronic mailbox to the attending health care professional and hospital or physician office as applicable. Written notification must also be sent to the hospital or physician office as applicable and attending health care professional if notification occurred by telephone. For purposes of this subdivision, notification may be made by facsimile to a verified number or by electronic mail to a secure electronic mailbox. Written notification must be sent to the enrollee and may be sent by United States mail, facsimile to a verified number, or by electronic mail to a secure mailbox. The written notification must include all reasons relied on by the utilization review organization for the determination and the process for initiating an appeal of the determination. Upon request, the utilization review organization shall provide the provider or enrollee with the criteria used to determine the necessity, appropriateness, and efficacy of the health care service and identify the database, professional treatment parameter, or other basis for the criteria. Reasons for an adverse determination may include, among other things, the lack of adequate information to authorize after a reasonable attempt has been made to contact the provider or enrollee.

(d) When an adverse determination is made, the written notification must inform the enrollee and the attending health care professional of the right to submit an appeal to the internal appeal process described in section 62M.06 and the procedure for initiating the internal appeal. The written notice shall be provided in a culturally and linguistically appropriate manner consistent with the provisions of the Affordable Care Act as defined under section 62A.011, subdivision 1a.

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

Sec. 26. Minnesota Statutes 2022, section 62M.07, subdivision 2, is amended to read:

Subd. 2. **Prior authorization of ~~emergency~~ certain services prohibited.** No utilization review organization, health plan company, or claims administrator may conduct or require prior authorization of:

(1) emergency confinement or an emergency service. The enrollee or the enrollee's authorized representative may be required to notify the health plan company, claims administrator, or utilization review organization as soon as reasonably possible after the beginning of the emergency confinement or emergency service~~.~~;

(2) oral buprenorphine to treat a substance use disorder;

(3) outpatient mental health treatment or outpatient substance use disorder treatment, except for treatment which is: (i) a medication; and (ii) not otherwise listed in this subdivision. Prior authorizations required for medications used for outpatient mental health treatment or outpatient substance use disorder treatment, and not otherwise listed in this subdivision, must be processed according to section 62M.05, subdivision 3b, for initial determinations, and according to section 62M.06, subdivision 2, for appeals;

(4) antineoplastic cancer treatment that is consistent with guidelines of the National Comprehensive Cancer Network, except for treatment which is: (i) a medication; and (ii) not otherwise listed in this subdivision. Prior authorizations required for medications used for antineoplastic cancer treatment, and not otherwise listed in this subdivision, must be processed according to section 62M.05, subdivision 3b, for initial determinations, and according to section 62M.06, subdivision 2, for appeals;

(5) services that currently have a rating of A or B from the United States Preventive Services Task Force, immunizations recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention, or preventive services and screenings provided to women as described in Code of Federal Regulations, title 45, section 147.130;

(6) pediatric hospice services provided by a hospice provider licensed under sections 144A.75 to 144A.755; and

(7) treatment delivered through a neonatal abstinence program operated by pediatric pain or palliative care subspecialists.

Clauses (2) to (7) are effective January 1, 2026, and apply to health benefit plans offered, sold, issued, or renewed on or after that date.

Sec. 27. Minnesota Statutes 2022, section 62M.07, subdivision 4, is amended to read:

Subd. 4. **Submission of prior authorization requests.** (a) If prior authorization for a health care service is required, the utilization review organization, health plan company, or claim administrator must allow providers to submit requests for prior authorization of the health care services without unreasonable delay by telephone, facsimile, or voice mail or through an electronic mechanism 24 hours a day, seven days a week. This subdivision does not apply to dental service covered under MinnesotaCare or medical assistance.

(b) Effective January 1, 2027, for health benefit plans offered, sold, issued, or renewed on or after that date, utilization review organizations, health plan companies, and claims administrators must have and maintain a prior authorization application programming interface (API) that automates the prior authorization process for health care services, excluding prescription drugs and medications. The API must allow providers to determine whether a prior authorization is required for health care services, identify prior authorization information and documentation requirements, and facilitate the exchange of prior authorization requests and determinations from provider electronic health records or practice management systems. The API must use the Health Level Seven (HL7) Fast Healthcare Interoperability Resources (FHIR) standard in accordance with Code of Federal Regulations, title 45, section 170.215(a)(1), and the most recent standards and guidance adopted by the United States Department of Health and Human Services to implement that section. Prior authorization submission requests for prescription drugs and medications must comply with the requirements of section 62J.497.

Sec. 28. Minnesota Statutes 2022, section 62M.07, is amended by adding a subdivision to read:

Subd. 5. **Treatment of a chronic condition.** This subdivision is effective January 1, 2026, and applies to health benefit plans offered, sold, issued, or renewed on or after that date. An authorization for treatment of a chronic health condition does not expire unless the standard of treatment for that health condition changes. A chronic health condition is a condition that is expected to last one year or more and:

(1) requires ongoing medical attention to effectively manage the condition or prevent an adverse health event; or

(2) limits one or more activities of daily living.

Sec. 29. Minnesota Statutes 2022, section 62M.10, subdivision 7, is amended to read:

Subd. 7. **Availability of criteria.** (a) For utilization review determinations other than prior authorization, a utilization review organization shall, upon request, provide to an enrollee, a provider, and the commissioner of commerce the criteria used to determine the medical necessity, appropriateness, and efficacy of a procedure or service and identify the database, professional treatment guideline, or other basis for the criteria.

(b) For prior authorization determinations, a utilization review organization must submit the organization's current prior authorization requirements and restrictions, including written, evidence-based, clinical criteria used to make an authorization or adverse determination, to all health plan companies for which the organization performs utilization review. A health plan company must post on its public website the prior authorization requirements and restrictions of any utilization review organization that performs utilization review for the health plan company. These prior authorization requirements and restrictions must be detailed and written in language that is easily understandable to providers. This paragraph does not apply to the commissioner of human services when delivering services through fee-for-service under chapters 256B and 256L.

(c) Effective January 1, 2026, the commissioner of human services must post on the department's public website the prior authorization requirements and restrictions, including written, evidence-based, clinical criteria used to make an authorization or adverse determination, that apply to prior authorization determinations for fee-for-service under chapters 256B and 256L. These prior authorization requirements and restrictions must be detailed and written in language that is easily understandable to providers.

Sec. 30. Minnesota Statutes 2022, section 62M.10, subdivision 8, is amended to read:

Subd. 8. **Notice; new prior authorization requirements or restrictions; change to existing requirement or restriction.** (a) Before a utilization review organization may implement a new prior authorization requirement or restriction or amend an existing prior authorization requirement or restriction, the utilization review organization must submit the new or amended requirement or restriction to all health plan companies for which the organization

performs utilization review. A health plan company must post on its website the new or amended requirement or restriction. This paragraph does not apply to the commissioner of human services when delivering services through fee-for-service under chapters 256B and 256L.

(b) At least 45 days before a new prior authorization requirement or restriction or an amended existing prior authorization requirement or restriction is implemented, the utilization review organization, health plan company, or claims administrator must provide written or electronic notice of the new or amended requirement or restriction to all Minnesota-based, in-network attending health care professionals who are subject to the prior authorization requirements and restrictions. This paragraph does not apply to the commissioner of human services when delivering services through fee-for-service under chapters 256B and 256L.

(c) Effective January 1, 2026, before the commissioner of human services may implement a new prior authorization requirement or restriction or amend an existing prior authorization requirement or restriction, the commissioner, at least 45 days before the new or amended requirement or restriction takes effect, must provide written or electronic notice of the new or amended requirement or restriction, to all health care professionals participating as fee-for-service providers under chapters 256B and 256L who are subject to the prior authorization requirements and restrictions.

Sec. 31. Minnesota Statutes 2022, section 62M.17, subdivision 2, is amended to read:

Subd. 2. **Effect of change in prior authorization clinical criteria.** (a) If, during a plan year, a utilization review organization changes coverage terms for a health care service or the clinical criteria used to conduct prior authorizations for a health care service, the change in coverage terms or change in clinical criteria shall not apply until the next plan year for any enrollee who received prior authorization for a health care service using the coverage terms or clinical criteria in effect before the effective date of the change.

(b) Paragraph (a) does not apply if a utilization review organization changes coverage terms for a drug or device that has been deemed unsafe by the United States Food and Drug Administration (FDA); that has been withdrawn by either the FDA or the product manufacturer; or when an independent source of research, clinical guidelines, or evidence-based standards has issued drug- or device-specific warnings or recommended changes in drug or device usage.

(c) Paragraph (a) does not apply if a utilization review organization changes coverage terms for a service or the clinical criteria used to conduct prior authorizations for a service when an independent source of research, clinical guidelines, or evidence-based standards has recommended changes in usage of the service for reasons related to patient harm. This paragraph expires December 31, 2025, for health benefit plans offered, sold, issued, or renewed on or after that date.

(d) Effective January 1, 2026, and applicable to health benefit plans offered, sold, issued, or renewed on or after that date, paragraph (a) does not apply if a utilization review organization changes coverage terms for a service or the clinical criteria used to conduct prior authorizations for a service when an independent source of research, clinical guidelines, or evidence-based standards has recommended changes in usage of the service for reasons related to previously unknown and imminent patient harm.

~~(d)~~ (e) Paragraph (a) does not apply if a utilization review organization removes a brand name drug from its formulary or places a brand name drug in a benefit category that increases the enrollee's cost, provided the utilization review organization (1) adds to its formulary a generic or multisource brand name drug rated as therapeutically equivalent according to the FDA Orange Book, or a biologic drug rated as interchangeable according to the FDA Purple Book, at a lower cost to the enrollee, and (2) provides at least a 60-day notice to prescribers, pharmacists, and affected enrollees.

Sec. 32. **[62M.19] ANNUAL REPORT TO COMMISSIONER OF HEALTH; PRIOR AUTHORIZATIONS.**

On or before September 1 each year, each utilization review organization must report to the commissioner of health, in a form and manner specified by the commissioner, information on prior authorization requests for the previous calendar year. The report submitted under this subdivision must include the following data:

(1) the total number of prior authorization requests received;

(2) the number of prior authorization requests for which an authorization was issued;

(3) the number of prior authorization requests for which an adverse determination was issued;

(4) the number of adverse determinations reversed on appeal;

(5) the 25 codes with the highest number of prior authorization requests and the percentage of authorizations for each of these codes;

(6) the 25 codes with the highest percentage of prior authorization requests for which an authorization was issued and the total number of the requests;

(7) the 25 codes with the highest percentage of prior authorization requests for which an adverse determination was issued but which was reversed on appeal and the total number of the requests;

(8) the 25 codes with the highest percentage of prior authorization requests for which an adverse determination was issued and the total number of the requests; and

(9) the reasons an adverse determination to a prior authorization request was issued, expressed as a percentage of all adverse determinations. The reasons listed may include but are not limited to:

(i) the patient did not meet prior authorization criteria;

(ii) incomplete information was submitted by the provider to the utilization review organization;

(iii) the treatment program changed; and

(iv) the patient is no longer covered by the health benefit plan.

Sec. 33. Minnesota Statutes 2022, section 62Q.14, is amended to read:

62Q.14 RESTRICTIONS ON ENROLLEE SERVICES.

No health plan company may restrict the choice of an enrollee as to where the enrollee receives services related to:

(1) the voluntary planning of the conception and bearing of children~~, provided that this clause does not refer to abortion services~~;

(2) the diagnosis of infertility;

(3) the testing and treatment of a sexually transmitted disease; and

(4) the testing for AIDS or other HIV-related conditions.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 34. Minnesota Statutes 2022, section 62Q.19, subdivision 3, is amended to read:

Subd. 3. **Health plan company affiliation.** A health plan company must offer a provider contract to ~~any~~ all designated essential community ~~provider~~ providers located within the area served by the health plan company. A health plan company must include all essential community providers that have accepted a contract in each of the company's provider networks. A health plan company shall not restrict enrollee access to services designated to be provided by the essential community provider for the population that the essential community provider is certified to serve. A health plan company may also make other providers available for these services. A health plan company may require an essential community provider to meet all data requirements, utilization review, and quality assurance requirements on the same basis as other health plan providers.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, issued, or renewed on or after that date.

Sec. 35. Minnesota Statutes 2022, section 62Q.19, is amended by adding a subdivision to read:

Subd. 4a. **Contract payment rates; private.** An essential community provider and a health plan company may negotiate the payment rate for covered services provided by the essential community provider. This rate must be at least the same rate per unit of service as is paid by the health plan company to the essential community provider under the provider contract between the two with the highest number of enrollees receiving health care services from the provider or, if there is no provider contract between the health plan company and the essential community provider, the rate must be at least the same rate per unit of service as is paid to other plan providers for the same or similar services. The provider contract used to set the rate under this subdivision must be in relation to an individual, small group, or large group health plan. This subdivision applies only to provider contracts in relation to individual, small employer, and large group health plans.

Sec. 36. Minnesota Statutes 2022, section 62Q.19, subdivision 5, is amended to read:

Subd. 5. **Contract payment rates; public.** An essential community provider and a health plan company may negotiate the payment rate for covered services provided by the essential community provider. This rate must be at least the same rate per unit of service as is paid to other health plan providers for the same or similar services. This subdivision applies only to provider contracts in relation to health plans offered through the State Employee Group Insurance Program, medical assistance, and MinnesotaCare.

Sec. 37. Minnesota Statutes 2023 Supplement, section 62Q.473, is amended by adding a subdivision to read:

Subd. 3. **Reimbursement.** The commissioner of commerce must reimburse health plan companies for coverage under this section. Reimbursement is available only for coverage that would not have been provided by the health plan company without the requirements of this section. Each fiscal year, an amount necessary to make payments to health plan companies to defray the cost of providing coverage under this section is appropriated to the commissioner of commerce. Health plan companies must report to the commissioner quantified costs attributable to the additional benefit under this section in a format developed by the commissioner. The commissioner must evaluate submissions and make payments to health plan companies as provided in Code of Federal Regulations, title 45, section 155.170.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, issued, or renewed on or after that date.

Sec. 38. Minnesota Statutes 2023 Supplement, section 62Q.522, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

~~(b) "Closely held for-profit entity" means an entity that:~~

~~(1) is not a nonprofit entity;~~

~~(2) has more than 50 percent of the value of its ownership interest owned directly or indirectly by five or fewer owners; and~~

~~(3) has no publicly traded ownership interest.~~

~~For purposes of this paragraph:~~

~~(i) ownership interests owned by a corporation, partnership, limited liability company, estate, trust, or similar entity are considered owned by that entity's shareholders, partners, members, or beneficiaries in proportion to their interest held in the corporation, partnership, limited liability company, estate, trust, or similar entity;~~

~~(ii) ownership interests owned by a nonprofit entity are considered owned by a single owner;~~

~~(iii) ownership interests owned by all individuals in a family are considered held by a single owner. For purposes of this item, "family" means brothers and sisters, including half brothers and half sisters, a spouse, ancestors, and lineal descendants; and~~

~~(iv) if an individual or entity holds an option, warrant, or similar right to purchase an ownership interest, the individual or entity is considered to be the owner of those ownership interests.~~

~~(c)~~ (b) "Contraceptive method" means a drug, device, or other product approved by the Food and Drug Administration to prevent unintended pregnancy.

~~(d)~~ (c) "Contraceptive service" means consultation, examination, procedures, and medical services related to the prevention of unintended pregnancy, excluding vasectomies. This includes but is not limited to voluntary sterilization procedures, patient education, counseling on contraceptives, and follow-up services related to contraceptive methods or services, management of side effects, counseling for continued adherence, and device insertion or removal.

~~(e) "Eligible organization" means an organization that opposes providing coverage for some or all contraceptive methods or services on account of religious objections and that is:~~

~~(1) organized as a nonprofit entity and holds itself out to be religious; or~~

~~(2) organized and operates as a closely held for-profit entity, and the organization's owners or highest governing body has adopted, under the organization's applicable rules of governance and consistent with state law, a resolution or similar action establishing that the organization objects to covering some or all contraceptive methods or services on account of the owners' sincerely held religious beliefs.~~

~~(f) "Exempt organization" means an organization that is organized and operates as a nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal Revenue Code of 1986, as amended.~~

~~(g)~~ (d) "Medical necessity" includes but is not limited to considerations such as severity of side effects, difference in permanence and reversibility of a contraceptive method or service, and ability to adhere to the appropriate use of the contraceptive method or service, as determined by the attending provider.

~~(h)~~ (e) "Therapeutic equivalent version" means a drug, device, or product that can be expected to have the same clinical effect and safety profile when administered to a patient under the conditions specified in the labeling, and that:

(1) is approved as safe and effective;

(2) is a pharmaceutical equivalent: (i) containing identical amounts of the same active drug ingredient in the same dosage form and route of administration; and (ii) meeting compendial or other applicable standards of strength, quality, purity, and identity;

(3) is bioequivalent in that:

(i) the drug, device, or product does not present a known or potential bioequivalence problem and meets an acceptable in vitro standard; or

(ii) if the drug, device, or product does present a known or potential bioequivalence problem, it is shown to meet an appropriate bioequivalence standard;

(4) is adequately labeled; and

(5) is manufactured in compliance with current manufacturing practice regulations.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on of after that date.

Sec. 39. Minnesota Statutes 2023 Supplement, section 62Q.523, subdivision 1, is amended to read:

Subdivision 1. **Scope of coverage.** Except as otherwise provided in section ~~62Q.522~~ 62Q.679, subdivisions 2 and 3 ~~and 4~~, all health plans that provide prescription coverage must comply with the requirements of this section.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 40. **[62Q.524] COVERAGE OF ABORTIONS AND ABORTION-RELATED SERVICES.**

Subdivision 1. **Definition.** For purposes of this section, "abortion" means any medical treatment intended to induce the termination of a pregnancy with a purpose other than producing a live birth.

Subd. 2. **Required coverage; cost-sharing.** (a) A health plan must provide coverage for abortions and abortion-related services, including preabortion services and follow-up services.

(b) A health plan must not impose on the coverage under this section any co-payment, coinsurance, deductible, or other enrollee cost-sharing that is greater than the cost-sharing that applies to similar services covered under the health plan.

(c) A health plan must not impose any limitation on the coverage under this section, including but not limited to any utilization review, prior authorization, referral requirements, restrictions, or delays, that is not generally applicable to other coverages under the plan.

Subd. 3. **Exclusion.** This section does not apply to managed care organizations or county-based purchasing plans when the plan provides coverage to public health care program enrollees under chapter 256B or 256L.

Subd. 4. **Reimbursement.** The commissioner of commerce must reimburse health plan companies for coverage under this section. Reimbursement is available only for coverage that would not have been provided by the health plan company without the requirements of this section. Each fiscal year, an amount necessary to make payments to health plan companies to defray the cost of providing coverage under this section is appropriated to the commissioner of commerce. Health plan companies must report to the commissioner quantified costs attributable to the additional benefit under this section in a format developed by the commissioner. The commissioner must evaluate submissions and make payments to health plan companies as provided in Code of Federal Regulations, title 45, section 155.170.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 41. **[62Q.531] AMINO ACID-BASED FORMULA COVERAGE.**

Subdivision 1. **Definition.** (a) For purposes of this section, the following term has the meaning given.

(b) "Formula" means an amino acid-based elemental formula.

Subd. 2. **Required coverage.** A health plan company must provide coverage for formula when formula is medically necessary.

Subd. 3. **Covered conditions.** Conditions for which formula is medically necessary include but are not limited to:

(1) cystic fibrosis;

(2) amino acid, organic acid, and fatty acid metabolic and malabsorption disorders;

(3) IgE mediated allergies to food proteins;

(4) food protein-induced enterocolitis syndrome;

(5) eosinophilic esophagitis;

(6) eosinophilic gastroenteritis;

(7) eosinophilic colitis; and

(8) mast cell activation syndrome.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, issued, or sold on or after that date.

Sec. 42. **[62Q.585] GENDER-AFFIRMING CARE COVERAGE; MEDICALLY NECESSARY CARE.**

Subdivision 1. **Requirement.** No health plan that covers physical or mental health services may be offered, sold, issued, or renewed in this state that:

(1) excludes coverage for medically necessary gender-affirming care; or

(2) requires gender-affirming treatments to satisfy a definition of "medically necessary care," "medical necessity," or any similar term that is more restrictive than the definition provided in subdivision 2.

Subd. 2. **Minimum definition.** "Medically necessary care" means health care services appropriate in terms of type, frequency, level, setting, and duration to the enrollee's diagnosis or condition and diagnostic testing and preventive services. Medically necessary care must be consistent with generally accepted practice parameters as determined by health care providers in the same or similar general specialty as typically manages the condition, procedure, or treatment at issue and must:

(1) help restore or maintain the enrollee's health; or

(2) prevent deterioration of the enrollee's condition.

Subd. 3. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Gender-affirming care" means all medical, surgical, counseling, or referral services, including telehealth services, that an individual may receive to support and affirm the individual's gender identity or gender expression and that are legal under the laws of this state.

(c) "Health plan" has the meaning given in section 62Q.01, subdivision 3, but includes the coverages listed in section 62A.011, subdivision 3, clauses (7) and (10).

Sec. 43. **[62Q.665] COVERAGE FOR ORTHOTIC AND PROSTHETIC DEVICES.**

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

(b) "Accredited facility" means any entity that is accredited to provide comprehensive orthotic or prosthetic devices or services by a Centers for Medicare and Medicaid Services approved accrediting agency.

(c) "Orthosis" means:

(1) an external medical device that is:

(i) custom-fabricated or custom-fitted to a specific patient based on the patient's unique physical condition;

(ii) applied to a part of the body to correct a deformity, provide support and protection, restrict motion, improve function, or relieve symptoms of a disease, syndrome, injury, or postoperative condition; and

(iii) deemed medically necessary by a prescribing physician or licensed health care provider who has authority in Minnesota to prescribe orthotic and prosthetic devices, supplies, and services; and

(2) any provision, repair, or replacement of a device that is furnished or performed by:

(i) an accredited facility in comprehensive orthotic services; or

(ii) a health care provider licensed in Minnesota and operating within the provider's scope of practice which allows the provider to provide orthotic or prosthetic devices, supplies, or services.

(d) "Orthotics" means:

(1) the science and practice of evaluating, measuring, designing, fabricating, assembling, fitting, adjusting, or servicing and providing the initial training necessary to accomplish the fitting of an orthotic device for the support, correction, or alleviation of a neuromuscular or musculoskeletal dysfunction, disease, injury, or deformity;

(2) evaluation, treatment, and consultation related to an orthotic device;

(3) basic observation of gait and postural analysis;

(4) assessing and designing orthosis to maximize function and provide support and alignment necessary to prevent or correct a deformity or to improve the safety and efficiency of mobility and locomotion;

(5) continuing patient care to assess the effect of an orthotic device on the patient's tissues; and

(6) proper fit and function of the orthotic device by periodic evaluation.

(e) "Prosthesis" means:

(1) an external medical device that is:

(i) used to replace or restore a missing limb, appendage, or other external human body part; and

(ii) deemed medically necessary by a prescribing physician or licensed health care provider who has authority in Minnesota to prescribe orthotic and prosthetic devices, supplies, and services; and

(2) any provision, repair, or replacement of a device that is furnished or performed by:

(i) an accredited facility in comprehensive prosthetic services; or

(ii) a health care provider licensed in Minnesota and operating within the provider's scope of practice which allows the provider to provide orthotic or prosthetic devices, supplies, or services.

(f) "Prosthetics" means:

(1) the science and practice of evaluating, measuring, designing, fabricating, assembling, fitting, aligning, adjusting, or servicing, as well as providing the initial training necessary to accomplish the fitting of, a prosthesis through the replacement of external parts of a human body lost due to amputation or congenital deformities or absences;

(2) the generation of an image, form, or mold that replicates the patient's body segment and that requires rectification of dimensions, contours, and volumes for use in the design and fabrication of a socket to accept a residual anatomic limb to, in turn, create an artificial appendage that is designed either to support body weight or to improve or restore function or anatomical appearance, or both;

(3) observational gait analysis and clinical assessment of the requirements necessary to refine and mechanically fix the relative position of various parts of the prosthesis to maximize function, stability, and safety of the patient;

(4) providing and continuing patient care in order to assess the prosthetic device's effect on the patient's tissues; and

(5) assuring proper fit and function of the prosthetic device by periodic evaluation.

Subd. 2. **Coverage.** (a) A health plan must provide coverage for orthotic and prosthetic devices, supplies, and services, including repair and replacement, at least equal to the coverage provided under federal law for health insurance for the aged and disabled under sections 1832, 1833, and 1834 of the Social Security Act, United States Code, title 42, sections 1395k, 1395l, and 1395m, but only to the extent consistent with this section.

(b) A health plan must not subject orthotic and prosthetic benefits to separate financial requirements that apply only with respect to those benefits. A health plan may impose co-payment and coinsurance amounts on those benefits, except that any financial requirements that apply to such benefits must not be more restrictive than the financial requirements that apply to the health plan's medical and surgical benefits, including those for internal restorative devices.

(c) A health plan may limit the benefits for, or alter the financial requirements for, out-of-network coverage of prosthetic and orthotic devices, except that the restrictions and requirements that apply to those benefits must not be more restrictive than the financial requirements that apply to the out-of-network coverage for the health plan's medical and surgical benefits.

(d) A health plan must cover orthoses and prostheses when furnished under an order by a prescribing physician or licensed health care prescriber who has authority in Minnesota to prescribe orthoses and prostheses, and that coverage for orthotic and prosthetic devices, supplies, accessories, and services must include those devices or device systems, supplies, accessories, and services that are customized to the covered individual's needs.

(e) A health plan must cover orthoses and prostheses determined by the enrollee's provider to be the most appropriate model that meets the medical needs of the enrollee for purposes of performing physical activities, as applicable, including but not limited to running, biking, and swimming, and maximizing the enrollee's limb function.

(f) A health plan must cover orthoses and prostheses for showering or bathing.

Subd. 3. **Prior authorization.** A health plan may require prior authorization for orthotic and prosthetic devices, supplies, and services in the same manner and to the same extent as prior authorization is required for any other covered benefit.

Subd. 4. **Reimbursement.** The commissioner of commerce must reimburse health plan companies for coverage under this section. Reimbursement is available only for coverage that would not have been provided by the health plan company without the requirements of this section. Each fiscal year, an amount necessary to make payments to health plan companies to defray the cost of providing coverage under this section is appropriated to the commissioner of commerce. Health plan companies must report to the commissioner quantified costs attributable to the additional benefit under this section in a format developed by the commissioner. The commissioner must evaluate submissions and make payments to health plan companies as provided in Code of Federal Regulations, title 45, section 155.170.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to all health plans offered, issued, or renewed on or after that date.

Sec. 44. **[62Q.666] MEDICAL NECESSITY AND NONDISCRIMINATION STANDARDS FOR COVERAGE OF PROSTHETICS OR ORTHOTICS.**

(a) When performing a utilization review for a request for coverage of prosthetic or orthotic benefits, a health plan company shall apply the most recent version of evidence-based treatment and fit criteria as recognized by relevant clinical specialists.

(b) A health plan company shall render utilization review determinations in a nondiscriminatory manner and shall not deny coverage for habilitative or rehabilitative benefits, including prosthetics or orthotics, solely on the basis of an enrollee's actual or perceived disability.

(c) A health plan company shall not deny a prosthetic or orthotic benefit for an individual with limb loss or absence that would otherwise be covered for a nondisabled person seeking medical or surgical intervention to restore or maintain the ability to perform the same physical activity.

(d) A health plan offered, issued, or renewed in Minnesota that offers coverage for prosthetics and custom orthotic devices shall include language describing an enrollee's rights pursuant to paragraphs (b) and (c) in its evidence of coverage and any benefit denial letters.

(e) A health plan that provides coverage for prosthetic or orthotic services shall ensure access to medically necessary clinical care and to prosthetic and custom orthotic devices and technology from not less than two distinct prosthetic and custom orthotic providers in the plan's provider network located in Minnesota. In the event that medically necessary covered orthotics and prosthetics are not available from an in-network provider, the health plan company shall provide processes to refer a member to an out-of-network provider and shall fully reimburse the out-of-network provider at a mutually agreed upon rate less member cost sharing determined on an in-network basis.

(f) If coverage for prosthetic or custom orthotic devices is provided, payment shall be made for the replacement of a prosthetic or custom orthotic device or for the replacement of any part of the devices, without regard to continuous use or useful lifetime restrictions, if an ordering health care provider determines that the provision of a replacement device, or a replacement part of a device, is necessary because:

(1) of a change in the physiological condition of the patient;

(2) of an irreparable change in the condition of the device or in a part of the device; or

(3) the condition of the device, or the part of the device, requires repairs and the cost of the repairs would be more than 60 percent of the cost of a replacement device or of the part being replaced.

(g) Confirmation from a prescribing health care provider may be required if the prosthetic or custom orthotic device or part being replaced is less than three years old.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to all health plans offered, issued, or renewed on or after that date.

Sec. 45. **[62Q.679] RELIGIOUS OBJECTIONS.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Closely held for-profit entity" means an entity that is not a nonprofit entity, has more than 50 percent of the value of its ownership interest owned directly or indirectly by five or fewer owners, and has no publicly traded ownership interest. For purposes of this paragraph:

(1) ownership interests owned by a corporation, partnership, limited liability company, estate, trust, or similar entity are considered owned by that entity's shareholders, partners, members, or beneficiaries in proportion to their interest held in the corporation, partnership, limited liability company, estate, trust, or similar entity;

(2) ownership interests owned by a nonprofit entity are considered owned by a single owner;

(3) ownership interests owned by all individuals in a family are considered held by a single owner. For purposes of this clause, "family" means brothers and sisters, including half-brothers and half-sisters, a spouse, ancestors, and lineal descendants; and

(4) if an individual or entity holds an option, warrant, or similar right to purchase an ownership interest, the individual or entity is considered to be the owner of those ownership interests.

(c) "Eligible organization" means an organization that opposes covering some or all health benefits under section 62Q.522, 62Q.524, or 62Q.585 on account of religious objections and that is:

(1) organized as a nonprofit entity and holds itself out to be religious; or

(2) organized and operates as a closely held for-profit entity, and the organization's owners or highest governing body has adopted, under the organization's applicable rules of governance and consistent with state law, a resolution or similar action establishing that the organization objects to covering some or all health benefits under section 62Q.522, 62Q.524, or 62Q.585 on account of the owners' sincerely held religious beliefs.

(d) "Exempt organization" means an organization that is organized and operates as a nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal Revenue Code of 1986, as amended.

Subd. 2. **Exemption.** (a) An exempt organization is not required to provide coverage under section 62Q.522, 62Q.524, or 62Q.585 if the exempt organization has religious objections to the coverage. An exempt organization that chooses to not provide coverage pursuant to this paragraph must notify employees as part of the hiring process and must notify all employees at least 30 days before:

(1) an employee enrolls in the health plan; or

(2) the effective date of the health plan, whichever occurs first.

(b) If the exempt organization provides partial coverage under section 62Q.522, 62Q.524, or 62Q.585, the notice required under paragraph (a) must provide a list of the portions of such coverage which the organization refuses to cover.

Subd. 3. **Accommodation for eligible organizations.** (a) A health plan established or maintained by an eligible organization complies with the coverage requirements of section 62Q.522, 62Q.524, or 62Q.585, with respect to the health benefits identified in the notice under this paragraph, if the eligible organization provides notice to any health plan company with which the eligible organization contracts that it is an eligible organization and that the eligible organization has a religious objection to coverage for all or a subset of the health benefits under section 62Q.522, 62Q.524, or 62Q.585.

(b) The notice from an eligible organization to a health plan company under paragraph (a) must include: (1) the name of the eligible organization; (2) a statement that it objects to coverage for some or all of the health benefits under section 62Q.522, 62Q.524, or 62Q.585, including a list of the health benefits to which the eligible organization objects, if applicable; and (3) the health plan name. The notice must be executed by a person authorized to provide notice on behalf of the eligible organization.

(c) An eligible organization must provide a copy of the notice under paragraph (a) to prospective employees as part of the hiring process and to all employees at least 30 days before:

(1) an employee enrolls in the health plan; or

(2) the effective date of the health plan, whichever occurs first.

(d) A health plan company that receives a copy of the notice under paragraph (a) with respect to a health plan established or maintained by an eligible organization must, for all future enrollments in the health plan:

(1) expressly exclude coverage for those health benefits identified in the notice under paragraph (a) from the health plan; and

(2) provide separate payments for any health benefits required to be covered under section 62Q.522, 62Q.524, or 62Q.585 for enrollees as long as the enrollee remains enrolled in the health plan.

(e) The health plan company must not impose any cost-sharing requirements, including co-pays, deductibles, or coinsurance, or directly or indirectly impose any premium, fee, or other charge for the health benefits under section 62Q.522 on the enrollee. The health plan company must not directly or indirectly impose any premium, fee, or other charge for the health benefits under section 62Q.522, 62Q.524, or 62Q.585 on the eligible organization or health plan.

(f) On January 1, 2024, and every year thereafter a health plan company must notify the commissioner, in a manner determined by the commissioner, of the number of eligible organizations granted an accommodation under this subdivision.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 46. Minnesota Statutes 2022, section 62Q.73, subdivision 2, is amended to read:

Subd. 2. **Exception.** (a) This section does not apply to governmental programs except as permitted under paragraph (b). For purposes of this subdivision, "governmental programs" means the prepaid medical assistance program~~,~~; effective January 1, 2026, the medical assistance fee-for-service program; the MinnesotaCare program~~,~~; the demonstration project for people with disabilities~~,~~; and the federal Medicare program.

(b) In the course of a recipient's appeal of a medical determination to the commissioner of human services under section 256.045, the recipient may request an expert medical opinion be arranged by the external review entity under contract to provide independent external reviews under this section. If such a request is made, the cost of the review shall be paid by the commissioner of human services. Any medical opinion obtained under this paragraph shall only be used by a state human services judge as evidence in the recipient's appeal to the commissioner of human services under section 256.045.

(c) Nothing in this subdivision shall be construed to limit or restrict the appeal rights provided in section 256.045 for governmental program recipients.

Sec. 47. Minnesota Statutes 2022, section 62V.05, subdivision 12, is amended to read:

Subd. 12. **Reports on interagency agreements and intra-agency transfers.** The MNsure Board shall provide ~~quarterly reports to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance on:~~ legislative reports on interagency agreements and intra-agency transfers according to section 15.0395.

~~(1) interagency agreements or service level agreements and any renewals or extensions of existing interagency or service level agreements with a state department under section 15.01, state agency under section 15.012, or the Department of Information Technology Services, with a value of more than $100,000, or related agreements with the same department or agency with a cumulative value of more than $100,000; and~~

~~(2) transfers of appropriations of more than $100,000 between accounts within or between agencies.~~

~~The report must include the statutory citation authorizing the agreement, transfer or dollar amount, purpose, and effective date of the agreement, the duration of the agreement, and a copy of the agreement.~~

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

Sec. 48. Minnesota Statutes 2022, section 62V.08, is amended to read:

62V.08 REPORTS.

(a) MNsure shall submit a report to the legislature by ~~January 15, 2015~~ March 31, 2025, and each ~~January 15~~ March 31 thereafter, on: (1) the performance of MNsure operations; (2) meeting MNsure responsibilities; (3) an accounting of MNsure budget activities; (4) practices and procedures that have been implemented to ensure compliance with data practices laws, and a description of any violations of data practices laws or procedures; and (5) the effectiveness of the outreach and implementation activities of MNsure in reducing the rate of uninsurance.

(b) MNsure must publish its administrative and operational costs on a website to educate consumers on those costs. The information published must include: (1) the amount of premiums and federal premium subsidies collected; (2) the amount and source of revenue received under section 62V.05, subdivision 1, paragraph (b), clause (3); (3) the amount and source of any other fees collected for purposes of supporting operations; and (4) any misuse of funds as identified in accordance with section 3.975. The website must be updated at least annually.

Sec. 49. Minnesota Statutes 2022, section 62V.11, subdivision 4, is amended to read:

Subd. 4. **Review of costs.** The board shall submit for review the annual budget of MNsure for the next fiscal year by March ~~15~~ 31 of each year, beginning March ~~15, 2014~~ 31, 2025.

Sec. 50. Minnesota Statutes 2023 Supplement, section 145D.01, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this ~~chapter~~ section and section 145D.02, the following terms have the meanings given.

(b) "Captive professional entity" means a professional corporation, limited liability company, or other entity formed to render professional services in which a beneficial owner is a health care provider employed by, controlled by, or subject to the direction of a hospital or hospital system.

(c) "Commissioner" means the commissioner of health.

(d) "Control," including the terms "controlling," "controlled by," and "under common control with," means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a health care entity, whether through the ownership of voting securities, membership in an entity formed under chapter 317A, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with, corporate office held by, or court appointment of, the person. Control is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing 40 percent or more of the voting securities of any other person, or if any person, directly or indirectly, constitutes 40 percent or more of the membership of an entity formed under chapter 317A. The attorney general may determine that control exists in fact, notwithstanding the absence of a presumption to that effect.

(e) "Health care entity" means:

(1) a hospital;

(2) a hospital system;

(3) a captive professional entity;

(4) a medical foundation;

(5) a health care provider group practice;

(6) an entity organized or controlled by an entity listed in clauses (1) to (5); or

(7) an entity that owns or exercises control over an entity listed in clauses (1) to (5).

(f) "Health care provider" means a physician licensed under chapter 147, a physician assistant licensed under chapter 147A, or an advanced practice registered nurse as defined in section 148.171, subdivision 3, who provides health care services, including but not limited to medical care, consultation, diagnosis, or treatment.

(g) "Health care provider group practice" means two or more health care providers legally organized in a partnership, professional corporation, limited liability company, medical foundation, nonprofit corporation, faculty practice plan, or other similar entity:

(1) in which each health care provider who is a member of the group provides services that a health care provider routinely provides, including but not limited to medical care, consultation, diagnosis, and treatment, through the joint use of shared office space, facilities, equipment, or personnel;

(2) for which substantially all services of the health care providers who are group members are provided through the group and are billed in the name of the group practice and amounts so received are treated as receipts of the group; or

(3) in which the overhead expenses of, and the income from, the group are distributed in accordance with methods previously determined by members of the group.

An entity that otherwise meets the definition of health care provider group practice in this paragraph shall be considered a health care provider group practice even if its shareholders, partners, members, or owners include a professional corporation, limited liability company, or other entity in which any beneficial owner is a health care provider and that is formed to render professional services.

(h) "Hospital" means a health care facility licensed as a hospital under sections 144.50 to 144.56.

(i) "Medical foundation" means a nonprofit legal entity through which health care providers perform research or provide medical services.

(j) "Transaction" means a single action, or a series of actions within a five-year period, which occurs in part within the state of Minnesota or involves a health care entity formed or licensed in Minnesota, that constitutes:

(1) a merger or exchange of a health care entity with another entity;

(2) the sale, lease, or transfer of 40 percent or more of the assets of a health care entity to another entity;

(3) the granting of a security interest of 40 percent or more of the property and assets of a health care entity to another entity;

(4) the transfer of 40 percent or more of the shares or other ownership of a health care entity to another entity;

(5) an addition, removal, withdrawal, substitution, or other modification of one or more members of the health care entity's governing body that transfers control, responsibility for, or governance of the health care entity to another entity;

(6) the creation of a new health care entity;

(7) an agreement or series of agreements that results in the sharing of 40 percent or more of the health care entity's revenues with another entity, including affiliates of such other entity;

(8) an addition, removal, withdrawal, substitution, or other modification of the members of a health care entity formed under chapter 317A that results in a change of 40 percent or more of the membership of the health care entity; or

(9) any other transfer of control of a health care entity to, or acquisition of control of a health care entity by, another entity.

(k) A transaction as defined in paragraph (j) does not include:

(1) an action or series of actions that meets one or more of the criteria set forth in paragraph (j), clauses (1) to (9), if, immediately prior to all such actions, the health care entity directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, all other parties to the action or series of actions;

(2) a mortgage or other secured loan for business improvement purposes entered into by a health care entity that does not directly affect delivery of health care or governance of the health care entity;

(3) a clinical affiliation of health care entities formed solely for the purpose of collaborating on clinical trials or providing graduate medical education;

(4) the mere offer of employment to, or hiring of, a health care provider by a health care entity;

(5) contracts between a health care entity and a health care provider primarily for clinical services; or

(6) a single action or series of actions within a five-year period involving only entities that operate solely as a nursing home licensed under chapter 144A; a boarding care home licensed under sections 144.50 to 144.56; a supervised living facility licensed under sections 144.50 to 144.56; an assisted living facility licensed under chapter 144G; a foster care setting licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, for a physical location that is not the primary residence of the license holder; a community residential setting as defined in section 245D.02, subdivision 4a; or a home care provider licensed under sections 144A.471 to 144A.483.

Sec. 51. **[145D.30] DEFINITIONS.**

Subdivision 1. **Application.** For purposes of sections 145D.30 to 145D.37, the following terms have the meanings given unless the context clearly indicates otherwise.

Subd. 2. **Commissioner**"Commissioner" means the commissioner of commerce for a nonprofit health coverage entity that is a nonprofit health service plan corporation operating under chapter 62C or the commissioner of health for a nonprofit health coverage entity that is a nonprofit health maintenance organization operating under chapter 62D.

Subd. 3. **Control.** "Control," including the terms "controlling," "controlled by," and "under common control with," means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a nonprofit health coverage entity, whether through the ownership of voting securities, through membership in an entity formed under chapter 317A, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with, corporate office held by, or court appointment of the person. Control is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing 40 percent or more of the voting securities of any other person or if any person, directly or indirectly, constitutes 40 percent or more of the membership of an entity formed under chapter 317A. The attorney general may determine that control exists in fact, notwithstanding the absence of a presumption to that effect.

Subd. 4. **Conversion benefit entity.** "Conversion benefit entity" means a foundation, corporation, limited liability company, trust, partnership, or other entity that receives, in connection with a conversion transaction, the value of any public benefit asset in accordance with section 145D.32, subdivision 5.

Subd. 5. **Conversion transaction.** "Conversion transaction" means a transaction otherwise permitted under applicable law in which a nonprofit health coverage entity:

(1) merges, consolidates, converts, or transfers all or substantially all of its assets to any entity except a corporation that is exempt under United States Code, title 26, section 501(c)(3);

(2) makes a series of separate transfers within a 60-month period that in the aggregate constitute a transfer of all or substantially all of the nonprofit health coverage entity's assets to any entity except a corporation that is exempt under United States Code, title 26, section 501(c)(3); or

(3) adds or substitutes one or more directors or officers that effectively transfer the control of, responsibility for, or governance of the nonprofit health coverage entity to any entity except a corporation that is exempt under United States Code, title 26, section 501(c)(3).

Subd. 6. **Corporation.** "Corporation" has the meaning given in section 317A.011, subdivision 6, and also includes a nonprofit limited liability company organized under section 322C.1101.

Subd. 7. **Director.** "Director" has the meaning given in section 317A.011, subdivision 7.

Subd. 8. **Family member.** "Family member" means a spouse, parent, child, spouse of a child, brother, sister, or spouse of a brother or sister.

Subd. 9. **Full and fair value.** "Full and fair value" means at least the amount that the public benefit assets of the nonprofit health coverage entity would be worth if the assets were equal to stock in the nonprofit health coverage entity, if the nonprofit health coverage entity was a for-profit corporation and if the nonprofit health coverage entity had 100 percent of its stock authorized by the corporation and available for purchase without transfer restrictions. The valuation shall consider market value, investment or earning value, net asset value, goodwill, amount of donations received, and control premium, if any.

Subd. 10. **Key employee.** "Key employee" means an individual, regardless of title, who:

(1) has responsibilities, power, or influence over an organization similar to those of an officer or director;

(2) manages a discrete segment or activity of the organization that represents ten percent or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or

(3) has or shares authority to control or determine ten percent or more of the organization's capital expenditures, operating budget, or compensation for employees.

Subd. 11. **Nonprofit health coverage entity.** "Nonprofit health coverage entity" means a nonprofit health service plan corporation operating under chapter 62C or a nonprofit health maintenance organization operating under chapter 62D.

Subd. 12. **Officer.** "Officer" has the meaning given in section 317A.011, subdivision 15.

Subd. 13. **Public benefit assets.** "Public benefit assets" means the entirety of a nonprofit health coverage entity's assets, whether tangible or intangible, including but not limited to its goodwill and anticipated future revenue.

Subd. 14. **Related organization.** "Related organization" has the meaning given in section 317A.011, subdivision 18.

Sec. 52. **[145D.31] CERTAIN CONVERSION TRANSACTIONS PROHIBITED.**

A nonprofit health coverage entity must not enter into a conversion transaction if:

(1) doing so would result in less than the full and fair market value of all public benefit assets remaining dedicated to the public benefit; or

(2) an individual who has been an officer, director, or other executive of the nonprofit health coverage entity or of a related organization, or a family member of such an individual:

(i) has held or will hold, whether guaranteed or contingent, an ownership stake, stock, securities, investment, or other financial interest in an entity to which the nonprofit health coverage entity transfers public benefit assets in connection with the conversion transaction;

(ii) has received or will receive any type of compensation or other financial benefit from an entity to which the nonprofit health coverage entity transfers public benefit assets in connection with the conversion transaction;

(iii) has held or will hold, whether guaranteed or contingent, an ownership stake, stock, securities, investment, or other financial interest in an entity that has or will have a business relationship with an entity to which the nonprofit health coverage entity transfers public benefit assets in connection with the conversion transaction; or

(iv) has received or will receive any type of compensation or other financial benefit from an entity that has or will have a business relationship with an entity to which the nonprofit health coverage entity transfers public benefit assets in connection with the conversion transaction.

Sec. 53. **[145D.32] REQUIREMENTS FOR NONPROFIT HEALTH COVERAGE ENTITY CONVERSION TRANSACTIONS.**

Subdivision 1. **Notice.** (a) Before entering into a conversion transaction, a nonprofit health coverage entity must notify the attorney general according to section 317A.811. In addition to the elements listed in section 317A.811, subdivision 1, the notice required by this subdivision must also include: (1) an itemization of the nonprofit health coverage entity's public benefit assets and an independent third-party valuation of the nonprofit health coverage entity's public benefit assets; (2) a proposed plan to distribute the value of those public benefit assets to a conversion benefit entity that meets the requirements of section 145D.33; and (3) other information contained in forms provided by the attorney general.

(b) When the nonprofit health coverage entity provides the attorney general with the notice and other information required under paragraph (a), the nonprofit health coverage entity must also provide a copy of this notice and other information to the applicable commissioner.

Subd. 2. **Nonprofit health coverage entity requirements.** Before entering into a conversion transaction, a nonprofit health coverage entity must ensure that:

(1) the proposed conversion transaction complies with chapters 317A and 501B and other applicable laws;

(2) the proposed conversion transaction does not involve or constitute a breach of charitable trust;

(3) the nonprofit health coverage entity shall receive full and fair value for its public benefit assets;

(4) the value of the public benefit assets to be transferred has not been manipulated in a manner that causes or caused the value of the assets to decrease;

(5) the proceeds of the proposed conversion transaction shall be used in a manner consistent with the public benefit for which the assets are held by the nonprofit health coverage entity;

(6) the proposed conversion transaction shall not result in a breach of fiduciary duty; and

(7) the conversion benefit entity that receives the value of the nonprofit health coverage entity's public benefit assets meets the requirements in section 145D.33.

Subd. 3. **Listening sessions and public comment.** The attorney general or the commissioner may hold public listening sessions or forums and may solicit public comments regarding the proposed conversion transaction, including on the formation of a conversion benefit entity under section 145D.33.

Subd. 4. **Waiting period.** (a) Subject to paragraphs (b) and (c), a nonprofit health coverage entity must not enter into a conversion transaction until 90 days after the nonprofit health coverage entity has given written notice as required in subdivision 1.

(b) The attorney general may waive all or part of the waiting period or may extend the waiting period for an additional 90 days by notifying the nonprofit health coverage entity of the extension in writing.

(c) The time periods specified in this subdivision shall be suspended while an investigation into the conversion transaction is pending or while a request from the attorney general for additional information is outstanding.

Subd. 5. **Transfer of value of assets required.** As part of a conversion transaction for which notice is provided under subdivision 1, the nonprofit health coverage entity must transfer the entirety of the full and fair value of its public benefit assets to one or more conversion benefit entities that meet the requirements in section 145D.33.

Subd. 6. **Funds restricted for a particular purpose.** Nothing in this section relieves a nonprofit health coverage entity from complying with requirements for funds that are restricted for a particular purpose. Funds restricted for a particular purpose must continue to be used in accordance with the purpose for which they were restricted under sections 317A.671 and 501B.31. A nonprofit health coverage entity may not convert assets that would conflict with their restricted purpose.

Sec. 54. **[145D.33] CONVERSION BENEFIT ENTITY REQUIREMENTS.**

Subdivision 1. **Requirements.** In order to receive the value of a nonprofit health coverage entity's public benefit assets as part of a conversion transaction, a conversion benefit entity must:

(1) be: (i) an existing or new domestic, nonprofit corporation operating under chapter 317A, a nonprofit limited liability company operating under chapter 322C, or a wholly owned subsidiary thereof; and (ii) exempt under United States Code, title 26, section 501(c)(3);

(2) have in place procedures and policies to prohibit conflicts of interest, including but not limited to conflicts of interest relating to any grant-making activities that may benefit:

(i) the officers, directors, or key employees of the conversion benefit entity;

(ii) any entity to which the nonprofit health coverage entity transfers public benefit assets in connection with a conversion transaction; or

(iii) any officers, directors, or key employees of an entity to which the nonprofit health coverage entity transfers public benefit assets in connection with a conversion transaction;

(3) operate to benefit the health of the people in this state;

(4) have in place procedures and policies that prohibit:

(i) an officer, director, or key employee of the nonprofit health coverage entity from serving as an officer, director, or key employee of the conversion benefit entity for the five-year period following the conversion transaction;

(ii) an officer, director, or key employee of the nonprofit health coverage entity or of the conversion benefit entity from directly or indirectly benefiting from the conversion transaction; and

(iii) elected or appointed public officials from serving as an officer, director, or key employee of the conversion benefit entity;

(5) not make grants or payments or otherwise provide financial benefit to an entity to which a nonprofit health coverage entity transfers public benefit assets as part of a conversion transaction or to a related organization of the entity to which the nonprofit health coverage entity transfers public benefit assets as part of a conversion transaction; and

(6) not have as an officer director, or key employee any individual who has been an officer, director, or key employee of an entity that receives public benefit assets as part of a conversion transaction.

Subd. 2. **Review and approval.** The commissioner must review and approve a conversion benefit entity before the conversion benefit entity receives the value of public benefit assets from a nonprofit health coverage entity. In order to be approved under this subdivision, the conversion benefit entity's governance must be broadly based in the community served by the nonprofit health coverage entity and must be independent of the entity to which the nonprofit health coverage entity transfers public benefit assets as part of the conversion transaction. As part of the review of the conversion benefit entity's governance, the commissioner may hold a public hearing. The public hearing, if held by the commissioner of health, may be held concurrently with the hearing authorized under section 62D.31. If the commissioner finds it necessary, a portion of the value of the public benefit assets must be used to develop a community-based plan for use by the conversion benefit entity.

Subd. 3. **Community advisory committee.** The commissioner must establish a community advisory committee for a conversion benefit entity receiving the value of public benefit assets. The members of the community advisory committee must be selected to represent the diversity of the community previously served by the nonprofit health coverage entity. The community advisory committee must:

(1) provide a slate of three nominees for each vacancy on the governing board of the conversion benefit entity, from which the remaining board members must select new members to the board;

(2) provide the conversion benefit entity's governing board with guidance on the health needs of the community previously served by the nonprofit health coverage entity; and

(3) promote dialogue and information sharing between the conversion benefit entity and the community previously served by the nonprofit health coverage entity.

Sec. 55. **[145D.34] ENFORCEMENT AND REMEDIES.**

Subdivision 1. **Investigation.** The attorney general has the powers in section 8.31. Nothing in this subdivision limits the powers, remedies, or responsibilities of the attorney general under this chapter; chapter 8, 309, 317A, or 501B; or any other chapter. For purposes of this section, an approval by the commissioner for regulatory purposes does not impair or inform the attorney general's authority.

Subd. 2. **Enforcement and penalties.** (a) The attorney general may bring an action in district court to enjoin or unwind a conversion transaction or seek other equitable relief necessary to protect the public interest if:

(1) a nonprofit health coverage entity or conversion transaction violates sections 145D.30 to 145D.33; or

(2) the conversion transaction is contrary to the public interest.

In seeking injunctive relief, the attorney general must not be required to establish irreparable harm but must instead establish that a violation of sections 145D.30 to 145D.33 occurred or that the requested order promotes the public interest.

(b) Factors informing whether a conversion transaction is contrary to the public interest include but are not limited to whether:

(1) the conversion transaction shall result in increased health care costs for patients; and

(2) the conversion transaction shall adversely impact provider cost trends and containment of total health care spending.

(c) The attorney general may enforce sections 145D.30 to 145D.33 under section 8.31.

(d) Failure of the entities involved in a conversion transaction to provide timely information as required by the attorney general or the commissioner shall be an independent and sufficient ground for a court to enjoin or unwind the transaction or provide other equitable relief, provided the attorney general notifies the entities of the inadequacy of the information provided and provides the entities with a reasonable opportunity to remedy the inadequacy.

(e) An officer, director, or other executive found to have violated sections 145D.30 to 145D.33 shall be subject to a civil penalty of up to $100,000 for each violation. A corporation or other entity which is a party to or materially participated in a conversion transaction found to have violated sections 145D.30 to 145D.33 shall be subject to a civil penalty of up to $1,000,000. A court may also award reasonable attorney fees and costs of investigation and litigation.

Subd. 3. **Commissioner of health; data and research.** The commissioner of health must provide the attorney general, upon request, with data and research on broader market trends, impacts on prices and outcomes, public health and population health considerations, and health care access, for the attorney general to use when evaluating whether a conversion transaction is contrary to public interest. The commissioner may share with the attorney general, according to section 13.05, subdivision 9, any not public data, as defined in section 13.02, subdivision 8a, held by the commissioner to aid in the investigation and review of the conversion transaction, and the attorney general must maintain this data with the same classification according to section 13.03, subdivision 4, paragraph (c).

Subd. 4. **Failure to take action.** Failure by the attorney general to take action with respect to a conversion transaction under this section does not constitute approval of the conversion transaction or waiver, nor shall failure prevent the attorney general from taking action in the same, similar, or subsequent circumstances.

Sec. 56. **[145D.35] DATA PRACTICES.**

Section 13.65 applies to data provided by a nonprofit health coverage entity or the commissioner to the attorney general under sections 145D.30 to 145D.33. Section 13.39 applies to data provided by a nonprofit health coverage entity to the commissioner under sections 145D.30 to 145D.33. The attorney general or the commissioner may make any data classified as confidential or protected nonpublic under this section accessible to any civil or criminal law enforcement agency if the attorney general or commissioner determines that the access aids the law enforcement process.

Sec. 57. **[145D.36] COMMISSIONER OF HEALTH; REPORTS AND ANALYSIS.**

Notwithstanding any law to the contrary, the commissioner of health may use data or information submitted under sections 60A.135 to 60A.137, 60A.17, 60D.18, 60D.20, 62D.221, and 145D.32 to conduct analyses of the aggregate impact of transactions within nonprofit health coverage entities and organizations which include nonprofit health coverage entities or their affiliates on access to or the cost of health care services, health care market consolidation, and health care quality. The commissioner of health must issue periodic public reports on the number and types of conversion transactions subject to sections 145D.30 to 145D.35 and on the aggregate impact of conversion transactions on health care costs, quality, and competition in Minnesota.

Sec. 58. **[145D.37] RELATION TO OTHER LAW.**

(a) Sections 145D.30 to 145D.36 are in addition to and do not affect or limit any power, remedy, or responsibility of a health maintenance organization, a service plan corporation, a conversion benefit entity, the attorney general, the commissioner of health, or the commissioner of commerce under this chapter; chapter 8, 62C, 62D, 309, 317A, or 501B; or other law.

(b) Nothing in sections 145D.03 to 145D.36 authorizes a nonprofit health coverage entity to enter into a conversion transaction not otherwise permitted under chapter 317A or 501B or other law.

Sec. 59. Minnesota Statutes 2022, section 256B.0625, subdivision 12, is amended to read:

Subd. 12. **Eyeglasses~~, dentures, and prosthetic and orthotic devices~~.** ~~(a)~~ Medical assistance covers eyeglasses~~, dentures, and prosthetic and orthotic devices~~ if prescribed by a licensed practitioner.

~~(b) For purposes of prescribing prosthetic and orthotic devices, "licensed practitioner" includes a physician, an advanced practice registered nurse, a physician assistant, or a podiatrist.~~

EFFECTIVE DATE. This section is effective January 1, 2025, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 60. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 16, is amended to read:

Subd. 16. **Abortion services.** Medical assistance covers ~~abortion services determined to be medically necessary by the treating provider and delivered in accordance with all applicable Minnesota laws~~ abortions and abortion-related services, including preabortion services and follow-up services.

EFFECTIVE DATE. This section is effective January 1, 2025, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 61. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision to read:

Subd. 25c. **Applicability of utilization review provisions.** Effective January 1, 2026, the following provisions of chapter 62M apply to the commissioner when delivering services through fee-for-service under chapters 256B and 256L: 62M.02, subdivisions 1 to 5, 7 to 12, 13, 14 to 18, and 21; 62M.04; 62M.05, subdivisions 1 to 4; 62M.06, subdivisions 1 to 3; 62M.07; 62M.072; 62M.09; 62M.10; 62M.12; and 62M.17, subdivision 2.

Sec. 62. Minnesota Statutes 2022, section 256B.0625, subdivision 32, is amended to read:

Subd. 32. **Nutritional products.** Medical assistance covers nutritional products needed for nutritional supplementation because solid food or nutrients thereof cannot be properly absorbed by the body or needed for treatment of phenylketonuria, hyperlysinemia, maple syrup urine disease, a combined allergy to human milk, cow's milk, and soy formula, or any other childhood or adult diseases, conditions, or disorders identified by the commissioner as requiring a similarly necessary nutritional product. Medical assistance covers amino acid-based elemental formulas in the same manner as is required under section 62Q.531. Nutritional products needed for the treatment of a combined allergy to human milk, cow's milk, and soy formula require prior authorization. Separate payment shall not be made for nutritional products for residents of long-term care facilities. Payment for dietary requirements is a component of the per diem rate paid to these facilities.

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

Sec. 63. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision to read:

Subd. 72. **Orthotic and prosthetic devices.** Medical assistance covers orthotic and prosthetic devices, supplies, and services according to section 256B.066.

EFFECTIVE DATE. This section is effective January 1, 2025, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 64. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision to read:

Subd. 73. **Rapid whole genome sequencing.** Medical assistance covers rapid whole genome sequencing (rWGS) testing. Coverage and eligibility for rWGS testing, and the use of genetic data, must meet the requirements specified in section 62A.3098, subdivisions 1 to 3 and 6.

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

Sec. 65. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision to read:

Subd. 74. **Scalp hair prostheses.** Medical assistance covers scalp hair prostheses and all equipment and accessories necessary for their regular use under the conditions and in compliance with the requirements specified in section 62A.28, except that the limitation on coverage required per benefit year set forth in section 62A.28, subdivision 2, paragraph (c), does not apply.

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

Sec. 66. **[256B.066] ORTHOTIC AND PROSTHETIC DEVICES, SUPPLIES, AND SERVICES.**

Subdivision 1. **Definitions.** All terms used in this section have the meanings given them in section 62Q.665, subdivision 1.

Subd. 2. **Coverage requirements.** (a) Medical assistance covers orthotic and prosthetic devices, supplies, and services:

(1) furnished under an order by a prescribing physician or licensed health care prescriber who has authority in Minnesota to prescribe orthoses and prostheses. Coverage for orthotic and prosthetic devices, supplies, accessories, and services under this clause includes those devices or device systems, supplies, accessories, and services that are customized to the enrollee's needs;

(2) determined by the enrollee's provider to be the most appropriate model that meets the medical needs of the enrollee for purposes of performing physical activities, as applicable, including but not limited to running, biking, and swimming, and maximizing the enrollee's limb function; or

(3) for showering or bathing.

(b) The coverage set forth in paragraph (a) includes the repair and replacement of those orthotic and prosthetic devices, supplies, and services described therein.

(c) Coverage of a prosthetic or orthotic benefit must not be denied for an individual with limb loss or absence that would otherwise be covered for a nondisabled person seeking medical or surgical intervention to restore or maintain the ability to perform the same physical activity.

(d) If coverage for prosthetic or custom orthotic devices is provided, payment must be made for the replacement of a prosthetic or custom orthotic device or for the replacement of any part of the devices, without regard to useful lifetime restrictions, if an ordering health care provider determines that the provision of a replacement device, or a replacement part of a device, is necessary because:

(1) of a change in the physiological condition of the enrollee;

(2) of an irreparable change in the condition of the device or in a part of the device; or

(3) the condition of the device, or the part of the device, requires repairs and the cost of the repairs would be more than 60 percent of the cost of a replacement device or of the part being replaced.

Subd. 3. **Restrictions on coverage.** (a) Prior authorization may be required for orthotic and prosthetic devices, supplies, and services.

(b) A utilization review for a request for coverage of prosthetic or orthotic benefits must apply the most recent version of evidence-based treatment and fit criteria as recognized by relevant clinical specialists.

(c) Utilization review determinations must be rendered in a nondiscriminatory manner and must not deny coverage for habilitative or rehabilitative benefits, including prosthetics or orthotics, solely on the basis of an enrollee's actual or perceived disability.

(d) Evidence of coverage and any benefit denial letters must include language describing an enrollee's rights pursuant to paragraphs (b) and (c).

(e) Confirmation from a prescribing health care provider may be required if the prosthetic or custom orthotic device or part being replaced is less than three years old.

Subd. 4. **Managed care plan access to care.** (a) Managed care plans and county-based purchasing plans subject to this section must ensure access to medically necessary clinical care and to prosthetic and custom orthotic devices and technology from at least two distinct prosthetic and custom orthotic providers in the plan's provider network located in Minnesota.

(b) In the event that medically necessary covered orthotics and prosthetics are not available from an in-network provider, the plan must provide processes to refer an enrollee to an out-of-network provider and must fully reimburse the out-of-network provider at a mutually agreed upon rate less enrollee cost sharing determined on an in-network basis.

EFFECTIVE DATE. This section is effective January 1, 2025, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 67. Minnesota Statutes 2022, section 317A.811, subdivision 1, is amended to read:

Subdivision 1. **When required.** (a) Except as provided in subdivision 6, the following corporations shall notify the attorney general of their intent to dissolve, merge, consolidate, or convert, or to transfer all or substantially all of their assets:

(1) a corporation that holds assets for a charitable purpose as defined in section 501B.35, subdivision 2; ~~or~~

(2) a corporation that is exempt under section 501(c)(3) of the Internal Revenue Code of 1986, or any successor section~~.~~; or

(3) a nonprofit health coverage entity as defined in section 145D.30.

(b) The notice must include:

(1) the purpose of the corporation that is giving the notice;

(2) a list of assets owned or held by the corporation for charitable purposes;

(3) a description of restricted assets and purposes for which the assets were received;

(4) a description of debts, obligations, and liabilities of the corporation;

(5) a description of tangible assets being converted to cash and the manner in which they will be sold;

(6) anticipated expenses of the transaction, including attorney fees;

(7) a list of persons to whom assets will be transferred, if known, or the name of the converted organization;

(8) the purposes of persons receiving the assets or of the converted organization; and

(9) the terms, conditions, or restrictions, if any, to be imposed on the transferred or converted assets.

The notice must be signed on behalf of the corporation by an authorized person.

Sec. 68. **INITIAL REPORTS TO COMMISSIONER OF HEALTH; UTILIZATION MANAGEMENT TOOLS.**

Utilization review organizations must submit initial reports to the commissioner of health under Minnesota Statutes, section 62M.19, by September 1, 2025.

Sec. 69. **TRANSITION.**

(a) A health maintenance organization that has a certificate of authority under Minnesota Statutes, chapter 62D, but that is not a nonprofit corporation organized under Minnesota Statutes, chapter 317A, or a local governmental unit, as defined in Minnesota Statutes, section 62D.02, subdivision 11:

(1) must not offer, sell, issue, or renew any health maintenance contracts on or after August 1, 2024;

(2) may otherwise continue to operate as a health maintenance organization until December 31, 2025; and

(3) must provide notice to the health maintenance organization's enrollees as of August 1, 2024, of the date the health maintenance organization will cease to operate in this state and any plans to transition enrollee coverage to another insurer. This notice must be provided by October 1, 2024.

(b) The commissioner of health must not issue or renew a certificate of authority to operate as a health maintenance organization on or after August 1, 2024, unless the entity seeking the certificate of authority meets the requirements for a health maintenance organization under Minnesota Statutes, chapter 62D, in effect on or after August 1, 2024.

Sec. 70. **REPEALER.**

(a) Minnesota Statutes 2022, section 62A.041, subdivision 3, is repealed.

(b) Minnesota Statutes 2023 Supplement, section 62Q.522, subdivisions 3 and 4, are repealed.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

ARTICLE 5
DEPARTMENT OF HEALTH FINANCE

Section 1. Minnesota Statutes 2022, section 62D.14, subdivision 1, is amended to read:

Subdivision 1. **Examination authority.** The commissioner of health may make an examination of the affairs of any health maintenance organization and its contracts, agreements, or other arrangements with any participating entity as often as the commissioner of health deems necessary for the protection of the interests of the people of this state, but not less frequently than once every ~~three~~ five years. Examinations of participating entities pursuant to this subdivision shall be limited to their dealings with the health maintenance organization and its enrollees, except that examinations of major participating entities may include inspection of the entity's financial statements kept in the ordinary course of business. The commissioner may require major participating entities to submit the financial statements directly to the commissioner. Financial statements of major participating entities are subject to the provisions of section 13.37, subdivision 1, clause (b), upon request of the major participating entity or the health maintenance organization with which it contracts.

Sec. 2. Minnesota Statutes 2022, section 103I.621, subdivision 1, is amended to read:

Subdivision 1. **Permit.** (a) Notwithstanding any department or agency rule to the contrary, the commissioner shall issue, on request by the owner of the property and payment of the permit fee, permits for the reinjection of water by a properly constructed well into the same aquifer from which the water was drawn for the operation of a groundwater thermal exchange device.

(b) As a condition of the permit, an applicant must agree to allow inspection by the commissioner during regular working hours for department inspectors.

(c) Not more than 200 permits may be issued for small systems having maximum capacities of 20 gallons per minute or less and that are compliant with the natural resource water-use requirements under subdivision 2. ~~The small systems are subject to inspection twice a year.~~

(d) Not more than ~~ten~~ 100 permits may be issued for larger systems having maximum capacities ~~from~~ over 20 ~~to 50~~ gallons per minute and are compliant with the natural resource water-use requirements under subdivision 2. ~~The larger systems are subject to inspection four times a year.~~

(e) A person issued a permit must comply with this section and permit conditions deemed necessary to protect public health and safety of groundwater ~~for the permit to be valid~~. The permit conditions may include but are not limited to requirements for:

(1) notification to the commissioner at intervals specified in the permit conditions;

(2) system operation and maintenance;

(3) system location and construction;

(4) well location and construction;

(5) signage;

(6) reports of system construction, performance, operation, and maintenance;

(7) removal of the system upon termination of its use or system failure;

(8) disclosure of the system at the time of property transfer;

(9) obtaining approval from the commissioner prior to deviation from the approval plan and conditions;

(10) groundwater level monitoring; or

(11) groundwater quality monitoring.

(f) The property owner or the property owner's agent must submit to the commissioner a permit application on a form provided by the commissioner, or in a format approved by the commissioner, that provides any information necessary to protect public health and safety of groundwater.

(g) A permit granted under this section is not valid if a water-use permit is required for the project and is not approved by the commissioner of natural resources.

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

Sec. 3. Minnesota Statutes 2022, section 103I.621, subdivision 2, is amended to read:

Subd. 2. **Water-use requirements apply.** Water-use permit requirements and penalties under chapter ~~103F~~ 103G and related rules adopted and enforced by the commissioner of natural resources apply to groundwater thermal exchange permit recipients. A person who violates a provision of this section is subject to enforcement or penalties for the noncomplying activity that are available to the commissioner and the Pollution Control Agency.

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

Sec. 4. Minnesota Statutes 2022, section 144.05, subdivision 6, is amended to read:

Subd. 6. **Reports on interagency agreements and intra-agency transfers.** The commissioner of health shall provide ~~quarterly reports to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance on:~~ the interagency agreements and intra-agency transfers report per section 15.0395.

~~(1) interagency agreements or service-level agreements and any renewals or extensions of existing interagency or service-level agreements with a state department under section 15.01, state agency under section 15.012, or the Department of Information Technology Services, with a value of more than $100,000, or related agreements with the same department or agency with a cumulative value of more than $100,000; and~~

~~(2) transfers of appropriations of more than $100,000 between accounts within or between agencies.~~

~~The report must include the statutory citation authorizing the agreement, transfer or dollar amount, purpose, and effective date of the agreement, duration of the agreement, and a copy of the agreement.~~

Sec. 5. Minnesota Statutes 2023 Supplement, section 144.1501, subdivision 2, is amended to read:

Subd. 2. ~~**Creation of account**~~ **Availability.** (a) ~~A health professional education loan forgiveness program account is established.~~ The commissioner of health shall use money ~~from the account to establish a~~ appropriated for health professional education loan forgiveness ~~program~~ in this section:

(1) for medical residents, physicians, mental health professionals, and alcohol and drug counselors agreeing to practice in designated rural areas or underserved urban communities or specializing in the area of pediatric psychiatry;

(2) for midlevel practitioners agreeing to practice in designated rural areas or to teach at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program at the undergraduate level or the equivalent at the graduate level;

(3) for nurses who agree to practice in a Minnesota nursing home; in an intermediate care facility for persons with developmental disability; in a hospital if the hospital owns and operates a Minnesota nursing home and a minimum of 50 percent of the hours worked by the nurse is in the nursing home; in an assisted living facility as defined in section 144G.08, subdivision 7; or for a home care provider as defined in section 144A.43, subdivision 4; or agree to teach at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program at the undergraduate level or the equivalent at the graduate level;

(4) for other health care technicians agreeing to teach at least 12 credit hours, or 720 hours per year in their designated field in a postsecondary program at the undergraduate level or the equivalent at the graduate level. The commissioner, in consultation with the Healthcare Education-Industry Partnership, shall determine the health care fields where the need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory technology, radiologic technology, and surgical technology;

(5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses who agree to practice in designated rural areas;

(6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient encounters to state public program enrollees or patients receiving sliding fee schedule discounts through a formal sliding fee schedule meeting the standards established by the United States Department of Health and Human Services under Code of Federal Regulations, title 42, section ~~51, chapter 303~~ 51c.303; and

(7) for nurses employed as a hospital nurse by a nonprofit hospital and providing direct care to patients at the nonprofit hospital.

(b) Appropriations made ~~to the account~~ for health professional education loan forgiveness in this section do not cancel and are available until expended, except that at the end of each biennium, any remaining balance in the account that is not committed by contract and not needed to fulfill existing commitments shall cancel to the fund.

Sec. 6. Minnesota Statutes 2022, section 144.1501, subdivision 5, is amended to read:

Subd. 5. **Penalty for nonfulfillment.** If a participant does not fulfill the required minimum commitment of service according to subdivision 3, the commissioner of health shall collect from the participant the total amount paid to the participant under the loan forgiveness program plus interest at a rate established according to section 270C.40. The commissioner shall deposit the money collected in ~~the health care access fund to be credited to~~ a dedicated account in the special revenue fund. The balance of the account is appropriated annually to the commissioner for the health professional education loan forgiveness program ~~account~~ established in subdivision 2. The commissioner shall allow waivers of all or part of the money owed the commissioner as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the minimum service commitment.

Sec. 7. Minnesota Statutes 2023 Supplement, section 144.1505, subdivision 2, is amended to read:

Subd. 2. **Programs.** (a) For advanced practice provider clinical training expansion grants, the commissioner of health shall award health professional training site grants to eligible physician assistant, advanced practice registered nurse, pharmacy, dental therapy, and mental health professional programs to plan and implement expanded clinical training. A planning grant shall not exceed $75,000, and a three-year training grant shall not exceed ~~$150,000 for the first year, $100,000 for the second year, and $50,000 for the third year~~ $300,000 per ~~program~~ project. The commissioner may provide a one-year, no-cost extension for grants.

(b) For health professional rural and underserved clinical rotations grants, the commissioner of health shall award health professional training site grants to eligible physician, physician assistant, advanced practice registered nurse, pharmacy, dentistry, dental therapy, and mental health professional programs to augment existing clinical training programs to add rural and underserved rotations or clinical training experiences, such as credential or certificate rural tracks or other specialized training. For physician and dentist training, the expanded training must include rotations in primary care settings such as community clinics, hospitals, health maintenance organizations, or practices in rural communities.

(c) Funds may be used for:

(1) establishing or expanding rotations and clinical training;

(2) recruitment, training, and retention of students and faculty;

(3) connecting students with appropriate clinical training sites, internships, practicums, or externship activities;

(4) travel and lodging for students;

(5) faculty, student, and preceptor salaries, incentives, or other financial support;

(6) development and implementation of cultural competency training;

(7) evaluations;

(8) training site improvements, fees, equipment, and supplies required to establish, maintain, or expand a training program; and

(9) supporting clinical education in which trainees are part of a primary care team model.

Sec. 8. Minnesota Statutes 2022, section 144.555, subdivision 1a, is amended to read:

Subd. 1a. **Notice of closing, curtailing operations, relocating services, or ceasing to offer certain services; hospitals.** (a) The controlling persons of a hospital licensed under sections 144.50 to 144.56 or a hospital campus must notify the commissioner of health ~~and~~, the public, and others at least ~~120~~ 182 days before the hospital or hospital campus voluntarily plans to implement one of the following scheduled actions:

(1) cease operations;

(2) curtail operations to the extent that patients must be relocated;

(3) relocate the provision of health services to another hospital or another hospital campus; or

(4) cease offering maternity care and newborn care services, intensive care unit services, inpatient mental health services, or inpatient substance use disorder treatment services.

(b) A notice required under this subdivision must comply with the requirements in subdivision 1d.

~~(b)~~ (c) The commissioner shall cooperate with the controlling persons and advise them about relocating the patients.

Sec. 9. Minnesota Statutes 2022, section 144.555, subdivision 1b, is amended to read:

Subd. 1b. **Public hearing.** Within ~~45~~ 30 days after receiving notice under subdivision 1a, the commissioner shall conduct a public hearing on the scheduled cessation of operations, curtailment of operations, relocation of health services, or cessation in offering health services. The commissioner must provide adequate public notice of the hearing in a time and manner determined by the commissioner. The controlling persons of the hospital or hospital campus must participate in the public hearing. The public hearing must be held at a location that is within 30 miles of the hospital or hospital campus and that is provided or arranged by the hospital or hospital campus. A hospital or hospital campus is encouraged to hold the public hearing at a location that is within ten miles of the hospital or hospital campus. Video conferencing technology must be used to allow members of the public to view and participate in the hearing. The public hearing must include:

(1) an explanation by the controlling persons of the reasons for ceasing or curtailing operations, relocating health services, or ceasing to offer any of the listed health services;

(2) a description of the actions that controlling persons will take to ensure that residents in the hospital's or campus's service area have continued access to the health services being eliminated, curtailed, or relocated;

(3) an opportunity for public testimony on the scheduled cessation or curtailment of operations, relocation of health services, or cessation in offering any of the listed health services, and on the hospital's or campus's plan to ensure continued access to those health services being eliminated, curtailed, or relocated; and

(4) an opportunity for the controlling persons to respond to questions from interested persons.

Sec. 10. Minnesota Statutes 2022, section 144.555, is amended by adding a subdivision to read:

Subd. 1d. **Methods of providing notice; content of notice.** (a) A notice required under subdivision 1a must be provided to patients, hospital personnel, the public, local units of government, and the commissioner of health using at least the following methods:

(1) posting a notice of the proposed cessation of operations, curtailment, relocation of health services, or cessation in offering health services at the main public entrance of the hospital or hospital campus;

(2) providing written notice to the commissioner of health, to the city council in the city where the hospital or hospital campus is located, and to the county board in the county where the hospital or hospital campus is located;

(3) providing written notice to the local health department as defined in section 145A.02, subdivision 8b, for the community where the hospital or hospital campus is located;

(4) providing notice to the public through a written public announcement which must be distributed to local media outlets;

(5) providing written notice to existing patients of the hospital or hospital campus; and

(6) notifying all personnel currently employed in the unit, hospital, or hospital campus impacted by the proposed cessation, curtailment, or relocation.

(b) A notice required under subdivision 1a must include:

(1) a description of the proposed cessation of operations, curtailment, relocation of health services, or cessation in offering health services. The description must include:

(i) the number of beds, if any, that will be eliminated, repurposed, reassigned, or otherwise reconfigured to serve populations or patients other than those currently served;

(ii) the current number of beds in the impacted unit, hospital, or hospital campus, and the number of beds in the impacted unit, hospital, or hospital campus after the proposed cessation, curtailment, or relocation takes place;

(iii) the number of existing patients who will be impacted by the proposed cessation, curtailment, or relocation;

(iv) any decrease in personnel, or relocation of personnel to a different unit, hospital, or hospital campus, caused by the proposed cessation, curtailment, or relocation;

(v) a description of the health services provided by the unit, hospital, or hospital campus impacted by the proposed cessation, curtailment, or relocation; and

(vi) identification of the three nearest available health care facilities where patients may obtain the health services provided by the unit, hospital, or hospital campus impacted by the proposed cessation, curtailment, or relocation, and any potential barriers to seamlessly transition patients to receive services at one of these facilities. If the unit, hospital, or hospital campus impacted by the proposed cessation, curtailment, or relocation serves medical assistance or Medicare enrollees, the information required under this item must specify whether any of the three nearest available facilities serves medical assistance or Medicare enrollees; and

(2) a telephone number, email address, and address for each of the following, to which interested parties may offer comments on the proposed cessation, curtailment, or relocation:

(i) the hospital or hospital campus; and

(ii) the parent entity, if any, or the entity under contract, if any, that acts as the corporate administrator of the hospital or hospital campus.

Sec. 11. Minnesota Statutes 2022, section 144.555, subdivision 2, is amended to read:

Subd. 2. **Penalty; facilities other than hospitals.** Failure to notify the commissioner under subdivision 1~~, 1a, or 1c or failure to participate in a public hearing under subdivision 1b~~ may result in issuance of a correction order under section 144.653, subdivision 5.

Sec. 12. Minnesota Statutes 2022, section 144.555, is amended by adding a subdivision to read:

Subd. 3. **Penalties; hospitals.** (a) Failure to participate in a public hearing under subdivision 1b or failure to notify the commissioner under subdivision 1c may result in issuance of a correction order under section 144.653, subdivision 5.

(b) Notwithstanding any law to the contrary, the commissioner must impose on the controlling persons of a hospital or hospital campus a fine of $20,000 for each failure to provide notice to an individual or entity or at a location required under subdivision 1d, paragraph (a), with the total fine amount imposed not to exceed $60,000 for failures to comply with the notice requirements for a single scheduled action. The commissioner is not required to issue a correction order before imposing a fine under this paragraph. Section 144.653, subdivision 8, applies to fines imposed under this paragraph.

Sec. 13. **[144.556] RIGHT OF FIRST REFUSAL; SALE OF HOSPITAL OR HOSPITAL CAMPUS.**

(a) The controlling persons of a hospital licensed under sections 144.50 to 144.56 or a hospital campus must not sell or convey the hospital or hospital campus, offer to sell or convey the hospital or hospital campus to a person other than a local unit of government listed in this paragraph, or voluntarily cease operations of the hospital or hospital campus unless the controlling persons have first made a good faith offer to sell or convey the hospital or hospital campus to the home rule charter or statutory city, county, town, or hospital district in which the hospital or hospital campus is located.

(b) The offer to sell or convey the hospital or hospital campus to a local unit of government under paragraph (a) must be at a price that does not exceed the current fair market value of the hospital or hospital campus. A party to whom an offer is made under paragraph (a) must accept or decline the offer within 60 days of receipt. If the party to whom the offer is made fails to respond within 60 days of receipt, the offer is deemed declined.

Sec. 14. Minnesota Statutes 2022, section 144A.70, subdivision 3, is amended to read:

Subd. 3. **Controlling person.** "Controlling person" means a business entity or entities, officer, program administrator, or director, whose responsibilities include ~~the direction of the management or policies of a supplemental nursing services agency~~ the management and decision-making authority to establish or control business policy and all other policies of a supplemental nursing services agency. Controlling person also means an individual who, directly or indirectly, beneficially owns an interest in a corporation, partnership, or other business association that is a controlling person.

Sec. 15. Minnesota Statutes 2022, section 144A.70, subdivision 5, is amended to read:

Subd. 5. **Person.** "Person" includes an individual, ~~firm,~~ corporation, partnership, limited liability company, or association.

Sec. 16. Minnesota Statutes 2022, section 144A.70, subdivision 6, is amended to read:

Subd. 6. **Supplemental nursing services agency.** "Supplemental nursing services agency" means a person, ~~firm,~~ corporation, partnership, limited liability company, or association engaged for hire in the business of providing or procuring temporary employment in health care facilities for nurses, nursing assistants, nurse aides, and orderlies. Supplemental nursing services agency does not include an individual who only engages in providing the individual's services on a temporary basis to health care facilities. Supplemental nursing services agency does not include a professional home care agency licensed under section 144A.471 that only provides staff to other home care providers.

Sec. 17. Minnesota Statutes 2022, section 144A.70, subdivision 7, is amended to read:

Subd. 7. **Oversight.** The commissioner is responsible for the oversight of supplemental nursing services agencies through ~~annual~~ semiannual unannounced surveys and follow-up surveys, complaint investigations under sections 144A.51 to 144A.53, and other actions necessary to ensure compliance with sections 144A.70 to 144A.74.

Sec. 18. Minnesota Statutes 2022, section 144A.71, subdivision 2, is amended to read:

Subd. 2. **Application information and fee.** The commissioner shall establish forms and procedures for processing each supplemental nursing services agency registration application. An application for a supplemental nursing services agency registration must include at least the following:

(1) the names and addresses of ~~the owner or owners~~ all owners and controlling persons of the supplemental nursing services agency;

(2) if the owner is a corporation, copies of its articles of incorporation and current bylaws, together with the names and addresses of its officers and directors;

(3) ~~satisfactory proof of compliance with section 144A.72, subdivision 1, clauses (5) to (7)~~ if the owner is a limited liability company, copies of its articles of organization and operating agreement, together with the names and addresses of its officers and directors;

(4) documentation that the supplemental nursing services agency has medical malpractice insurance to insure against the loss, damage, or expense of a claim arising out of the death or injury of any person as the result of negligence or malpractice in the provision of health care services by the supplemental nursing services agency or by any employee of the agency;

(5) documentation that the supplemental nursing services agency has an employee dishonesty bond in the amount of $10,000;

(6) documentation that the supplemental nursing services agency has insurance coverage for workers' compensation for all nurses, nursing assistants, nurse aides, and orderlies provided or procured by the agency;

(7) documentation that the supplemental nursing services agency filed with the commissioner of revenue: (i) the name and address of the bank, savings bank, or savings association in which the supplemental nursing services agency deposits all employee income tax withholdings; and (ii) the name and address of any nurse, nursing assistant, nurse aide, or orderly whose income is derived from placement by the agency, if the agency purports the income is not subject to withholding;

~~(4)~~ (8) any other relevant information that the commissioner determines is necessary to properly evaluate an application for registration;

~~(5)~~ (9) a policy and procedure that describes how the supplemental nursing services agency's records will be immediately available at all times to the commissioner and facility; and

~~(6)~~ (10) a nonrefundable registration fee of $2,035.

If a supplemental nursing services agency fails to provide the items in this subdivision to the department, the commissioner shall immediately suspend or refuse to issue the supplemental nursing services agency registration. The supplemental nursing services agency may appeal the commissioner's findings according to section 144A.475, subdivisions 3a and 7, except that the hearing must be conducted by an administrative law judge within 60 calendar days of the request for hearing assignment.

Sec. 19. Minnesota Statutes 2022, section 144A.71, is amended by adding a subdivision to read:

Subd. 2a. **Renewal applications.** An applicant for registration renewal must complete the registration application form supplied by the department. An application must be submitted at least 60 days before the expiration of the current registration.

Sec. 20. **[144A.715] PENALTIES.**

Subdivision 1. **Authority.** The fines imposed under this section are in accordance with section 144.653, subdivision 6.

Subd. 2. **Fines.** Each violation of sections 144A.70 to 144A.74, not corrected at the time of a follow-up survey, is subject to a fine. A fine must be assessed according to the schedules established in the sections violated.

Subd. 3. **Failure to correct.** If, upon a subsequent follow-up survey after a fine has been imposed under subdivision 2, a violation is still not corrected, another fine shall be assessed. The fine shall be double the amount of the previous fine.

Subd. 4. **Payment of fines.** Payment of fines is due 15 business days from the registrant's receipt of notice of the fine from the department.

Sec. 21. Minnesota Statutes 2022, section 144A.72, subdivision 1, is amended to read:

Subdivision 1. **Minimum criteria.** (a) The commissioner shall require that, as a condition of registration:

(1) all owners and controlling persons must complete a background study under section 144.057 and receive a clearance or set aside of any disqualification;

~~(1)~~ (2) the supplemental nursing services agency shall document that each temporary employee provided to health care facilities currently meets the minimum licensing, training, and continuing education standards for the position in which the employee will be working and verifies competency for the position. A supplemental nursing services agency that violates this clause may be subject to a fine of $3,000;

~~(2)~~ (3) the supplemental nursing services agency shall comply with all pertinent requirements relating to the health and other qualifications of personnel employed in health care facilities;

~~(3)~~ (4) the supplemental nursing services agency must not restrict in any manner the employment opportunities of its employees~~;~~. A supplemental nursing services agency that violates this clause may be subject to a fine of $3,000;

~~(4) the supplemental nursing services agency shall carry medical malpractice insurance to insure against the loss, damage, or expense incident to a claim arising out of the death or injury of any person as the result of negligence or malpractice in the provision of health care services by the supplemental nursing services agency or by any employee of the agency;~~

~~(5) the supplemental nursing services agency shall carry an employee dishonesty bond in the amount of $10,000;~~

~~(6) the supplemental nursing services agency shall maintain insurance coverage for workers' compensation for all nurses, nursing assistants, nurse aides, and orderlies provided or procured by the agency;~~

~~(7) the supplemental nursing services agency shall file with the commissioner of revenue: (i) the name and address of the bank, savings bank, or savings association in which the supplemental nursing services agency deposits all employee income tax withholdings; and (ii) the name and address of any nurse, nursing assistant, nurse aide, or orderly whose income is derived from placement by the agency, if the agency purports the income is not subject to withholding;~~

~~(8)~~ (5) the supplemental nursing services agency must not, in any contract with any employee or health care facility, require the payment of liquidated damages, employment fees, or other compensation should the employee be hired as a permanent employee of a health care facility~~;~~. A supplemental nursing services agency that violates this clause may be subject to a fine of $3,000;

~~(9)~~ (6) the supplemental nursing services agency shall document that each temporary employee provided to health care facilities is an employee of the agency and is not an independent contractor; and

~~(10)~~ (7) the supplemental nursing services agency shall retain all records for five calendar years. All records of the supplemental nursing services agency must be immediately available to the department.

(b) In order to retain registration, the supplemental nursing services agency must provide services to a health care facility ~~during the year~~ in Minnesota within the past 12 months preceding the supplemental nursing services agency's registration renewal date.

Sec. 22. Minnesota Statutes 2022, section 144A.73, is amended to read:

144A.73 COMPLAINT SYSTEM.

The commissioner shall establish a system for reporting complaints against a supplemental nursing services agency or its employees. Complaints may be made by any member of the public. Complaints against a supplemental nursing services agency shall be investigated by the ~~Office of Health Facility Complaints~~ commissioner of health under sections 144A.51 to 144A.53.

Sec. 23. Minnesota Statutes 2023 Supplement, section 145.561, subdivision 4, is amended to read:

Subd. 4. **988 telecommunications fee.** (a) In compliance with the National Suicide Hotline Designation Act of 2020, ~~the commissioner shall impose a monthly statewide fee on~~ each subscriber of a wireline, wireless, or IP-enabled voice service ~~at a rate that provides~~ must pay a monthly fee to provide for the robust creation, operation, and maintenance of a statewide 988 suicide prevention and crisis system.

~~(b) The commissioner shall annually recommend to the Public Utilities Commission an adequate and appropriate fee to implement this section. The amount of the fee must comply with the limits in paragraph (c). The commissioner shall provide telecommunication service providers and carriers a minimum of 45 days' notice of each fee change.~~

~~(c)~~ (b) The amount of the 988 telecommunications fee ~~must not be more than 25~~ is 12 cents per month ~~on or after January 1, 2024,~~ for each consumer access line, including trunk equivalents as designated by the ~~commission~~ Public Utilities Commission pursuant to section 403.11, subdivision 1. The 988 telecommunications fee must be the same for all subscribers.

~~(d)~~ (c) Each wireline, wireless, and IP-enabled voice telecommunication service provider shall collect the 988 telecommunications fee and transfer the amounts collected to the commissioner of public safety in the same manner as provided in section 403.11, subdivision 1, paragraph (d).

~~(e)~~ (d) The commissioner of public safety shall deposit the money collected from the 988 telecommunications fee to the 988 special revenue account established in subdivision 3.

~~(f)~~ (e) All 988 telecommunications fee revenue must be used to supplement, and not supplant, federal, state, and local funding for suicide prevention.

~~(g)~~ (f) The 988 telecommunications fee amount shall be adjusted as needed to provide for continuous operation of the lifeline centers and 988 hotline, volume increases, and maintenance.

~~(h)~~ (g) The commissioner shall annually report to the Federal Communications Commission on revenue generated by the 988 telecommunications fee.

EFFECTIVE DATE. This section is effective September 1, 2024.

Sec. 24. Minnesota Statutes 2022, section 149A.02, subdivision 3, is amended to read:

Subd. 3. **Arrangements for disposition.** "Arrangements for disposition" means any action normally taken by a funeral provider in anticipation of or preparation for the entombment, burial in a cemetery, alkaline hydrolysis, ~~or~~ cremation, or, effective July 1, 2025, natural organic reduction of a dead human body.

Sec. 25. Minnesota Statutes 2022, section 149A.02, subdivision 16, is amended to read:

Subd. 16. **Final disposition.** "Final disposition" means the acts leading to and the entombment, burial in a cemetery, alkaline hydrolysis, ~~or~~ cremation, or, effective July 1, 2025, natural organic reduction of a dead human body.

Sec. 26. Minnesota Statutes 2022, section 149A.02, subdivision 26a, is amended to read:

Subd. 26a. **Inurnment.** "Inurnment" means placing hydrolyzed or cremated remains in a hydrolyzed or cremated remains container suitable for placement, burial, or shipment. Effective July 1, 2025, inurnment also includes placing naturally reduced remains in a naturally reduced remains container suitable for placement, burial, or shipment.

Sec. 27. Minnesota Statutes 2022, section 149A.02, subdivision 27, is amended to read:

Subd. 27. **Licensee.** "Licensee" means any person or entity that has been issued a license to practice mortuary science, to operate a funeral establishment, to operate an alkaline hydrolysis facility, ~~or~~ to operate a crematory, or, effective July 1, 2025, to operate a natural organic reduction facility by the Minnesota commissioner of health.

Sec. 28. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision to read:

Subd. 30b. **Natural organic reduction or naturally reduce.** "Natural organic reduction" or "naturally reduce" means the contained, accelerated conversion of a dead human body to soil. This subdivision is effective July 1, 2025.

Sec. 29. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision to read:

Subd. 30c. **Natural organic reduction facility.** "Natural organic reduction facility" means a structure, room, or other space in a building or real property where natural organic reduction of a dead human body occurs. This subdivision is effective July 1, 2025.

Sec. 30. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision to read:

Subd. 30d. **Natural organic reduction vessel.** "Natural organic reduction vessel" means the enclosed container in which natural organic reduction takes place. This subdivision is effective July 1, 2025.

Sec. 31. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision to read:

Subd. 30e. **Naturally reduced remains.** "Naturally reduced remains" means the soil remains following the natural organic reduction of a dead human body and the accompanying plant material. This subdivision is effective July 1, 2025.

Sec. 32. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision to read:

Subd. 30f. **Naturally reduced remains container.** "Naturally reduced remains container" means a receptacle in which naturally reduced remains are placed. This subdivision is effective July 1, 2025.

Sec. 33. Minnesota Statutes 2022, section 149A.02, subdivision 35, is amended to read:

Subd. 35. **Processing.** "Processing" means the removal of foreign objects, drying or cooling, and the reduction of the hydrolyzed ~~or~~ remains, cremated remains, or, effective July 1, 2025, naturally reduced remains by mechanical means including, but not limited to, grinding, crushing, or pulverizing, to a granulated appearance appropriate for final disposition.

Sec. 34. Minnesota Statutes 2022, section 149A.02, subdivision 37c, is amended to read:

Subd. 37c. **Scattering.** "Scattering" means the authorized dispersal of hydrolyzed ~~or~~ remains, cremated remains, or, effective July 1, 2025, naturally reduced remains in a defined area of a dedicated cemetery or in areas where no local prohibition exists provided that the hydrolyzed ~~or,~~ cremated, or naturally reduced remains are not distinguishable to the public, are not in a container, and that the person who has control over disposition of the hydrolyzed ~~or,~~ cremated, or naturally reduced remains has obtained written permission of the property owner or governing agency to scatter on the property.

Sec. 35. Minnesota Statutes 2022, section 149A.03, is amended to read:

149A.03 DUTIES OF COMMISSIONER.

The commissioner shall:

(1) enforce all laws and adopt and enforce rules relating to the:

(i) removal, preparation, transportation, arrangements for disposition, and final disposition of dead human bodies;

(ii) licensure and professional conduct of funeral directors, morticians, interns, practicum students, and clinical students;

(iii) licensing and operation of a funeral establishment;

(iv) licensing and operation of an alkaline hydrolysis facility; ~~and~~

(v) licensing and operation of a crematory; and

(vi) effective July 1, 2025, licensing and operation of a natural organic reduction facility;

(2) provide copies of the requirements for licensure and permits to all applicants;

(3) administer examinations and issue licenses and permits to qualified persons and other legal entities;

(4) maintain a record of the name and location of all current licensees and interns;

(5) perform periodic compliance reviews and premise inspections of licensees;

(6) accept and investigate complaints relating to conduct governed by this chapter;

(7) maintain a record of all current preneed arrangement trust accounts;

(8) maintain a schedule of application, examination, permit, and licensure fees, initial and renewal, sufficient to cover all necessary operating expenses;

(9) educate the public about the existence and content of the laws and rules for mortuary science licensing and the removal, preparation, transportation, arrangements for disposition, and final disposition of dead human bodies to enable consumers to file complaints against licensees and others who may have violated those laws or rules;

(10) evaluate the laws, rules, and procedures regulating the practice of mortuary science in order to refine the standards for licensing and to improve the regulatory and enforcement methods used; and

(11) initiate proceedings to address and remedy deficiencies and inconsistencies in the laws, rules, or procedures governing the practice of mortuary science and the removal, preparation, transportation, arrangements for disposition, and final disposition of dead human bodies.

Sec. 36. **[149A.56] LICENSE TO OPERATE A NATURAL ORGANIC REDUCTION FACILITY.**

Subdivision 1. **License requirement.** This section is effective July 1, 2025. Except as provided in section 149A.01, subdivision 3, no person shall maintain, manage, or operate a place or premises devoted to or used in the holding and natural organic reduction of a dead human body without possessing a valid license to operate a natural organic reduction facility issued by the commissioner of health.

Subd. 2. **Requirements for natural organic reduction facility.** (a) A natural organic reduction facility licensed under this section must consist of:

(1) a building or structure that complies with applicable local and state building codes, zoning laws and ordinances, and environmental standards, and that contains one or more natural organic reduction vessels for the natural organic reduction of dead human bodies;

(2) a motorized mechanical device for processing naturally reduced remains; and

(3) an appropriate refrigerated holding facility for dead human bodies awaiting natural organic reduction.

(b) A natural organic reduction facility licensed under this section may also contain a display room for funeral goods.

Subd. 3. **Application procedure; documentation; initial inspection.** (a) An applicant for a license to operate a natural organic reduction facility shall submit a completed application to the commissioner. A completed application includes:

(1) a completed application form, as provided by the commissioner;

(2) proof of business form and ownership; and

(3) proof of liability insurance coverage or other financial documentation, as determined by the commissioner, that demonstrates the applicant's ability to respond in damages for liability arising from the ownership, maintenance, management, or operation of a natural organic reduction facility.

(b) Upon receipt of the application and appropriate fee, the commissioner shall review and verify all information. Upon completion of the verification process and resolution of any deficiencies in the application information, the commissioner shall conduct an initial inspection of the premises to be licensed. After the inspection and resolution of any deficiencies found and any reinspections as may be necessary, the commissioner shall make a determination, based on all the information available, to grant or deny licensure. If the commissioner's determination is to grant the license, the applicant shall be notified and the license shall issue and remain valid for a period prescribed on the license, but not to exceed one calendar year from the date of issuance of the license. If the commissioner's determination is to deny the license, the commissioner must notify the applicant, in writing, of the denial and provide the specific reason for denial.

Subd. 4. **Nontransferability of license.** A license to operate a natural organic reduction facility is not assignable or transferable and shall not be valid for any entity other than the one named. Each license issued to operate a natural organic reduction facility is valid only for the location identified on the license. A 50 percent or more change in ownership or location of the natural organic reduction facility automatically terminates the license. Separate licenses shall be required of two or more persons or other legal entities operating from the same location.

Subd. 5. **Display of license.** Each license to operate a natural organic reduction facility must be conspicuously displayed in the natural organic reduction facility at all times. Conspicuous display means in a location where a member of the general public within the natural organic reduction facility is able to observe and read the license.

Subd. 6. **Period of licensure.** All licenses to operate a natural organic reduction facility issued by the commissioner are valid for a period of one calendar year beginning on July 1 and ending on June 30, regardless of the date of issuance.

Subd. 7. **Reporting changes in license information.** Any change of license information must be reported to the commissioner, on forms provided by the commissioner, no later than 30 calendar days after the change occurs. Failure to report changes is grounds for disciplinary action.

Subd. 8. **Licensing information.** Section 13.41 applies to data collected and maintained by the commissioner pursuant to this section.

Sec. 37. **[149A.57] RENEWAL OF LICENSE TO OPERATE A NATURAL ORGANIC REDUCTION FACILITY.**

Subdivision 1. **Renewal required.** This section is effective July 1, 2025. All licenses to operate a natural organic reduction facility issued by the commissioner expire on June 30 following the date of issuance of the license and must be renewed to remain valid.

Subd. 2. **Renewal procedure and documentation.** (a) Licensees who wish to renew their licenses must submit to the commissioner a completed renewal application no later than June 30 following the date the license was issued. A completed renewal application includes:

(1) a completed renewal application form, as provided by the commissioner; and

(2) proof of liability insurance coverage or other financial documentation, as determined by the commissioner, that demonstrates the applicant's ability to respond in damages for liability arising from the ownership, maintenance, management, or operation of a natural organic reduction facility.

(b) Upon receipt of the completed renewal application, the commissioner shall review and verify the information. Upon completion of the verification process and resolution of any deficiencies in the renewal application information, the commissioner shall make a determination, based on all the information available, to reissue or refuse to reissue the license. If the commissioner's determination is to reissue the license, the applicant shall be notified and the license shall issue and remain valid for a period prescribed on the license, but not to exceed one calendar year from the date of issuance of the license. If the commissioner's determination is to refuse to reissue the license, section 149A.09, subdivision 2, applies.

Subd. 3. **Penalty for late filing.** Renewal applications received after the expiration date of a license will result in the assessment of a late filing penalty. The late filing penalty must be paid before the reissuance of the license and received by the commissioner no later than 31 calendar days after the expiration date of the license.

Subd. 4. **Lapse of license.** A license to operate a natural organic reduction facility shall automatically lapse when a completed renewal application is not received by the commissioner within 31 calendar days after the expiration date of a license, or a late filing penalty assessed under subdivision 3 is not received by the commissioner within 31 calendar days after the expiration of a license.

Subd. 5. **Effect of lapse of license.** Upon the lapse of a license, the person to whom the license was issued is no longer licensed to operate a natural organic reduction facility in Minnesota. The commissioner shall issue a cease and desist order to prevent the lapsed license holder from operating a natural organic reduction facility in Minnesota and may pursue any additional lawful remedies as justified by the case.

Subd. 6. **Restoration of lapsed license.** The commissioner may restore a lapsed license upon receipt and review of a completed renewal application, receipt of the late filing penalty, and reinspection of the premises, provided that the receipt is made within one calendar year from the expiration date of the lapsed license and the cease and desist order issued by the commissioner has not been violated. If a lapsed license is not restored within one calendar year from the expiration date of the lapsed license, the holder of the lapsed license cannot be relicensed until the requirements in section 149A.56 are met.

Subd. 7. **Reporting changes in license information.** Any change of license information must be reported to the commissioner, on forms provided by the commissioner, no later than 30 calendar days after the change occurs. Failure to report changes is grounds for disciplinary action.

Subd. 8. **Licensing information.** Section 13.41 applies to data collected and maintained by the commissioner pursuant to this section.

Sec. 38. Minnesota Statutes 2022, section 149A.65, is amended by adding a subdivision to read:

Subd. 6a. **Natural organic reduction facilities.** This subdivision is effective July 1, 2025. The initial and renewal fee for a natural organic reduction facility is $425. The late fee charge for a license renewal is $100.

Sec. 39. Minnesota Statutes 2022, section 149A.70, subdivision 1, is amended to read:

Subdivision 1. **Use of titles.** Only a person holding a valid license to practice mortuary science issued by the commissioner may use the title of mortician, funeral director, or any other title implying that the licensee is engaged in the business or practice of mortuary science. Only the holder of a valid license to operate an alkaline hydrolysis facility issued by the commissioner may use the title of alkaline hydrolysis facility, water cremation, water-reduction, biocremation, green-cremation, resomation, dissolution, or any other title, word, or term implying that the licensee operates an alkaline hydrolysis facility. Only the holder of a valid license to operate a funeral establishment issued by the commissioner may use the title of funeral home, funeral chapel, funeral service, or any other title, word, or term implying that the licensee is engaged in the business or practice of mortuary science. Only the holder of a valid license to operate a crematory issued by the commissioner may use the title of crematory, crematorium, green-cremation, or any other title, word, or term implying that the licensee operates a crematory or crematorium. Effective July 1, 2025, only the holder of a valid license to operate a natural organic reduction facility issued by the commissioner may use the title of natural organic reduction facility, human composting, or any other title, word, or term implying that the licensee operates a natural organic reduction facility.

Sec. 40. Minnesota Statutes 2022, section 149A.70, subdivision 2, is amended to read:

Subd. 2. **Business location.** A funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility shall not do business in a location that is not licensed as a funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or natural organic reduction facility and shall not advertise a service that is available from an unlicensed location.

Sec. 41. Minnesota Statutes 2022, section 149A.70, subdivision 3, is amended to read:

Subd. 3. **Advertising.** No licensee, clinical student, practicum student, or intern shall publish or disseminate false, misleading, or deceptive advertising. False, misleading, or deceptive advertising includes, but is not limited to:

(1) identifying, by using the names or pictures of, persons who are not licensed to practice mortuary science in a way that leads the public to believe that those persons will provide mortuary science services;

(2) using any name other than the names under which the funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility is known to or licensed by the commissioner;

(3) using a surname not directly, actively, or presently associated with a licensed funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility, unless the surname had been previously and continuously used by the licensed funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or natural organic reduction facility; and

(4) using a founding or establishing date or total years of service not directly or continuously related to a name under which the funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility is currently or was previously licensed.

Any advertising or other printed material that contains the names or pictures of persons affiliated with a funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility shall state the position held by the persons and shall identify each person who is licensed or unlicensed under this chapter.

Sec. 42. Minnesota Statutes 2022, section 149A.70, subdivision 5, is amended to read:

Subd. 5. **Reimbursement prohibited.** No licensee, clinical student, practicum student, or intern shall offer, solicit, or accept a commission, fee, bonus, rebate, or other reimbursement in consideration for recommending or causing a dead human body to be disposed of by a specific body donation program, funeral establishment, alkaline hydrolysis facility, crematory, mausoleum, ~~or~~ cemetery, or, effective July 1, 2025, natural organic reduction facility.

Sec. 43. Minnesota Statutes 2022, section 149A.71, subdivision 2, is amended to read:

Subd. 2. **Preventive requirements.** (a) To prevent unfair or deceptive acts or practices, the requirements of this subdivision must be met. This subdivision applies to natural organic reduction and naturally reduced remains goods and services effective July 1, 2025.

(b) Funeral providers must tell persons who ask by telephone about the funeral provider's offerings or prices any accurate information from the price lists described in paragraphs (c) to (e) and any other readily available information that reasonably answers the questions asked.

(c) Funeral providers must make available for viewing to people who inquire in person about the offerings or prices of funeral goods or burial site goods, separate printed or typewritten price lists using a ten-point font or larger. Each funeral provider must have a separate price list for each of the following types of goods that are sold or offered for sale:

(1) caskets;

(2) alternative containers;

(3) outer burial containers;

(4) alkaline hydrolysis containers;

(5) cremation containers;

(6) hydrolyzed remains containers;

(7) cremated remains containers;

(8) markers; ~~and~~

(9) headstones~~.~~; and

(10) naturally reduced remains containers.

(d) Each separate price list must contain the name of the funeral provider's place of business, address, and telephone number and a caption describing the list as a price list for one of the types of funeral goods or burial site goods described in paragraph (c), clauses (1) to ~~(9)~~ (10). The funeral provider must offer the list upon beginning discussion of, but in any event before showing, the specific funeral goods or burial site goods and must provide a photocopy of the price list, for retention, if so asked by the consumer. The list must contain, at least, the retail prices of all the specific funeral goods and burial site goods offered which do not require special ordering, enough information to identify each, and the effective date for the price list. However, funeral providers are not required to make a specific price list available if the funeral providers place the information required by this paragraph on the general price list described in paragraph (e).

(e) Funeral providers must give a printed price list, for retention, to persons who inquire in person about the funeral goods, funeral services, burial site goods, or burial site services or prices offered by the funeral provider. The funeral provider must give the list upon beginning discussion of either the prices of or the overall type of funeral service or disposition or specific funeral goods, funeral services, burial site goods, or burial site services offered by the provider. This requirement applies whether the discussion takes place in the funeral establishment or elsewhere. However, when the deceased is removed for transportation to the funeral establishment, an in-person request for authorization to embalm does not, by itself, trigger the requirement to offer the general price list. If the provider, in making an in-person request for authorization to embalm, discloses that embalming is not required by law except in certain special cases, the provider is not required to offer the general price list. Any other discussion during that time about prices or the selection of funeral goods, funeral services, burial site goods, or burial site services triggers the requirement to give the consumer a general price list. The general price list must contain the following information:

(1) the name, address, and telephone number of the funeral provider's place of business;

(2) a caption describing the list as a "general price list";

(3) the effective date for the price list;

(4) the retail prices, in any order, expressed either as a flat fee or as the prices per hour, mile, or other unit of computation, and other information described as follows:

(i) forwarding of remains to another funeral establishment, together with a list of the services provided for any quoted price;

(ii) receiving remains from another funeral establishment, together with a list of the services provided for any quoted price;

(iii) separate prices for each alkaline hydrolysis, natural organic reduction, or cremation offered by the funeral provider, with the price including an alternative container or shroud or alkaline hydrolysis facility or cremation container~~,~~; any alkaline hydrolysis, natural organic reduction facility, or crematory charges~~,~~; and a description of the services and container included in the price, where applicable, and the price of alkaline hydrolysis or cremation where the purchaser provides the container;

(iv) separate prices for each immediate burial offered by the funeral provider, including a casket or alternative container, and a description of the services and container included in that price, and the price of immediate burial where the purchaser provides the casket or alternative container;

(v) transfer of remains to the funeral establishment or other location;

(vi) embalming;

(vii) other preparation of the body;

(viii) use of facilities, equipment, or staff for viewing;

(ix) use of facilities, equipment, or staff for funeral ceremony;

(x) use of facilities, equipment, or staff for memorial service;

(xi) use of equipment or staff for graveside service;

(xii) hearse or funeral coach;

(xiii) limousine; and

(xiv) separate prices for all cemetery-specific goods and services, including all goods and services associated with interment and burial site goods and services and excluding markers and headstones;

(5) the price range for the caskets offered by the funeral provider, together with the statement "A complete price list will be provided at the funeral establishment or casket sale location." or the prices of individual caskets, as disclosed in the manner described in paragraphs (c) and (d);

(6) the price range for the alternative containers or shrouds offered by the funeral provider, together with the statement "A complete price list will be provided at the funeral establishment or alternative container sale location." or the prices of individual alternative containers, as disclosed in the manner described in paragraphs (c) and (d);

(7) the price range for the outer burial containers offered by the funeral provider, together with the statement "A complete price list will be provided at the funeral establishment or outer burial container sale location." or the prices of individual outer burial containers, as disclosed in the manner described in paragraphs (c) and (d);

(8) the price range for the alkaline hydrolysis container offered by the funeral provider, together with the statement "A complete price list will be provided at the funeral establishment or alkaline hydrolysis container sale location." or the prices of individual alkaline hydrolysis containers, as disclosed in the manner described in paragraphs (c) and (d);

(9) the price range for the hydrolyzed remains container offered by the funeral provider, together with the statement "A complete price list will be provided at the funeral establishment or hydrolyzed remains container sale location." or the prices of individual hydrolyzed remains container, as disclosed in the manner described in paragraphs (c) and (d);

(10) the price range for the cremation containers offered by the funeral provider, together with the statement "A complete price list will be provided at the funeral establishment or cremation container sale location." or the prices of individual cremation containers, as disclosed in the manner described in paragraphs (c) and (d);

(11) the price range for the cremated remains containers offered by the funeral provider, together with the statement, "A complete price list will be provided at the funeral establishment or cremated remains container sale location," or the prices of individual cremation containers as disclosed in the manner described in paragraphs (c) and (d);

(12) the price range for the naturally reduced remains containers offered by the funeral provider, together with the statement, "A complete price list will be provided at the funeral establishment or naturally reduced remains container sale location," or the prices of individual naturally reduced remains containers as disclosed in the manner described in paragraphs (c) and (d);

~~(12)~~ (13) the price for the basic services of funeral provider and staff, together with a list of the principal basic services provided for any quoted price and, if the charge cannot be declined by the purchaser, the statement "This fee for our basic services will be added to the total cost of the funeral arrangements you select. (This fee is already included in our charges for alkaline hydrolysis, natural organic reduction, direct cremations, immediate burials, and forwarding or receiving remains.)" If the charge cannot be declined by the purchaser, the quoted price shall include all charges for the recovery of unallocated funeral provider overhead, and funeral providers may include in the required disclosure the phrase "and overhead" after the word "services." This services fee is the only funeral provider fee for services, facilities, or unallocated overhead permitted by this subdivision to be nondeclinable, unless otherwise required by law;

~~(13)~~ (14) the price range for the markers and headstones offered by the funeral provider, together with the statement "A complete price list will be provided at the funeral establishment or marker or headstone sale location." or the prices of individual markers and headstones, as disclosed in the manner described in paragraphs (c) and (d); and

~~(14)~~ (15) any package priced funerals offered must be listed in addition to and following the information required in paragraph (e) and must clearly state the funeral goods and services being offered, the price being charged for those goods and services, and the discounted savings.

(f) Funeral providers must give an itemized written statement, for retention, to each consumer who arranges an at-need funeral or other disposition of human remains at the conclusion of the discussion of the arrangements. The itemized written statement must be signed by the consumer selecting the goods and services as required in section 149A.80. If the statement is provided by a funeral establishment, the statement must be signed by the licensed funeral director or mortician planning the arrangements. If the statement is provided by any other funeral provider, the statement must be signed by an authorized agent of the funeral provider. The statement must list the funeral goods, funeral services, burial site goods, or burial site services selected by that consumer and the prices to be paid for each item, specifically itemized cash advance items (these prices must be given to the extent then known or reasonably ascertainable if the prices are not known or reasonably ascertainable, a good faith estimate shall be given and a written statement of the actual charges shall be provided before the final bill is paid), and the total cost of goods and services selected. At the conclusion of an at-need arrangement, the funeral provider is required to give the consumer a copy of the signed itemized written contract that must contain the information required in this paragraph.

(g) Upon receiving actual notice of the death of an individual with whom a funeral provider has entered a preneed funeral agreement, the funeral provider must provide a copy of all preneed funeral agreement documents to the person who controls final disposition of the human remains or to the designee of the person controlling disposition. The person controlling final disposition shall be provided with these documents at the time of the person's first in-person contact with the funeral provider, if the first contact occurs in person at a funeral establishment, alkaline hydrolysis facility, crematory, natural organic reduction facility, or other place of business of the funeral provider. If the contact occurs by other means or at another location, the documents must be provided within 24 hours of the first contact.

Sec. 44. Minnesota Statutes 2022, section 149A.71, subdivision 4, is amended to read:

Subd. 4. **Casket, alternate container, alkaline hydrolysis container, naturally reduced remains container, and cremation container sales; records; required disclosures.** Any funeral provider who sells or offers to sell a casket, alternate container, alkaline hydrolysis container, hydrolyzed remains container, cremation container, ~~or~~ cremated remains container, or, effective July 1, 2025, naturally reduced remains container to the public must maintain a record of each sale that includes the name of the purchaser, the purchaser's mailing address, the name of the decedent, the date of the decedent's death, and the place of death. These records shall be open to inspection by the regulatory agency. Any funeral provider selling a casket, alternate container, or cremation container to the public, and not having charge of the final disposition of the dead human body, shall provide a copy of the statutes and rules controlling the removal, preparation, transportation, arrangements for disposition, and final disposition of a dead human body. This subdivision does not apply to morticians, funeral directors, funeral establishments, crematories, or wholesale distributors of caskets, alternate containers, alkaline hydrolysis containers, or cremation containers.

Sec. 45. Minnesota Statutes 2022, section 149A.72, subdivision 3, is amended to read:

Subd. 3. **Casket for alkaline hydrolysis, natural organic reduction, or cremation provisions; deceptive acts or practices.** In selling or offering to sell funeral goods or funeral services to the public, it is a deceptive act or practice for a funeral provider to represent that a casket is required for alkaline hydrolysis ~~or,~~ cremations, or, effective July 1, 2025, natural organic reduction by state or local law or otherwise.

Sec. 46. Minnesota Statutes 2022, section 149A.72, subdivision 9, is amended to read:

Subd. 9. **Deceptive acts or practices.** In selling or offering to sell funeral goods, funeral services, burial site goods, or burial site services to the public, it is a deceptive act or practice for a funeral provider to represent that federal, state, or local laws, or particular cemeteries, alkaline hydrolysis facilities, ~~or~~ crematories, or, effective July 1, 2025, natural organic reduction facilities require the purchase of any funeral goods, funeral services, burial site goods, or burial site services when that is not the case.

Sec. 47. Minnesota Statutes 2022, section 149A.73, subdivision 1, is amended to read:

Subdivision 1. **Casket for alkaline hydrolysis, natural organic reduction, or cremation provisions; deceptive acts or practices.** In selling or offering to sell funeral goods, funeral services, burial site goods, or burial site services to the public, it is a deceptive act or practice for a funeral provider to require that a casket be purchased for alkaline hydrolysis ~~or,~~ cremation, or, effective July 1, 2025, natural organic reduction.

Sec. 48. Minnesota Statutes 2022, section 149A.74, subdivision 1, is amended to read:

Subdivision 1. **Services provided without prior approval; deceptive acts or practices.** In selling or offering to sell funeral goods or funeral services to the public, it is a deceptive act or practice for any funeral provider to embalm a dead human body unless state or local law or regulation requires embalming in the particular circumstances regardless of any funeral choice which might be made, or prior approval for embalming has been obtained from an individual legally authorized to make such a decision. In seeking approval to embalm, the funeral provider must disclose that embalming is not required by law except in certain circumstances; that a fee will be charged if a funeral is selected which requires embalming, such as a funeral with viewing; and that no embalming fee will be charged if the family selects a service which does not require embalming, such as direct alkaline hydrolysis, direct cremation, ~~or~~ immediate burial, or, effective July 1, 2025, natural organic reduction.

Sec. 49. Minnesota Statutes 2022, section 149A.93, subdivision 3, is amended to read:

Subd. 3. **Disposition permit.** A disposition permit is required before a body can be buried, entombed, alkaline hydrolyzed, ~~or~~ cremated, or, effective July 1, 2025, naturally reduced. No disposition permit shall be issued until a fact of death record has been completed and filed with the state registrar of vital records.

Sec. 50. Minnesota Statutes 2022, section 149A.94, subdivision 1, is amended to read:

Subdivision 1. **Generally.** Every dead human body lying within the state, except unclaimed bodies delivered for dissection by the medical examiner, those delivered for anatomical study pursuant to section 149A.81, subdivision 2, or lawfully carried through the state for the purpose of disposition elsewhere; and the remains of any dead human body after dissection or anatomical study, shall be decently buried or entombed in a public or private cemetery, alkaline hydrolyzed, ~~or~~ cremated, or, effective July 1, 2025, naturally reduced within a reasonable time after death. Where final disposition of a body will not be accomplished, or, effective July 1, 2025, when natural organic reduction will not be initiated, within 72 hours following death or release of the body by a competent authority with jurisdiction over the body, the body must be properly embalmed, refrigerated, or packed with dry ice. A body may not be kept in refrigeration for a period exceeding six calendar days, or packed in dry ice for a period that exceeds four calendar days, from the time of death or release of the body from the coroner or medical examiner.

Sec. 51. Minnesota Statutes 2022, section 149A.94, subdivision 3, is amended to read:

Subd. 3. **Permit required.** No dead human body shall be buried, entombed, ~~or~~ cremated, alkaline hydrolyzed, or, effective July 1, 2025, naturally reduced without a disposition permit. The disposition permit must be filed with the person in charge of the place of final disposition. Where a dead human body will be transported out of this state for final disposition, the body must be accompanied by a certificate of removal.

Sec. 52. Minnesota Statutes 2022, section 149A.94, subdivision 4, is amended to read:

Subd. 4. **Alkaline hydrolysis ~~or,~~ cremation, or natural organic reduction.** Inurnment of alkaline hydrolyzed ~~or~~ remains, cremated remains, or, effective July 1, 2025, naturally reduced remains and release to an appropriate party is considered final disposition and no further permits or authorizations are required for transportation, interment, entombment, or placement of the ~~cremated~~ remains, except as provided in section 149A.95, subdivision 16.

Sec. 53. **[149A.955] NATURAL ORGANIC REDUCTION FACILITIES AND NATURAL ORGANIC REDUCTION.**

Subdivision 1. **License required.** This section is effective July 1, 2025. A dead human body may only undergo natural organic reduction in this state at a natural organic reduction facility licensed by the commissioner of health.

Subd. 2. **General requirements.** Any building to be used as a natural organic reduction facility must comply with all applicable local and state building codes, zoning laws and ordinances, and environmental standards. A natural organic reduction facility must have, on site, a natural organic reduction system approved by the commissioner and a motorized mechanical device for processing naturally reduced remains and must have, in the building, a refrigerated holding facility for the retention of dead human bodies awaiting natural organic reduction. The holding facility must be secure from access by anyone except the authorized personnel of the natural organic reduction facility, preserve the dignity of the remains, and protect the health and safety of the natural organic reduction facility personnel.

Subd. 3. **Aerobic reduction vessel.** A natural organic reduction facility must use as a natural organic reduction vessel, a contained reduction vessel that is designed to promote aerobic reduction and that minimizes odors.

Subd. 4. **Unlicensed personnel.** A licensed natural organic reduction facility may employ unlicensed personnel, provided that all applicable provisions of this chapter are followed. It is the duty of the licensed natural organic reduction facility to provide proper training for all unlicensed personnel, and the licensed natural organic reduction facility shall be strictly accountable for compliance with this chapter and other applicable state and federal regulations regarding occupational and workplace health and safety.

Subd. 5. **Authorization to naturally reduce.** No natural organic reduction facility shall naturally reduce or cause to be naturally reduced any dead human body or identifiable body part without receiving written authorization to do so from the person or persons who have the legal right to control disposition as described in section 149A.80 or the person's legal designee. The written authorization must include:

(1) the name of the deceased and the date of death of the deceased;

(2) a statement authorizing the natural organic reduction facility to naturally reduce the body;

(3) the name, address, phone number, relationship to the deceased, and signature of the person or persons with the legal right to control final disposition or a legal designee;

(4) directions for the disposition of any non-naturally reduced materials or items recovered from the natural organic reduction vessel;

(5) acknowledgment that some of the naturally reduced remains will be mechanically reduced to a granulated appearance and included in the appropriate containers with the naturally reduced remains; and

(6) directions for the ultimate disposition of the naturally reduced remains.

Subd. 6. **Limitation of liability.** The limitations in section 149A.95, subdivision 5, apply to natural organic reduction facilities.

Subd. 7. **Acceptance of delivery of body.** (a) No dead human body shall be accepted for final disposition by natural organic reduction unless:

(1) a licensed mortician is present;

(2) the body is wrapped in a container, such as a pouch or shroud, that is impermeable or leak-resistant;

(3) the body is accompanied by a disposition permit issued pursuant to section 149A.93, subdivision 3, including a photocopy of the complete death record or a signed release authorizing natural organic reduction received from a coroner or medical examiner; and

(4) the body is accompanied by a natural organic reduction authorization that complies with subdivision 5.

(b) A natural organic reduction facility shall refuse to accept delivery of the dead human body:

(1) where there is a known dispute concerning natural organic reduction of the body delivered;

(2) where there is a reasonable basis for questioning any of the representations made on the written authorization to naturally reduce; or

(3) for any other lawful reason.

(c) When a container, pouch, or shroud containing a dead human body shows evidence of leaking bodily fluid, the container, pouch, or shroud and the body must be returned to the contracting funeral establishment, or the body must be transferred to a new container, pouch, or shroud by a licensed mortician.

(d) If a dead human body is delivered to a natural organic reduction facility in a container, pouch, or shroud that is not suitable for placement in a natural organic reduction vessel, the transfer of the body to the vessel must be performed by a licensed mortician.

Subd. 8. **Bodies awaiting natural organic reduction.** A dead human body must be placed in the natural organic reduction vessel to initiate the natural reduction process within 24 hours after the natural organic reduction facility accepts legal and physical custody of the body.

Subd. 9. **Handling of dead human bodies.** All natural organic reduction facility employees handling the containers, pouches, or shrouds for dead human bodies shall use universal precautions and otherwise exercise all reasonable precautions to minimize the risk of transmitting any communicable disease from the body. No dead human body shall be removed from the container, pouch, or shroud in which it is delivered to the natural organic

reduction facility without express written authorization of the person or persons with legal right to control the disposition and only by a licensed mortician. The remains shall be considered a dead human body until after the processing and curing of the remains are completed.

Subd. 10. **Identification of the body.** All licensed natural organic reduction facilities shall develop, implement, and maintain an identification procedure whereby dead human bodies can be identified from the time the natural organic reduction facility accepts delivery of the body until the naturally reduced remains are released to an authorized party. After natural organic reduction, an identifying disk, tab, or other permanent label shall be placed within the naturally reduced remains container or containers before the remains are released from the natural organic reduction facility. Each identification disk, tab, or label shall have a number that shall be recorded on all paperwork regarding the decedent. This procedure shall be designed to reasonably ensure that the proper body is naturally reduced and that the remains are returned to the appropriate party. Loss of all or part of the remains or the inability to individually identify the remains is a violation of this subdivision.

Subd. 11. **Natural organic reduction vessel for human remains.** A licensed natural organic reduction facility shall knowingly naturally reduce only dead human bodies or human remains in a natural organic reduction vessel.

Subd. 12. **Natural organic reduction procedures; privacy.** The final disposition of dead human bodies by natural organic reduction shall be done in privacy. Unless there is written authorization from the person with the legal right to control the final disposition, only authorized natural organic reduction facility personnel shall be permitted in the natural organic reduction area while any human body is awaiting placement in a natural organic reduction vessel, being removed from the vessel, or being processed for placement in a naturally reduced remains container. This does not prohibit an in-person laying-in ceremony to honor the deceased and the transition prior to the placement.

Subd. 13. **Natural organic reduction procedures; commingling of bodies prohibited.** Except with the express written permission of the person with the legal right to control the final disposition, no natural organic reduction facility shall naturally reduce more than one dead human body at the same time and in the same natural organic reduction vessel or introduce a second dead human body into same natural organic reduction vessel until reasonable efforts have been employed to remove all fragments of remains from the preceding natural organic reduction. This subdivision does not apply where commingling of human remains during natural organic reduction is otherwise provided by law. The fact that there is incidental and unavoidable residue in the natural organic reduction vessel used in a prior natural organic reduction is not a violation of this subdivision.

Subd. 14. **Natural organic reduction procedures; removal from natural organic reduction vessel.** Upon completion of the natural organic reduction process, reasonable efforts shall be made to remove from the natural organic reduction vessel all the recoverable naturally reduced remains. The naturally reduced remains shall be transported to the processing area, and any non-naturally reducible materials or items shall be separated from the naturally reduced remains and disposed of, in any lawful manner, by the natural organic reduction facility.

Subd. 15. **Natural organic reduction procedures; processing naturally reduced remains.** The remaining intact naturally reduced remains shall be reduced by a motorized mechanical processor to a granulated appearance. The granulated remains and the rest of the naturally reduced remains shall be returned to a natural organic reduction vessel for final reduction.

Subd. 16. **Natural organic reduction procedures; commingling of naturally reduced remains prohibited.** Except with the express written permission of the person with the legal right to control the final deposition or as otherwise provided by law, no natural organic reduction facility shall mechanically process the naturally reduced remains of more than one body at a time in the same mechanical processor, or introduce the naturally reduced remains of a second body into a mechanical processor until reasonable efforts have been employed to remove all fragments of naturally reduced remains already in the processor. The presence of incidental and unavoidable residue in the mechanical processor does not violate this subdivision.

Subd. 17. **Natural organic reduction procedures; testing naturally reduced remains.** A natural organic reduction facility must:

(1) ensure that the material in the natural organic reduction vessel naturally reaches and maintains a minimum temperature of 131 degrees Fahrenheit for a minimum of 72 consecutive hours during the process of natural organic reduction;

(2) analyze each instance of the naturally reduced remains for physical contaminants, including but are not limited to intact bone, dental fillings, and medical implants, and ensure naturally reduced remains have less than 0.01 mg/kg dry weight of any physical contaminants;

(3) collect material samples for analysis that are representative of each instance of natural organic reduction, using a sampling method such as that described in the U.S. Composting Council 2002 Test Methods for the Examination of Composting and Compost, method 02.01-A through E;

(4) develop and use a natural organic reduction process in which the naturally reduced remains from the process do not exceed the following limits:

Metals and other testing parameters	**Limit (mg/kg dry weight), unless otherwise specified**
Fecal coliform	Less than 1,000 most probable number per gram of total solids (dry weight)
Salmonella	Less than 3 most probable number per 4 grams of total solids (dry weight)
Arsenic	Less than or equal to 11 ppm
Cadmium	Less than or equal to 7.1 ppm
Lead	Less than or equal to 150 ppm
Mercury	Less than or equal to 8 ppm
Selenium	Less than or equal to 18 ppm;

(5) analyze, using a third-party laboratory, the natural organic reduction facility's material samples of naturally reduced remains according to the following schedule:

(i) the natural organic reduction facility must analyze each of the first 20 instances of naturally reduced remains for the parameters in clause (4);

(ii) if any of the first 20 instances of naturally reduced remains yield results exceeding the limits in clause (4), the natural organic reduction facility must conduct appropriate processes to correct the levels of the substances in clause (4) and have the resultant remains tested to ensure they fall within the identified limits;

(iii) if any of the first 20 instances of naturally reduced remains yield results exceeding the limits in clause (4), the natural organic reduction facility must analyze each additional instance of naturally reduced remains for the parameters in clause (4) until a total of 20 samples, not including those from remains that were reprocessed as required in item (ii), have yielded results within the limits in clause (4) on initial testing;

(iv) after 20 material samples of naturally reduced remains have met the limits in clause (4), the natural organic reduction facility must analyze at least 25 percent of the natural organic reduction facility's monthly instances of naturally reduced remains for the parameters in clause (4) until 80 total material samples of naturally reduced remains are found to meet the limits in clause (4), not including any samples that required reprocessing to meet those limits; and

(v) after 80 material samples of naturally reduced remains are found to meet the limits in clause (4), the natural organic reduction facility must analyze at least one instance of naturally reduced remains each month for the parameters in clause (4);

(6) comply with any testing requirements established by the commissioner for content parameters in addition to those specified in clause (4);

(7) not release any naturally reduced remains that exceed the limits in clause (4); and

(8) prepare, maintain, and provide to the commissioner upon request, a report for each calendar year detailing the natural organic reduction facility's activities during the previous calendar year. The report must include the following information:

(i) the name and address of the natural organic reduction facility;

(ii) the calendar year covered by the report;

(iii) the annual quantity of naturally reduced remains;

(iv) the results of any laboratory analyses of naturally reduced remains; and

(v) any additional information required by the commissioner.

Subd. 18. **Natural organic reduction procedures; use of more than one naturally reduced remains container.** If the naturally reduced remains are to be separated into two or more naturally reduced remains containers according to the directives provided in the written authorization for natural organic reduction, all of the containers shall contain duplicate identification disks, tabs, or permanent labels and all paperwork regarding the given body shall include a notation of the number of and disposition of each container, as provided in the written authorization.

Subd. 19. **Natural organic reduction procedures; disposition of accumulated residue.** Every natural organic reduction facility shall provide for the removal and disposition of any accumulated residue from any natural organic reduction vessel, mechanical processor, or other equipment used in natural organic reduction. Disposition of accumulated residue shall be by any lawful manner deemed appropriate.

Subd. 20. **Natural organic reduction procedures; release of naturally reduced remains.** Following completion of the natural organic reduction process, the inurned naturally reduced remains shall be released according to the instructions given on the written authorization for natural organic reduction. If the remains are to be shipped, they must be securely packaged and transported by a method which has an internal tracing system available and which provides a receipt signed by the person accepting delivery. Where there is a dispute over release or disposition of the naturally reduced remains, a natural organic reduction facility may deposit the naturally reduced remains in accordance with the directives of a court of competent jurisdiction pending resolution of the dispute or retain the naturally reduced remains until the person with the legal right to control disposition presents satisfactory indication that the dispute is resolved. A natural organic reduction facility must not sell naturally reduced remains and must make every effort to not release naturally reduced remains for sale or for use for commercial purposes.

Subd. 21. **Unclaimed naturally reduced remains.** If, after 30 calendar days following the inurnment, the naturally reduced remains are not claimed or disposed of according to the written authorization for natural organic reduction, the natural organic reduction facility shall give written notice, by certified mail, to the person with the legal right to control the final disposition or a legal designee, that the naturally reduced remains are unclaimed and

requesting further release directions. Should the naturally reduced remains be unclaimed 120 calendar days following the mailing of the written notification, the natural organic reduction facility may return the remains to the earth respectfully in any lawful manner deemed appropriate.

Subd. 22. **Required records.** Every natural organic reduction facility shall create and maintain on its premises or other business location in Minnesota an accurate record of every natural organic reduction provided. The record shall include all of the following information for each natural organic reduction:

(1) the name of the person or funeral establishment delivering the body for natural organic reduction;

(2) the name of the deceased and the identification number assigned to the body;

(3) the date of acceptance of delivery;

(4) the names of the operator of the natural organic reduction process and mechanical processor operator;

(5) the times and dates that the body was placed in and removed from the natural organic reduction vessel;

(6) the time and date that processing and inurnment of the naturally reduced remains was completed;

(7) the time, date, and manner of release of the naturally reduced remains;

(8) the name and address of the person who signed the authorization for natural organic reduction;

(9) all supporting documentation, including any transit or disposition permits, a photocopy of the death record, and the authorization for natural organic reduction; and

(10) the type of natural organic reduction vessel.

Subd. 23. **Retention of records.** Records required under subdivision 22 shall be maintained for a period of three calendar years after the release of the naturally reduced remains. Following this period and subject to any other laws requiring retention of records, the natural organic reduction facility may then place the records in storage or reduce them to microfilm, a digital format, or any other method that can produce an accurate reproduction of the original record, for retention for a period of ten calendar years from the date of release of the naturally reduced remains. At the end of this period and subject to any other laws requiring retention of records, the natural organic reduction facility may destroy the records by shredding, incineration, or any other manner that protects the privacy of the individuals identified.

Sec. 54. **REQUEST FOR INFORMATION; EVALUATION OF STATEWIDE HEALTH CARE NEEDS AND CAPACITY AND PROJECTIONS OF FUTURE HEALTH CARE NEEDS.**

(a) By November 1, 2024, the commissioner of health must publish a request for information to assist the commissioner in a future comprehensive evaluation of current health care needs and capacity in the state and projections of future health care needs in the state based on population and provider characteristics. The request for information:

(1) must provide guidance on defining the scope of the study and assist in answering methodological questions that will inform the development of a request for proposals to contract for performance of the study; and

(2) may address topics that include but are not limited to how to define health care capacity, expectations for capacity by geography or service type, how to consider health centers that have areas of particular expertise or services that generally have a higher margin, how hospital-based services should be considered as compared with evolving nonhospital-based services, the role of technology in service delivery, health care workforce supply issues, and other issues related to data or methods.

(b) By February 1, 2025, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over health care, with the results of the request for information and recommendations regarding conducting a comprehensive evaluation of current health care needs and capacity in the state and projections of future health care needs in the state.

Sec. 55. **REPEALER.**

Minnesota Statutes 2023 Supplement, section 144.0528, subdivision 5, is repealed.

ARTICLE 6
DEPARTMENT OF HEALTH POLICY

Section 1. **[62J.461] 340B COVERED ENTITY REPORT.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions apply.

(b) "340B covered entity" or "covered entity" means a covered entity as defined in United States Code, title 42, section 256b(a)(4), with a service address in Minnesota as of January 1 of the reporting year. 340B covered entity includes all entity types and grantees. All facilities that are identified as child sites or grantee associated sites under the federal 340B Drug Pricing Program are considered part of the 340B covered entity.

(c) "340B Drug Pricing Program" or "340B program" means the drug discount program established under United States Code, title 42, section 256b.

(d) "340B entity type" is the designation of the 340B covered entity according to the entity types specified in United States Code, title 42, section 256b(a)(4).

(e) "340B ID" is the unique identification number provided by the Health Resources and Services Administration to identify a 340B-eligible entity in the 340B Office of Pharmacy Affairs Information System.

(f) "Contract pharmacy" means a pharmacy with which a 340B covered entity has an arrangement to dispense drugs purchased under the 340B Drug Pricing Program.

(g) "Pricing unit" means the smallest dispensable amount of a prescription drug product that can be dispensed or administered.

Subd. 2. **Current registration.** Beginning April 1, 2024, each 340B covered entity must maintain a current registration with the commissioner in a form and manner prescribed by the commissioner. The registration must include the following information:

(1) the name of the 340B covered entity;

(2) the 340B ID of the 340B covered entity;

(3) the servicing address of the 340B covered entity; and

(4) the 340B entity type of the 340B covered entity.

Subd. 3. **Reporting by covered entities to the commissioner.** (a) Each 340B covered entity shall report to the commissioner by April 1, 2024, and by April 1 of each year thereafter, the following information for transactions conducted by the 340B covered entity or on its behalf, and related to its participation in the federal 340B program for the previous calendar year:

(1) the aggregated acquisition cost for prescription drugs obtained under the 340B program;

(2) the aggregated payment amount received for drugs obtained under the 340B program and dispensed or administered to patients;

(3) the number of pricing units dispensed or administered for prescription drugs described in clause (2); and

(4) the aggregated payments made:

(i) to contract pharmacies to dispense drugs obtained under the 340B program;

(ii) to any other entity that is not the covered entity and is not a contract pharmacy for managing any aspect of the covered entity's 340B program; and

(iii) for all other expenses related to administering the 340B program.

The information under clauses (2) and (3) must be reported by payer type, including but not limited to commercial insurance, medical assistance, MinnesotaCare, and Medicare, in the form and manner prescribed by the commissioner.

(b) For covered entities that are hospitals, the information required under paragraph (a), clauses (1) to (3), must also be reported at the national drug code level for the 50 most frequently dispensed or administered drugs by the facility under the 340B program.

(c) Data submitted to the commissioner under paragraphs (a) and (b) are classified as nonpublic data, as defined in section 13.02, subdivision 9.

Subd. 4. **Enforcement and exceptions.** (a) Any health care entity subject to reporting under this section that fails to provide data in the form and manner prescribed by the commissioner is subject to a fine paid to the commissioner of up to $500 for each day the data are past due. Any fine levied against the entity under this subdivision is subject to the contested case and judicial review provisions of sections 14.57 and 14.69.

(b) The commissioner may grant an entity an extension of or exemption from the reporting obligations under this subdivision, upon a showing of good cause by the entity.

Subd. 5. **Reports to the legislature.** By November 15, 2024, and by November 15 of each year thereafter, the commissioner shall submit to the chairs and ranking minority members of the legislative committees with jurisdiction over health care finance and policy, a report that aggregates the data submitted under subdivision 3, paragraphs (a) and (b). The following information must be included in the report for all 340B entities whose net 340B revenue constitutes a significant share, as determined by the commissioner, of all net 340B revenue across all 340B covered entities in Minnesota:

(1) the information submitted under subdivision 2; and

(2) for each 340B entity identified in subdivision 2, that entity's 340B net revenue as calculated using the data submitted under subdivision 3, paragraph (a), with net revenue being subdivision 3, paragraph (a), clause (2), less the sum of subdivision 3, paragraph (a), clauses (1) and (4).

For all other entities, the data in the report must be aggregated to the entity type or groupings of entity types in a manner that prevents the identification of an individual entity and any entity's specific data value reported for an individual data element.

Sec. 2. Minnesota Statutes 2022, section 62J.61, subdivision 5, is amended to read:

Subd. 5. ~~**Biennial review of rulemaking procedures and rules**~~ **Opportunity for comment.** The commissioner shall ~~biennially seek comments from affected parties~~ maintain an email address for submission of comments from interested parties to provide input about the effectiveness of and continued need for the rulemaking procedures set out in subdivision 2 and about the quality and effectiveness of rules adopted using these procedures. The commissioner ~~shall seek comments by holding a meeting and by publishing a notice in the State Register that contains the date, time, and location of the meeting and a statement that invites oral or written comments. The notice must be published at least 30 days before the meeting date. The commissioner shall write a report summarizing the comments and shall submit the report to the Minnesota Health Data Institute and to the Minnesota Administrative Uniformity Committee by January 15 of every even-numbered year~~ may seek additional input and provide additional opportunities for input as needed.

Sec. 3. Minnesota Statutes 2022, section 144.05, subdivision 7, is amended to read:

Subd. 7. **Expiration of report mandates.** (a) If the submission of a report by the commissioner of health to the legislature is mandated by statute and the enabling legislation does not include a date for the submission of a final report, the mandate to submit the report shall expire in accordance with this section.

(b) If the mandate requires the submission of an annual 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 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) The commissioner shall submit a list to the chairs and ranking minority members of the legislative committees with jurisdiction over health by February 15 of each year, beginning February 15, 2022, of all reports set to expire during the following calendar year in accordance with this section. The mandate to submit a report to the legislature under this paragraph does not expire.

EFFECTIVE DATE. This section is effective retroactively from January 1, 2024.

Sec. 4. Minnesota Statutes 2023 Supplement, section 144.0526, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The commissioner of health shall establish the Minnesota One Health Antimicrobial Stewardship Collaborative. The commissioner shall ~~appoint~~ hire a director to execute operations, conduct health education, and provide technical assistance.

Sec. 5. Minnesota Statutes 2022, section 144.058, is amended to read:

144.058 INTERPRETER SERVICES QUALITY INITIATIVE.

(a) The commissioner of health shall establish a voluntary statewide roster~~,~~ and develop a plan for a registry and certification process for interpreters who provide high quality, spoken language health care interpreter services. The roster, registry, and certification process shall be based on the findings and recommendations set forth by the Interpreter Services Work Group required under Laws 2007, chapter 147, article 12, section 13.

(b) By January 1, 2009, the commissioner shall establish a roster of all available interpreters to address access concerns, particularly in rural areas.

(c) By January 15, 2010, the commissioner shall:

(1) develop a plan for a registry of spoken language health care interpreters, including:

(i) development of standards for registration that set forth educational requirements, training requirements, demonstration of language proficiency and interpreting skills, agreement to abide by a code of ethics, and a criminal background check;

(ii) recommendations for appropriate alternate requirements in languages for which testing and training programs do not exist;

(iii) recommendations for appropriate fees; and

(iv) recommendations for establishing and maintaining the standards for inclusion in the registry; and

(2) develop a plan for implementing a certification process based on national testing and certification processes for spoken language interpreters 12 months after the establishment of a national certification process.

(d) The commissioner shall consult with the Interpreter Stakeholder Group of the Upper Midwest Translators and Interpreters Association for advice on the standards required to plan for the development of a registry and certification process.

(e) The commissioner shall charge an annual fee of $50 to include an interpreter in the roster. Fee revenue shall be deposited in the state government special revenue fund. All fees are nonrefundable.

Sec. 6. Minnesota Statutes 2022, section 144.0724, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given.

(a) "Assessment reference date" or "ARD" means the specific end point for look-back periods in the MDS assessment process. This look-back period is also called the observation or assessment period.

(b) "Case mix index" means the weighting factors assigned to the ~~RUG-IV~~ case mix reimbursement classifications determined by an assessment.

(c) "Index maximization" means classifying a resident who could be assigned to more than one category, to the category with the highest case mix index.

(d) "Minimum Data Set" or "MDS" means a core set of screening, clinical assessment, and functional status elements, that include common definitions and coding categories specified by the Centers for Medicare and Medicaid Services and designated by the Department of Health.

(e) "Representative" means a person who is the resident's guardian or conservator, the person authorized to pay the nursing home expenses of the resident, a representative of the Office of Ombudsman for Long-Term Care whose assistance has been requested, or any other individual designated by the resident.

~~(f) "Resource utilization groups" or "RUG" means the system for grouping a nursing facility's residents according to their clinical and functional status identified in data supplied by the facility's Minimum Data Set.~~

~~(g)~~ (f) "Activities of daily living" includes personal hygiene, dressing, bathing, transferring, bed mobility, locomotion, eating, and toileting.

~~(h)~~ (g) "Nursing facility level of care determination" means the assessment process that results in a determination of a resident's or prospective resident's need for nursing facility level of care as established in subdivision 11 for purposes of medical assistance payment of long-term care services for:

(1) nursing facility services under ~~section 256B.434 or~~ chapter 256R;

(2) elderly waiver services under chapter 256S;

(3) CADI and BI waiver services under section 256B.49; and

(4) state payment of alternative care services under section 256B.0913.

Sec. 7. Minnesota Statutes 2022, section 144.0724, subdivision 3a, is amended to read:

Subd. 3a. **Resident ~~reimbursement~~ case mix reimbursement classifications ~~beginning January 1, 2012~~.** (a) ~~Beginning January 1, 2012,~~ Resident ~~reimbursement~~ case mix reimbursement classifications shall be based on the Minimum Data Set, version 3.0 assessment instrument, or its successor version mandated by the Centers for Medicare and Medicaid Services that nursing facilities are required to complete for all residents. ~~The commissioner of health shall establish resident classifications according to the RUG-IV, 48 group, resource utilization groups. Resident classification must be established based on the individual items on the Minimum Data Set, which must be completed according to the Long Term Care Facility Resident Assessment Instrument User's Manual Version 3.0 or its successor issued by the Centers for Medicare and Medicaid Services.~~ Case mix reimbursement classifications shall also be based on assessments required under subdivision 4. Assessments must be completed according to the Long Term Care Facility Resident Assessment Instrument User's Manual Version 3.0 or a successor manual issued by the Centers for Medicare and Medicaid Services. The optional state assessment must be completed according to the OSA Manual Version 1.0 v.2.

(b) Each resident must be classified based on the information from the Minimum Data Set according to the general categories issued by the Minnesota Department of Health, utilized for reimbursement purposes.

Sec. 8. Minnesota Statutes 2022, section 144.0724, subdivision 4, is amended to read:

Subd. 4. **Resident assessment schedule.** (a) A facility must conduct and electronically submit to the federal database MDS assessments that conform with the assessment schedule defined by the Long Term Care Facility Resident Assessment Instrument User's Manual, version 3.0, or its successor issued by the Centers for Medicare and Medicaid Services. The commissioner of health may substitute successor manuals or question and answer documents published by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services, to replace or supplement the current version of the manual or document.

(b) The assessments required under the Omnibus Budget Reconciliation Act of 1987 (OBRA) used to determine a case mix reimbursement classification ~~for reimbursement~~ include:

(1) a new admission comprehensive assessment, which must have an assessment reference date (ARD) within 14 calendar days after admission, excluding readmissions;

(2) an annual comprehensive assessment, which must have an ARD within 92 days of a previous quarterly review assessment or a previous comprehensive assessment, which must occur at least once every 366 days;

(3) a significant change in status comprehensive assessment, which must have an ARD within 14 days after the facility determines, or should have determined, that there has been a significant change in the resident's physical or mental condition, whether an improvement or a decline, and regardless of the amount of time since the last comprehensive assessment or quarterly review assessment;

(4) a quarterly review assessment must have an ARD within 92 days of the ARD of the previous quarterly review assessment or a previous comprehensive assessment;

(5) any significant correction to a prior comprehensive assessment, if the assessment being corrected is the current one being used for ~~RUG~~ reimbursement classification;

(6) any significant correction to a prior quarterly review assessment, if the assessment being corrected is the current one being used for ~~RUG~~ reimbursement classification; and

~~(7) a required significant change in status assessment when:~~

~~(i) all speech, occupational, and physical therapies have ended. If the most recent OBRA comprehensive or quarterly assessment completed does not result in a rehabilitation case mix classification, then the significant change in status assessment is not required. The ARD of this assessment must be set on day eight after all therapy services have ended; and~~

~~(ii) isolation for an infectious disease has ended. If isolation was not coded on the most recent OBRA comprehensive or quarterly assessment completed, then the significant change in status assessment is not required. The ARD of this assessment must be set on day 15 after isolation has ended; and~~

(8) (7) any modifications to the most recent assessments under clauses (1) to ~~(7)~~ (6).

(c) The optional state assessment must accompany all OBRA assessments. The optional state assessment is also required to determine reimbursement when:

(i) all speech, occupational, and physical therapies have ended. If the most recent optional state assessment completed does not result in a rehabilitation case mix reimbursement classification, then the optional state assessment is not required. The ARD of this assessment must be set on day eight after all therapy services have ended; and

(ii) isolation for an infectious disease has ended. If isolation was not coded on the most recent optional state assessment completed, then the optional state assessment is not required. The ARD of this assessment must be set on day 15 after isolation has ended.

~~(c)~~ (d) In addition to the assessments listed in ~~paragraph~~ paragraphs (b) and (c), the assessments used to determine nursing facility level of care include the following:

(1) preadmission screening completed under section 256.975, subdivisions 7a to 7c, by the Senior LinkAge Line or other organization under contract with the Minnesota Board on Aging; and

(2) a nursing facility level of care determination as provided for under section 256B.0911, subdivision 26, as part of a face-to-face long-term care consultation assessment completed under section 256B.0911, by a county, tribe, or managed care organization under contract with the Department of Human Services.

Sec. 9. Minnesota Statutes 2022, section 144.0724, subdivision 6, is amended to read:

Subd. 6. **Penalties for late or nonsubmission.** (a) A facility that fails to complete or submit an assessment according to subdivisions 4 and 5 for a ~~RUG-IV~~ case mix reimbursement classification ~~within seven days of the time requirements listed in the Long-Term Care Facility Resident Assessment Instrument User's Manual~~ when the assessment is due is subject to a reduced rate for that resident. The reduced rate shall be the lowest rate for that facility. The reduced rate is effective on the day of admission for new admission assessments, on the ARD for significant change in status assessments, or on the day that the assessment was due for all other assessments and continues in effect until the first day of the month following the date of submission and acceptance of the resident's assessment.

(b) If loss of revenue due to penalties incurred by a facility for any period of 92 days are equal to or greater than 0.1 percent of the total operating costs on the facility's most recent annual statistical and cost report, a facility may apply to the commissioner of human services for a reduction in the total penalty amount. The commissioner of human services, in consultation with the commissioner of health, may, at the sole discretion of the commissioner of human services, limit the penalty for residents covered by medical assistance to ten days.

Sec. 10. Minnesota Statutes 2022, section 144.0724, subdivision 7, is amended to read:

Subd. 7. **Notice of resident ~~reimbursement~~ case mix reimbursement classification.** (a) The commissioner of health shall provide to a nursing facility a notice for each resident of the classification established under subdivision 1. The notice must inform the resident of the case mix reimbursement classification assigned, the opportunity to review the documentation supporting the classification, the opportunity to obtain clarification from the commissioner, ~~and~~ the opportunity to request a reconsideration of the classification, and the address and telephone number of the Office of Ombudsman for Long-Term Care. The commissioner must transmit the notice of resident classification by electronic means to the nursing facility. The nursing facility is responsible for the distribution of the notice to each resident or the resident's representative. This notice must be distributed within three business days after the facility's receipt.

(b) If a facility submits a ~~modifying~~ modified assessment resulting in a change in the case mix reimbursement classification, the facility must provide a written notice to the resident or the resident's representative regarding the item or items that were modified and the reason for the modifications. The written notice must be provided within three business days after distribution of the resident case mix reimbursement classification notice.

Sec. 11. Minnesota Statutes 2022, section 144.0724, subdivision 8, is amended to read:

Subd. 8. **Request for reconsideration of resident classifications.** (a) The resident, ~~or~~ the resident's representative, ~~or~~ the nursing facility, or the boarding care home may request that the commissioner of health reconsider the assigned ~~reimbursement~~ case mix reimbursement classification and any item or items changed during the audit process. The request for reconsideration must be submitted in writing to the commissioner of health.

(b) For reconsideration requests initiated by the resident or the resident's representative:

(1) The resident or the resident's representative must submit in writing a reconsideration request to the facility administrator within 30 days of receipt of the resident classification notice. The written request must include the reasons for the reconsideration request.

(2) Within three business days of receiving the reconsideration request, the nursing facility must submit to the commissioner of health a completed reconsideration request form, a copy of the resident's or resident's representative's written request, and all supporting documentation used to complete the assessment being ~~considered~~ reconsidered. If the facility fails to provide the required information, the reconsideration will be completed with the information submitted and the facility cannot make further reconsideration requests on this classification.

(3) Upon written request and within three business days, the nursing facility must give the resident or the resident's representative a copy of the assessment being reconsidered and all supporting documentation used to complete the assessment. Notwithstanding any law to the contrary, the facility may not charge a fee for providing copies of the requested documentation. If a facility fails to provide the required documents within this time, it is subject to the issuance of a correction order and penalty assessment under sections 144.653 and 144A.10. Notwithstanding those sections, any correction order issued under this subdivision must require that the nursing facility immediately comply with the request for information, and as of the date of the issuance of the correction order, the facility shall forfeit to the state a $100 fine for the first day of noncompliance, and an increase in the $100 fine by $50 increments for each day the noncompliance continues.

(c) For reconsideration requests initiated by the facility:

(1) The facility is required to inform the resident or the resident's representative in writing that a reconsideration of the resident's case mix reimbursement classification is being requested. The notice must inform the resident or the resident's representative:

(i) of the date and reason for the reconsideration request;

(ii) of the potential for a case mix reimbursement classification change and subsequent rate change;

(iii) of the extent of the potential rate change;

(iv) that copies of the request and supporting documentation are available for review; and

(v) that the resident or the resident's representative has the right to request a reconsideration also.

(2) Within 30 days of receipt of the audit exit report or resident classification notice, the facility must submit to the commissioner of health a completed reconsideration request form, all supporting documentation used to complete the assessment being reconsidered, and a copy of the notice informing the resident or the resident's representative that a reconsideration of the resident's classification is being requested.

(3) If the facility fails to provide the required information, the reconsideration request may be denied and the facility may not make further reconsideration requests on this classification.

(d) Reconsideration by the commissioner must be made by individuals not involved in reviewing the assessment, audit, or reconsideration that established the disputed classification. The reconsideration must be based upon the assessment that determined the classification and upon the information provided to the commissioner of health under paragraphs (a) to (c). If necessary for evaluating the reconsideration request, the commissioner may conduct on-site reviews. Within 15 business days of receiving the request for reconsideration, the commissioner shall affirm or

modify the original resident classification. The original classification must be modified if the commissioner determines that the assessment resulting in the classification did not accurately reflect characteristics of the resident at the time of the assessment. The commissioner must transmit the reconsideration classification notice by electronic means to the nursing facility. The nursing facility is responsible for the distribution of the notice to the resident or the resident's representative. The notice must be distributed by the nursing facility within three business days after receipt. A decision by the commissioner under this subdivision is the final administrative decision of the agency for the party requesting reconsideration.

(e) The case mix reimbursement classification established by the commissioner shall be the classification which applies to the resident while the request for reconsideration is pending. If a request for reconsideration applies to an assessment used to determine nursing facility level of care under subdivision 4, paragraph ~~(c)~~ (d), the resident shall continue to be eligible for nursing facility level of care while the request for reconsideration is pending.

(f) The commissioner may request additional documentation regarding a reconsideration necessary to make an accurate reconsideration determination.

(g) Data collected as part of the reconsideration process under this section is classified as private data on individuals and nonpublic data pursuant to section 13.02. Notwithstanding the classification of these data as private or nonpublic, the commissioner is authorized to share these data with the U.S. Centers for Medicare and Medicaid Services and the commissioner of human services as necessary for reimbursement purposes.

Sec. 12. Minnesota Statutes 2022, section 144.0724, subdivision 9, is amended to read:

Subd. 9. **Audit authority.** (a) The commissioner shall audit the accuracy of resident assessments performed under section 256R.17 through any of the following: desk audits; on-site review of residents and their records; and interviews with staff, residents, or residents' families. The commissioner shall reclassify a resident if the commissioner determines that the resident was incorrectly classified.

(b) The commissioner is authorized to conduct on-site audits on an unannounced basis.

(c) A facility must grant the commissioner access to examine the medical records relating to the resident assessments selected for audit under this subdivision. The commissioner may also observe and speak to facility staff and residents.

(d) The commissioner shall consider documentation under the time frames for coding items on the minimum data set as set out in the Long-Term Care Facility Resident Assessment Instrument User's Manual or OSA Manual version 1.0 v.2 published by the Centers for Medicare and Medicaid Services.

(e) The commissioner shall develop an audit selection procedure that includes the following factors:

(1) Each facility shall be audited annually. If a facility has two successive audits in which the percentage of change is five percent or less and the facility has not been the subject of a special audit in the past 36 months, the facility may be audited biannually. A stratified sample of 15 percent, with a minimum of ten assessments, of the most current assessments shall be selected for audit. If more than 20 percent of the ~~RUG-IV~~ case mix reimbursement classifications are changed as a result of the audit, the audit shall be expanded to a second 15 percent sample, with a minimum of ten assessments. If the total change between the first and second samples is 35 percent or greater, the commissioner may expand the audit to all of the remaining assessments.

(2) If a facility qualifies for an expanded audit, the commissioner may audit the facility again within six months. If a facility has two expanded audits within a 24-month period, that facility will be audited at least every six months for the next 18 months.

(3) The commissioner may conduct special audits if the commissioner determines that circumstances exist that could alter or affect the validity of case mix reimbursement classifications of residents. These circumstances include, but are not limited to, the following:

(i) frequent changes in the administration or management of the facility;

(ii) an unusually high percentage of residents in a specific case mix reimbursement classification;

(iii) a high frequency in the number of reconsideration requests received from a facility;

(iv) frequent adjustments of case mix reimbursement classifications as the result of reconsiderations or audits;

(v) a criminal indictment alleging provider fraud;

(vi) other similar factors that relate to a facility's ability to conduct accurate assessments;

(vii) an atypical pattern of scoring minimum data set items;

(viii) nonsubmission of assessments;

(ix) late submission of assessments; or

(x) a previous history of audit changes of 35 percent or greater.

(f) If the audit results in a case mix reimbursement classification change, the commissioner must transmit the audit classification notice by electronic means to the nursing facility within 15 business days of completing an audit. The nursing facility is responsible for distribution of the notice to each resident or the resident's representative. This notice must be distributed by the nursing facility within three business days after receipt. The notice must inform the resident of the case mix reimbursement classification assigned, the opportunity to review the documentation supporting the classification, the opportunity to obtain clarification from the commissioner, the opportunity to request a reconsideration of the classification, and the address and telephone number of the Office of Ombudsman for Long-Term Care.

Sec. 13. Minnesota Statutes 2022, section 144.0724, subdivision 11, is amended to read:

Subd. 11. **Nursing facility level of care.** (a) For purposes of medical assistance payment of long-term care services, a recipient must be determined, using assessments defined in subdivision 4, to meet one of the following nursing facility level of care criteria:

(1) the person requires formal clinical monitoring at least once per day;

(2) the person needs the assistance of another person or constant supervision to begin and complete at least four of the following activities of living: bathing, bed mobility, dressing, eating, grooming, toileting, transferring, and walking;

(3) the person needs the assistance of another person or constant supervision to begin and complete toileting, transferring, or positioning and the assistance cannot be scheduled;

(4) the person has significant difficulty with memory, using information, daily decision making, or behavioral needs that require intervention;

(5) the person has had a qualifying nursing facility stay of at least 90 days;

(6) the person meets the nursing facility level of care criteria determined 90 days after admission or on the first quarterly assessment after admission, whichever is later; or

(7) the person is determined to be at risk for nursing facility admission or readmission through a face-to-face long-term care consultation assessment as specified in section 256B.0911, subdivision 17 to 21, 23, 24, 27, or 28, by a county, tribe, or managed care organization under contract with the Department of Human Services. The person is considered at risk under this clause if the person currently lives alone or will live alone or be homeless without the person's current housing and also meets one of the following criteria:

(i) the person has experienced a fall resulting in a fracture;

(ii) the person has been determined to be at risk of maltreatment or neglect, including self-neglect; or

(iii) the person has a sensory impairment that substantially impacts functional ability and maintenance of a community residence.

(b) The assessment used to establish medical assistance payment for nursing facility services must be the most recent assessment performed under subdivision 4, ~~paragraph~~ paragraphs (b) and (c), that occurred no more than 90 calendar days before the effective date of medical assistance eligibility for payment of long-term care services. In no case shall medical assistance payment for long-term care services occur prior to the date of the determination of nursing facility level of care.

(c) The assessment used to establish medical assistance payment for long-term care services provided under chapter 256S and section 256B.49 and alternative care payment for services provided under section 256B.0913 must be the most recent face-to-face assessment performed under section 256B.0911, subdivisions 17 to 21, 23, 24, 27, or 28, that occurred no more than 60 calendar days before the effective date of medical assistance eligibility for payment of long-term care services.

Sec. 14. Minnesota Statutes 2022, section 144.1464, subdivision 1, is amended to read:

Subdivision 1. **Summer internships.** The commissioner of health, through a contract with a nonprofit organization as required by subdivision 4, shall award grants, within available appropriations, to hospitals, clinics, nursing facilities, assisted living facilities, and home care providers to establish a secondary and postsecondary summer health care intern program. The purpose of the program is to expose interested secondary and postsecondary pupils to various careers within the health care profession.

Sec. 15. Minnesota Statutes 2022, section 144.1464, subdivision 2, is amended to read:

Subd. 2. **Criteria.** (a) The commissioner, through the organization under contract, shall award grants to hospitals, clinics, nursing facilities, assisted living facilities, and home care providers that agree to:

(1) provide secondary and postsecondary summer health care interns with formal exposure to the health care profession;

(2) provide an orientation for the secondary and postsecondary summer health care interns;

(3) pay one-half the costs of employing the secondary and postsecondary summer health care intern;

(4) interview and hire secondary and postsecondary pupils for a minimum of six weeks and a maximum of 12 weeks; and

(5) employ at least one secondary student for each postsecondary student employed, to the extent that there are sufficient qualifying secondary student applicants.

(b) In order to be eligible to be hired as a secondary summer health intern by a hospital, clinic, nursing facility, assisted living facility, or home care provider, a pupil must:

(1) intend to complete high school graduation requirements and be between the junior and senior year of high school; and

(2) be from a school district in proximity to the facility.

(c) In order to be eligible to be hired as a postsecondary summer health care intern by a hospital or clinic, a pupil must:

(1) intend to complete a health care training program or a two-year or four-year degree program and be planning on enrolling in or be enrolled in that training program or degree program; and

(2) be enrolled in a Minnesota educational institution or be a resident of the state of Minnesota; priority must be given to applicants from a school district or an educational institution in proximity to the facility.

(d) Hospitals, clinics, nursing facilities, assisted living facilities, and home care providers awarded grants may employ pupils as secondary and postsecondary summer health care interns ~~beginning on or after June 15, 1993~~, if they agree to pay the intern, during the period before disbursement of state grant money, with money designated as the facility's 50 percent contribution towards internship costs.

Sec. 16. Minnesota Statutes 2022, section 144.1464, subdivision 3, is amended to read:

Subd. 3. **Grants.** The commissioner, through the organization under contract, shall award separate grants to hospitals, clinics, nursing facilities, assisted living facilities, and home care providers meeting the requirements of subdivision 2. The grants must be used to pay one-half of the costs of employing secondary and postsecondary pupils in a hospital, clinic, nursing facility, assisted living facility, or home care setting during the course of the program. No more than 50 percent of the participants may be postsecondary students, unless the program does not receive enough qualified secondary applicants per fiscal year. No more than five pupils may be selected from any secondary or postsecondary institution to participate in the program and no more than one-half of the number of pupils selected may be from the seven-county metropolitan area.

Sec. 17. Minnesota Statutes 2022, section 144.1911, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Commissioner" means the commissioner of health.

(c) "Immigrant international medical graduate" means an international medical graduate who was born outside the United States, now resides permanently in the United States or who has entered the United States on a temporary status based on urgent humanitarian or significant public benefit reasons, and who did not enter the United States on a J1 or similar nonimmigrant visa following acceptance into a United States medical residency or fellowship program.

(d) "International medical graduate" means a physician who received a basic medical degree or qualification from a medical school located outside the United States and Canada.

(e) "Minnesota immigrant international medical graduate" means an immigrant international medical graduate who has lived in Minnesota for at least two years.

(f) "Rural community" means a statutory and home rule charter city or township that is outside the seven-county metropolitan area as defined in section 473.121, subdivision 2, excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud.

(g) "Underserved community" means a Minnesota area or population included in the list of designated primary medical care health professional shortage areas, medically underserved areas, or medically underserved populations (MUPs) maintained and updated by the United States Department of Health and Human Services.

Sec. 18. Minnesota Statutes 2022, section 144.292, subdivision 6, is amended to read:

Subd. 6. **Cost.** (a) When a patient requests a copy of the patient's record for purposes of reviewing current medical care, the provider must not charge a fee.

(b) When a provider or its representative makes copies of patient records upon a patient's request under this section, the provider or its representative may charge the patient or the patient's representative no more than 75 cents per page, plus $10 for time spent retrieving and copying the records, unless other law or a rule or contract provide for a lower maximum charge. This limitation does not apply to x-rays. The provider may charge a patient no more than the actual cost of reproducing x-rays, plus no more than $10 for the time spent retrieving and copying the x-rays.

(c) The respective maximum charges of 75 cents per page and $10 for time provided in this subdivision are in effect for calendar year 1992 and may be adjusted annually each calendar year as provided in this subdivision. The permissible maximum charges shall change each year by an amount that reflects the change, as compared to the previous year, in the Consumer Price Index for all Urban Consumers, Minneapolis-St. Paul (CPI-U), published by the Department of Labor.

(d) A provider or its representative may charge the $10 retrieval fee, but must not charge a per page fee, a retrieval fee, or any other fee to provide copies of records requested by a patient or the patient's authorized representative if the request for copies of records is for purposes of appealing a denial of Social Security disability income or Social Security disability benefits under title II or title XVI of the Social Security Act~~; except that no fee shall be charged to a patient who is receiving public assistance, or to a patient who is represented by an attorney on behalf of a civil legal services program or a volunteer attorney program based on indigency.~~ when the patient is:

(1) receiving public assistance;

(2) represented by an attorney on behalf of a civil legal services program; or

(3) represented by a volunteer attorney program based on indigency.

The patient or the patient's representative must submit one of the following to show that they are entitled to receive records without charge under this paragraph: (1) a public assistance statement from the county or state administering assistance; (2) a request for records on the letterhead of the civil legal services program or volunteer attorney program based on indigency; or (3) a benefits statement from the Social Security Administration.

For the purpose of further appeals, a patient may receive no more than two medical record updates without charge, but only for medical record information previously not provided.

For purposes of this paragraph, a patient's authorized representative does not include units of state government engaged in the adjudication of Social Security disability claims.

Sec. 19. **[144.2925] CONSTRUCTION.**

Sections 144.291 to 144.298 shall be construed to protect the privacy of a patient's health records in a more stringent manner than provided in Code of Federal Regulations, title 45, part 164. For purposes of this section, "more stringent" has the meaning given to that term in Code of Federal Regulations, title 45, section 160.202, with respect to a use or disclosure or the need for express legal permission from an individual to disclose individually identifiable health information.

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

Sec. 20. Minnesota Statutes 2022, section 144.293, subdivision 2, is amended to read:

Subd. 2. **Patient consent to release of records.** A provider, or a person who receives health records from a provider, may not release a patient's health records to a person without:

(1) a signed and dated consent from the patient or the patient's legally authorized representative authorizing the release;

(2) specific authorization in Minnesota law; or

(3) a representation from a provider that holds a signed and dated consent from the patient authorizing the release.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to health records released on or after that date.

Sec. 21. Minnesota Statutes 2022, section 144.293, subdivision 4, is amended to read:

Subd. 4. **Duration of consent.** Except as provided in this section, a consent is valid for one year or for a period specified in the consent or for a different period provided by Minnesota law.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to health records released on or after that date.

Sec. 22. Minnesota Statutes 2022, section 144.293, subdivision 9, is amended to read:

Subd. 9. **Documentation of release.** (a) In cases where a provider releases health records without patient consent as authorized by Minnesota law, the release must be documented in the patient's health record. In the case of a release under section 144.294, subdivision 2, the documentation must include the date and circumstances under which the release was made, the person or agency to whom the release was made, and the records that were released.

(b) When a health record is released using a representation from a provider that holds a consent from the patient, the releasing provider shall document:

(1) the provider requesting the health records;

(2) the identity of the patient;

(3) the health records requested; and

(4) the date the health records were requested.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to health records released on or after that date.

Sec. 23. Minnesota Statutes 2022, section 144.293, subdivision 10, is amended to read:

Subd. 10. **Warranties regarding consents, requests, and disclosures.** (a) When requesting health records using consent, a person warrants that the consent:

(1) contains no information known to the person to be false; and

(2) accurately states the patient's desire to have health records disclosed or that there is specific authorization in Minnesota law.

(b) When requesting health records using consent, or a representation of holding a consent, a provider warrants that the request:

(1) contains no information known to the provider to be false;

(2) accurately states the patient's desire to have health records disclosed or that there is specific authorization in Minnesota law; and

(3) does not exceed any limits imposed by the patient in the consent.

(c) When disclosing health records, a person releasing health records warrants that the person:

(1) has complied with the requirements of this section regarding disclosure of health records;

(2) knows of no information related to the request that is false; and

(3) has complied with the limits set by the patient in the consent.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to health records released on or after that date.

Sec. 24. Minnesota Statutes 2022, section 144.493, is amended by adding a subdivision to read:

Subd. 2a. **Thrombectomy-capable stroke center.** A hospital meets the criteria for a thrombectomy-capable stroke center if the hospital has been certified as a thrombectomy-capable stroke center by the joint commission or another nationally recognized accreditation entity, or is a primary stroke center that is not certified as a thrombectomy-based capable stroke center but the hospital has attained a level of stroke care distinction by offering mechanical endovascular therapies and has been certified by a department approved certifying body that is a nationally recognized guidelines-based organization.

Sec. 25. Minnesota Statutes 2022, section 144.494, subdivision 2, is amended to read:

Subd. 2. **Designation.** A hospital that voluntarily meets the criteria for a comprehensive stroke center, thrombectomy-capable stroke center, primary stroke center, or acute stroke ready hospital may apply to the commissioner for designation, and upon the commissioner's review and approval of the application, shall be designated as a comprehensive stroke center, a thrombectomy-capable stroke center, a primary stroke center, or an acute stroke ready hospital for a three-year period. If a hospital loses its certification as a comprehensive stroke center or primary stroke center from the joint commission or other nationally recognized accreditation entity, or no longer participates in the Minnesota stroke registry program, its Minnesota designation shall be immediately withdrawn. Prior to the expiration of the ~~three-year~~ designation period, a hospital seeking to remain part of the voluntary acute stroke system may reapply to the commissioner for designation.

Sec. 26. Minnesota Statutes 2022, 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;

(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 located in Cook County or Mahnomen County 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;

(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; ~~or~~

(33) a project for a 144-bed psychiatric hospital on the site of the former Bethesda hospital in the city of Saint Paul, Ramsey County, if the commissioner finds the project is in the public interest after the public interest review conducted under section 144.552 is complete. Following the completion of the construction project, the commissioner of health shall monitor the hospital, including by assessing the hospital's case mix and payer mix, patient transfers, and patient diversions. The hospital must have an intake and assessment area. The hospital must accommodate patients with acute mental health needs, whether they walk up to the facility, are delivered by ambulances or law enforcement, or are transferred from other facilities. The hospital must comply with subdivision 1a, paragraph (b). The hospital must annually submit de-identified data to the department in the format and manner defined by the commissioner~~.~~; or

(34) a project involving the relocation of up to 26 licensed long-term acute care hospital beds from an existing long-term care hospital located in Hennepin County with a licensed capacity prior to the relocation of 92 beds to dedicated space on the campus of an existing safety net, level I trauma center hospital in Ramsey County as designated under section 383A.91, subdivision 5, provided both the commissioner finds the project is in the public interest after the public interest review conducted under section 144.552 is complete and the relocated beds continue to be used as long-term acute care hospital beds after the relocation.

Sec. 27. Minnesota Statutes 2022, section 144.605, is amended by adding a subdivision to read:

Subd. 10. **Chapter 16C waiver.** Pursuant to subdivisions 4, paragraph (b), and 5, paragraph (b), the commissioner of administration may waive provisions of chapter 16C for the purposes of approving contracts for independent clinical teams.

Sec. 28. **[144.6985] COMMUNITY HEALTH NEEDS ASSESSMENT; COMMUNITY HEALTH IMPROVEMENT SERVICES; IMPLEMENTATION.**

Subdivision 1. **Community health needs assessment.** A nonprofit hospital that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code must make available to the public and submit to the commissioner of health, by January 15, 2026, the most recent community health needs assessment submitted by the hospital to the Internal Revenue Service. Each time the hospital conducts a subsequent community health needs assessment, the hospital must, within 15 business days after submitting the subsequent community health needs assessment to the Internal Revenue Service, make the subsequent assessment available to the public and submit the subsequent assessment to the commissioner.

Subd. 2. **Description of community.** A nonprofit hospital subject to subdivision 1 must make available to the public and submit to the commissioner of health a description of the community served by the hospital. The description must include a geographic description of the area where the hospital is located, a description of the general population served by the hospital, and demographic information about the community served by the

hospital, such as leading causes of death, levels of chronic illness, and descriptions of the medically underserved, low-income, minority, or chronically ill populations in the community. A hospital is not required to separately make the information available to the public or separately submit the information to the commissioner if the information is included in the hospital's community health needs assessment made available and submitted under subdivision 1.

Subd. 3. **Addendum; community health improvement services.** (a) A nonprofit hospital subject to subdivision 1 must annually submit to the commissioner an addendum which details information about hospital activities identified as community health improvement services with a cost of $5,000 or more. The addendum must include the type of activity, the method through which the activity was delivered, how the activity relates to an identified community need in the community health needs assessment, the target population for the activity, strategies to reach the target population, identified outcome metrics, the cost to the hospital to provide the activity, the methodology used to calculate the hospital's costs, and the number of people served by the activity. If a community health improvement service is administered by an entity other than the hospital, the administering entity must be identified in the addendum. This paragraph does not apply to hospitals required to submit an addendum under paragraph (b).

(b) A nonprofit hospital subject to subdivision 1 must annually submit to the commissioner an addendum which details information about the ten highest-cost activities of the hospital identified as community health improvement services if the nonprofit hospital:

(1) is designated as a critical access hospital under section 144.1483, clause (9), and United States Code, title 42, section 1395i-4;

(2) meets the definition of sole community hospital in section 62Q.19, subdivision 1, paragraph (a), clause (5); or

(3) meets the definition of rural emergency hospital in United States Code, title 42, section 1395x(kkk)(2).

The addendum must include the type of activity, the method in which the activity was delivered, how the activity relates to an identified community need in the community health needs assessment, the target population for the activity, strategies to reach the target population, identified outcome metrics, the cost to the hospital to provide the activity, the methodology used to calculate the hospital's costs, and the number of people served by the activity. If a community health improvement service is administered by an entity other than the hospital, the administering entity must be identified in the addendum.

Subd. 4. **Community benefit implementation strategy.** A nonprofit hospital subject to subdivision 1 must make available to the public, within one year after completing each community health needs assessment, a community benefit implementation strategy. In developing the community benefit implementation strategy, the hospital must consult with community-based organizations, stakeholders, local public health organizations, and others as determined by the hospital. The implementation strategy must include how the hospital shall address the top three community health priorities identified in the community health needs assessment. Implementation strategies must be evidence-based, when available, and development and implementation of innovative programs and strategies may be supported by evaluation measures.

Subd. 5. **Information made available to the public.** A nonprofit hospital required to make information available to the public under this section may do so by posting the information on the hospital's website in a consolidated location and with clear labeling.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 29. Minnesota Statutes 2022, section 144.7067, subdivision 2, is amended to read:

Subd. 2. **Duty to analyze reports; communicate findings.** (a) The commissioner shall:

(1) analyze adverse event reports, corrective action plans, and findings of the root cause analyses to determine patterns of systemic failure in the health care system and successful methods to correct these failures;

(2) communicate to individual facilities the commissioner's conclusions, if any, regarding an adverse event reported by the facility;

(3) communicate with relevant health care facilities any recommendations for corrective action resulting from the commissioner's analysis of submissions from facilities; and

(4) publish an annual report:

(i) describing, by institution, adverse events reported;

(ii) outlining, in aggregate, corrective action plans and the findings of root cause analyses; and

(iii) making recommendations for modifications of state health care operations.

(b) Notwithstanding section 144.05, subdivision 7, the mandate to publish an annual report under this subdivision does not expire.

EFFECTIVE DATE. This section is effective retroactively from January 1, 2023.

Sec. 30. Minnesota Statutes 2022, section 144A.10, subdivision 15, is amended to read:

Subd. 15. **Informal dispute resolution.** The commissioner shall respond in writing to a request from a nursing facility certified under the federal Medicare and Medicaid programs for an informal dispute resolution within ~~30 days of the exit date of the facility's survey~~ ten calendar days of the facility's receipt of the notice of deficiencies. The commissioner's response shall identify the commissioner's decision regarding ~~the continuation of~~ each deficiency citation challenged by the nursing facility, as well as a statement of any changes in findings, level of severity or scope, and proposed remedies or sanctions for each deficiency citation.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 31. Minnesota Statutes 2022, section 144A.10, subdivision 16, is amended to read:

Subd. 16. **Independent informal dispute resolution.** (a) Notwithstanding subdivision 15, a facility certified under the federal Medicare or Medicaid programs that has been assessed a civil money penalty as provided by Code of Federal Regulations, title 42, section 488.430, may request from the commissioner, in writing, an independent informal dispute resolution process regarding any deficiency ~~citation issued to the facility~~. The facility must ~~specify in its written request each deficiency citation that it disputes. The commissioner shall provide a hearing under sections 14.57 to 14.62. Upon the written request of the facility, the parties must submit the issues raised to arbitration by an administrative law judge~~ submit its request in writing within ten calendar days of receiving notice that a civil money penalty will be imposed.

(b) The facility and commissioner have the right to be represented by an attorney at the hearing.

(c) An independent informal dispute resolution may not be requested for any deficiency that is the subject of an active informal dispute resolution requested under subdivision 15. The facility must withdraw its informal dispute resolution prior to requesting independent informal dispute resolution.

~~(b) Upon~~ (d) Within five calendar days of receipt of a written request for an ~~arbitration proceeding~~ independent informal dispute resolution, the commissioner shall file with the Office of Administrative Hearings a request for the appointment of an ~~arbitrator~~ administrative law judge from the Office of Administrative Hearings and simultaneously serve the facility with notice of the request. ~~The arbitrator for the dispute shall be an administrative law judge appointed by the Office of Administrative Hearings. The disclosure provisions of section 572B.12 and the notice provisions of section 572B.15, subsection (c), apply. The facility and the commissioner have the right to be represented by an attorney.~~

(e) An independent informal dispute resolution proceeding shall be scheduled to occur within 30 calendar days of the commissioner's request to the Office of Administrative Hearings, unless the parties agree otherwise or the chief administrative law judge deems the timing to be unreasonable. The independent informal dispute resolution process must be completed within 60 calendar days of the facility's request.

~~(c)~~ (f) Five working days in advance of the scheduled proceeding, the commissioner and the facility ~~may present~~ must submit written statements and arguments, documentary evidence, depositions, and ~~oral statements and arguments at the arbitration proceeding. Oral statements and arguments may be made by telephone~~ any other materials supporting their position to the administrative law judge.

(g) The independent informal dispute resolution proceeding shall be informal and conducted in a manner so as to allow the parties to fully present their positions and respond to the opposing party's positions. This may include presentation of oral statements and arguments at the proceeding.

~~(d)~~ (h) Within ten working days of the close of the ~~arbitration~~ proceeding, the administrative law judge shall issue findings and recommendations regarding each of the deficiencies in dispute. The findings shall be one or more of the following:

(1) Supported in full. The citation is supported in full, with no deletion of findings and no change in the scope or severity assigned to the deficiency citation.

(2) Supported in substance. The citation is supported, but one or more findings are deleted without any change in the scope or severity assigned to the deficiency.

(3) Deficient practice cited under wrong requirement of participation. The citation is amended by moving it to the correct requirement of participation.

(4) Scope not supported. The citation is amended through a change in the scope assigned to the citation.

(5) Severity not supported. The citation is amended through a change in the severity assigned to the citation.

(6) No deficient practice. The citation is deleted because the findings did not support the citation or the negative resident outcome was unavoidable. ~~The findings of the arbitrator are not binding on the commissioner.~~

(i) The findings and recommendations of the administrative law judge are not binding on the commissioner.

(j) Within ten calendar days of receiving the administrative law judge's findings and recommendations, the commissioner shall issue a recommendation to the Center for Medicare and Medicaid Services.

~~(e)~~ (k) The commissioner shall reimburse the Office of Administrative Hearings for the costs incurred by that office for the ~~arbitration~~ proceeding. ~~The facility shall reimburse the commissioner for the proportion of the costs that represent the sum of deficiency citations supported in full under paragraph (d), clause (1), or in substance under paragraph (d), clause (2), divided by the total number of deficiencies disputed. A deficiency citation for which the administrative law judge's sole finding is that the deficient practice was cited under the wrong requirements of participation shall not be counted in the numerator or denominator in the calculation of the proportion of costs.~~

EFFECTIVE DATE. This section is effective October 1, 2024, or upon federal approval, whichever is later, and applies to appeals of deficiencies which are issued after October 1, 2024, or on or after the date upon which federal approval is obtained, whichever is later. The commissioner of health shall notify the revisor of statutes when federal approval is obtained.

Sec. 32. Minnesota Statutes 2022, section 144A.471, is amended by adding a subdivision to read:

Subd. 1a. **Licensure under other law.** A home care licensee must not provide sleeping accommodations as a provision of home care services. For purposes of this subdivision, the provision of sleeping accommodations and assisted living services under section 144G.08, subdivision 9, requires assisted living facility licensure under chapter 144G. This subdivision does not apply to those settings exempt from assisted living facility licensure under section 144G.08, subdivision 7.

Sec. 33. Minnesota Statutes 2022, section 144A.474, subdivision 13, is amended to read:

Subd. 13. **Home care surveyor training.** (a) Before conducting a home care survey, each home care surveyor must receive training on the following topics:

(1) Minnesota home care licensure requirements;

(2) Minnesota home care bill of rights;

(3) Minnesota Vulnerable Adults Act and reporting of maltreatment of minors;

(4) principles of documentation;

(5) survey protocol and processes;

(6) Offices of the Ombudsman roles;

(7) Office of Health Facility Complaints;

(8) Minnesota landlord-tenant ~~and housing with services~~ laws;

(9) types of payors for home care services; and

(10) Minnesota Nurse Practice Act for nurse surveyors.

(b) Materials used for the training in paragraph (a) shall be posted on the department website. Requisite understanding of these topics will be reviewed as part of the quality improvement plan in section 144A.483.

Sec. 34. Minnesota Statutes 2023 Supplement, section 144A.4791, subdivision 10, is amended to read:

Subd. 10. **Termination of service plan.** (a) If a home care provider terminates a service plan with a client, and the client continues to need home care services, the home care provider shall provide the client and the client's representative, if any, with a written notice of termination which includes the following information:

(1) the effective date of termination;

(2) the reason for termination;

(3) for clients age 18 or older, a statement that the client may contact the Office of Ombudsman for Long-Term Care to request an advocate to assist regarding the termination and contact information for the office, including the office's central telephone number;

(4) a list of known licensed home care providers in the client's immediate geographic area;

(5) a statement that the home care provider will participate in a coordinated transfer of care of the client to another home care provider, health care provider, or caregiver, as required by the home care bill of rights, section 144A.44, subdivision 1, clause (17); and

(6) the name and contact information of a person employed by the home care provider with whom the client may discuss the notice of termination~~; and~~.

~~(7) if applicable, a statement that the notice of termination of home care services does not constitute notice of termination of any housing contract.~~

(b) When the home care provider voluntarily discontinues services to all clients, the home care provider must notify the commissioner, lead agencies, and ombudsman for long-term care about its clients and comply with the requirements in this subdivision.

Sec. 35. Minnesota Statutes 2022, section 144E.16, subdivision 7, is amended to read:

Subd. 7. **Stroke transport protocols.** Regional emergency medical services programs and any ambulance service licensed under this chapter must develop stroke transport protocols. The protocols must include standards of care for triage and transport of acute stroke patients within a specific time frame from symptom onset until transport to the most appropriate designated acute stroke ready hospital, primary stroke center, thrombectomy-capable stroke center, or comprehensive stroke center.

Sec. 36. Minnesota Statutes 2022, section 144G.08, subdivision 29, is amended to read:

Subd. 29. **Licensed health professional.** "Licensed health professional" means a person ~~licensed in Minnesota to practice a profession described in section 214.01, subdivision 2~~, other than a registered nurse or licensed practical nurse, who provides assisted living services within the scope of practice of that person's health occupation license, registration, or certification as a regulated person who is licensed by an appropriate Minnesota state board or agency.

Sec. 37. Minnesota Statutes 2022, section 144G.10, is amended by adding a subdivision to read:

Subd. 5. **Protected title; restriction on use.** (a) Effective January 1, 2026, no person or entity may use the phrase "assisted living," whether alone or in combination with other words and whether orally or in writing, to: advertise; market; or otherwise describe, offer, or promote itself, or any housing, service, service package, or

program that it provides within this state, unless the person or entity is a licensed assisted living facility that meets the requirements of this chapter. A person or entity entitled to use the phrase "assisted living" shall use the phrase only in the context of its participation that meets the requirements of this chapter.

(b) Effective January 1, 2026, the licensee's name for a new assisted living facility may not include the terms "home care" or "nursing home."

Sec. 38. Minnesota Statutes 2022, section 144G.16, subdivision 6, is amended to read:

Subd. 6. **Requirements for notice and transfer.** A provisional licensee whose license is denied must comply with the requirements for notification and the coordinated move of residents in sections 144G.52 and 144G.55. If the license denial is upheld by the reconsideration process, the licensee must submit a closure plan as required by section 144G.57 within ten calendar days of receipt of the reconsideration decision.

Sec. 39. Minnesota Statutes 2022, section 146B.03, subdivision 7a, is amended to read:

Subd. 7a. **Supervisors.** (a) A technician must have been licensed in Minnesota or in a jurisdiction with which Minnesota has reciprocity for at least:

(1) two years as a tattoo technician licensed under section 146B.03, subdivision 4, 6, or 8, in order to supervise a temporary tattoo technician; or

(2) one year as a body piercing technician licensed under section 146B.03, subdivision 4, 6, or 8, or must have performed at least 500 body piercings, in order to supervise a temporary body piercing technician.

(b) Any technician who agrees to supervise more than two temporary tattoo technicians during the same time period, or more than four body piercing technicians during the same time period, must provide to the commissioner a supervisory plan that describes how the technician will provide supervision to each temporary technician in accordance with section 146B.01, subdivision 28.

(c) The supervisory plan must include, at a minimum:

(1) the areas of practice under supervision;

(2) the anticipated supervision hours per week;

(3) the anticipated duration of the training period; and

(4) the method of providing supervision if there are multiple technicians being supervised during the same time period.

(d) If the supervisory plan is terminated before completion of the technician's supervised practice, the supervisor must notify the commissioner in writing within 14 days of the change in supervision and include an explanation of why the plan was not completed.

(e) The commissioner may refuse to approve as a supervisor a technician who has been disciplined in Minnesota or in another jurisdiction after considering the criteria in section 146B.02, subdivision 10, paragraph (b).

Sec. 40. Minnesota Statutes 2022, section 146B.10, subdivision 1, is amended to read:

Subdivision 1. **Licensing fees.** (a) The fee for the initial technician licensure application and biennial licensure renewal application is $420.

(b) The fee for temporary technician licensure application is $240.

(c) The fee for the temporary guest artist license application is $140.

(d) The fee for a dual body art technician license application is $420.

(e) The fee for a provisional establishment license application required in section 146B.02, subdivision 5, paragraph (c), is $1,500.

(f) The fee for an initial establishment license application and the two-year license renewal period application required in section 146B.02, subdivision 2, paragraph (b), is $1,500.

(g) The fee for a temporary body art establishment event permit application is $200.

(h) The commissioner shall prorate the initial two-year technician license fee based on the number of months in the initial licensure period. The commissioner shall prorate the first renewal fee for the establishment license based on the number of months from issuance of the provisional license to the first renewal.

(i) The fee for verification of licensure to other states is $25.

~~(j) The fee to reissue a provisional establishment license that relocates prior to inspection and removal of provisional status is $350. The expiration date of the provisional license does not change.~~

~~(k)~~ (j) The fee to change an establishment name or establishment type, such as tattoo, piercing, or dual, is $50.

Sec. 41. Minnesota Statutes 2022, section 146B.10, subdivision 3, is amended to read:

Subd. 3. **Deposit.** Fees collected by the commissioner under this section must be deposited in the state government special revenue fund. All fees are nonrefundable.

Sec. 42. Minnesota Statutes 2022, section 149A.65, is amended to read:

149A.65 FEES.

Subdivision 1. **Generally.** This section establishes the application fees for registrations, examinations, initial and renewal licenses, and late fees authorized under the provisions of this chapter.

Subd. 2. **Mortuary science fees.** Fees for mortuary science are:

(1) $75 for the initial and renewal registration of a mortuary science intern;

(2) $125 for the mortuary science examination;

(3) $200 for ~~issuance of~~ initial and renewal mortuary science ~~licenses~~ license applications;

(4) $100 late fee charge for a license renewal application; and

(5) $250 for ~~issuing a~~ an application for mortuary science license by endorsement.

Subd. 3. **Funeral directors.** The license renewal application fee for funeral directors is $200. The late fee charge for a license renewal is $100.

Subd. 4. **Funeral establishments.** The initial and renewal application fee for funeral establishments is $425. The late fee charge for a license renewal is $100.

Subd. 5. **Crematories.** The initial and renewal application fee for a crematory is $425. The late fee charge for a license renewal is $100.

Subd. 6. **Alkaline hydrolysis facilities.** The initial and renewal application fee for an alkaline hydrolysis facility is $425. The late fee charge for a license renewal is $100.

Subd. 7. **State government special revenue fund.** Fees collected by the commissioner under this section must be deposited in the state treasury and credited to the state government special revenue fund. All fees are nonrefundable.

Sec. 43. Minnesota Statutes 2022, section 256R.02, subdivision 20, is amended to read:

Subd. 20. **Facility average case mix index.** "Facility average case mix index" or "CMI" means a numerical score that describes the relative resource use for all residents within the case mix ~~classifications under the resource utilization group (RUG)~~ classification system prescribed by the commissioner based on an assessment of each resident. The facility average CMI shall be computed as the standardized days divided by the sum of the facility's resident days. The case mix indices used shall be based on the system prescribed in section 256R.17.

Sec. 44. **REVISOR INSTRUCTION.**

The revisor of statutes shall substitute the term "employee" with the term "staff" in the following sections of Minnesota Statutes and make any grammatical changes needed without changing the meaning of the sentence: Minnesota Statutes, sections 144G.08, subdivisions 18 and 36; 144G.13, subdivision 1, paragraph (c); 144G.20, subdivisions 1, 2, and 21; 144G.30, subdivision 5; 144G.42, subdivision 8; 144G.45, subdivision 2; 144G.60, subdivisions 1, paragraph (c), and 3, paragraph (a); 144G.63, subdivision 2, paragraph (a), clause (9); 144G.64, paragraphs (a), clauses (2), (3), and (5), and (c); 144G.70, subdivision 7; and 144G.92, subdivisions 1 and 3.

Sec. 45. **REPEALER.**

(a) Minnesota Statutes 2022, sections 144.497; and 256R.02, subdivision 46, are repealed.

(b) Minnesota Statutes 2023 Supplement, section 62J.312, subdivision 6, is repealed.

ARTICLE 7
EMERGENCY MEDICAL SERVICES

Section 1. Minnesota Statutes 2023 Supplement, section 15A.0815, subdivision 2, is amended to read:

Subd. 2. **Agency head salaries.** The salary for a position listed in this subdivision shall be determined by the Compensation Council under section 15A.082. The commissioner of management and budget must publish the salaries on the department's website. This subdivision applies to the following positions:

Commissioner of administration;

Commissioner of agriculture;

Commissioner of education;

Commissioner of children, youth, and families;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of health;

Commissioner, Minnesota Office of Higher Education;

Commissioner, Minnesota IT Services;

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;

Commissioner of veterans affairs;

Executive director of the Gambling Control Board;

Executive director of the Minnesota State Lottery;

Commissioner of Iron Range resources and rehabilitation;

Commissioner, Bureau of Mediation Services;

Ombudsman for mental health and developmental disabilities;

Ombudsperson for corrections;

Chair, Metropolitan Council;

Chair, Metropolitan Airports Commission;

School trust lands director;

Executive director of pari-mutuel racing; ~~and~~

Commissioner, Public Utilities Commission.~~;~~ and

Director of the Office of Emergency Medical Services.

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

Sec. 2. Minnesota Statutes 2023 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; Children, Youth, and Families; Commerce; Corrections; Direct Care and Treatment; Education; Employment and Economic Development; Explore Minnesota Tourism; Management and Budget; Health; Human Rights; Human Services; Labor and Industry; Natural Resources; Public Safety; 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; and the Office of Emergency Medical Services.

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 January 1, 2025.

Sec. 3. Minnesota Statutes 2022, section 62J.49, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The director of the Office of Emergency Medical Services ~~Regulatory Board~~ established under chapter ~~144~~ 144E shall establish a financial data collection system for all ambulance services licensed in this state. To establish the financial database, the ~~Emergency Medical Services Regulatory Board~~ director may contract with an entity that has experience in ambulance service financial data collection.

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

Sec. 4. Minnesota Statutes 2022, section 144E.001, subdivision 3a, is amended to read:

Subd. 3a. **Ambulance service personnel.** "Ambulance service personnel" means individuals who are authorized by a licensed ambulance service to provide emergency care for the ambulance service and are:

(1) EMTs, AEMTs, or paramedics;

(2) Minnesota registered nurses who are: (i) EMTs, are currently practicing nursing, and have ~~passed a paramedic practical skills test, as approved by the board and administered by an educational program approved by the board~~ been approved by the ambulance service medical director; (ii) on the roster of an ambulance service on or before January 1, 2000; ~~or~~ (iii) after petitioning the board, deemed by the board to have training and skills equivalent to an EMT, as determined on a case-by-case basis; or (iv) certified as a certified flight registered nurse or certified emergency nurse; or

(3) Minnesota licensed physician assistants who are: (i) EMTs, are currently practicing as physician assistants, and have ~~passed a paramedic practical skills test, as approved by the board and administered by an educational program approved by the board~~ been approved by the ambulance service medical director; (ii) on the roster of an ambulance service on or before January 1, 2000; or (iii) after petitioning the board, deemed by the board to have training and skills equivalent to an EMT, as determined on a case-by-case basis.

Sec. 5. Minnesota Statutes 2022, section 144E.001, is amended by adding a subdivision to read:

Subd. 16. **Director.** "Director" means the director of the Office of Emergency Medical Services.

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

Sec. 6. Minnesota Statutes 2022, section 144E.001, is amended by adding a subdivision to read:

Subd. 17. **Office.** "Office" means the Office of Emergency Medical Services.

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

Sec. 7. **[144E.011] OFFICE OF EMERGENCY MEDICAL SERVICES.**

Subdivision 1. **Establishment.** The Office of Emergency Medical Services is established with the powers and duties established in law. In administering this chapter, the office must promote the public health and welfare, protect the safety of the public, and effectively regulate and support the operation of the emergency medical services system in this state.

Subd. 2. **Director.** The governor must appoint a director for the office with the advice and consent of the senate. The director must be in the unclassified service and must serve at the pleasure of the governor. The salary of the director shall be determined according to section 15A.0815. The director shall direct the activities of the office.

Subd. 3. **Powers and duties.** The director has the following powers and duties:

(1) administer and enforce this chapter and adopt rules as needed to implement this chapter. Rules for which notice is published in the State Register before July 1, 2026, may be adopted using the expedited rulemaking process in section 14.389;

(2) license ambulance services in the state and regulate their operation;

(3) establish and modify primary service areas;

(4) designate an ambulance service as authorized to provide service in a primary service area and remove an ambulance service's authorization to provide service in a primary service area;

(5) register medical response units in the state and regulate their operation;

(6) certify emergency medical technicians, advanced emergency medical technicians, community emergency medical technicians, paramedics, and community paramedics and to register emergency medical responders;

(7) approve education programs for ambulance service personnel and emergency medical responders and administer qualifications for instructors of education programs;

(8) administer grant programs related to emergency medical services;

(9) report to the legislature by February 15 each year on the work of the office and the advisory councils in the previous calendar year and with recommendations for any needed policy changes related to emergency medical services, including but not limited to improving access to emergency medical services, improving service delivery by ambulance services and medical response units, and improving the effectiveness of the state's emergency medical services system. The director must develop the reports and recommendations in consultation with the office's deputy directors and advisory councils;

(10) investigate complaints against and hold hearings regarding ambulance services, ambulance service personnel, and emergency medical responders and to impose disciplinary action or otherwise resolve complaints; and

(11) perform other duties related to the provision of emergency medical services in the state.

Subd. 4. **Employees.** The director may employ personnel in the classified service and unclassified personnel as necessary to carry out the duties of this chapter.

Subd. 5. **Work plan.** The director must prepare a work plan to guide the work of the office. The work plan must be updated biennially.

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

Sec. 8. **[144E.015] MEDICAL SERVICES DIVISION.**

A Medical Services Division is created in the Office of Emergency Medical Services. The Medical Services Division shall be under the supervision of a deputy director of medical services appointed by the director. The deputy director of medical services must be a physician licensed under chapter 147. The deputy director, under the direction of the director, shall enforce and coordinate the laws, rules, and policies assigned by the director, which may include overseeing the clinical aspects of prehospital medical care and education programs for emergency medical service personnel.

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

Sec. 9. **[144E.016] AMBULANCE SERVICES DIVISION.**

An Ambulance Services Division is created in the Office of Emergency Medical Services. The Ambulance Services Division shall be under the supervision of a deputy director of ambulance services appointed by the director. The deputy director, under the direction of the director, shall enforce and coordinate the laws, rules, and policies assigned by the director, which may include operating standards and licensing of ambulance services, registration and operation of medical response units, establishment and modification of primary service areas, authorization of ambulance services to provide service in a primary service area and revocation of such authorization, coordination of ambulance services within regions and across the state, and administration of grants.

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

Sec. 10. **[144E.017] EMERGENCY MEDICAL SERVICE PROVIDERS DIVISION.**

An Emergency Medical Service Providers Division is created in the Office of Emergency Medical Services. The Emergency Medical Service Providers Division shall be under the supervision of a deputy director of emergency medical service providers appointed by the director. The deputy director, under the direction of the director, shall enforce and coordinate the laws, rules, and policies assigned by the director, which may include certification and registration of individual emergency medical service providers; overseeing worker safety, worker well-being, and working conditions; implementation of education programs; and administration of grants.

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

Sec. 11. **[144E.03] EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL.**

Subdivision 1. **Establishment; membership.** The Emergency Medical Services Advisory Council is established and consists of the following members:

(1) one emergency medical technician currently practicing with a licensed ambulance service, appointed by the Minnesota Ambulance Association;

(2) one paramedic currently practicing with a licensed ambulance service or a medical response unit, appointed jointly by the Minnesota Professional Fire Fighters Association and the Minnesota Ambulance Association;

(3) one medical director of a licensed ambulance service, appointed by the National Association of EMS Physicians, Minnesota Chapter;

(4) one firefighter currently serving as an emergency medical responder, appointed by the Minnesota State Fire Chiefs Association;

(5) one registered nurse who is certified or currently practicing as a flight nurse, appointed jointly by the regional emergency services boards of the designated regional emergency medical services systems;

(6) one hospital administrator, appointed by the Minnesota Hospital Association;

(7) one social worker, appointed by the Board of Social Work;

(8) one member of a federally recognized Tribal Nation in Minnesota, appointed by the Minnesota Indian Affairs Council;

(9) three public members, appointed by the governor;

(10) one member with experience working as an employee organization representative representing emergency medical service providers, appointed by an employee organization representing emergency medical service providers;

(11) one member representing a local government, appointed by the Coalition of Greater Minnesota Cities;

(12) one member representing a local government in the seven-county metropolitan area, appointed by the League of Minnesota Cities;

(13) one member of the house of representatives and one member of the senate, appointed according to subdivision 2; and

(14) the commissioner of health and commissioner of public safety or their designees as ex officio members.

Subd. 2. **Legislative members.** The speaker of the house must appoint one member of the house of representatives to serve on the advisory council and the senate majority leader must appoint one member of the senate to serve on the advisory council. Legislative members appointed under this subdivision serve until successors are appointed. Legislative members may receive per diem compensation and reimbursement for expenses according to the rules of their respective bodies.

Subd. 3. **Terms, compensation, removal, vacancies, and expiration.** Compensation and reimbursement for expenses for members appointed under subdivision 1, clauses (1) to (12); removal of members; filling of vacancies of members; and, except for initial appointments, membership terms are governed by section 15.059. Notwithstanding section 15.059, subdivision 6, the advisory council does not expire.

Subd. 4. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair from among its membership and may elect other officers as the advisory council deems necessary.

(b) The advisory council must meet quarterly or at the call of the chair.

(c) Meetings of the advisory council are subject to chapter 13D.

Subd. 5. **Duties.** The advisory council must review and make recommendations to the director and the deputy director of ambulance services on the administration of this chapter, the regulation of ambulance services and medical response units, the operation of the emergency medical services system in the state, and other topics as directed by the director.

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

Sec. 12. **[144E.035] EMERGENCY MEDICAL SERVICES PHYSICIAN ADVISORY COUNCIL.**

Subdivision 1. **Establishment; membership.** The Emergency Medical Services Physician Advisory Council is established and consists of the following members:

(1) eight physicians who meet the qualifications for medical directors in section 144E.265, subdivision 1, with one physician appointed by each of the regional emergency services boards of the designated regional emergency medical services systems;

(2) one physician who meets the qualifications for medical directors in section 144E.265, subdivision 1, appointed by the Minnesota State Fire Chiefs Association;

(3) one physician who is board-certified in pediatrics, appointed by the Minnesota Emergency Medical Services for Children program; and

(4) the medical director member of the Emergency Medical Services Advisory Council appointed under section 144E.03, subdivision 1, clause (3).

Subd. 2. **Terms, compensation, removal, vacancies, and expiration.** Compensation and reimbursement for expenses, removal of members, filling of vacancies of members, and, except for initial appointments, membership terms are governed by section 15.059. Notwithstanding section 15.059, subdivision 6, the advisory council does not expire.

Subd. 3. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair from among its membership and may elect other officers as it deems necessary.

(b) The advisory council must meet twice per year or upon the call of the chair.

(c) Meetings of the advisory council are subject to chapter 13D.

Subd. 4. **Duties.** The advisory council must:

(1) review and make recommendations to the director and deputy director of medical services on clinical aspects of prehospital medical care. In doing so, the advisory council must incorporate information from medical literature, advances in bedside clinical practice, and advisory council member experience; and

(2) serve as subject matter experts for the director and deputy director of medical services on evolving topics in clinical medicine, including but not limited to infectious disease, pharmaceutical and equipment shortages, and implementation of new therapeutics.

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

Sec. 13. **[144E.04] LABOR AND EMERGENCY MEDICAL SERVICE PROVIDERS ADVISORY COUNCIL.**

Subdivision 1. **Establishment; membership.** The Labor and Emergency Medical Service Providers Advisory Council is established and consists of the following members:

(1) one emergency medical service provider of any type from each of the designated regional emergency medical services systems, appointed by their respective regional emergency services boards;

(2) one emergency medical technician instructor, appointed by an employee organization representing emergency medical service providers;

(3) two members with experience working as an employee organization representative representing emergency medical service providers, appointed by an employee organization representing emergency medical service providers;

(4) one emergency medical service provider based in a fire department, appointed jointly by the Minnesota State Fire Chiefs Association and the Minnesota Professional Fire Fighters Association; and

(5) one emergency medical service provider not based in a fire department, appointed by the League of Minnesota Cities.

Subd. 2. **Terms, compensation, removal, vacancies, and expiration.** Compensation and reimbursement for expenses for members appointed under subdivision 1; removal of members; filling of vacancies of members; and, except for initial appointments, membership terms are governed by section 15.059. Notwithstanding section 15.059, subdivision 6, the advisory council does not expire.

Subd. 3. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair from among its membership and may elect other officers as the advisory council deems necessary.

(b) The advisory council must meet quarterly or at the call of the chair.

(c) Meetings of the advisory council are subject to chapter 13D.

Subd. 4. **Duties.** The advisory council must review and make recommendations to the director and deputy director of emergency medical service providers on the laws, rules, and policies assigned to the Emergency Medical Service Providers Division and other topics as directed by the director.

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

Sec. 14. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 6, is amended to read:

Subd. 6. **Basic life support.** (a) Except as provided in ~~paragraph (f)~~ subdivision 6a, a basic life-support ambulance shall be staffed by at least ~~two EMTs, one of whom must accompany the patient and provide a level of care so as to ensure that~~:

(1) one individual who is:

(i) certified as an EMT;

(ii) a Minnesota registered nurse who meets the qualification requirements in section 144E.001, subdivision 3a, clause (2); or

(iii) a Minnesota licensed physician assistant who meets the qualification requirements in section 144E.001, subdivision 3a, clause (3); and

(2) one individual to drive the ambulance who:

(i) either meets one of the qualification requirements in clause (1) or is a registered emergency medical responder driver; and

(ii) satisfies the requirements in subdivision 10.

(b) An individual who meets one of the qualification requirements in paragraph (a), clause (1), must accompany the patient and provide a level of care so as to ensure that:

(1) life-threatening situations and potentially serious injuries are recognized;

(2) patients are protected from additional hazards;

(3) basic treatment to reduce the seriousness of emergency situations is administered; and

(4) patients are transported to an appropriate medical facility for treatment.

~~(b)~~ (c) A basic life-support service shall provide basic airway management.

~~(c)~~ (d) A basic life-support service shall provide automatic defibrillation.

~~(d)~~ (e) A basic life-support service shall administer opiate antagonists consistent with protocols established by the service's medical director.

~~(e)~~ (f) A basic life-support service licensee's medical director may authorize ambulance service personnel to perform intravenous infusion and use equipment that is within the licensure level of the ambulance service. Ambulance service personnel must be properly trained. Documentation of authorization for use, guidelines for use, continuing education, and skill verification must be maintained in the licensee's files.

~~(f) For emergency ambulance calls and interfacility transfers, an ambulance service may staff its basic life support ambulances with one EMT, who must accompany the patient, and one registered emergency medical responder driver. For purposes of this paragraph, "ambulance service" means either an ambulance service whose primary service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud; or an ambulance service based in a community with a population of less than 2,500.~~

Sec. 15. Minnesota Statutes 2022, section 144E.101, is amended by adding a subdivision to read:

Subd. 6a. **Variance; staffing of basic life-support ambulance.** (a) Upon application from an ambulance service that includes evidence demonstrating hardship, the board may grant a variance from the staff requirements in subdivision 6, paragraph (a), and may authorize a basic life-support ambulance to be staffed, for all emergency calls and interfacility transfers, with one individual who meets the qualification requirements in paragraph (b) to drive the ambulance and one individual who meets one of the qualification requirements in subdivision 6, paragraph (a), clause (1), and who must accompany the patient. The variance applies to basic life-support ambulances until the ambulance service renews its license. When the variance expires, the ambulance service may apply for a new variance under this subdivision.

(b) In order to drive an ambulance under a variance granted under this subdivision, an individual must:

(1) hold a valid driver's license from any state;

(2) have attended an emergency vehicle driving course approved by the ambulance service;

(3) have completed a course on cardiopulmonary resuscitation approved by the ambulance service; and

(4) register with the board according to a process established by the board.

(c) If an individual serving as a driver under this subdivision commits or has a record of committing an act listed in 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 section 144E.27, subdivisions 5 and 6.

Sec. 16. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 7, as amended by Laws 2024, chapter 85, section 32, is amended to read:

Subd. 7. **Advanced life support.** (a) Except as provided in paragraphs (f) and (g), an advanced life-support ambulance shall be staffed by at least:

(1) one EMT or one AEMT and one paramedic;

(2) one EMT or one AEMT and one registered nurse who: (i) is an EMT or an AEMT, is currently practicing nursing, and ~~has passed a paramedic practical skills test approved by the board and administered by an education program~~ has been approved by the ambulance service medical director; or (ii) is certified as a certified flight registered nurse or certified emergency nurse; or

(3) one EMT or one AEMT and one physician assistant who is an EMT or an AEMT, is currently practicing as a physician assistant, and ~~has passed a paramedic practical skills test approved by the board and administered by an education program~~ has been approved by the ambulance service medical director.

(b) An advanced life-support service shall provide basic life support, as specified under subdivision 6, paragraph ~~(a)~~ (b), advanced airway management, manual defibrillation, administration of intravenous fluids and pharmaceuticals, and administration of opiate antagonists.

(c) In addition to providing advanced life support, an advanced life-support service may staff additional ambulances to provide basic life support according to subdivision 6 and section 144E.103, subdivision 1.

(d) An ambulance service providing advanced life support shall have a written agreement with its medical director to ensure medical control for patient care 24 hours a day, seven days a week. The terms of the agreement shall include a written policy on the administration of medical control for the service. The policy shall address the following issues:

(1) two-way communication for physician direction of ambulance service personnel;

(2) patient triage, treatment, and transport;

(3) use of standing orders; and

(4) the means by which medical control will be provided 24 hours a day.

The agreement shall be signed by the licensee's medical director and the licensee or the licensee's designee and maintained in the files of the licensee.

(e) When an ambulance service provides advanced life support, the authority of a paramedic, Minnesota registered nurse-EMT, or Minnesota registered physician assistant-EMT to determine the delivery of patient care prevails over the authority of an EMT.

(f) Upon application from an ambulance service that includes evidence demonstrating hardship, the board may grant a variance from the staff requirements in paragraph (a), clause (1), and may authorize an advanced life-support ambulance to be staffed by a registered emergency medical responder driver with a paramedic for all emergency calls and interfacility transfers. The variance shall apply to advanced life-support ambulance services until the ambulance service renews its license. When the variance expires, an ambulance service may apply for a new variance under this paragraph. ~~This paragraph applies only to an ambulance service whose primary service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, or an ambulance service based in a community with a population of less than 1,000 persons.~~

(g) After an initial emergency ambulance call, each subsequent emergency ambulance response, until the initial ambulance is again available, and interfacility transfers, may be staffed by one registered emergency medical responder driver and an EMT or paramedic. ~~This paragraph applies only to an ambulance service whose primary~~

~~service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, or an ambulance service based in a community with a population of less than 1,000 persons.~~

(h) An individual who staffs an advanced life-support ambulance as a driver must also meet the requirements in subdivision 10.

Sec. 17. Minnesota Statutes 2022, section 144E.16, subdivision 5, is amended to read:

Subd. 5. **Local government's powers.** (a) Local units of government may, with the approval of the ~~board~~ director, establish standards for ambulance services which impose additional requirements upon such services. Local units of government intending to impose additional requirements shall consider whether any benefit accruing to the public health would outweigh the costs associated with the additional requirements.

(b) Local units of government that desire to impose additional requirements shall, prior to adoption of relevant ordinances, rules, or regulations, furnish the ~~board~~ director with a copy of the proposed ordinances, rules, or regulations, along with information that affirmatively substantiates that the proposed ordinances, rules, or regulations:

(1) will in no way conflict with the relevant rules of the ~~board~~ office;

(2) will establish additional requirements tending to protect the public health;

(3) will not diminish public access to ambulance services of acceptable quality; and

(4) will not interfere with the orderly development of regional systems of emergency medical care.

(c) The ~~board~~ director shall base any decision to approve or disapprove local standards upon whether or not the local unit of government in question has affirmatively substantiated that the proposed ordinances, rules, or regulations meet the criteria specified in paragraph (b).

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

Sec. 18. Minnesota Statutes 2022, section 144E.19, subdivision 3, is amended to read:

Subd. 3. **Temporary suspension.** (a) In addition to any other remedy provided by law, the ~~board~~ director may temporarily suspend the license of a licensee after conducting a preliminary inquiry to determine whether the ~~board~~ director believes that the licensee has violated a statute or rule that the ~~board~~ director is empowered to enforce and determining that the continued provision of service by the licensee would create an imminent risk to public health or harm to others.

(b) A temporary suspension order prohibiting a licensee from providing ambulance service shall give notice of the right to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry of the temporary suspension order.

(c) Service of a temporary suspension order is effective when the order is served on the licensee personally or by certified mail, which is complete upon receipt, refusal, or return for nondelivery to the most recent address provided to the ~~board~~ director for the licensee.

(d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director shall schedule a hearing~~, to be held before a group of its members designated by the board,~~ that shall begin within 60 days after issuance of the temporary suspension order or within 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from a licensee, whichever is sooner. The hearing shall be on the sole issue of whether there is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under this paragraph is not subject to chapter 14.

(e) Evidence presented by the ~~board~~ director or licensee may be in the form of an affidavit. The licensee or the licensee's designee may appear for oral argument.

(f) Within five working days of the hearing, the ~~board~~ director shall issue its order and, if the suspension is continued, notify the licensee of the right to a contested case hearing under chapter 14.

(g) If a licensee requests a contested case hearing within 30 days after receiving notice under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according to chapter 14. The administrative law judge shall issue a report and recommendation within 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue a final order within 30 days after receipt of the administrative law judge's report.

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

Sec. 19. Minnesota Statutes 2022, section 144E.27, subdivision 3, is amended to read:

Subd. 3. **Renewal.** (a) The board may renew the registration of an emergency medical responder who:

(1) successfully completes a board-approved refresher course; ~~and~~

(2) successfully completes a course in cardiopulmonary resuscitation approved by the board or by the licensee's medical director. This course may be a component of a board-approved refresher course; and

~~(2)~~ (3) submits a completed renewal application to the board before the registration expiration date.

(b) The board may renew the lapsed registration of an emergency medical responder who:

(1) successfully completes a board-approved refresher course; ~~and~~

(2) successfully completes a course in cardiopulmonary resuscitation approved by the board or by the licensee's medical director. This course may be a component of a board-approved refresher course; and

~~(2)~~ (3) submits a completed renewal application to the board within ~~12~~ 48 months after the registration expiration date.

Sec. 20. Minnesota Statutes 2022, section 144E.27, subdivision 5, is amended to read:

Subd. 5. **Denial, suspension, revocation; emergency medical responders and drivers.** (a) This subdivision applies to individuals seeking registration or registered as an emergency medical responder and to individuals seeking registration or registered as a driver of a basic life-support ambulance under section 144E.101, subdivision 6a. The board may deny, suspend, revoke, place conditions on, or refuse to renew the registration of an individual who the board determines:

(1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, an agreement for corrective action, or an order that the board issued or is otherwise empowered to enforce;

(2) misrepresents or falsifies information on an application form for registration;

(3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol;

(4) is actually or potentially unable to provide emergency medical services or drive an ambulance with reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or as a result of any mental or physical condition;

(5) engages in unethical conduct, including, but not limited to, conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of the public;

(6) maltreats or abandons a patient;

(7) violates any state or federal controlled substance law;

(8) engages in unprofessional conduct or any other conduct which has the potential for causing harm to the public, including any departure from or failure to conform to the minimum standards of acceptable and prevailing practice without actual injury having to be established;

(9) for emergency medical responders, provides emergency medical services under lapsed or nonrenewed credentials;

(10) is subject to a denial, corrective, disciplinary, or other similar action in another jurisdiction or by another regulatory authority;

(11) engages in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient; ~~or~~

(12) makes a false statement or knowingly provides false information to the board, or fails to cooperate with an investigation of the board as required by section 144E.30~~.~~; or

(13) fails to engage with the health professionals services program or diversion program required under section 144E.287 after being referred to the program, violates the terms of the program participation agreement, or leaves the program except upon fulfilling the terms for successful completion of the program as set forth in the participation agreement.

(b) Before taking action under paragraph (a), the board shall give notice to an individual of the right to a contested case hearing under chapter 14. If an individual requests a contested case hearing within 30 days after receiving notice, the board shall initiate a contested case hearing according to chapter 14.

(c) The administrative law judge shall issue a report and recommendation within 30 days after closing the contested case hearing record. The board shall issue a final order within 30 days after receipt of the administrative law judge's report.

(d) After six months from the board's decision to deny, revoke, place conditions on, or refuse renewal of an individual's registration for disciplinary action, the individual shall have the opportunity to apply to the board for reinstatement.

EFFECTIVE DATE. This section is effective July 1, 2024, except that clause (13) is effective January 1, 2025.

Sec. 21. Minnesota Statutes 2022, section 144E.27, subdivision 6, is amended to read:

Subd. 6. **Temporary suspension; emergency medical responders and drivers.** (a) This subdivision applies to emergency medical responders registered under this section and to individuals registered as drivers of basic life-support ambulances under section 144E.101, subdivision 6a. In addition to any other remedy provided by law, the board may temporarily suspend the registration of an individual after conducting a preliminary inquiry to determine whether the board believes that the individual has violated a statute or rule that the board is empowered to enforce and determining that the continued provision of service by the individual would create an imminent risk to public health or harm to others.

(b) A temporary suspension order prohibiting an individual from providing emergency medical care or from driving a basic life-support ambulance shall give notice of the right to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry of the temporary suspension order.

(c) Service of a temporary suspension order is effective when the order is served on the individual personally or by certified mail, which is complete upon receipt, refusal, or return for nondelivery to the most recent address provided to the board for the individual.

(d) At the time the board issues a temporary suspension order, the board shall schedule a hearing, to be held before a group of its members designated by the board, that shall begin within 60 days after issuance of the temporary suspension order or within 15 working days of the date of the board's receipt of a request for a hearing from the individual, whichever is sooner. The hearing shall be on the sole issue of whether there is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under this paragraph is not subject to chapter 14.

(e) Evidence presented by the board or the individual may be in the form of an affidavit. The individual or the individual's designee may appear for oral argument.

(f) Within five working days of the hearing, the board shall issue its order and, if the suspension is continued, notify the individual of the right to a contested case hearing under chapter 14.

(g) If an individual requests a contested case hearing within 30 days after receiving notice under paragraph (f), the board shall initiate a contested case hearing according to chapter 14. The administrative law judge shall issue a report and recommendation within 30 days after the closing of the contested case hearing record. The board shall issue a final order within 30 days after receipt of the administrative law judge's report.

Sec. 22. Minnesota Statutes 2022, section 144E.28, subdivision 3, is amended to read:

Subd. 3. **Reciprocity.** The board may certify an individual who possesses a current National Registry of Emergency Medical Technicians ~~registration~~ certification from another jurisdiction if the individual submits a board-approved application form. The board certification classification shall be the same as the National Registry's classification. Certification shall be for the duration of the applicant's ~~registration~~ certification period in another jurisdiction, not to exceed two years.

Sec. 23. Minnesota Statutes 2022, section 144E.28, subdivision 5, is amended to read:

Subd. 5. **Denial, suspension, revocation.** (a) The ~~board~~ director may deny certification or take any action authorized in subdivision 4 against an individual who the ~~board~~ director determines:

(1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, or an order that the ~~board~~ director issued or is otherwise authorized or empowered to enforce, or agreement for corrective action;

(2) misrepresents or falsifies information on an application form for certification;

(3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol;

(4) is actually or potentially unable to provide emergency medical services with reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or as a result of any mental or physical condition;

(5) engages in unethical conduct, including, but not limited to, conduct likely to deceive, defraud, or harm the public or demonstrating a willful or careless disregard for the health, welfare, or safety of the public;

(6) maltreats or abandons a patient;

(7) violates any state or federal controlled substance law;

(8) engages in unprofessional conduct or any other conduct which has the potential for causing harm to the public, including any departure from or failure to conform to the minimum standards of acceptable and prevailing practice without actual injury having to be established;

(9) provides emergency medical services under lapsed or nonrenewed credentials;

(10) is subject to a denial, corrective, disciplinary, or other similar action in another jurisdiction or by another regulatory authority;

(11) engages in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient; ~~or~~

(12) makes a false statement or knowingly provides false information to the ~~board~~ director or fails to cooperate with an investigation of the ~~board~~ director as required by section 144E.30~~.~~; or

(13) fails to engage with the health professionals services program or diversion program required under section 144E.287 after being referred to the program, violates the terms of the program participation agreement, or leaves the program except upon fulfilling the terms for successful completion of the program as set forth in the participation agreement.

(b) Before taking action under paragraph (a), the ~~board~~ director shall give notice to an individual of the right to a contested case hearing under chapter 14. If an individual requests a contested case hearing within 30 days after receiving notice, the ~~board~~ director shall initiate a contested case hearing according to chapter 14 and no disciplinary action shall be taken at that time.

(c) The administrative law judge shall issue a report and recommendation within 30 days after closing the contested case hearing record. The ~~board~~ director shall issue a final order within 30 days after receipt of the administrative law judge's report.

(d) After six months from the ~~board's~~ director's decision to deny, revoke, place conditions on, or refuse renewal of an individual's certification for disciplinary action, the individual shall have the opportunity to apply to the ~~board~~ director for reinstatement.

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

Sec. 24. Minnesota Statutes 2022, section 144E.28, subdivision 6, is amended to read:

Subd. 6. **Temporary suspension.** (a) In addition to any other remedy provided by law, the ~~board~~ director may temporarily suspend the certification of an individual after conducting a preliminary inquiry to determine whether the ~~board~~ director believes that the individual has violated a statute or rule that the ~~board~~ director is empowered to enforce and determining that the continued provision of service by the individual would create an imminent risk to public health or harm to others.

(b) A temporary suspension order prohibiting an individual from providing emergency medical care shall give notice of the right to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry of the temporary suspension order.

(c) Service of a temporary suspension order is effective when the order is served on the individual personally or by certified mail, which is complete upon receipt, refusal, or return for nondelivery to the most recent address provided to the ~~board~~ director for the individual.

(d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director shall schedule a hearing~~, to be held before a group of its members designated by the board,~~ that shall begin within 60 days after issuance of the temporary suspension order or within 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from the individual, whichever is sooner. The hearing shall be on the sole issue of whether there is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under this paragraph is not subject to chapter 14.

(e) Evidence presented by the ~~board~~ director or the individual may be in the form of an affidavit. The individual or individual's designee may appear for oral argument.

(f) Within five working days of the hearing, the ~~board~~ director shall issue its order and, if the suspension is continued, notify the individual of the right to a contested case hearing under chapter 14.

(g) If an individual requests a contested case hearing within 30 days of receiving notice under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according to chapter 14. The administrative law judge shall issue a report and recommendation within 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue a final order within 30 days after receipt of the administrative law judge's report.

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

Sec. 25. Minnesota Statutes 2022, section 144E.28, subdivision 8, is amended to read:

Subd. 8. **Reinstatement.** (a) Within four years of a certification expiration date, a person whose certification has expired under subdivision 7, paragraph (d), may have the certification reinstated upon submission of:

(1) evidence to the board of training equivalent to the continuing education requirements of subdivision 7 or, for community paramedics, evidence to the board of training equivalent to the continuing education requirements of subdivision 9, paragraph (c); and

(2) a board-approved application form.

(b) If more than four years have passed since a certificate expiration date, an applicant must complete the initial certification process required under subdivision 1.

(c) Beginning July 1, 2024, through December 31, 2025, and notwithstanding paragraph (b), a person whose certification as an EMT, AEMT, paramedic, or community paramedic expired more than four years ago but less than ten years ago may have the certification reinstated upon submission of:

(1) evidence to the board of the training required under paragraph (a), clause (1). This training must have been completed within the 24 months prior to the date of the application for reinstatement;

(2) a board-approved application form; and

(3) a recommendation from an ambulance service medical director.

This paragraph expires December 31, 2025.

Sec. 26. Minnesota Statutes 2022, section 144E.285, subdivision 1, is amended to read:

Subdivision 1. **Approval required.** (a) All education programs for an EMR, EMT, AEMT, or paramedic must be approved by the board.

(b) To be approved by the board, an education program must:

(1) submit an application prescribed by the board that includes:

(i) type ~~and length~~ of course to be offered;

(ii) names, addresses, and qualifications of the program medical director, program education coordinator, and instructors;

~~(iii) names and addresses of clinical sites, including a contact person and telephone number;~~

~~(iv)~~ (iii) admission criteria for students; and

~~(v)~~ (iv) materials and equipment to be used;

(2) for each course, implement the most current version of the United States Department of Transportation EMS Education Standards, or its equivalent as determined by the board applicable to EMR, EMT, AEMT, or paramedic education;

(3) have a program medical director and a program coordinator;

(4) utilize instructors who meet the requirements of section 144E.283 for teaching at least 50 percent of the course content. The remaining 50 percent of the course may be taught by guest lecturers approved by the education program coordinator or medical director;

~~(5) have at least one instructor for every ten students at the practical skill stations;~~

~~(6) maintain a written agreement with a licensed hospital or licensed ambulance service designating a clinical training site;~~

~~(7)~~ (5) retain documentation of program approval by the board, course outline, and student information;

~~(8)~~ (6) notify the board of the starting date of a course prior to the beginning of a course; and

~~(9)~~ (7) submit the appropriate fee as required under section 144E.29~~; and~~.

~~(10) maintain a minimum average yearly pass rate as set by the board on an annual basis. The pass rate will be determined by the percent of candidates who pass the exam on the first attempt. An education program not meeting this yearly standard shall be placed on probation and shall be on a performance improvement plan approved by the board until meeting the pass rate standard. While on probation, the education program may continue providing classes if meeting the terms of the performance improvement plan as determined by the board. If an education program having probation status fails to meet the pass rate standard after two years in which an EMT initial course has been taught, the board may take disciplinary action under subdivision 5.~~

Sec. 27. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision to read:

Subd. 1a. **EMR education program requirements.** The National EMS Education Standards established by the National Highway Traffic Safety Administration of the United States Department of Transportation specify the minimum requirements for knowledge and skills for emergency medical responders. An education program applying for approval to teach EMRs must comply with the requirements under subdivision 1, paragraph (b). A medical director of an emergency medical responder group may establish additional knowledge and skill requirements for EMRs.

Sec. 28. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision to read:

Subd. 1b. **EMT education program requirements.** In addition to the requirements under subdivision 1, paragraph (b), an education program applying for approval to teach EMTs must:

(1) include in the application prescribed by the board the names and addresses of clinical sites, including a contact person and telephone number;

(2) maintain a written agreement with at least one clinical training site that is of a type recognized by the National EMS Education Standards established by the National Highway Traffic Safety Administration; and

(3) maintain a minimum average yearly pass rate as set by the board. An education program not meeting this standard must be placed on probation and must comply with a performance improvement plan approved by the board until the program meets the pass rate standard. While on probation, the education program may continue to provide classes if the program meets the terms of the performance improvement plan, as determined by the board. If an education program that is on probation status fails to meet the pass rate standard after two years in which an EMT initial course has been taught, the board may take disciplinary action under subdivision 5.

Sec. 29. Minnesota Statutes 2022, section 144E.285, subdivision 2, is amended to read:

Subd. 2. **AEMT and paramedic education program requirements.** (a) In addition to the requirements under subdivision 1, paragraph (b), an education program applying for approval to teach AEMTs and paramedics must:

(1) be administered by an educational institution accredited by the Commission of Accreditation of Allied Health Education Programs (CAAHEP)~~.~~;

(2) include in the application prescribed by the board the names and addresses of clinical sites, including a contact person and telephone number; and

(3) maintain a written agreement with a licensed hospital or licensed ambulance service designating a clinical training site.

(b) An AEMT and paramedic education program that is administered by an educational institution not accredited by CAAHEP, but that is in the process of completing the accreditation process, may be granted provisional approval by the board upon verification of submission of its self-study report and the appropriate review fee to CAAHEP.

(c) An educational institution that discontinues its participation in the accreditation process must notify the board immediately and provisional approval shall be withdrawn.

~~(d) This subdivision does not apply to a paramedic education program when the program is operated by an advanced life support ambulance service licensed by the Emergency Medical Services Regulatory Board under this chapter, and the ambulance service meets the following criteria:~~

~~(1) covers a rural primary service area that does not contain a hospital within the primary service area or contains a hospital within the primary service area that has been designated as a critical access hospital under section 144.1483, clause (9);~~

~~(2) has tax-exempt status in accordance with the Internal Revenue Code, section 501(c)(3);~~

~~(3) received approval before 1991 from the commissioner of health to operate a paramedic education program;~~

~~(4) operates an AEMT and paramedic education program exclusively to train paramedics for the local ambulance service; and~~

~~(5) limits enrollment in the AEMT and paramedic program to five candidates per biennium.~~

Sec. 30. Minnesota Statutes 2022, section 144E.285, subdivision 4, is amended to read:

Subd. 4. **Reapproval.** An education program shall apply to the board for reapproval at least ~~three months~~ 30 days prior to the expiration date of its approval and must:

(1) submit an application prescribed by the board specifying any changes from the information provided for prior approval and any other information requested by the board to clarify incomplete or ambiguous information presented in the application; ~~and~~

(2) comply with the requirements under subdivision 1, paragraph (b), clauses (2) to ~~(10).~~ (7);

(3) be subject to a site visit by the board;

(4) for education programs that teach EMRs, comply with the requirements in subdivision 1a;

(5) for education programs that teach EMTs, comply with the requirements in subdivision 1b; and

(6) for education programs that teach AEMTs and paramedics, comply with the requirements in subdivision 2 and maintain accreditation with CAAHEP.

Sec. 31. Minnesota Statutes 2022, section 144E.285, subdivision 6, is amended to read:

Subd. 6. **Temporary suspension.** (a) In addition to any other remedy provided by law, the ~~board~~ director may temporarily suspend approval of the education program after conducting a preliminary inquiry to determine whether the ~~board~~ director believes that the education program has violated a statute or rule that the ~~board~~ director is empowered to enforce and determining that the continued provision of service by the education program would create an imminent risk to public health or harm to others.

(b) A temporary suspension order prohibiting the education program from providing emergency medical care training shall give notice of the right to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry of the temporary suspension order.

(c) Service of a temporary suspension order is effective when the order is served on the education program personally or by certified mail, which is complete upon receipt, refusal, or return for nondelivery to the most recent address provided to the ~~board~~ director for the education program.

(d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director shall schedule a hearing~~, to be held before a group of its members designated by the board,~~ that shall begin within 60 days after issuance of the temporary suspension order or within 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from the education program, whichever is sooner. The hearing shall be on the sole issue of whether there is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under this paragraph is not subject to chapter 14.

(e) Evidence presented by the ~~board~~ director or the individual may be in the form of an affidavit. The education program or counsel of record may appear for oral argument.

(f) Within five working days of the hearing, the ~~board~~ director shall issue its order and, if the suspension is continued, notify the education program of the right to a contested case hearing under chapter 14.

(g) If an education program requests a contested case hearing within 30 days of receiving notice under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according to chapter 14. The administrative law judge shall issue a report and recommendation within 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue a final order within 30 days after receipt of the administrative law judge's report.

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

Sec. 32. Minnesota Statutes 2022, section 144E.287, is amended to read:

144E.287 DIVERSION PROGRAM.

The ~~board~~ director shall either conduct a health professionals ~~service~~ services program ~~under sections 214.31 to 214.37~~ or contract for a diversion program ~~under section 214.28~~ for professionals regulated ~~by the board~~ under this chapter who are unable to perform their duties with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition.

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

Sec. 33. Minnesota Statutes 2022, section 144E.305, subdivision 3, is amended to read:

Subd. 3. **Immunity.** (a) An individual, licensee, health care facility, business, or organization is immune from civil liability or criminal prosecution for submitting in good faith a report to the ~~board~~ director under subdivision 1 or 2 or for otherwise reporting in good faith to the ~~board~~ director violations or alleged violations of sections 144E.001 to 144E.33. Reports are classified as confidential data on individuals or protected nonpublic data under section 13.02 while an investigation is active. Except for the ~~board's~~ director's final determination, all communications or information received by or disclosed to the ~~board~~ director relating to disciplinary matters of any person or entity subject to the ~~board's~~ director's regulatory jurisdiction are confidential and privileged and any disciplinary hearing shall be closed to the public.

(b) ~~Members of the board~~ The director, persons employed by the ~~board~~ director, persons engaged in the investigation of violations and in the preparation and management of charges of violations of sections 144E.001 to 144E.33 on behalf of the ~~board~~ director, and persons participating in the investigation regarding charges of violations are immune from civil liability and criminal prosecution for any actions, transactions, or publications, made in good faith, in the execution of, or relating to, their duties under sections 144E.001 to 144E.33.

~~(c) For purposes of this section, a member of the board is considered a state employee under section 3.736, subdivision 9.~~

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

Sec. 34. Minnesota Statutes 2023 Supplement, section 152.126, subdivision 6, is amended to read:

Subd. 6. **Access to reporting system data.** (a) Except as indicated in this subdivision, the data submitted to the board under subdivision 4 is private data on individuals as defined in section 13.02, subdivision 12, and not subject to public disclosure.

(b) Except as specified in subdivision 5, the following persons shall be considered permissible users and may access the data submitted under subdivision 4 in the same or similar manner, and for the same or similar purposes, as those persons who are authorized to access similar private data on individuals under federal and state law:

(1) a prescriber or an agent or employee of the prescriber to whom the prescriber has delegated the task of accessing the data, to the extent the information relates specifically to a current patient, to whom the prescriber is:

(i) prescribing or considering prescribing any controlled substance;

(ii) providing emergency medical treatment for which access to the data may be necessary;

(iii) providing care, and the prescriber has reason to believe, based on clinically valid indications, that the patient is potentially abusing a controlled substance; or

(iv) providing other medical treatment for which access to the data may be necessary for a clinically valid purpose and the patient has consented to access to the submitted data, and with the provision that the prescriber remains responsible for the use or misuse of data accessed by a delegated agent or employee;

(2) a dispenser or an agent or employee of the dispenser to whom the dispenser has delegated the task of accessing the data, to the extent the information relates specifically to a current patient to whom that dispenser is dispensing or considering dispensing any controlled substance and with the provision that the dispenser remains responsible for the use or misuse of data accessed by a delegated agent or employee;

(3) a licensed dispensing practitioner or licensed pharmacist to the extent necessary to determine whether corrections made to the data reported under subdivision 4 are accurate;

(4) a licensed pharmacist who is providing pharmaceutical care for which access to the data may be necessary to the extent that the information relates specifically to a current patient for whom the pharmacist is providing pharmaceutical care: (i) if the patient has consented to access to the submitted data; or (ii) if the pharmacist is consulted by a prescriber who is requesting data in accordance with clause (1);

(5) an individual who is the recipient of a controlled substance prescription for which data was submitted under subdivision 4, or a guardian of the individual, parent or guardian of a minor, or health care agent of the individual acting under a health care directive under chapter 145C. For purposes of this clause, access by individuals includes persons in the definition of an individual under section 13.02;

(6) personnel or designees of a health-related licensing board listed in section 214.01, subdivision 2, or of the Office of Emergency Medical Services ~~Regulatory Board~~, assigned to conduct a bona fide investigation of a complaint received by that board or office that alleges that a specific licensee is impaired by use of a drug for which data is collected under subdivision 4, has engaged in activity that would constitute a crime as defined in section 152.025, or has engaged in the behavior specified in subdivision 5, paragraph (a);

(7) personnel of the board engaged in the collection, review, and analysis of controlled substance prescription information as part of the assigned duties and responsibilities under this section;

(8) authorized personnel under contract with the board, or under contract with the state of Minnesota and approved by the board, who are engaged in the design, evaluation, implementation, operation, or maintenance of the prescription monitoring program as part of the assigned duties and responsibilities of their employment, provided that access to data is limited to the minimum amount necessary to carry out such duties and responsibilities, and subject to the requirement of de-identification and time limit on retention of data specified in subdivision 5, paragraphs (d) and (e);

(9) federal, state, and local law enforcement authorities acting pursuant to a valid search warrant;

(10) personnel of the Minnesota health care programs assigned to use the data collected under this section to identify and manage recipients whose usage of controlled substances may warrant restriction to a single primary care provider, a single outpatient pharmacy, and a single hospital;

(11) personnel of the Department of Human Services assigned to access the data pursuant to paragraph (k);

(12) personnel of the health professionals services program established under section 214.31, to the extent that the information relates specifically to an individual who is currently enrolled in and being monitored by the program, and the individual consents to access to that information. The health professionals services program personnel shall not provide this data to a health-related licensing board ~~or the Emergency Medical Services Regulatory Board~~, except as permitted under section 214.33, subdivision 3;

(13) personnel or designees of a health-related licensing board other than the Board of Pharmacy listed in section 214.01, subdivision 2, assigned to conduct a bona fide investigation of a complaint received by that board that alleges that a specific licensee is inappropriately prescribing controlled substances as defined in this section. For the purposes of this clause, the health-related licensing board may also obtain utilization data; and

(14) personnel of the board specifically assigned to conduct a bona fide investigation of a specific licensee or registrant. For the purposes of this clause, the board may also obtain utilization data.

(c) By July 1, 2017, every prescriber licensed by a health-related licensing board listed in section 214.01, subdivision 2, practicing within this state who is authorized to prescribe controlled substances for humans and who holds a current registration issued by the federal Drug Enforcement Administration, and every pharmacist licensed by the board and practicing within the state, shall register and maintain a user account with the prescription monitoring program. Data submitted by a prescriber, pharmacist, or their delegate during the registration application process, other than their name, license number, and license type, is classified as private pursuant to section 13.02, subdivision 12.

(d) Notwithstanding paragraph (b), beginning January 1, 2021, a prescriber or an agent or employee of the prescriber to whom the prescriber has delegated the task of accessing the data, must access the data submitted under subdivision 4 to the extent the information relates specifically to the patient:

(1) before the prescriber issues an initial prescription order for a Schedules II through IV opiate controlled substance to the patient; and

(2) at least once every three months for patients receiving an opiate for treatment of chronic pain or participating in medically assisted treatment for an opioid addiction.

(e) Paragraph (d) does not apply if:

(1) the patient is receiving palliative care, or hospice or other end-of-life care;

(2) the patient is being treated for pain due to cancer or the treatment of cancer;

(3) the prescription order is for a number of doses that is intended to last the patient five days or less and is not subject to a refill;

(4) the prescriber and patient have a current or ongoing provider/patient relationship of a duration longer than one year;

(5) the prescription order is issued within 14 days following surgery or three days following oral surgery or follows the prescribing protocols established under the opioid prescribing improvement program under section 256B.0638;

(6) the controlled substance is prescribed or administered to a patient who is admitted to an inpatient hospital;

(7) the controlled substance is lawfully administered by injection, ingestion, or any other means to the patient by the prescriber, a pharmacist, or by the patient at the direction of a prescriber and in the presence of the prescriber or pharmacist;

(8) due to a medical emergency, it is not possible for the prescriber to review the data before the prescriber issues the prescription order for the patient; or

(9) the prescriber is unable to access the data due to operational or other technological failure of the program so long as the prescriber reports the failure to the board.

(f) Only permissible users identified in paragraph (b), clauses (1), (2), (3), (4), (7), (8), (10), and (11), may directly access the data electronically. No other permissible users may directly access the data electronically. If the data is directly accessed electronically, the permissible user shall implement and maintain a comprehensive information security program that contains administrative, technical, and physical safeguards that are appropriate to the user's size and complexity, and the sensitivity of the personal information obtained. The permissible user shall identify reasonably foreseeable internal and external risks to the security, confidentiality, and integrity of personal information that could result in the unauthorized disclosure, misuse, or other compromise of the information and assess the sufficiency of any safeguards in place to control the risks.

(g) The board shall not release data submitted under subdivision 4 unless it is provided with evidence, satisfactory to the board, that the person requesting the information is entitled to receive the data.

(h) The board shall maintain a log of all persons who access the data for a period of at least three years and shall ensure that any permissible user complies with paragraph (c) prior to attaining direct access to the data.

(i) Section 13.05, subdivision 6, shall apply to any contract the board enters into pursuant to subdivision 2. A vendor shall not use data collected under this section for any purpose not specified in this section.

(j) The board may participate in an interstate prescription monitoring program data exchange system provided that permissible users in other states have access to the data only as allowed under this section, and that section 13.05, subdivision 6, applies to any contract or memorandum of understanding that the board enters into under this paragraph.

(k) With available appropriations, the commissioner of human services shall establish and implement a system through which the Department of Human Services shall routinely access the data for the purpose of determining whether any client enrolled in an opioid treatment program licensed according to chapter 245A has been prescribed or dispensed a controlled substance in addition to that administered or dispensed by the opioid treatment program. When the commissioner determines there have been multiple prescribers or multiple prescriptions of controlled substances, the commissioner shall:

(1) inform the medical director of the opioid treatment program only that the commissioner determined the existence of multiple prescribers or multiple prescriptions of controlled substances; and

(2) direct the medical director of the opioid treatment program to access the data directly, review the effect of the multiple prescribers or multiple prescriptions, and document the review.

If determined necessary, the commissioner of human services shall seek a federal waiver of, or exception to, any applicable provision of Code of Federal Regulations, title 42, section 2.34, paragraph (c), prior to implementing this paragraph.

(l) The board shall review the data submitted under subdivision 4 on at least a quarterly basis and shall establish criteria, in consultation with the advisory task force, for referring information about a patient to prescribers and dispensers who prescribed or dispensed the prescriptions in question if the criteria are met.

(m) The board shall conduct random audits, on at least a quarterly basis, of electronic access by permissible users, as identified in paragraph (b), clauses (1), (2), (3), (4), (7), (8), (10), and (11), to the data in subdivision 4, to ensure compliance with permissible use as defined in this section. A permissible user whose account has been selected for a random audit shall respond to an inquiry by the board, no later than 30 days after receipt of notice that an audit is being conducted. Failure to respond may result in deactivation of access to the electronic system and referral to the appropriate health licensing board, or the commissioner of human services, for further action. The board shall report the results of random audits to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance and government data practices.

(n) A permissible user who has delegated the task of accessing the data in subdivision 4 to an agent or employee shall audit the use of the electronic system by delegated agents or employees on at least a quarterly basis to ensure compliance with permissible use as defined in this section. When a delegated agent or employee has been identified as inappropriately accessing data, the permissible user must immediately remove access for that individual and notify the board within seven days. The board shall notify all permissible users associated with the delegated agent or employee of the alleged violation.

(o) A permissible user who delegates access to the data submitted under subdivision 4 to an agent or employee shall terminate that individual's access to the data within three business days of the agent or employee leaving employment with the permissible user. The board may conduct random audits to determine compliance with this requirement.

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

Sec. 35. Minnesota Statutes 2022, section 214.025, is amended to read:

214.025 COUNCIL OF HEALTH BOARDS.

The health-related licensing boards may establish a Council of Health Boards consisting of representatives of the health-related licensing boards ~~and the Emergency Medical Services Regulatory Board~~. When reviewing legislation or legislative proposals relating to the regulation of health occupations, the council shall include the commissioner of health or a designee and the director of the Office of Emergency Medical Services or a designee.

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

Sec. 36. Minnesota Statutes 2022, section 214.04, subdivision 2a, is amended to read:

Subd. 2a. **Performance of executive directors.** The governor may request that a health-related licensing board ~~or the Emergency Medical Services Regulatory Board~~ review the performance of the board's executive director. Upon receipt of the request, the board must respond by establishing a performance improvement plan or taking disciplinary or other corrective action, including dismissal. The board shall include the governor's representative as a voting member of the board in the board's discussions and decisions regarding the governor's request. The board shall report to the governor on action taken by the board, including an explanation if no action is deemed necessary.

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

Sec. 37. Minnesota Statutes 2022, section 214.29, is amended to read:

214.29 PROGRAM REQUIRED.

Each health-related licensing board~~, including the Emergency Medical Services Regulatory Board under chapter 144E,~~ shall either conduct a health professionals service program under sections 214.31 to 214.37 or contract for a diversion program under section 214.28.

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

Sec. 38. Minnesota Statutes 2022, section 214.31, is amended to read:

214.31 AUTHORITY.

Two or more of the health-related licensing boards listed in section 214.01, subdivision 2, may jointly conduct a health professionals services program to protect the public from persons regulated by the boards who are unable to practice with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition. The program does not affect a board's authority to discipline violations of a board's practice act. ~~For purposes of sections 214.31 to 214.37, the emergency medical services regulatory board shall be included in the definition of a health-related licensing board under chapter 144E.~~

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

Sec. 39. Minnesota Statutes 2022, section 214.355, is amended to read:

214.355 GROUNDS FOR DISCIPLINARY ACTION.

Each health-related licensing board~~, including the Emergency Medical Services Regulatory Board under chapter 144E,~~ shall consider it grounds for disciplinary action if a regulated person violates the terms of the health professionals services program participation agreement or leaves the program except upon fulfilling the terms for successful completion of the program as set forth in the participation agreement.

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

Sec. 40. **INITIAL MEMBERS AND FIRST MEETING; EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL.**

(a) Initial appointments of members to the Emergency Medical Services Advisory Council must be made by January 1, 2025. The terms of initial appointees must be determined by lot by the secretary of state and must be as follows:

(1) eight members shall serve two-year terms; and

(2) eight members shall serve three-year terms.

(b) The medical director appointee must convene the first meeting of the Emergency Medical Services Advisory Council by February 1, 2025.

Sec. 41. **INITIAL MEMBERS AND FIRST MEETING; EMERGENCY MEDICAL SERVICES PHYSICIAN ADVISORY COUNCIL.**

(a) Initial appointments of members to the Emergency Medical Services Physician Advisory Council must be made by January 1, 2025. The terms of initial appointees must be determined by lot by the secretary of state and must be as follows:

(1) five members shall serve two-year terms;

(2) five members shall serve three-year terms; and

(3) the term for the medical director appointee to the Emergency Medical Services Physician Advisory Council must coincide with that member's term on the Emergency Medical Services Advisory Council.

(b) The medical director appointee must convene the first meeting of the Emergency Medical Services Physician Advisory Council by February 1, 2025.

Sec. 42. **INITIAL MEMBERS AND FIRST MEETING; LABOR AND EMERGENCY MEDICAL SERVICE PROVIDERS ADVISORY COUNCIL.**

(a) Initial appointments of members to the Labor and Emergency Medical Service Providers Advisory Council must be made by January 1, 2025. The terms of initial appointees must be determined by lot by the secretary of state and must be as follows:

(1) six members shall serve two-year terms; and

(2) seven members shall serve three-year terms.

(b) The emergency medical technician instructor appointee must convene the first meeting of the Labor and Emergency Medical Service Providers Advisory Council by February 1, 2025.

Sec. 43. **TRANSITION.**

Subdivision 1. **Appointment of director; operation of office.** No later than October 1, 2024, the governor shall appoint a director-designee of the Office of Emergency Medical Services. The individual appointed as the director-designee of the Office of Emergency Medical Services shall become the governor's appointee as director of the Office of Emergency Medical Services on January 1, 2025. Effective January 1, 2025, the responsibilities to regulate emergency medical services in the state under Minnesota Statutes, chapter 144E, and Minnesota Rules, chapter 4690, are transferred from the Emergency Medical Services Regulatory Board to the Office of Emergency Medical Services and the director of the Office of Emergency Medical Services.

Subd. 2. **Transfer of responsibilities.** Minnesota Statutes, section 15.039, applies to the transfer of responsibilities from the Emergency Medical Services Regulatory Board to the Office of Emergency Medical Services required by this act. The commissioner of administration, with the approval of the governor, may issue reorganization orders under Minnesota Statutes, section 16B.37, as necessary to carry out the transfer of responsibilities required by this act. The provision of Minnesota Statutes, section 16B.37, subdivision 1, which states that transfers under that section may be made only to an agency that has been in existence for at least one year, does not apply to transfers in this act to the Office of Emergency Medical Services.

Sec. 44. **REVISOR INSTRUCTION.**

(a) In Minnesota Statutes, chapter 144E, the revisor of statutes shall replace "board" with "director"; "board's" with "director's"; "Emergency Medical Services Regulatory Board" or "Minnesota Emergency Medical Services Regulatory Board" with "director"; and "board-approved" with "director-approved," except that:

(1) in Minnesota Statutes, section 144E.11, the revisor of statutes shall not modify the term "county board," "community health board," or "community health boards";

(2) in Minnesota Statutes, sections 144E.40, subdivision 2; 144E.42, subdivision 2; 144E.44; and 144E.45, subdivision 2, the revisor of statutes shall not modify the term "State Board of Investment"; and

(3) in Minnesota Statutes, sections 144E.50 and 144E.52, the revisor of statutes shall not modify the term "regional emergency medical services board," "regional board," "regional emergency medical services board's," or "regional boards."

(b) In the following sections of Minnesota Statutes, the revisor of statutes shall replace "Emergency Medical Services Regulatory Board" with "director of the Office of Emergency Medical Services": sections 13.717, subdivision 10; 62J.49, subdivision 2; 144.604; 144.608; 147.09; 156.12, subdivision 2; 169.686, subdivision 3; and 299A.41, subdivision 4.

(c) In the following sections of Minnesota Statutes, the revisor of statutes shall replace "Emergency Medical Services Regulatory Board" with "Office of Emergency Medical Services": sections 144.603 and 161.045, subdivision 3.

(d) In making the changes specified in this section, the revisor of statutes may make technical and other necessary changes to sentence structure to preserve the meaning of the text.

Sec. 45. **REPEALER.**

(a) Minnesota Statutes 2022, sections 144E.001, subdivision 5; 144E.01; 144E.123, subdivision 5; and 144E.50, subdivision 3, are repealed.

(b) Minnesota Statutes 2022, section 144E.27, subdivisions 1 and 1a, are repealed.

EFFECTIVE DATE. Paragraph (a) is effective January 1, 2025.

ARTICLE 8
PHARMACY PRACTICE

Section 1. Minnesota Statutes 2023 Supplement, section 62Q.46, subdivision 1, is amended to read:

Subdivision 1. **Coverage for preventive items and services.** (a) "Preventive items and services" has the meaning specified in the Affordable Care Act. Preventive items and services includes:

(1) evidence-based items or services that have in effect a rating of A or B in the current recommendations of the United States Preventive Services Task Force with respect to the individual involved;

(2) immunizations for routine use in children, adolescents, and adults that have in effect a recommendation from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention with respect to the individual involved. For purposes of this clause, a recommendation from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention is considered in effect after the recommendation has been adopted by the Director of the Centers for Disease Control and Prevention, and a recommendation is considered to be for routine use if the recommendation is listed on the Immunization Schedules of the Centers for Disease Control and Prevention;

(3) with respect to infants, children, and adolescents, evidence-informed preventive care and screenings provided for in comprehensive guidelines supported by the Health Resources and Services Administration;

(4) with respect to women, additional preventive care and screenings that are not listed with a rating of A or B by the United States Preventive Services Task Force but that are provided for in comprehensive guidelines supported by the Health Resources and Services Administration;

(5) all contraceptive methods established in guidelines published by the United States Food and Drug Administration;

(6) screenings for human immunodeficiency virus for:

(i) all individuals at least 15 years of age but less than 65 years of age; and

(ii) all other individuals with increased risk of human immunodeficiency virus infection according to guidance from the Centers for Disease Control;

(7) all preexposure prophylaxis when used for the prevention or treatment of human immunodeficiency virus, including but not limited to all preexposure prophylaxis, as defined in any guidance by the United States Preventive Services Task Force or the Centers for Disease Control, including the June 11, 2019, Preexposure Prophylaxis for the Prevention of HIV Infection United States Preventive Services Task Force Recommendation Statement; and

(8) all postexposure prophylaxis when used for the prevention or treatment of human immunodeficiency virus, including but not limited to all postexposure prophylaxis as defined in any guidance by the United States Preventive Services Task Force or the Centers for Disease Control.

(b) A health plan company must provide coverage for preventive items and services at a participating provider without imposing cost-sharing requirements, including a deductible, coinsurance, or co-payment. Nothing in this section prohibits a health plan company that has a network of providers from excluding coverage or imposing cost-sharing requirements for preventive items or services that are delivered by an out-of-network provider.

(c) A health plan company is not required to provide coverage for any items or services specified in any recommendation or guideline described in paragraph (a) if the recommendation or guideline is no longer included as a preventive item or service as defined in paragraph (a). Annually, a health plan company must determine whether any additional items or services must be covered without cost-sharing requirements or whether any items or services are no longer required to be covered.

(d) Nothing in this section prevents a health plan company from using reasonable medical management techniques to determine the frequency, method, treatment, or setting for a preventive item or service to the extent not specified in the recommendation or guideline.

(e) A health plan shall not require prior authorization or step therapy for preexposure prophylaxis, except that if the United States Food and Drug Administration has approved one or more therapeutic equivalents of a drug, device, or product for the prevention of HIV, this paragraph does not require a health plan to cover all of the therapeutically equivalent versions without prior authorization or step therapy, if at least one therapeutically equivalent version is covered without prior authorization or step therapy.

~~(e)~~ (f) This section does not apply to grandfathered plans.

~~(f)~~ (g) This section does not apply to plans offered by the Minnesota Comprehensive Health Association.

EFFECTIVE DATE. This section is effective January 1, 2026, and applies to health plans offered, issued, or renewed on or after that date.

Sec. 2. Minnesota Statutes 2022, section 151.01, subdivision 23, is amended to read:

Subd. 23. **Practitioner.** "Practitioner" means a licensed doctor of medicine, licensed doctor of osteopathic medicine duly licensed to practice medicine, licensed doctor of dentistry, licensed doctor of optometry, licensed podiatrist, licensed veterinarian, licensed advanced practice registered nurse, or licensed physician assistant. For purposes of sections 151.15, subdivision 4; 151.211, subdivision 3; 151.252, subdivision 3; 151.37, subdivision 2, paragraph (b); and 151.461, "practitioner" also means a dental therapist authorized to dispense and administer under chapter 150A. For purposes of sections 151.252, subdivision 3, and 151.461, "practitioner" also means a pharmacist authorized to prescribe self-administered hormonal contraceptives, nicotine replacement medications, or opiate antagonists under section 151.37, subdivision 14, 15, or 16, or authorized to prescribe drugs to prevent the acquisition of human immunodeficiency virus (HIV) under section 151.37, subdivision 17.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 3. Minnesota Statutes 2022, 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 the patient 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 pharmacist may delegate the authority to administer tests under this clause to a pharmacy technician or pharmacy intern. A pharmacy technician or pharmacy 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 drug administration under a prescription drug order; 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, physician assistant, 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~~ initiating, ordering, and administering influenza and COVID-19 or SARS-CoV-2 vaccines authorized or approved by the United States Food and Drug Administration ~~related to COVID-19 or SARS-CoV-2~~ to all eligible individuals ~~six~~ three years of age and older and all other United States Food and Drug Administration-approved vaccines to patients ~~13~~ six 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~~ according to the federal Advisory Committee on Immunization Practices recommendations. A pharmacist may delegate the authority to administer vaccines under this clause to a pharmacy technician or pharmacy intern who has completed training in vaccine administration if:

~~(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)~~ (i) the pharmacist ~~has~~ and the pharmacy technician or pharmacy intern have 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;

~~(iii)~~ (ii) the pharmacist 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)~~ (iii) the pharmacist reports the administration of the immunization to the Minnesota Immunization Information Connection; ~~and~~

~~(v) the pharmacist 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 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;~~

(iv) if the patient is 18 years of age or younger, the pharmacist, pharmacy technician, or pharmacy intern 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; and

(v) in the case of a pharmacy technician administering vaccinations while being supervised by a licensed pharmacist:

(A) the supervision is in-person and must not be done through telehealth as defined under section 62A.673, subdivision 2;

(B) the pharmacist is readily and immediately available to the immunizing pharmacy technician;

(C) the pharmacy technician has a current certificate in basic cardiopulmonary resuscitation;

(D) the pharmacy technician has completed 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; and

(E) the pharmacy technician has completed one of two training programs listed under Minnesota Rules, part 6800.3850, subpart 1h, item B;

(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, physician assistants, 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;

(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; ~~and~~

(13) participation in the placement of drug monitoring devices according to a prescription, protocol, or collaborative practice agreement~~.~~;

(14) prescribing, dispensing, and administering drugs for preventing the acquisition of human immunodeficiency virus (HIV) if the pharmacist meets the requirements in section 151.37, subdivision 17; and

(15) ordering, conducting, and interpreting laboratory tests necessary for therapies that use drugs for preventing the acquisition of HIV, if the pharmacist meets the requirements in section 151.37, subdivision 17.

EFFECTIVE DATE. This section is effective July 1, 2024, except that clauses (14) and (15) are effective January 1, 2026.

Sec. 4. Minnesota Statutes 2022, section 151.37, is amended by adding a subdivision to read:

Subd. 17. **Drugs for preventing the acquisition of HIV.** (a) A pharmacist is authorized to prescribe and administer drugs to prevent the acquisition of human immunodeficiency virus (HIV) in accordance with this subdivision.

(b) By January 1, 2025, the Board of Pharmacy shall develop a standardized protocol for a pharmacist to follow in prescribing the drugs described in paragraph (a). In developing the protocol, the board may consult with community health advocacy groups, the Board of Medical Practice, the Board of Nursing, the commissioner of health, professional pharmacy associations, and professional associations for physicians, physician assistants, and advanced practice registered nurses.

(c) Before a pharmacist is authorized to prescribe a drug described in paragraph (a), the pharmacist must successfully complete a training program specifically developed for prescribing drugs for preventing the acquisition of HIV that is offered by a college of pharmacy, a continuing education provider that is accredited by the Accreditation Council for Pharmacy Education, or a program approved by the board. To maintain authorization to prescribe, the pharmacist shall complete continuing education requirements as specified by the board.

(d) Before prescribing a drug described in paragraph (a), the pharmacist shall follow the appropriate standardized protocol developed under paragraph (b) and, if appropriate, may dispense to a patient a drug described in paragraph (a).

(e) Before dispensing a drug described in paragraph (a) that is prescribed by the pharmacist, the pharmacist must provide counseling to the patient on the use of the drugs and must provide the patient with a fact sheet that includes the indications and contraindications for the use of these drugs, the appropriate method for using these drugs, the need for medical follow up, and any additional information listed in Minnesota Rules, part 6800.0910, subpart 2, that is required to be provided to a patient during the counseling process.

(f) A pharmacist is prohibited from delegating the prescribing authority provided under this subdivision to any other person. A pharmacist intern registered under section 151.101 may prepare the prescription, but before the prescription is processed or dispensed, a pharmacist authorized to prescribe under this subdivision must review, approve, and sign the prescription.

(g) Nothing in this subdivision prohibits a pharmacist from participating in the initiation, management, modification, and discontinuation of drug therapy according to a protocol as authorized in this section and in section 151.01, subdivision 27.

EFFECTIVE DATE. This section is effective January 1, 2026, except that paragraph (b) is effective the day following final enactment.

Sec. 5. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13f, is amended to read:

Subd. 13f. **Prior authorization.** (a) The Formulary Committee shall review and recommend drugs which require prior authorization. The Formulary Committee shall establish general criteria to be used for the prior authorization of brand-name drugs for which generically equivalent drugs are available, but the committee is not required to review each brand-name drug for which a generically equivalent drug is available.

(b) Prior authorization may be required by the commissioner before certain formulary drugs are eligible for payment. The Formulary Committee may recommend drugs for prior authorization directly to the commissioner. The commissioner may also request that the Formulary Committee review a drug for prior authorization. Before the commissioner may require prior authorization for a drug:

(1) the commissioner must provide information to the Formulary Committee on the impact that placing the drug on prior authorization may have on the quality of patient care and on program costs, information regarding whether the drug is subject to clinical abuse or misuse, and relevant data from the state Medicaid program if such data is available;

(2) the Formulary Committee must review the drug, taking into account medical and clinical data and the information provided by the commissioner; and

(3) the Formulary Committee must hold a public forum and receive public comment for an additional 15 days.

The commissioner must provide a 15-day notice period before implementing the prior authorization.

(c) Except as provided in subdivision 13j, prior authorization shall not be required or utilized for any atypical antipsychotic drug prescribed for the treatment of mental illness if:

(1) there is no generically equivalent drug available; and

(2) the drug was initially prescribed for the recipient prior to July 1, 2003; or

(3) the drug is part of the recipient's current course of treatment.

This paragraph applies to any multistate preferred drug list or supplemental drug rebate program established or administered by the commissioner. Prior authorization shall automatically be granted for 60 days for brand name drugs prescribed for treatment of mental illness within 60 days of when a generically equivalent drug becomes available, provided that the brand name drug was part of the recipient's course of treatment at the time the generically equivalent drug became available.

(d) Prior authorization must not be required for liquid methadone if only one version of liquid methadone is available. If more than one version of liquid methadone is available, the commissioner shall ensure that at least one version of liquid methadone is available without prior authorization.

(e) Prior authorization may be required for an oral liquid form of a drug, except as described in paragraph (d). A prior authorization request under this paragraph must be automatically approved within 24 hours if the drug is being prescribed for a Food and Drug Administration-approved condition for a patient who utilizes an enteral tube for feedings or medication administration, even if the patient has current or prior claims for pills for that condition. If more than one version of the oral liquid form of a drug is available, the commissioner may select the version that is able to be approved for a Food and Drug Administration-approved condition for a patient who utilizes an enteral tube for feedings or medication administration. This paragraph applies to any multistate preferred drug list or supplemental drug rebate program established or administered by the commissioner. The commissioner shall design and implement a streamlined prior authorization form for patients who utilize an enteral tube for feedings or medication administration and are prescribed an oral liquid form of a drug. The commissioner may require prior authorization for brand name drugs whenever a generically equivalent product is available, even if the prescriber specifically indicates "dispense as written-brand necessary" on the prescription as required by section 151.21, subdivision 2.

(f) Notwithstanding this subdivision, the commissioner may automatically require prior authorization, for a period not to exceed 180 days, for any drug that is approved by the United States Food and Drug Administration on or after July 1, 2005. The 180-day period begins no later than the first day that a drug is available for shipment to pharmacies within the state. The Formulary Committee shall recommend to the commissioner general criteria to be used for the prior authorization of the drugs, but the committee is not required to review each individual drug. In order to continue prior authorizations for a drug after the 180-day period has expired, the commissioner must follow the provisions of this subdivision.

(g) Prior authorization under this subdivision shall comply with section 62Q.184.

(h) Any step therapy protocol requirements established by the commissioner must comply with section 62Q.1841.

(i) Notwithstanding any law to the contrary, prior authorization or step therapy shall not be required or utilized for any class of drugs that is approved by the United States Food and Drug Administration for preexposure prophylaxis of HIV and AIDS, except under the conditions specified in section 62Q.46, subdivision 1, paragraph (e).

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 6. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision to read:

Subd. 13l. **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, 2025, or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

ARTICLE 9
MENTAL HEALTH

Section 1. Minnesota Statutes 2022, section 245.462, subdivision 6, is amended to read:

Subd. 6. **Community support services program.** "Community support services program" means services, other than inpatient or residential treatment services, provided or coordinated by an identified program and staff under the treatment supervision of a mental health professional designed to help adults with serious and persistent mental illness to function and remain in the community. A community support services program includes:

(1) client outreach,

(2) medication monitoring,

(3) assistance in independent living skills,

(4) development of employability and work-related opportunities,

(5) crisis assistance,

(6) psychosocial rehabilitation,

(7) help in applying for government benefits, and

(8) housing support services.

The community support services program must be coordinated with the case management services specified in section 245.4711. A program that meets the accreditation standards for Clubhouse International model programs meets the requirements of this subdivision.

Sec. 2. Minnesota Statutes 2022, section 245.4663, subdivision 2, is amended to read:

Subd. 2. **Eligible providers.** In order to be eligible for a grant under this section, a mental health provider must:

(1) provide at least 25 percent of the provider's yearly patient encounters to state public program enrollees or patients receiving sliding fee schedule discounts through a formal sliding fee schedule meeting the standards established by the United States Department of Health and Human Services under Code of Federal Regulations, title 42, section 51c.303; ~~or~~

(2) primarily serve underrepresented communities as defined in section 148E.010, subdivision 20~~.~~; or

(3) provide services to people in a city or township that is not within the seven-county metropolitan area as defined in section 473.121, subdivision 2, and is not the city of Duluth, Mankato, Moorhead, Rochester, or St. Cloud.

Sec. 3. Minnesota Statutes 2023 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~~ residential treatment or hospitalization, who are 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, who have utilized crisis services or emergency room services, or who have experienced a loss of in-home staffing support. 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. Counties must work to provide access to regularly scheduled respite care;

(4) children's mental health crisis services;

(5) child-, youth-, and family-specific mobile response and stabilization services models;

(6) mental health services for people from cultural and ethnic minorities, including supervision of clinical trainees who are Black, indigenous, or people of color;

(7) children's mental health screening and follow-up diagnostic assessment and treatment;

(8) services to promote and develop the capacity of providers to use evidence-based practices in providing children's mental health services;

(9) school-linked mental health services under section 245.4901;

(10) building evidence-based mental health intervention capacity for children birth to age five;

(11) suicide prevention and counseling services that use text messaging statewide;

(12) mental health first aid training;

(13) 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;

(14) transition age services to develop or expand mental health treatment and supports for adolescents and young adults 26 years of age or younger;

(15) early childhood mental health consultation;

(16) 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;

(17) psychiatric consultation for primary care practitioners; and

(18) 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.

(e) The commissioner may establish and design a pilot program to expand the mobile response and stabilization services model for children, youth, and families. The commissioner may use grant funding to consult with a qualified expert entity to assist in the formulation of measurable outcomes and explore and position the state to submit a Medicaid state plan amendment to scale the model statewide.

Sec. 4. Minnesota Statutes 2022, section 245I.02, subdivision 17, is amended to read:

Subd. 17. **Functional assessment.** "Functional assessment" means the assessment of a client's current level of functioning relative to functioning that is appropriate for someone the client's age. ~~For a client five years of age or younger, a functional assessment is the Early Childhood Service Intensity Instrument (ESCII). For a client six to 17 years of age, a functional assessment is the Child and Adolescent Service Intensity Instrument (CASII). For a client 18 years of age or older, a functional assessment is the functional assessment described in section 245I.10, subdivision 9.~~

Sec. 5. Minnesota Statutes 2022, 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. 6. Minnesota Statutes 2022, section 245I.04, subdivision 6, is amended to read:

Subd. 6. **Clinical trainee qualifications.** (a) A clinical trainee is a staff person who: (1) is enrolled in an accredited graduate program of study to prepare the staff person for independent licensure as a mental health professional and who is participating in a practicum or internship with the license holder through the individual's graduate program; ~~or~~ (2) has completed an accredited graduate program of study to prepare the staff person for independent licensure as a mental health professional and who is in compliance with the requirements of the applicable health-related licensing board, including requirements for supervised practice~~.~~; or (3) has completed an

accredited graduate program of study to prepare the staff person for independent licensure as a mental health professional, has completed a practicum or internship and has not yet taken or received the results from the required test or is waiting for the final licensure decision.

(b) A clinical trainee is responsible for notifying and applying to a health-related licensing board to ensure that the trainee meets the requirements of the health-related licensing board. As permitted by a health-related licensing board, treatment supervision under this chapter may be integrated into a plan to meet the supervisory requirements of the health-related licensing board but does not supersede those requirements.

Sec. 7. Minnesota Statutes 2022, section 245I.10, subdivision 9, is amended to read:

Subd. 9. **Functional assessment; required elements.** (a) When a license holder is completing a functional assessment for an adult client, the license holder must:

(1) complete a functional assessment of the client after completing the client's diagnostic assessment;

(2) use a collaborative process that allows the client and the client's family and other natural supports, the client's referral sources, and the client's providers to provide information about how the client's symptoms of mental illness impact the client's functioning;

(3) if applicable, document the reasons that the license holder did not contact the client's family and other natural supports;

(4) assess and document how the client's symptoms of mental illness impact the client's functioning in the following areas:

(i) the client's mental health symptoms;

(ii) the client's mental health service needs;

(iii) the client's substance use;

(iv) the client's vocational and educational functioning;

(v) the client's social functioning, including the use of leisure time;

(vi) the client's interpersonal functioning, including relationships with the client's family and other natural supports;

(vii) the client's ability to provide self-care and live independently;

(viii) the client's medical and dental health;

(ix) the client's financial assistance needs; and

(x) the client's housing and transportation needs;

~~(5) include a narrative summarizing the client's strengths, resources, and all areas of functional impairment;~~

~~(6)~~ (5) complete the client's functional assessment before the client's initial individual treatment plan unless a service specifies otherwise; and

~~(7)~~ (6) update the client's functional assessment with the client's current functioning whenever there is a significant change in the client's functioning or at least every ~~180~~ 365 days, unless a service specifies otherwise.

(b) A license holder may use any available, validated measurement tool, including but not limited to the Daily Living Activities-20, when completing the required elements of a functional assessment under this subdivision.

Sec. 8. Minnesota Statutes 2022, section 245I.11, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) If a license holder is licensed as a residential program, stores or administers client medications, or observes clients self-administer medications, the license holder must ensure that a staff person who is a registered nurse or licensed prescriber is responsible for overseeing storage and administration of client medications and observing as a client self-administers medications, including training according to section 245I.05, subdivision 6, and documenting the occurrence according to section 245I.08, subdivision 5.

(b) For purposes of this section, "observed self-administration" means the preparation and administration of a medication by a client to themselves under the direct supervision of a registered nurse or a staff member to whom a registered nurse delegates supervision duty. Observed self-administration does not include a client's use of a medication that they keep in their own possession while participating in a program.

Sec. 9. Minnesota Statutes 2022, section 245I.11, is amended by adding a subdivision to read:

Subd. 6. **Medication administration in children's day treatment settings.** (a) For a program providing children's day treatment services under section 256B.0943, the license holder must maintain policies and procedures that state whether the program will store medication and administer or allow observed self-administration.

(b) For a program providing children's day treatment services under section 256B.0943 that does not store medications but allows clients to use a medication that they keep in their own possession while participating in a program, the license holder must maintain documentation from a licensed prescriber regarding the safety of medications held by clients, including:

(1) an evaluation that the client is capable of holding and administering the medication safely;

(2) an evaluation of whether the medication is prone to diversion, misuse, or self-injury; and

(3) any conditions under which the license holder should no longer allow the client to maintain the medication in their own possession.

Sec. 10. Minnesota Statutes 2022, section 245I.20, subdivision 4, is amended to read:

Subd. 4. **Minimum staffing standards.** (a) A certification holder's treatment team must consist of at least four mental health professionals. At least two of the mental health professionals must be employed by or under contract with the mental health clinic for a minimum of 35 hours per week each. ~~Each of the two mental health professionals must specialize in a different mental health discipline.~~

(b) The treatment team must include:

(1) a physician qualified as a mental health professional according to section 245I.04, subdivision 2, clause (4), or a nurse qualified as a mental health professional according to section 245I.04, subdivision 2, clause (1); and

(2) a psychologist qualified as a mental health professional according to section 245I.04, subdivision 2, clause (3).

(c) The staff persons fulfilling the requirement in paragraph (b) must provide clinical services at least:

(1) eight hours every two weeks if the mental health clinic has over 25.0 full-time equivalent treatment team members;

(2) eight hours each month if the mental health clinic has 15.1 to 25.0 full-time equivalent treatment team members;

(3) four hours each month if the mental health clinic has 5.1 to 15.0 full-time equivalent treatment team members; or

(4) two hours each month if the mental health clinic has 2.0 to 5.0 full-time equivalent treatment team members or only provides in-home services to clients.

(d) The certification holder must maintain a record that demonstrates compliance with this subdivision.

Sec. 11. Minnesota Statutes 2022, section 245I.23, subdivision 14, is amended to read:

Subd. 14. **Weekly team meetings.** (a) The license holder must hold weekly team meetings and ancillary meetings according to this subdivision.

(b) A mental health professional or certified rehabilitation specialist must hold at least one team meeting each calendar week ~~and~~. The mental health professional or certified rehabilitation specialist must lead and be physically present at the team meeting, except as permitted under paragraph (e). All treatment team members, including treatment team members who work on a part-time or intermittent basis, must participate in a minimum of one team meeting during each calendar week when the treatment team member is working for the license holder. The license holder must document all weekly team meetings, including the names of meeting attendees, and indicate whether the meeting was conducted remotely under paragraph (e).

(c) If a treatment team member cannot participate in a weekly team meeting, the treatment team member must participate in an ancillary meeting. A mental health professional, certified rehabilitation specialist, clinical trainee, or mental health practitioner who participated in the most recent weekly team meeting may lead the ancillary meeting. During the ancillary meeting, the treatment team member leading the ancillary meeting must review the information that was shared at the most recent weekly team meeting, including revisions to client treatment plans and other information that the treatment supervisors exchanged with treatment team members. The license holder must document all ancillary meetings, including the names of meeting attendees.

(d) If a treatment team member working only one shift during a week cannot participate in a weekly team meeting or participate in an ancillary meeting, the treatment team member must read the minutes of the weekly team meeting required to be documented in paragraph (b). The treatment team member must sign to acknowledge receipt of this information, and document pertinent information or questions. The mental health professional or certified rehabilitation specialist must review any documented questions or pertinent information before the next weekly team meeting.

(e) A license holder may permit a mental health professional or certified rehabilitation specialist to lead the weekly meeting remotely due to medical or weather conditions. If the conditions that do not permit physical presence persist for longer than one week, the license holder must request a variance to conduct additional meetings remotely.

Sec. 12. **[256B.0617] MENTAL HEALTH SERVICES PROVIDER CERTIFICATION.**

(a) The commissioner of human services shall establish an initial provider entity application and certification and recertification processes to determine whether a provider entity has administrative and clinical infrastructures that meet the certification requirements. This process applies to providers of the following services:

(1) children's intensive behavioral health services under section 256B.0946; and

(2) intensive nonresidential rehabilitative mental health services under section 256B.0947.

(b) The commissioner shall recertify a provider entity every three years using the individual provider's certification anniversary or the calendar year end. The commissioner may approve a recertification extension in the interest of sustaining services when a certain date for recertification is identified.

(c) The commissioner shall establish a process for decertification of a provider entity and shall require corrective action, medical assistance repayment, or decertification of a provider entity that no longer meets the requirements in this section or that fails to meet the clinical quality standards or administrative standards provided by the commissioner in the application and certification process.

(d) The commissioner must provide the following to provider entities for the certification, recertification, and decertification processes:

(1) a structured listing of required provider certification criteria;

(2) a formal written letter with a determination of certification, recertification, or decertification signed by the commissioner or the appropriate division director; and

(3) a formal written communication outlining the process for necessary corrective action and follow-up by the commissioner signed by the commissioner or their designee, if applicable. In the case of corrective action, the commissioner may schedule interim recertification site reviews to confirm certification or decertification.

EFFECTIVE DATE. This section is effective July 1, 2024, and the commissioner of human services must implement all requirements of this section by September 1, 2024.

Sec. 13. Minnesota Statutes 2022, section 256B.0622, subdivision 2a, is amended to read:

Subd. 2a. **Eligibility for assertive community treatment.** (a) An eligible client for assertive community treatment is an individual who meets the following criteria as assessed by an ACT team:

(1) is age 18 or older. Individuals ages 16 and 17 may be eligible upon approval by the commissioner;

(2) has a primary diagnosis of schizophrenia, schizoaffective disorder, major depressive disorder with psychotic features, other psychotic disorders, or bipolar disorder. Individuals with other psychiatric illnesses may qualify for assertive community treatment if they have a serious mental illness and meet the criteria outlined in clauses (3) and (4), but no more than ten percent of an ACT team's clients may be eligible based on this criteria. Individuals with a primary diagnosis of a substance use disorder, intellectual developmental disabilities, borderline personality disorder, antisocial personality disorder, traumatic brain injury, or an autism spectrum disorder are not eligible for assertive community treatment;

(3) has significant functional impairment as demonstrated by at least one of the following conditions:

(i) significant difficulty consistently performing the range of routine tasks required for basic adult functioning in the community or persistent difficulty performing daily living tasks without significant support or assistance;

(ii) significant difficulty maintaining employment at a self-sustaining level or significant difficulty consistently carrying out the head-of-household responsibilities; or

(iii) significant difficulty maintaining a safe living situation;

(4) has a need for continuous high-intensity services as evidenced by at least two of the following:

(i) two or more psychiatric hospitalizations or residential crisis stabilization services in the previous 12 months;

(ii) frequent utilization of mental health crisis services in the previous six months;

(iii) 30 or more consecutive days of psychiatric hospitalization in the previous 24 months;

(iv) intractable, persistent, or prolonged severe psychiatric symptoms;

(v) coexisting mental health and substance use disorders lasting at least six months;

(vi) recent history of involvement with the criminal justice system or demonstrated risk of future involvement;

(vii) significant difficulty meeting basic survival needs;

(viii) residing in substandard housing, experiencing homelessness, or facing imminent risk of homelessness;

(ix) significant impairment with social and interpersonal functioning such that basic needs are in jeopardy;

(x) coexisting mental health and physical health disorders lasting at least six months;

(xi) residing in an inpatient or supervised community residence but clinically assessed to be able to live in a more independent living situation if intensive services are provided;

(xii) requiring a residential placement if more intensive services are not available; or

(xiii) difficulty effectively using traditional office-based outpatient services;

(5) there are no indications that other available community-based services would be equally or more effective as evidenced by consistent and extensive efforts to treat the individual; and

(6) in the written opinion of a licensed mental health professional, has the need for mental health services that cannot be met with other available community-based services, or is likely to experience a mental health crisis or require a more restrictive setting if assertive community treatment is not provided.

(b) An individual meets the criteria for assertive community treatment under this section immediately following participation in a first episode of psychosis program if the individual:

(1) meets the eligibility requirements outlined in paragraph (a), clauses (1), (2), (5), and (6);

(2) is currently participating in a first episode of psychosis program under section 245.4905; and

(3) needs the level of intensity provided by an ACT team, in the opinion of the individual's first episode of psychosis program, in order to prevent crisis services, hospitalization, homelessness, and involvement with the criminal justice system.

Sec. 14. Minnesota Statutes 2022, section 256B.0622, subdivision 3a, is amended to read:

Subd. 3a. **Provider certification and contract requirements for assertive community treatment.** (a) The assertive community treatment provider must~~:~~

~~(1) have a contract with the host county to provide assertive community treatment services; and~~

~~(2)~~ have each ACT team be certified by the state following the certification process and procedures developed by the commissioner. The certification process determines whether the ACT team meets the standards for assertive community treatment under this section, the standards in chapter 245I as required in section 245I.011, subdivision 5, and minimum program fidelity standards as measured by a nationally recognized fidelity tool approved by the commissioner. Recertification must occur at least every three years.

(b) An ACT team certified under this subdivision must meet the following standards:

(1) have capacity to recruit, hire, manage, and train required ACT team members;

(2) have adequate administrative ability to ensure availability of services;

(3) ensure flexibility in service delivery to respond to the changing and intermittent care needs of a client as identified by the client and the individual treatment plan;

(4) keep all necessary records required by law;

(5) be an enrolled Medicaid provider; and

(6) establish and maintain a quality assurance plan to determine specific service outcomes and the client's satisfaction with services.

(c) The commissioner may intervene at any time and decertify an ACT team with cause. The commissioner shall establish a process for decertification of an ACT team and shall require corrective action, medical assistance repayment, or decertification of an ACT team that no longer meets the requirements in this section or that fails to meet the clinical quality standards or administrative standards provided by the commissioner in the application and certification process. The decertification is subject to appeal to the state.

Sec. 15. Minnesota Statutes 2022, section 256B.0622, subdivision 7a, is amended to read:

Subd. 7a. **Assertive community treatment team staff requirements and roles.** (a) The required treatment staff qualifications and roles for an ACT team are:

(1) the team leader:

(i) shall be a mental health professional. Individuals who are not licensed but who are eligible for licensure and are otherwise qualified may also fulfill this role ~~but must obtain full licensure within 24 months of assuming the role of team leader~~;

(ii) must be an active member of the ACT team and provide some direct services to clients;

(iii) must be a single full-time staff member, dedicated to the ACT team, who is responsible for overseeing the administrative operations of the team~~, providing treatment supervision of services in conjunction with the psychiatrist or psychiatric care provider,~~ and supervising team members to ensure delivery of best and ethical practices; and

(iv) must be available to ~~provide~~ ensure that overall treatment supervision to the ACT team is available after regular business hours and on weekends and holidays~~. The team leader may delegate this duty to another~~ and is provided by a qualified member of the ACT team;

(2) the psychiatric care provider:

(i) must be a mental health professional permitted to prescribe psychiatric medications as part of the mental health professional's scope of practice. The psychiatric care provider must have demonstrated clinical experience working with individuals with serious and persistent mental illness;

(ii) shall collaborate with the team leader in sharing overall clinical responsibility for screening and admitting clients; monitoring clients' treatment and team member service delivery; educating staff on psychiatric and nonpsychiatric medications, their side effects, and health-related conditions; actively collaborating with nurses; and helping provide treatment supervision to the team;

(iii) shall fulfill the following functions for assertive community treatment clients: provide assessment and treatment of clients' symptoms and response to medications, including side effects; provide brief therapy to clients; provide diagnostic and medication education to clients, with medication decisions based on shared decision making; monitor clients' nonpsychiatric medical conditions and nonpsychiatric medications; and conduct home and community visits;

(iv) shall serve as the point of contact for psychiatric treatment if a client is hospitalized for mental health treatment and shall communicate directly with the client's inpatient psychiatric care providers to ensure continuity of care;

(v) shall have a minimum full-time equivalency that is prorated at a rate of 16 hours per 50 clients. Part-time psychiatric care providers shall have designated hours to work on the team, with sufficient blocks of time on consistent days to carry out the provider's clinical, supervisory, and administrative responsibilities. No more than two psychiatric care providers may share this role; and

(vi) shall provide psychiatric backup to the program after regular business hours and on weekends and holidays. The psychiatric care provider may delegate this duty to another qualified psychiatric provider;

(3) the nursing staff:

(i) shall consist of one to three registered nurses or advanced practice registered nurses, of whom at least one has a minimum of one-year experience working with adults with serious mental illness and a working knowledge of psychiatric medications. No more than two individuals can share a full-time equivalent position;

(ii) are responsible for managing medication, administering and documenting medication treatment, and managing a secure medication room; and

(iii) shall develop strategies, in collaboration with clients, to maximize taking medications as prescribed; screen and monitor clients' mental and physical health conditions and medication side effects; engage in health promotion, prevention, and education activities; communicate and coordinate services with other medical providers; facilitate the development of the individual treatment plan for clients assigned; and educate the ACT team in monitoring psychiatric and physical health symptoms and medication side effects;

(4) the co-occurring disorder specialist:

(i) shall be a full-time equivalent co-occurring disorder specialist who has received specific training on co-occurring disorders that is consistent with national evidence-based practices. The training must include practical knowledge of common substances and how they affect mental illnesses, the ability to assess substance use disorders and the client's stage of treatment, motivational interviewing, and skills necessary to provide counseling to clients at all different stages of change and treatment. The co-occurring disorder specialist may also be an individual who is a licensed alcohol and drug counselor as described in section 148F.01, subdivision 5, or a counselor who otherwise meets the training, experience, and other requirements in section 245G.11, subdivision 5. No more than two co-occurring disorder specialists may occupy this role; and

(ii) shall provide or facilitate the provision of co-occurring disorder treatment to clients. The co-occurring disorder specialist shall serve as a consultant and educator to fellow ACT team members on co-occurring disorders;

(5) the vocational specialist:

(i) shall be a full-time vocational specialist who has at least one-year experience providing employment services or advanced education that involved field training in vocational services to individuals with mental illness. An individual who does not meet these qualifications may also serve as the vocational specialist upon completing a training plan approved by the commissioner;

(ii) shall provide or facilitate the provision of vocational services to clients. The vocational specialist serves as a consultant and educator to fellow ACT team members on these services; and

(iii) must not refer individuals to receive any type of vocational services or linkage by providers outside of the ACT team;

(6) the mental health certified peer specialist:

(i) shall be a full-time equivalent. No more than two individuals can share this position. The mental health certified peer specialist is a fully integrated team member who provides highly individualized services in the community and promotes the self-determination and shared decision-making abilities of clients. This requirement may be waived due to workforce shortages upon approval of the commissioner;

(ii) must provide coaching, mentoring, and consultation to the clients to promote recovery, self-advocacy, and self-direction, promote wellness management strategies, and assist clients in developing advance directives; and

(iii) must model recovery values, attitudes, beliefs, and personal action to encourage wellness and resilience, provide consultation to team members, promote a culture where the clients' points of view and preferences are recognized, understood, respected, and integrated into treatment, and serve in a manner equivalent to other team members;

(7) the program administrative assistant shall be a full-time office-based program administrative assistant position assigned to solely work with the ACT team, providing a range of supports to the team, clients, and families; and

(8) additional staff:

(i) shall be based on team size. Additional treatment team staff may include mental health professionals; clinical trainees; certified rehabilitation specialists; mental health practitioners; or mental health rehabilitation workers. These individuals shall have the knowledge, skills, and abilities required by the population served to carry out rehabilitation and support functions; and

(ii) shall be selected based on specific program needs or the population served.

(b) Each ACT team must clearly document schedules for all ACT team members.

(c) Each ACT team member must serve as a primary team member for clients assigned by the team leader and are responsible for facilitating the individual treatment plan process for those clients. The primary team member for a client is the responsible team member knowledgeable about the client's life and circumstances and writes the individual treatment plan. The primary team member provides individual supportive therapy or counseling, and provides primary support and education to the client's family and support system.

(d) Members of the ACT team must have strong clinical skills, professional qualifications, experience, and competency to provide a full breadth of rehabilitation services. Each staff member shall be proficient in their respective discipline and be able to work collaboratively as a member of a multidisciplinary team to deliver the majority of the treatment, rehabilitation, and support services clients require to fully benefit from receiving assertive community treatment.

(e) Each ACT team member must fulfill training requirements established by the commissioner.

Sec. 16. Minnesota Statutes 2023 Supplement, section 256B.0622, subdivision 7b, is amended to read:

Subd. 7b. **Assertive community treatment program ~~size and opportunities~~ scores.** ~~(a)~~ Each ACT team ~~shall maintain an annual average caseload that does not exceed 100 clients. Staff-to-client ratios shall be based on team size as follows:~~ must demonstrate that the team attained a passing score according to the most recently issued Tool for Measurement of Assertive Community Treatment (TMACT).

~~(1) a small ACT team must:~~

~~(i) employ at least six but no more than seven full-time treatment team staff, excluding the program assistant and the psychiatric care provider;~~

~~(ii) serve an annual average maximum of no more than 50 clients;~~

~~(iii) ensure at least one full-time equivalent position for every eight clients served;~~

~~(iv) schedule ACT team staff on weekdays and on-call duty to provide crisis services and deliver services after hours when staff are not working;~~

~~(v) provide crisis services during business hours if the small ACT team does not have sufficient staff numbers to operate an after-hours on-call system. During all other hours, the ACT team may arrange for coverage for crisis assessment and intervention services through a reliable crisis intervention provider as long as there is a mechanism by which the ACT team communicates routinely with the crisis intervention provider and the on-call ACT team staff are available to see clients face to face when necessary or if requested by the crisis intervention services provider;~~

~~(vi) adjust schedules and provide staff to carry out the needed service activities in the evenings or on weekend days or holidays, when necessary;~~

~~(vii) arrange for and provide psychiatric backup during all hours the psychiatric care provider is not regularly scheduled to work. If availability of the ACT team's psychiatric care provider during all hours is not feasible, alternative psychiatric prescriber backup must be arranged and a mechanism of timely communication and coordination established in writing; and~~

~~(viii) be composed of, at minimum, one full-time team leader, at least 16 hours each week per 50 clients of psychiatric provider time, or equivalent if fewer clients, one full-time equivalent nursing, one full-time co-occurring disorder specialist, one full-time equivalent mental health certified peer specialist, one full-time vocational specialist, one full-time program assistant, and at least one additional full-time ACT team member who has mental health professional, certified rehabilitation specialist, clinical trainee, or mental health practitioner status; and~~

~~(2) a midsize ACT team shall:~~

~~(i) be composed of, at minimum, one full-time team leader, at least 16 hours of psychiatry time for 51 clients, with an additional two hours for every six clients added to the team, 1.5 to two full-time equivalent nursing staff, one full-time co-occurring disorder specialist, one full-time equivalent mental health certified peer specialist, one full-time vocational specialist, one full-time program assistant, and at least 1.5 to two additional full-time equivalent ACT members, with at least one dedicated full-time staff member with mental health professional status. Remaining team members may have mental health professional, certified rehabilitation specialist, clinical trainee, or mental health practitioner status;~~

~~(ii) employ seven or more treatment team full-time equivalents, excluding the program assistant and the psychiatric care provider;~~

~~(iii) serve an annual average maximum caseload of 51 to 74 clients;~~

~~(iv) ensure at least one full-time equivalent position for every nine clients served;~~

~~(v) schedule ACT team staff for a minimum of ten hour shift coverage on weekdays and six- to eight hour shift coverage on weekends and holidays. In addition to these minimum specifications, staff are regularly scheduled to provide the necessary services on a client-by-client basis in the evenings and on weekends and holidays;~~

~~(vi) schedule ACT team staff on call duty to provide crisis services and deliver services when staff are not working;~~

~~(vii) have the authority to arrange for coverage for crisis assessment and intervention services through a reliable crisis intervention provider as long as there is a mechanism by which the ACT team communicates routinely with the crisis intervention provider and the on call ACT team staff are available to see clients face to face when necessary or if requested by the crisis intervention services provider; and~~

~~(viii) arrange for and provide psychiatric backup during all hours the psychiatric care provider is not regularly scheduled to work. If availability of the psychiatric care provider during all hours is not feasible, alternative psychiatric prescriber backup must be arranged and a mechanism of timely communication and coordination established in writing;~~

~~(3) a large ACT team must:~~

~~(i) be composed of, at minimum, one full-time team leader, at least 32 hours each week per 100 clients, or equivalent of psychiatry time, three full-time equivalent nursing staff, one full-time co-occurring disorder specialist, one full-time equivalent mental health certified peer specialist, one full-time vocational specialist, one full-time program assistant, and at least two additional full-time equivalent ACT team members, with at least one dedicated full-time staff member with mental health professional status. Remaining team members may have mental health professional or mental health practitioner status;~~

~~(ii) employ nine or more treatment team full-time equivalents, excluding the program assistant and psychiatric care provider;~~

~~(iii) serve an annual average maximum caseload of 75 to 100 clients;~~

~~(iv) ensure at least one full-time equivalent position for every nine individuals served;~~

~~(v) schedule staff to work two eight-hour shifts, with a minimum of two staff on the second shift providing services at least 12 hours per day weekdays. For weekends and holidays, the team must operate and schedule ACT team staff to work one eight-hour shift, with a minimum of two staff each weekend day and every holiday;~~

~~(vi) schedule ACT team staff on-call duty to provide crisis services and deliver services when staff are not working; and~~

~~(vii) arrange for and provide psychiatric backup during all hours the psychiatric care provider is not regularly scheduled to work. If availability of the ACT team psychiatric care provider during all hours is not feasible, alternative psychiatric backup must be arranged and a mechanism of timely communication and coordination established in writing.~~

~~(b) An ACT team of any size may have a staff-to-client ratio that is lower than the requirements described in paragraph (a) upon approval by the commissioner, but may not exceed a one-to-ten staff-to-client ratio.~~

Sec. 17. Minnesota Statutes 2022, section 256B.0622, subdivision 7d, is amended to read:

Subd. 7d. **Assertive community treatment assessment and individual treatment plan.** (a) An initial assessment shall be completed the day of the client's admission to assertive community treatment by the ACT team leader or the psychiatric care provider, with participation by designated ACT team members and the client. The initial assessment must include obtaining or completing a standard diagnostic assessment according to section 245I.10, subdivision 6, and completing a 30-day individual treatment plan. The team leader, psychiatric care provider, or other mental health professional designated by the team leader or psychiatric care provider, must update the client's diagnostic assessment ~~at least annually~~ as required under section 245I.10, subdivision 2, paragraphs (f) and (g).

(b) A functional assessment must be completed according to section 245I.10, subdivision 9. Each part of the functional assessment areas shall be completed by each respective team specialist or an ACT team member with skill and knowledge in the area being assessed.

(c) Between 30 and 45 days after the client's admission to assertive community treatment, the entire ACT team must hold a comprehensive case conference, where all team members, including the psychiatric provider, present information discovered from the completed assessments and provide treatment recommendations. The conference must serve as the basis for the first individual treatment plan, which must be written by the primary team member.

(d) The client's psychiatric care provider, primary team member, and individual treatment team members shall assume responsibility for preparing the written narrative of the results from the psychiatric and social functioning history timeline and the comprehensive assessment.

(e) The primary team member and individual treatment team members shall be assigned by the team leader in collaboration with the psychiatric care provider by the time of the first treatment planning meeting or 30 days after admission, whichever occurs first.

(f) Individual treatment plans must be developed through the following treatment planning process:

(1) The individual treatment plan shall be developed in collaboration with the client and the client's preferred natural supports, and guardian, if applicable and appropriate. The ACT team shall evaluate, together with each client, the client's needs, strengths, and preferences and develop the individual treatment plan collaboratively. The

ACT team shall make every effort to ensure that the client and the client's family and natural supports, with the client's consent, are in attendance at the treatment planning meeting, are involved in ongoing meetings related to treatment, and have the necessary supports to fully participate. The client's participation in the development of the individual treatment plan shall be documented.

(2) The client and the ACT team shall work together to formulate and prioritize the issues, set goals, research approaches and interventions, and establish the plan. The plan is individually tailored so that the treatment, rehabilitation, and support approaches and interventions achieve optimum symptom reduction, help fulfill the personal needs and aspirations of the client, take into account the cultural beliefs and realities of the individual, and improve all the aspects of psychosocial functioning that are important to the client. The process supports strengths, rehabilitation, and recovery.

(3) Each client's individual treatment plan shall identify service needs, strengths and capacities, and barriers, and set specific and measurable short- and long-term goals for each service need. The individual treatment plan must clearly specify the approaches and interventions necessary for the client to achieve the individual goals, when the interventions shall happen, and identify which ACT team member shall carry out the approaches and interventions.

(4) The primary team member and the individual treatment team, together with the client and the client's family and natural supports with the client's consent, are responsible for reviewing and rewriting the treatment goals and individual treatment plan whenever there is a major decision point in the client's course of treatment or at least every six months.

(5) The primary team member shall prepare a summary that thoroughly describes in writing the client's and the individual treatment team's evaluation of the client's progress and goal attainment, the effectiveness of the interventions, and the satisfaction with services since the last individual treatment plan. The client's most recent diagnostic assessment must be included with the treatment plan summary.

(6) The individual treatment plan and review must be approved or acknowledged by the client, the primary team member, the team leader, the psychiatric care provider, and all individual treatment team members. A copy of the approved individual treatment plan must be made available to the client.

Sec. 18. Minnesota Statutes 2023 Supplement, section 256B.0622, subdivision 8, is amended to read:

Subd. 8. **Medical assistance payment for assertive community treatment and intensive residential treatment services.** (a) Payment for intensive residential treatment services and assertive community treatment in this section shall be based on one daily rate per provider inclusive of the following services received by an eligible client in a given calendar day: all rehabilitative services under this section, staff travel time to provide rehabilitative services under this section, and nonresidential crisis stabilization services under section 256B.0624.

(b) Except as indicated in paragraph (c), payment will not be made to more than one entity for each client for services provided under this section on a given day. If services under this section are provided by a team that includes staff from more than one entity, the team must determine how to distribute the payment among the members.

(c) The commissioner shall determine one rate for each provider that will bill medical assistance for residential services under this section and one rate for each assertive community treatment provider. If a single entity provides both services, one rate is established for the entity's residential services and another rate for the entity's nonresidential services under this section. A provider is not eligible for payment under this section without authorization from the commissioner. The commissioner shall develop rates using the following criteria:

(1) the provider's cost for services shall include direct services costs, other program costs, and other costs determined as follows:

(i) the direct services costs must be determined using actual costs of salaries, benefits, payroll taxes, and training of direct service staff and service-related transportation;

(ii) other program costs not included in item (i) must be determined as a specified percentage of the direct services costs as determined by item (i). The percentage used shall be determined by the commissioner based upon the average of percentages that represent the relationship of other program costs to direct services costs among the entities that provide similar services;

(iii) physical plant costs calculated based on the percentage of space within the program that is entirely devoted to treatment and programming. This does not include administrative or residential space;

(iv) assertive community treatment physical plant costs must be reimbursed as part of the costs described in item (ii); and

(v) subject to federal approval, up to an additional five percent of the total rate may be added to the program rate as a quality incentive based upon the entity meeting performance criteria specified by the commissioner;

(2) actual cost is defined as costs which are allowable, allocable, and reasonable, and consistent with federal reimbursement requirements under Code of Federal Regulations, title 48, chapter 1, part 31, relating to for-profit entities, and Office of Management and Budget Circular Number A-122, relating to nonprofit entities;

(3) the number of service units;

(4) the degree to which clients will receive services other than services under this section; and

(5) the costs of other services that will be separately reimbursed.

(d) The rate for intensive residential treatment services and assertive community treatment must exclude the medical assistance room and board rate, as defined in section 256B.056, subdivision 5d, and services not covered under this section, such as partial hospitalization, home care, and inpatient services.

(e) Physician services that are not separately billed may be included in the rate to the extent that a psychiatrist, or other health care professional providing physician services within their scope of practice, is a member of the intensive residential treatment services treatment team. Physician services, whether billed separately or included in the rate, may be delivered by telehealth. For purposes of this paragraph, "telehealth" has the meaning given to "mental health telehealth" in section 256B.0625, subdivision 46, when telehealth is used to provide intensive residential treatment services.

(f) When services under this section are provided by an assertive community treatment provider, case management functions must be an integral part of the team.

(g) The rate for a provider must not exceed the rate charged by that provider for the same service to other payors.

(h) The rates for existing programs must be established prospectively based upon the expenditures and utilization over a prior 12-month period using the criteria established in paragraph (c). The rates for new programs must be established based upon estimated expenditures and estimated utilization using the criteria established in paragraph (c).

(i) Effective for the rate years beginning on and after January 1, 2024, rates for assertive community treatment, adult residential crisis stabilization services, and intensive residential treatment services must be annually adjusted for inflation using the Centers for Medicare and Medicaid Services Medicare Economic Index, as forecasted in the ~~fourth~~ third quarter of the calendar year before the rate year. The inflation adjustment must be based on the 12-month period from the midpoint of the previous rate year to the midpoint of the rate year for which the rate is being determined.

(j) Entities who discontinue providing services must be subject to a settle-up process whereby actual costs and reimbursement for the previous 12 months are compared. In the event that the entity was paid more than the entity's actual costs plus any applicable performance-related funding due the provider, the excess payment must be reimbursed to the department. If a provider's revenue is less than actual allowed costs due to lower utilization than projected, the commissioner may reimburse the provider to recover its actual allowable costs. The resulting adjustments by the commissioner must be proportional to the percent of total units of service reimbursed by the commissioner and must reflect a difference of greater than five percent.

(k) A provider may request of the commissioner a review of any rate-setting decision made under this subdivision.

Sec. 19. Minnesota Statutes 2022, section 256B.0623, subdivision 5, is amended to read:

Subd. 5. **Qualifications of provider staff.** Adult rehabilitative mental health services must be provided by qualified individual provider staff of a certified provider entity. Individual provider staff must be qualified as:

(1) a mental health professional who is qualified according to section 245I.04, subdivision 2;

(2) a certified rehabilitation specialist who is qualified according to section 245I.04, subdivision 8;

(3) a clinical trainee who is qualified according to section 245I.04, subdivision 6;

(4) a mental health practitioner qualified according to section 245I.04, subdivision 4;

(5) a mental health certified peer specialist who is qualified according to section 245I.04, subdivision 10; ~~or~~

(6) a mental health rehabilitation worker who is qualified according to section 245I.04, subdivision 14~~.~~; or

(7) a licensed occupational therapist, as defined in section 148.6402, subdivision 14.

EFFECTIVE DATE. This section is effective upon federal approval. The commissioner of human services must notify the revisor of statutes when federal approval is obtained.

Sec. 20. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 5m, is amended to read:

Subd. 5m. **Certified community behavioral health clinic services.** (a) Medical assistance covers services provided by a not-for-profit certified community behavioral health clinic (CCBHC) that meets the requirements of section 245.735, subdivision 3.

(b) The commissioner shall reimburse CCBHCs on a per-day basis for each day that an eligible service is delivered using the CCBHC daily bundled rate system for medical assistance payments as described in paragraph (c). The commissioner shall include a quality incentive payment in the CCBHC daily bundled rate system as described in paragraph (e). There is no county share for medical assistance services when reimbursed through the CCBHC daily bundled rate system.

(c) The commissioner shall ensure that the CCBHC daily bundled rate system for CCBHC payments under medical assistance meets the following requirements:

(1) the CCBHC daily bundled rate shall be a provider-specific rate calculated for each CCBHC, based on the daily cost of providing CCBHC services and the total annual allowable CCBHC costs divided by the total annual number of CCBHC visits. For calculating the payment rate, total annual visits include visits covered by medical assistance and visits not covered by medical assistance. Allowable costs include but are not limited to the salaries and benefits of medical assistance providers; the cost of CCBHC services provided under section 245.735, subdivision 3, paragraph (a), clauses (6) and (7); and other costs such as insurance or supplies needed to provide CCBHC services;

(2) payment shall be limited to one payment per day per medical assistance enrollee when an eligible CCBHC service is provided. A CCBHC visit is eligible for reimbursement if at least one of the CCBHC services listed under section 245.735, subdivision 3, paragraph (a), clause (6), is furnished to a medical assistance enrollee by a health care practitioner or licensed agency employed by or under contract with a CCBHC;

(3) initial CCBHC daily bundled rates for newly certified CCBHCs under section 245.735, subdivision 3, shall be established by the commissioner using a provider-specific rate based on the newly certified CCBHC's audited historical cost report data adjusted for the expected cost of delivering CCBHC services. Estimates are subject to review by the commissioner and must include the expected cost of providing the full scope of CCBHC services and the expected number of visits for the rate period;

(4) the commissioner shall rebase CCBHC rates once every two years following the last rebasing and no less than 12 months following an initial rate or a rate change due to a change in the scope of services. For CCBHCs certified after September 31, 2020, and before January 1, 2021, the commissioner shall rebase rates according to this clause for services provided on or after January 1, 2024;

(5) the commissioner shall provide for a 60-day appeals process after notice of the results of the rebasing;

(6) an entity that receives a CCBHC daily bundled rate that overlaps with another federal Medicaid rate is not eligible for the CCBHC rate methodology;

(7) payments for CCBHC services to individuals enrolled in managed care shall be coordinated with the state's phase-out of CCBHC wrap payments. The commissioner shall complete the phase-out of CCBHC wrap payments within 60 days of the implementation of the CCBHC daily bundled rate system in the Medicaid Management Information System (MMIS), for CCBHCs reimbursed under this chapter, with a final settlement of payments due made payable to CCBHCs no later than 18 months thereafter;

(8) the CCBHC daily bundled rate for each CCBHC shall be updated by trending each provider-specific rate by the Medicare Economic Index for primary care services. This update shall occur each year in between rebasing periods determined by the commissioner in accordance with clause (4). CCBHCs must provide data on costs and visits to the state annually using the CCBHC cost report established by the commissioner; and

(9) a CCBHC may request a rate adjustment for changes in the CCBHC's scope of services when such changes are expected to result in an adjustment to the CCBHC payment rate by 2.5 percent or more. The CCBHC must provide the commissioner with information regarding the changes in the scope of services, including the estimated cost of providing the new or modified services and any projected increase or decrease in the number of visits resulting from the change. Estimated costs are subject to review by the commissioner. Rate adjustments for changes in scope shall occur no more than once per year in between rebasing periods per CCBHC and are effective on the date of the annual CCBHC rate update.

(d) Managed care plans and county-based purchasing plans shall reimburse CCBHC providers at the CCBHC daily bundled rate. The commissioner shall monitor the effect of this requirement on the rate of access to the services delivered by CCBHC providers. If, for any contract year, federal approval is not received for this paragraph, the commissioner must adjust the capitation rates paid to managed care plans and county-based purchasing plans for that contract year to reflect the removal of this provision. Contracts between managed care plans and county-based purchasing plans and providers to whom this paragraph applies must allow recovery of payments from those providers if capitation rates are adjusted in accordance with this paragraph. Payment recoveries must not exceed the amount equal to any increase in rates that results from this provision. This paragraph expires if federal approval is not received for this paragraph at any time.

(e) The commissioner shall implement a quality incentive payment program for CCBHCs that meets the following requirements:

(1) a CCBHC shall receive a quality incentive payment upon meeting specific numeric thresholds for performance metrics established by the commissioner, in addition to payments for which the CCBHC is eligible under the CCBHC daily bundled rate system described in paragraph (c);

(2) a CCBHC must be certified and enrolled as a CCBHC for the entire measurement year to be eligible for incentive payments;

(3) each CCBHC shall receive written notice of the criteria that must be met in order to receive quality incentive payments at least 90 days prior to the measurement year; and

(4) a CCBHC must provide the commissioner with data needed to determine incentive payment eligibility within six months following the measurement year. The commissioner shall notify CCBHC providers of their performance on the required measures and the incentive payment amount within 12 months following the measurement year.

(f) All claims to managed care plans for CCBHC services as provided under this section shall be submitted directly to, and paid by, the commissioner on the dates specified no later than January 1 of the following calendar year, if:

(1) one or more managed care plans does not comply with the federal requirement for payment of clean claims to CCBHCs, as defined in Code of Federal Regulations, title 42, section 447.45(b), and the managed care plan does not resolve the payment issue within 30 days of noncompliance; and

(2) the total amount of clean claims not paid in accordance with federal requirements by one or more managed care plans is 50 percent of, or greater than, the total CCBHC claims eligible for payment by managed care plans.

If the conditions in this paragraph are met between January 1 and June 30 of a calendar year, claims shall be submitted to and paid by the commissioner beginning on January 1 of the following year. If the conditions in this paragraph are met between July 1 and December 31 of a calendar year, claims shall be submitted to and paid by the commissioner beginning on July 1 of the following year.

(g) Peer services provided by a CCBHC certified under section 245.735 are a covered service under medical assistance when a licensed mental health professional or alcohol and drug counselor determines that peer services are medically necessary. Eligibility under this subdivision for peer services provided by a CCBHC supersede eligibility standards under sections 256B.0615, 256B.0616, and 245G.07, subdivision 2, clause (8).

Sec. 21. Minnesota Statutes 2022, section 256B.0625, subdivision 20, is amended to read:

Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the state agency, medical assistance covers case management services to persons with serious and persistent mental illness and children with severe emotional disturbance. Services provided under this section must meet the relevant standards in sections 245.461 to 245.4887, the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

(b) Entities meeting program standards set out in rules governing family community support services as defined in section 245.4871, subdivision 17, are eligible for medical assistance reimbursement for case management services for children with severe emotional disturbance when these services meet the program standards in Minnesota Rules, parts 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

(c) Medical assistance and MinnesotaCare payment for mental health case management shall be made on a monthly basis. In order to receive payment for an eligible child, the provider must document at least a face-to-face contact either in person or by interactive video that meets the requirements of subdivision 20b with the child, the child's parents, or the child's legal representative. To receive payment for an eligible adult, the provider must document:

(1) at least a face-to-face contact with the adult or the adult's legal representative either in person or by interactive video that meets the requirements of subdivision 20b; or

(2) at least a telephone contact <u>or contact via secure electronic message, if preferred by the adult client,</u> with the adult or the adult's legal representative and document a face-to-face contact either in person or by interactive video that meets the requirements of subdivision 20b with the adult or the adult's legal representative within the preceding two months.

(d) Payment for mental health case management provided by county or state staff shall be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph (b), with separate rates calculated for child welfare and mental health, and within mental health, separate rates for children and adults.

(e) Payment for mental health case management provided by Indian health services or by agencies operated by Indian tribes may be made according to this section or other relevant federally approved rate setting methodology.

(f) Payment for mental health case management provided by vendors who contract with a county must be calculated in accordance with section 256B.076, subdivision 2. Payment for mental health case management provided by vendors who contract with a Tribe must be based on a monthly rate negotiated by the Tribe. The rate must not exceed the rate charged by the vendor for the same service to other payers. If the service is provided by a team of contracted vendors, the team shall determine how to distribute the rate among its members. No reimbursement received by contracted vendors shall be returned to the county or tribe, except to reimburse the county or tribe for advance funding provided by the county or tribe to the vendor.

(g) If the service is provided by a team which includes contracted vendors, tribal staff, and county or state staff, the costs for county or state staff participation in the team shall be included in the rate for county-provided services. In this case, the contracted vendor, the tribal agency, and the county may each receive separate payment for services provided by each entity in the same month. In order to prevent duplication of services, each entity must document, in the recipient's file, the need for team case management and a description of the roles of the team members.

(h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for mental health case management shall be provided by the recipient's county of responsibility, as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds used to match other federal funds. If the service is provided

by a tribal agency, the nonfederal share, if any, shall be provided by the recipient's tribe. When this service is paid by the state without a federal share through fee-for-service, 50 percent of the cost shall be provided by the recipient's county of responsibility.

(i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance and MinnesotaCare include mental health case management. When the service is provided through prepaid capitation, the nonfederal share is paid by the state and the county pays no share.

(j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider that does not meet the reporting or other requirements of this section. The county of responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency, is responsible for any federal disallowances. The county or tribe may share this responsibility with its contracted vendors.

(k) The commissioner shall set aside a portion of the federal funds earned for county expenditures under this section to repay the special revenue maximization account under section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

(1) the costs of developing and implementing this section; and

(2) programming the information systems.

(l) Payments to counties and tribal agencies for case management expenditures under this section shall only be made from federal earnings from services provided under this section. When this service is paid by the state without a federal share through fee-for-service, 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors shall include the federal earnings, the state share, and the county share.

(m) Case management services under this subdivision do not include therapy, treatment, legal, or outreach services.

(n) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital, and the recipient's institutional care is paid by medical assistance, payment for case management services under this subdivision is limited to the lesser of:

(1) the last 180 days of the recipient's residency in that facility and may not exceed more than six months in a calendar year; or

(2) the limits and conditions which apply to federal Medicaid funding for this service.

(o) Payment for case management services under this subdivision shall not duplicate payments made under other program authorities for the same purpose.

(p) If the recipient is receiving care in a hospital, nursing facility, or residential setting licensed under chapter 245A or 245D that is staffed 24 hours a day, seven days a week, mental health targeted case management services must actively support identification of community alternatives for the recipient and discharge planning.

Sec. 22. Minnesota Statutes 2023 Supplement, section 256B.0671, subdivision 5, is amended to read:

Subd. 5. **Child and family psychoeducation services.** (a) Medical assistance covers child and family psychoeducation services provided to a child ~~up to~~ under age 21 ~~with~~ and the child's family members when determined to be medically necessary due to a ~~diagnosed~~ mental health condition ~~when~~ or diagnosed mental illness identified in the child's individual treatment plan and provided by a mental health professional who is qualified

under section 245I.04, subdivision 2, and practicing within the scope of practice under section 245I.04, subdivision 3; a mental health practitioner who is qualified under section 245I.04, subdivision 4, and practicing within the scope of practice under section 245I.04, subdivision 5; or a clinical trainee who ~~has determined it medically necessary to involve family members in the child's care~~ is qualified under section 245I.04, subdivision 6, and practicing within the scope of practice under section 245I.04, subdivision 7.

(b) " Child and family psychoeducation services" means information or demonstration provided to an individual or family as part of an individual, family, multifamily group, or peer group session to explain, educate, and support the child and family in understanding a child's symptoms of mental illness, the impact on the child's development, and needed components of treatment and skill development so that the individual, family, or group can help the child to prevent relapse, prevent the acquisition of comorbid disorders, and achieve optimal mental health and long-term resilience.

(c) Child and family psychoeducation services include individual, family, or group skills development or training to:

(1) support the development of psychosocial skills that are medically necessary to support the child to an age-appropriate developmental trajectory when the child's development was disrupted by a mental health condition or diagnosed mental illness; or

(2) enable the child to self-monitor, compensate for, cope with, counteract, or replace skills deficits or maladaptive skills acquired over the course of the child's mental health condition or mental illness.

(d) Skills development or training delivered to a child or the child's family under this subdivision must be targeted to the specific deficits related to the child's mental health condition or mental illness and must be prescribed in the child's individual treatment plan. Group skills training may be provided to multiple recipients who, because of the nature of their emotional, behavioral, or social functional ability, may benefit from interaction in a group setting.

Sec. 23. Minnesota Statutes 2022, section 256B.0943, subdivision 12, is amended to read:

Subd. 12. **Excluded services.** The following services are not eligible for medical assistance payment as children's therapeutic services and supports:

(1) service components of children's therapeutic services and supports simultaneously provided by more than one provider entity unless prior authorization is obtained;

(2) treatment by multiple providers within the same agency at the same clock time, unless one service is delivered to the child and the other service is delivered to the child's family or treatment team without the child present;

(3) children's therapeutic services and supports provided in violation of medical assistance policy in Minnesota Rules, part 9505.0220;

(4) mental health behavioral aide services provided by a personal care assistant who is not qualified as a mental health behavioral aide and employed by a certified children's therapeutic services and supports provider entity;

(5) service components of CTSS that are the responsibility of a residential or program license holder, including foster care providers under the terms of a service agreement or administrative rules governing licensure; and

(6) adjunctive activities that may be offered by a provider entity but are not otherwise covered by medical assistance, including:

(i) a service that is primarily recreation oriented or that is provided in a setting that is not medically supervised. This includes sports activities, exercise groups, activities such as craft hours, leisure time, social hours, meal or snack time, trips to community activities, and tours;

(ii) a social or educational service that does not have or cannot reasonably be expected to have a therapeutic outcome related to the client's emotional disturbance;

(iii) prevention or education programs provided to the community; and

(iv) treatment for clients with primary diagnoses of alcohol or other drug abuse.

Sec. 24. Minnesota Statutes 2022, section 256B.0947, subdivision 5, is amended to read:

Subd. 5. **Standards for intensive nonresidential rehabilitative providers.** (a) Services must meet the standards in this section and chapter 245I as required in section 245I.011, subdivision 5.

(b) The treatment team must have specialized training in providing services to the specific age group of youth that the team serves. An individual treatment team must serve youth who are: (1) at least eight years of age or older and under 16 years of age, or (2) at least 14 years of age or older and under 21 years of age.

(c) The treatment team for intensive nonresidential rehabilitative mental health services comprises both permanently employed core team members and client-specific team members as follows:

(1) Based on professional qualifications and client needs, clinically qualified core team members are assigned on a rotating basis as the client's lead worker to coordinate a client's care. The core team must comprise at least four full-time equivalent direct care staff and must minimally include:

(i) a mental health professional who serves as team leader to provide administrative direction and treatment supervision to the team;

(ii) an advanced-practice registered nurse with certification in psychiatric or mental health care or a board-certified child and adolescent psychiatrist, either of which must be credentialed to prescribe medications;

~~(iii) a licensed alcohol and drug counselor who is also trained in mental health interventions; and~~

~~(iv)~~ (iii) a mental health certified peer specialist who is qualified according to section 245I.04, subdivision 10, and is also a former children's mental health consumer~~.~~; and

(iv) a co-occurring disorder specialist who meets the requirements under section 256B.0622, subdivision 7a, paragraph (a), clause (4), who will provide or facilitate the provision of co-occurring disorder treatment to clients.

(2) The core team may also include any of the following:

(i) additional mental health professionals;

(ii) a vocational specialist;

(iii) an educational specialist with knowledge and experience working with youth regarding special education requirements and goals, special education plans, and coordination of educational activities with health care activities;

(iv) a child and adolescent psychiatrist who may be retained on a consultant basis;

(v) a clinical trainee qualified according to section 245I.04, subdivision 6;

(vi) a mental health practitioner qualified according to section 245I.04, subdivision 4;

(vii) a case management service provider, as defined in section 245.4871, subdivision 4;

(viii) a housing access specialist; and

(ix) a family peer specialist as defined in subdivision 2, paragraph (j).

(3) A treatment team may include, in addition to those in clause (1) or (2), ad hoc members not employed by the team who consult on a specific client and who must accept overall clinical direction from the treatment team for the duration of the client's placement with the treatment team and must be paid by the provider agency at the rate for a typical session by that provider with that client or at a rate negotiated with the client-specific member. Client-specific treatment team members may include:

(i) the mental health professional treating the client prior to placement with the treatment team;

(ii) the client's current substance use counselor, if applicable;

(iii) a lead member of the client's individualized education program team or school-based mental health provider, if applicable;

(iv) a representative from the client's health care home or primary care clinic, as needed to ensure integration of medical and behavioral health care;

(v) the client's probation officer or other juvenile justice representative, if applicable; and

(vi) the client's current vocational or employment counselor, if applicable.

(d) The treatment supervisor shall be an active member of the treatment team and shall function as a practicing clinician at least on a part-time basis. The treatment team shall meet with the treatment supervisor at least weekly to discuss recipients' progress and make rapid adjustments to meet recipients' needs. The team meeting must include client-specific case reviews and general treatment discussions among team members. Client-specific case reviews and planning must be documented in the individual client's treatment record.

(e) The staffing ratio must not exceed ten clients to one full-time equivalent treatment team position.

(f) The treatment team shall serve no more than 80 clients at any one time. Should local demand exceed the team's capacity, an additional team must be established rather than exceed this limit.

(g) Nonclinical staff shall have prompt access in person or by telephone to a mental health practitioner, clinical trainee, or mental health professional. The provider shall have the capacity to promptly and appropriately respond to emergent needs and make any necessary staffing adjustments to ensure the health and safety of clients.

(h) The intensive nonresidential rehabilitative mental health services provider shall participate in evaluation of the assertive community treatment for youth (Youth ACT) model as conducted by the commissioner, including the collection and reporting of data and the reporting of performance measures as specified by contract with the commissioner.

(i) A regional treatment team may serve multiple counties.

Sec. 25. Minnesota Statutes 2023 Supplement, section 256B.0947, subdivision 7, is amended to read:

Subd. 7. **Medical assistance payment and rate setting.** (a) Payment for services in this section must be based on one daily encounter rate per provider inclusive of the following services received by an eligible client in a given calendar day: all rehabilitative services, supports, and ancillary activities under this section, staff travel time to provide rehabilitative services under this section, and crisis response services under section 256B.0624.

(b) Payment must not be made to more than one entity for each client for services provided under this section on a given day. If services under this section are provided by a team that includes staff from more than one entity, the team shall determine how to distribute the payment among the members.

(c) The commissioner shall establish regional cost-based rates for entities that will bill medical assistance for nonresidential intensive rehabilitative mental health services. In developing these rates, the commissioner shall consider:

(1) the cost for similar services in the health care trade area;

(2) actual costs incurred by entities providing the services;

(3) the intensity and frequency of services to be provided to each client;

(4) the degree to which clients will receive services other than services under this section; and

(5) the costs of other services that will be separately reimbursed.

(d) The rate for a provider must not exceed the rate charged by that provider for the same service to other payers.

(e) Effective for the rate years beginning on and after January 1, 2024, rates must be annually adjusted for inflation using the Centers for Medicare and Medicaid Services Medicare Economic Index, as forecasted in the ~~fourth~~ third quarter of the calendar year before the rate year. The inflation adjustment must be based on the 12-month period from the midpoint of the previous rate year to the midpoint of the rate year for which the rate is being determined.

Sec. 26. Minnesota Statutes 2022, section 256B.76, subdivision 6, is amended to read:

Subd. 6. **Medicare relative value units.** (a) Effective for services rendered on or after January 1, 2007, the commissioner shall make payments for physician and professional services based on the Medicare relative value units ~~(RVU's)~~ (RVUs). This change shall be budget neutral and the cost of implementing ~~RVU's~~ RVUs will be incorporated in the established conversion factor.

(b) The commissioner must revise fee-for-service payment methodologies under this section upon the issuance of a Medicare Physician Fee Schedule final rule by the Centers for Medicare and Medicaid Services to ensure the payment rates under this subdivision are at least equal to the corresponding rates in the final rule.

(c) The commissioner must revise and implement payment rates for mental health services based on RVUs and rendered on or after January 1, 2025, so that the payment rates are at least equal to 84 percent of the Medicare Physician Fee Schedule.

EFFECTIVE DATE. This section is effective January 1, 2025, 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. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; CHILDREN'S RESIDENTIAL FACILITY RULEMAKING.**

(a) The commissioner of human services must use the expedited rulemaking process and comply with all requirements under Minnesota Statutes, section 14.389, to adopt the amendments required under this section. Notwithstanding Laws 1995, chapter 226, article 3, sections 50, 51, and 60, or any other law to the contrary, joint rulemaking authority with the commissioner of corrections does not apply to rule amendments applicable only to the commissioner of human services. An amendment to jointly administered rule parts must be related to requirements under this section or to amendments that are necessary for consistency with this section.

(b) The commissioner of human services must amend Minnesota Rules, chapter 2960, to replace all instances of the term "clinical supervision" with the term "treatment supervision."

(c) The commissioner of human services must amend Minnesota Rules, part 2960.0020, to replace all instances of the term "clinical supervisor" with the term "treatment supervisor."

(d) The commissioner of human services must amend Minnesota Rules, part 2960.0020, to add the definition of "licensed prescriber" to mean an individual who is authorized to prescribe legend drugs under Minnesota Statutes, section 151.37.

(e) The commissioner of human services must amend Minnesota Rules, parts 2960.0020 to 2960.0710, to replace all instances of "physician" with "licensed prescriber." Amendments to rules under this paragraph must apply only to the Department of Human Services.

(f) The commissioner of human services must amend Minnesota Rules, part 2960.0620, subpart 2, to strike all of the current language and insert the following language: "If a resident is prescribed a psychotropic medication, the license holder must monitor for side effects of the medication. Within 24 hours of admission, a registered nurse or licensed prescriber must assess the resident for and document any current side effects and document instructions for how frequently the license holder must monitor for side effects of the psychotropic medications the resident is taking. When a resident begins taking a new psychotropic medication or stops taking a psychotropic medication, the license holder must monitor for side effects according to the instructions of the registered nurse or licensed prescriber. The license holder must monitor for side effects using standardized checklists, rating scales, or other tools according to the instructions of the registered nurse or licensed prescriber. The license holder must provide the results of the checklist, rating scale, or other tool to the licensed prescriber for review."

(g) The commissioner of human services must amend Minnesota Rules, part 2960.0630, subpart 2, to allow license holders to use the ancillary meeting process under Minnesota Statutes, section 245I.23, subdivision 14, paragraph (c), if a staff member cannot participate in a weekly clinical supervision session.

(h) The commissioner of human services must amend Minnesota Rules, part 2960.0630, subpart 3, to strike item D.

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

Sec. 28. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; MEDICAL ASSISTANCE CHILDREN'S RESIDENTIAL MENTAL HEALTH CRISIS STABILIZATION.**

(a) The commissioner of human services must consult with providers, advocates, Tribal Nations, counties, people with lived experience as or with a child in a mental health crisis, and other interested community members to develop a covered benefit under medical assistance to provide residential mental health crisis stabilization for children. The benefit must:

(1) consist of evidence-based promising practices or culturally responsive treatment services for children under the age of 21 experiencing a mental health crisis;

(2) embody an integrative care model that supports individuals experiencing a mental health crisis who may also be experiencing co-occurring conditions;

(3) qualify for federal financial participation; and

(4) include services that support children and families, including but not limited to:

(i) an assessment of the child's immediate needs and factors that led to the mental health crisis;

(ii) individualized care to address immediate needs and restore the child to a precrisis level of functioning;

(iii) 24-hour on-site staff and assistance;

(iv) supportive counseling and clinical services;

(v) skills training and positive support services, as identified in the child's individual crisis stabilization plan;

(vi) referrals to other service providers in the community as needed and to support the child's transition from residential crisis stabilization services;

(vii) development of an individualized and culturally responsive crisis response action plan; and

(viii) assistance to access and store medication.

(b) When developing the new benefit, the commissioner must make recommendations for providers to be reimbursed for room and board.

(c) The commissioner must consult with or contract with rate-setting experts to develop a prospective data-based rate methodology for the children's residential mental health crisis stabilization benefit.

(d) No later than January 15, 2025, the commissioner must submit to the chairs and ranking minority members of the legislative committees with jurisdiction over human services policy and finance a report detailing for the children's residential mental health crisis stabilization benefit the proposed:

(1) eligibility criteria, clinical and service requirements, provider standards, licensing requirements, and reimbursement rates;

(2) the process for community engagement, community input, and crisis models studied in other states;

(3) a deadline for the commissioner to submit a state plan amendment to the Centers for Medicare and Medicaid Services; and

(4) draft legislation with the statutory changes necessary to implement the benefit.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 29. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; MENTAL HEALTH PROCEDURE CODES.**

The commissioner of human services must develop recommendations, in consultation with external partners and medical coding and compliance experts, on simplifying mental health procedure codes and the feasibility of converting mental health procedure codes to the current procedural terminology (CPT) code structure. By October 1, 2025, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over mental health on the recommendations and methodology to simplify and restructure mental health procedure codes with corresponding resource-based relative value scale (RBRVS) values.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 30. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; RESPITE CARE ACCESS.**

The commissioner of human services, in coordination with interested parties, must develop proposals by December 31, 2025, to increase access to licensed respite foster care homes that take into consideration the new rule directing title IV-E agencies to adopt one set of licensing or approval standards for all relative or kinship foster family homes that is different from the licensing or approval standards used for nonrelative or nonkinship foster family homes, as provided by the Federal Register, volume 88, page 66700.

Sec. 31. **MENTAL HEALTH SERVICES FORMULA-BASED ALLOCATION.**

The commissioner of human services shall consult with the commissioner of management and budget, counties, Tribes, mental health providers, and advocacy organizations to develop recommendations for moving from the children's and adult mental health grant funding structure to a formula-based allocation structure for mental health services. The recommendations must consider formula-based allocations for grants for respite care, school-linked behavioral health, mobile crisis teams, and first episode of psychosis programs.

Sec. 32. **REVISOR INSTRUCTION.**

The revisor of statutes, in consultation with the Office of Senate Counsel, Research and Fiscal Analysis; the House Research Department; and the commissioner of human services, shall prepare legislation for the 2025 legislative session to recodify Minnesota Statutes, section 256B.0622, to move provisions related to assertive community treatment and intensive residential treatment services into separate sections of statute. The revisor shall correct any cross-references made necessary by this recodification.

ARTICLE 10
DEPARTMENT OF HUMAN SERVICES OFFICE OF INSPECTOR GENERAL

Section 1. Minnesota Statutes 2023 Supplement, section 13.46, subdivision 4, as amended by Laws 2024, chapter 80, article 8, section 4, is amended to read:

Subd. 4. **Licensing data.** (a) As used in this subdivision:

(1) "licensing data" are all data collected, maintained, used, or disseminated by the welfare system pertaining to persons licensed or registered or who apply for licensure or registration or who formerly were licensed or registered under the authority of the commissioner of human services;

(2) "client" means a person who is receiving services from a licensee or from an applicant for licensure; and

(3) "personal and personal financial data" are Social Security numbers, identity of and letters of reference, insurance information, reports from the Bureau of Criminal Apprehension, health examination reports, and social/home studies.

(b)(1)(i) Except as provided in paragraph (c), the following data on applicants, certification holders, license holders, and former licensees are public: name, address, telephone number of licensees, email addresses except for family child foster care, date of receipt of a completed application, dates of licensure, licensed capacity, type of client preferred, variances granted, record of training and education in child care and child development, type of dwelling, name and relationship of other family members, previous license history, class of license, the existence and status of complaints, and the number of serious injuries to or deaths of individuals in the licensed program as reported to the commissioner of human services; the commissioner of children, youth, and families; the local social services agency; or any other county welfare agency. For purposes of this clause, a serious injury is one that is treated by a physician.

(ii) Except as provided in item (v), when a correction order, an order to forfeit a fine, an order of license suspension, an order of temporary immediate suspension, an order of license revocation, an order of license denial, or an order of conditional license has been issued, or a complaint is resolved, the following data on current and former licensees and applicants are public: the general nature of the complaint or allegations leading to the temporary immediate suspension; the substance and investigative findings of the licensing or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence of settlement negotiations; the record of informal resolution of a licensing violation; orders of hearing; findings of fact; conclusions of law; specifications of the final correction order, fine, suspension, temporary immediate suspension, revocation, denial, or conditional license contained in the record of licensing action; whether a fine has been paid; and the status of any appeal of these actions.

(iii) When a license denial under section 142A.15 or 245A.05 or a sanction under section 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling individual is responsible for maltreatment under section 626.557 or chapter 260E, the identity of the applicant, license holder, or controlling individual as the individual responsible for maltreatment is public data at the time of the issuance of the license denial or sanction.

(iv) When a license denial under section 142A.15 or 245A.05 or a sanction under section 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling individual is disqualified under chapter 245C, the identity of the license holder, applicant, or controlling individual as the disqualified individual is public data at the time of the issuance of the licensing sanction or denial. If the applicant, license holder, or controlling individual requests reconsideration of the disqualification and the disqualification is affirmed, the reason for the disqualification and the reason to not set aside the disqualification are private data.

(v) A correction order or fine issued to a child care provider for a licensing violation is private data on individuals under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

(2) For applicants who withdraw their application prior to licensure or denial of a license, the following data are public: the name of the applicant, the city and county in which the applicant was seeking licensure, the dates of the commissioner's receipt of the initial application and completed application, the type of license sought, and the date of withdrawal of the application.

(3) For applicants who are denied a license, the following data are public: the name and address of the applicant, the city and county in which the applicant was seeking licensure, the dates of the commissioner's receipt of the initial application and completed application, the type of license sought, the date of denial of the application, the

nature of the basis for the denial, the existence of settlement negotiations, the record of informal resolution of a denial, orders of hearings, findings of fact, conclusions of law, specifications of the final order of denial, and the status of any appeal of the denial.

(4) When maltreatment is substantiated under section 626.557 or chapter 260E and the victim and the substantiated perpetrator are affiliated with a program licensed under chapter 142B or 245A; the commissioner of human services; commissioner of children, youth, and families; local social services agency; or county welfare agency may inform the license holder where the maltreatment occurred of the identity of the substantiated perpetrator and the victim.

(5) Notwithstanding clause (1), for child foster care, only the name of the license holder and the status of the license are public if the county attorney has requested that data otherwise classified as public data under clause (1) be considered private data based on the best interests of a child in placement in a licensed program.

(c) The following are private data on individuals under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9: personal and personal financial data on family day care program and family foster care program applicants and licensees and their family members who provide services under the license.

(d) The following are private data on individuals: the identity of persons who have made reports concerning licensees or applicants that appear in inactive investigative data, and the records of clients or employees of the licensee or applicant for licensure whose records are received by the licensing agency for purposes of review or in anticipation of a contested matter. The names of reporters of complaints or alleged violations of licensing standards under chapters 142B, 245A, 245B, 245C, and 245D, and applicable rules and alleged maltreatment under section 626.557 and chapter 260E, are confidential data and may be disclosed only as provided in section 260E.21, subdivision 4; 260E.35; or 626.557, subdivision 12b.

(e) Data classified as private, confidential, nonpublic, or protected nonpublic under this subdivision become public data if submitted to a court or administrative law judge as part of a disciplinary proceeding in which there is a public hearing concerning a license which has been suspended, immediately suspended, revoked, or denied.

(f) Data generated in the course of licensing investigations that relate to an alleged violation of law are investigative data under subdivision 3.

(g) Data that are not public data collected, maintained, used, or disseminated under this subdivision that relate to or are derived from a report as defined in section 260E.03, or 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35, subdivision 6, and 626.557, subdivision 12b.

(h) Upon request, not public data collected, maintained, used, or disseminated under this subdivision that relate to or are derived from a report of substantiated maltreatment as defined in section 626.557 or chapter 260E may be exchanged with the Department of Health for purposes of completing background studies pursuant to section 144.057 and with the Department of Corrections for purposes of completing background studies pursuant to section 241.021.

(i) Data on individuals collected according to licensing activities under chapters 142B, 245A, and 245C, data on individuals collected by the commissioner of human services according to investigations under section 626.557 and chapters 142B, 245A, 245B, 245C, 245D, and 260E may be shared with the Department of Human Rights, the Department of Health, the Department of Corrections, the ombudsman for mental health and developmental disabilities, and the individual's professional regulatory board when there is reason to believe that laws or standards under the jurisdiction of those agencies may have been violated or the information may otherwise be relevant to the board's regulatory jurisdiction. Background study data on an individual who is the subject of a background study under chapter 245C for a licensed service for which the commissioner of human services or children, youth, and

families is the license holder may be shared with the commissioner and the commissioner's delegate by the licensing division. Unless otherwise specified in this chapter, the identity of a reporter of alleged maltreatment or licensing violations may not be disclosed.

(j) In addition to the notice of determinations required under sections 260E.24, subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the commissioner of children, youth, and families or the local social services agency has determined that an individual is a substantiated perpetrator of maltreatment of a child based on sexual abuse, as defined in section 260E.03, and the commissioner or local social services agency knows that the individual is a person responsible for a child's care in another facility, the commissioner or local social services agency shall notify the head of that facility of this determination. The notification must include an explanation of the individual's available appeal rights and the status of any appeal. If a notice is given under this paragraph, the government entity making the notification shall provide a copy of the notice to the individual who is the subject of the notice.

(k) All not public data collected, maintained, used, or disseminated under this subdivision and subdivision 3 may be exchanged between the Department of Human Services, Licensing Division, and the Department of Corrections for purposes of regulating services for which the Department of Human Services and the Department of Corrections have regulatory authority.

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

Sec. 2. Minnesota Statutes 2023 Supplement, section 245A.03, subdivision 2, as amended by Laws 2024, chapter 80, article 2, section 35, and Laws 2024, chapter 85, section 52, is amended to read:

Subd. 2. **Exclusion from licensure.** (a) This chapter does not apply to:

(1) residential or nonresidential programs that are provided to a person by an individual who is related;

(2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;

(3) residential or nonresidential programs that are provided to adults who do not misuse substances or have a substance use disorder, a mental illness, a developmental disability, a functional impairment, or a physical disability;

(4) sheltered workshops or work activity programs that are certified by the commissioner of employment and economic development;

(5) programs operated by a public school for children 33 months or older;

(6) nonresidential programs primarily for children that provide care or supervision for periods of less than three hours a day while the child's parent or legal guardian is in the same building as the nonresidential program or present within another building that is directly contiguous to the building in which the nonresidential program is located;

(7) nursing homes or hospitals licensed by the commissioner of health except as specified under section 245A.02;

(8) board and lodge facilities licensed by the commissioner of health that do not provide children's residential services under Minnesota Rules, chapter 2960, mental health or substance use disorder treatment;

(9) programs licensed by the commissioner of corrections;

(10) recreation programs for children or adults that are operated or approved by a park and recreation board whose primary purpose is to provide social and recreational activities;

(11) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or a developmental disability;

(12) programs for children such as scouting, boys clubs, girls clubs, and sports and art programs, and nonresidential programs for children provided for a cumulative total of less than 30 days in any 12-month period;

(13) residential programs for persons with mental illness, that are located in hospitals;

(14) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;

(15) mental health outpatient services for adults with mental illness or children with emotional disturbance;

(16) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules;

(17) community support services programs as defined in section 245.462, subdivision 6, and family community support services as defined in section 245.4871, subdivision 17;

(18) ~~settings registered under chapter 144G that provide home care services licensed by the commissioner of health to fewer than seven adults~~ assisted living facilities licensed by the commissioner of health under chapter 144G;

(19) substance use disorder treatment activities of licensed professionals in private practice as defined in section 245G.01, subdivision 17;

(20) consumer-directed community support service funded under the Medicaid waiver for persons with developmental disabilities when the individual who provided the service is:

(i) the same individual who is the direct payee of these specific waiver funds or paid by a fiscal agent, fiscal intermediary, or employer of record; and

(ii) not otherwise under the control of a residential or nonresidential program that is required to be licensed under this chapter when providing the service;

(21) a county that is an eligible vendor under section 254B.05 to provide care coordination and comprehensive assessment services;

(22) a recovery community organization that is an eligible vendor under section 254B.05 to provide peer recovery support services; or

(23) programs licensed by the commissioner of children, youth, and families in chapter 142B.

(b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a building in which a nonresidential program is located if it shares a common wall with the building in which the nonresidential program is located or is attached to that building by skyway, tunnel, atrium, or common roof.

(c) Except for the home and community-based services identified in section 245D.03, subdivision 1, nothing in this chapter shall be construed to require licensure for any services provided and funded according to an approved federal waiver plan where licensure is specifically identified as not being a condition for the services and funding.

Sec. 3. Minnesota Statutes 2022, section 245A.04, is amended by adding a subdivision to read:

Subd. 7b. **Notification to commissioner of changes in key staff positions; children's residential facilities and detoxification programs.** (a) A license holder must notify the commissioner within five business days of a change or vacancy in a key staff position under paragraph (b) or (c). The license holder must notify the commissioner of the staffing change on a form approved by the commissioner and include the name of the staff person now assigned to the key staff position and the staff person's qualifications for the position. The license holder must notify the program licensor of a vacancy to discuss how the duties of the key staff position will be fulfilled during the vacancy.

(b) The key staff position for a children's residential facility licensed according to Minnesota Rules, parts 2960.0130 to 2960.0220, is a program director; and

(c) The key staff positions for a detoxification program licensed according to Minnesota Rules, parts 9530.6510 to 9530.6590, are:

(1) a program director as required by Minnesota Rules, part 9530.6560, subpart 1;

(2) a registered nurse as required by Minnesota Rules, part 9530.6560, subpart 4; and

(3) a medical director as required by Minnesota Rules, part 9530.6560, subpart 5.

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

Sec. 4. Minnesota Statutes 2022, section 245A.043, subdivision 2, is amended to read:

Subd. 2. **Change in ownership.** (a) If the commissioner determines that there is a change in ownership, the commissioner shall require submission of a new license application. This subdivision does not apply to a licensed program or service located in a home where the license holder resides. A change in ownership occurs when:

(1) except as provided in paragraph (b), the license holder sells or transfers 100 percent of the property, stock, or assets;

(2) the license holder merges with another organization;

(3) the license holder consolidates with two or more organizations, resulting in the creation of a new organization;

(4) there is a change to the federal tax identification number associated with the license holder; or

(5) except as provided in paragraph (b), all controlling individuals ~~associated with~~ for the original ~~application~~ license have changed.

(b) ~~Notwithstanding~~ For changes under paragraph (a), clauses (1) ~~and~~ or (5), no change in ownership has occurred and a new license application is not required if at least one controlling individual has been ~~listed~~ affiliated as a controlling individual for the license for at least the previous 12 months immediately preceding the change.

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

Sec. 5. Minnesota Statutes 2023 Supplement, section 245A.043, subdivision 3, is amended to read:

Subd. 3. **Standard change of ownership process.** (a) When a change in ownership is proposed and the party intends to assume operation without an interruption in service longer than 60 days after acquiring the program or service, the license holder must provide the commissioner with written notice of the proposed change on a form provided by the commissioner at least ~~60~~ 90 days before the anticipated date of the change in ownership. For purposes of this ~~subdivision and subdivision 4~~ section, "party" means the party that intends to operate the service or program.

(b) The party must submit a license application under this chapter on the form and in the manner prescribed by the commissioner at least ~~30~~ 90 days before the change in ownership is anticipated to be complete~~,~~ and must include documentation to support the upcoming change. The party must comply with background study requirements under chapter 245C and shall pay the application fee required under section 245A.10.

(c) A party that intends to assume operation without an interruption in service longer than 60 days after acquiring the program or service is exempt from the requirements of sections 245G.03, subdivision 2, paragraph (b), and 254B.03, subdivision 2, paragraphs (c) and (d).

~~(c)~~ (d) The commissioner may streamline application procedures when the party is an existing license holder under this chapter and is acquiring a program licensed under this chapter or service in the same service class as one or more licensed programs or services the party operates and those licenses are in substantial compliance. For purposes of this subdivision, "substantial compliance" means within the previous 12 months the commissioner did not (1) issue a sanction under section 245A.07 against a license held by the party, or (2) make a license held by the party conditional according to section 245A.06.

~~(d) Except when a temporary change in ownership license is issued pursuant to subdivision 4~~ (e) While the standard change of ownership process is pending, the existing license holder ~~is solely~~ remains responsible for operating the program according to applicable laws and rules until a license under this chapter is issued to the party.

~~(e)~~ (f) If a licensing inspection of the program or service was conducted within the previous 12 months and the existing license holder's license record demonstrates substantial compliance with the applicable licensing requirements, the commissioner may waive the party's inspection required by section 245A.04, subdivision 4. The party must submit to the commissioner (1) proof that the premises was inspected by a fire marshal or that the fire marshal deemed that an inspection was not warranted, and (2) proof that the premises was inspected for compliance with the building code or that no inspection was deemed warranted.

~~(f)~~ (g) If the party is seeking a license for a program or service that has an outstanding action under section 245A.06 or 245A.07, the party must submit a ~~letter~~ written plan as part of the application process identifying how the party has or will come into full compliance with the licensing requirements.

~~(g)~~ (h) The commissioner shall evaluate the party's application according to section 245A.04, subdivision 6. If the commissioner determines that the party has remedied or demonstrates the ability to remedy the outstanding actions under section 245A.06 or 245A.07 and has determined that the program otherwise complies with all applicable laws and rules, the commissioner shall issue a license or conditional license under this chapter. A conditional license issued under this section is final and not subject to reconsideration under section 245A.06, subdivision 4. The conditional license remains in effect until the commissioner determines that the grounds for the action are corrected or no longer exist.

~~(h)~~ (i) The commissioner may deny an application as provided in section 245A.05. An applicant whose application was denied by the commissioner may appeal the denial according to section 245A.05.

~~(i)~~ (j) This subdivision does not apply to a licensed program or service located in a home where the license holder resides.

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

Sec. 6. Minnesota Statutes 2022, section 245A.043, is amended by adding a subdivision to read:

Subd. 3a. **Emergency change in ownership process.** (a) In the event of a death of a license holder or sole controlling individual or a court order or other event that results in the license holder being inaccessible or unable to operate the program or service, a party may submit a request to the commissioner to allow the party to assume operation of the program or service under an emergency change in ownership process to ensure persons continue to receive services while the commissioner evaluates the party's license application.

(b) To request the emergency change of ownership process, the party must immediately:

(1) notify the commissioner of the event resulting in the inability of the license holder to operate the program and of the party's intent to assume operations; and

(2) provide the commissioner with documentation that demonstrates the party has a legal or legitimate ownership interest in the program or service if applicable and is able to operate the program or service.

(c) If the commissioner approves the party to continue operating the program or service under an emergency change in ownership process, the party must:

(1) request to be added as a controlling individual or license holder to the existing license;

(2) notify persons receiving services of the emergency change in ownership in a manner approved by the commissioner;

(3) submit an application for a new license within 30 days of approval;

(4) comply with the background study requirements under chapter 245C; and

(5) pay the application fee required under section 245A.10.

(d) While the emergency change of ownership process is pending, a party approved under this subdivision is responsible for operating the program under the existing license according to applicable laws and rules until a new license under this chapter is issued.

(e) The provisions in subdivision 3, paragraphs (c), (d), and (f) to (i) apply to this subdivision.

(f) Once a party is issued a new license or has decided not to seek a new license, the commissioner must close the existing license.

(g) This subdivision applies to any program or service licensed under this chapter.

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

Sec. 7. Minnesota Statutes 2022, section 245A.043, subdivision 4, is amended to read:

Subd. 4. **Temporary ~~change in ownership~~ transitional license.** ~~(a) After receiving the party's application pursuant to subdivision 3, upon the written request of the existing license holder and the party, the commissioner may issue a temporary change in ownership license to the party while the commissioner evaluates the party's application. Until a decision is made to grant or deny a license under this chapter, the existing license holder and the party shall both be responsible for operating the program or service according to applicable laws and rules, and the sale or transfer of the existing license holder's ownership interest in the licensed program or service does not terminate the existing license.~~

~~(b) The commissioner may issue a temporary change in ownership license when a license holder's death, divorce, or other event affects the ownership of the program and an applicant seeks to assume operation of the program or service to ensure continuity of the program or service while a license application is evaluated.~~

~~(c) This subdivision applies to any program or service licensed under this chapter.~~

If a party's application under subdivision 2 is for a satellite license for a community residential setting under section 245D.23 or day services facility under 245D.27 and if the party already holds an active license to provide services under chapter 245D, the commissioner may issue a temporary transitional license to the party for the community residential setting or day services facility while the commissioner evaluates the party's application. Until a decision is made to grant or deny a community residential setting or day services facility satellite license, the party must be solely responsible for operating the program according to applicable laws and rules, and the existing license must be closed. The temporary transitional license expires after 12 months from the date it was issued or upon issuance of the community residential setting or day services facility satellite license, whichever occurs first.

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

Sec. 8. Minnesota Statutes 2022, section 245A.043, is amended by adding a subdivision to read:

Subd. 5. **Failure to comply.** If the commissioner finds that the applicant or license holder has not fully complied with this section, the commissioner may impose a licensing sanction under section 245A.05, 245A.06, or 245A.07.

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

Sec. 9. Minnesota Statutes 2023 Supplement, section 245A.07, subdivision 1, as amended by Laws 2024, chapter 80, article 2, section 44, is amended to read:

Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional under section 245A.06, the commissioner may suspend or revoke the license, impose a fine, or secure an injunction against the continuing operation of the program of a license holder who does not comply with applicable law or rule. When applying sanctions authorized under this section, the commissioner shall consider the nature, chronicity, or severity of the violation of law or rule and the effect of the violation on the health, safety, or rights of persons served by the program.

(b) If a license holder appeals the suspension or revocation of a license and the license holder continues to operate the program pending a final order on the appeal, the commissioner shall issue the license holder a temporary provisional license. The commissioner may include terms the license holder must follow pending a final order on the appeal. Unless otherwise specified by the commissioner, variances in effect on the date of the license sanction under appeal continue under the temporary provisional license. If a license holder fails to comply with applicable law or rule while operating under a temporary provisional license, the commissioner may impose additional sanctions under this section and section 245A.06, and may terminate any prior variance. If a temporary provisional license is set to expire, a new temporary provisional license shall be issued to the license holder upon payment of any fee required under section 245A.10. The temporary provisional license shall expire on the date the final order is issued. If the license holder prevails on the appeal, a new nonprovisional license shall be issued for the remainder of the current license period.

(c) If a license holder is under investigation and the license issued under this chapter is due to expire before completion of the investigation, the program shall be issued a new license upon completion of the reapplication requirements and payment of any applicable license fee. Upon completion of the investigation, a licensing sanction may be imposed against the new license under this section, section 245A.06, or 245A.08.

(d) Failure to reapply or closure of a license issued under this chapter by the license holder prior to the completion of any investigation shall not preclude the commissioner from issuing a licensing sanction under this section or section 245A.06 at the conclusion of the investigation.

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

Sec. 10. Minnesota Statutes 2022, section 245A.07, subdivision 6, is amended to read:

Subd. 6. **Appeal of multiple sanctions.** (a) When the license holder appeals more than one licensing action or sanction that were simultaneously issued by the commissioner, the license holder shall specify the actions or sanctions that are being appealed.

(b) If there are different timelines prescribed in statutes for the licensing actions or sanctions being appealed, the license holder must submit the appeal within the longest of those timelines specified in statutes.

(c) The appeal must be made in writing by certified mail ~~or~~, personal service, or through the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent to the commissioner within the prescribed timeline with the first day beginning the day after the license holder receives the certified letter. If a request is made by personal service, it must be received by the commissioner within the prescribed timeline with the first day beginning the day after the license holder receives the certified letter. If the appeal is made through the provider hub, the appeal must be received by the commissioner within the prescribed timeline with the first day beginning the day after the commissioner issued the order through the hub.

(d) When there are different timelines prescribed in statutes for the appeal of licensing actions or sanctions simultaneously issued by the commissioner, the commissioner shall specify in the notice to the license holder the timeline for appeal as specified under paragraph (b).

Sec. 11. Minnesota Statutes 2023 Supplement, section 245A.11, subdivision 7, is amended to read:

Subd. 7. **Adult foster care and community residential setting; variance for alternate overnight supervision.** (a) The commissioner may grant a variance under section 245A.04, subdivision 9, to statute or rule parts requiring a caregiver to be present in an adult foster care home or a community residential setting 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~~ support 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 or community residential setting 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 or a community residential setting.

(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) The variance requirements under this subdivision for alternative overnight supervision do not apply to community residential settings licensed under chapter 245D.~~

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

Sec. 12. Minnesota Statutes 2023 Supplement, section 245A.16, subdivision 1, as amended by Laws 2024, chapter 80, article 2, section 65, is amended to read:

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

(1) dual licensure of family child foster care and family adult foster care, dual licensure of child foster residence setting and community residential setting, and dual licensure of family adult foster care and family child care;

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

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

(4) child foster care maximum age requirement;

(5) variances regarding disqualified individuals;

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

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

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

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

(c) A license issued under this section may be issued for up to two years.

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

(1) the role of counties in quality assurance;

(2) the duties of county licensing staff; and

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

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

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

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

Sec. 13. Minnesota Statutes 2023 Supplement, section 245A.211, subdivision 4, is amended to read:

Subd. 4. **Contraindicated physical restraints.** A license or certification holder must not implement a restraint on a person receiving services in a program in a way that is contraindicated for any of the person's known medical or psychological conditions. Prior to using restraints on a person~~, the license or certification holder must assess and document a determination of any~~ with a known medical or psychological conditions that restraints are contraindicated for, the license or certification holder must document the contraindication and the type of restraints that will not be used on the person based on this determination.

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

Sec. 14. Minnesota Statutes 2023 Supplement, section 245A.242, subdivision 2, is amended to read:

Subd. 2. **Emergency overdose treatment.** (a) A license holder must maintain a supply of opiate antagonists as defined in section 604A.04, subdivision 1, available for emergency treatment of opioid overdose and must have a written standing order protocol by a physician who is licensed under chapter 147, advanced practice registered nurse who is licensed under chapter 148, or physician assistant who is licensed under chapter 147A, that permits the license holder to maintain a supply of opiate antagonists on site. A license holder must require staff to undergo training in the specific mode of administration used at the program, which may include intranasal administration, intramuscular injection, or both.

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

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

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

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

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

Sec. 15. Minnesota Statutes 2022, section 245A.52, subdivision 2, is amended to read:

Subd. 2. **Door to attached garage.** ~~Notwithstanding Minnesota Rules, part 9502.0425, subpart 5, day care residences with an attached garage are not required to have a self-closing door to the residence. The door to the residence may be~~ (a) If there is an opening between an attached garage and a day care residence, there must be a door that is:

(1) a solid wood bonded-core door at least 1-3/8 inches thick;

(2) a steel insulated door ~~if the door is~~ at least 1-3/8 inches thick~~.~~; or

(3) a door with a fire protection rating of 20 minutes.

(b) The separation wall on the garage side between the residence and garage must consist of 1/2-inch-thick gypsum wallboard or its equivalent.

Sec. 16. Minnesota Statutes 2023 Supplement, section 245C.02, subdivision 13e, is amended to read:

Subd. 13e. **NETStudy 2.0.** (a) "NETStudy 2.0" means the commissioner's system that replaces both NETStudy and the department's internal background study processing system. NETStudy 2.0 is designed to enhance protection of children and vulnerable adults by improving the accuracy of background studies through fingerprint-based criminal record checks and expanding the background studies to include a review of information from the Minnesota Court Information System and the national crime information database. NETStudy 2.0 is also designed to increase efficiencies in and the speed of the hiring process by:

(1) providing access to and updates from public web-based data related to employment eligibility;

(2) decreasing the need for repeat studies through electronic updates of background study subjects' criminal records;

(3) supporting identity verification using subjects' Social Security numbers and photographs;

(4) using electronic employer notifications;

(5) issuing immediate verification of subjects' eligibility to provide services as more studies are completed under the NETStudy 2.0 system; and

(6) providing electronic access to certain notices for entities and background study subjects.

(b) Information obtained by entities from public web-based data through NETStudy 2.0 under paragraph (a), clause (1), or any other source that is not direct correspondence from the commissioner is not a notice of disqualification from the commissioner under this chapter.

Sec. 17. Minnesota Statutes 2023 Supplement, section 245C.033, subdivision 3, is amended to read:

Subd. 3. **Procedure; maltreatment and state licensing agency data.** (a) For requests paid directly by the guardian or conservator, requests for maltreatment and state licensing agency data checks must be submitted by the guardian or conservator to the commissioner on the form or in the manner prescribed by the commissioner. Upon receipt of a signed informed consent and payment under section 245C.10, the commissioner shall complete the maltreatment and state licensing agency checks. Upon completion of the checks, the commissioner shall provide the requested information to the courts on the form or in the manner prescribed by the commissioner.

(b) For requests paid by the court based on the in forma pauperis status of the guardian or conservator, requests for maltreatment and state licensing agency data checks must be submitted by the court to the commissioner on the form or in the manner prescribed by the commissioner. The form will serve as certification that the individual has been granted in forma pauperis status. Upon receipt of a signed data request consent form from the court, the commissioner shall initiate the maltreatment and state licensing agency checks. Upon completion of the checks, the commissioner shall provide the requested information to the courts on the form or in the manner prescribed by the commissioner.

Sec. 18. **[245C.041] EMERGENCY WAIVER TO TEMPORARILY MODIFY BACKGROUND STUDY REQUIREMENTS.**

(a) In the event of an emergency identified by the commissioner, the commissioner may temporarily waive or modify provisions in this chapter, except that the commissioner shall not waive or modify:

(1) disqualification standards in section 245C.14 or 245C; or

(2) any provision regarding the scope of individuals required to be subject to a background study conducted under this chapter.

(b) For the purposes of this section, an emergency may include, but is not limited to a public health emergency, environmental emergency, natural disaster, or other unplanned event that the commissioner has determined prevents the requirements in this chapter from being met. This authority shall not exceed the amount of time needed to respond to the emergency and reinstate the requirements of this chapter. The commissioner has the authority to establish the process and time frame for returning to full compliance with this chapter. The commissioner shall determine the length of time an emergency study is valid.

(c) At the conclusion of the emergency, entities must submit a new, compliant background study application and fee for each individual who was the subject of background study affected by the powers created in this section, referred to as an "emergency study" to have a new study that fully complies with this chapter within a time frame and notice period established by the commissioner.

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

Sec. 19. Minnesota Statutes 2022, section 245C.05, subdivision 5, is amended to read:

Subd. 5. **Fingerprints and photograph.** (a) Notwithstanding paragraph ~~(b)~~ (c), for background studies conducted by the commissioner for 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) Notwithstanding paragraph (c), for background studies conducted by the commissioner for Head Start programs, the subject of the background study shall provide the commissioner with a set of classifiable fingerprints obtained from an authorized agency for a national criminal history record check.

~~(b)~~ (c) 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)~~ (d) 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)~~ (e) 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)~~ (f) 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)~~ (g) 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.

Sec. 20. Minnesota Statutes 2023 Supplement, section 245C.08, subdivision 1, is amended to read:

Subdivision 1. **Background studies conducted by Department of Human Services.** (a) For a background study conducted by the Department of Human Services, the commissioner shall review:

(1) information related to names of substantiated perpetrators of maltreatment of vulnerable adults that has been received by the commissioner as required under section 626.557, subdivision 9c, paragraph (j);

(2) the commissioner's records relating to the maltreatment of minors in licensed programs, and from findings of maltreatment of minors as indicated through the social service information system;

(3) information from juvenile courts as required ~~in subdivision 4 for individuals listed in section 245C.03, subdivision 1, paragraph (a),~~ for studies under this chapter when there is reasonable cause;

(4) information from the Bureau of Criminal Apprehension, including information regarding a background study subject's registration in Minnesota as a predatory offender under section 243.166;

(5) except as provided in clause (6), information received as a result of submission of fingerprints for a national criminal history record check, as defined in section 245C.02, subdivision 13c, when the commissioner has reasonable cause for a national criminal history record check as defined under section 245C.02, subdivision 15a, or as required under section 144.057, subdivision 1, clause (2);

(6) for a background study related to a child foster family setting application for licensure, foster residence settings, children's residential facilities, a transfer of permanent legal and physical custody of a child under sections 260C.503 to 260C.515, or adoptions, and for a background study required for family child care, certified license-exempt child care, child care centers, and legal nonlicensed child care authorized under chapter 119B, the commissioner shall also review:

(i) information from the child abuse and neglect registry for any state in which the background study subject has resided for the past five years;

(ii) when the background study subject is 18 years of age or older, or a minor under section 245C.05, subdivision 5a, paragraph (c), information received following submission of fingerprints for a national criminal history record check; and

(iii) when the background study subject is 18 years of age or older or a minor under section 245C.05, subdivision 5a, paragraph (d), for licensed family child care, certified license-exempt child care, licensed child care centers, and legal nonlicensed child care authorized under chapter 119B, information obtained using non-fingerprint-based data including information from the criminal and sex offender registries for any state in which the background study subject resided for the past five years and information from the national crime information database and the national sex offender registry;

(7) for a background study required for family child care, certified license-exempt child care centers, licensed child care centers, and legal nonlicensed child care authorized under chapter 119B, the background study shall also include, to the extent practicable, a name and date-of-birth search of the National Sex Offender Public website; and

(8) for a background study required for treatment programs for sexual psychopathic personalities or sexually dangerous persons, the background study shall only include a review of the information required under paragraph (a), clauses (1) to (4).

(b) Except as otherwise provided in this paragraph, notwithstanding expungement by a court, the commissioner may consider information obtained under paragraph (a), clauses (3) and (4), unless:

(1) the commissioner received notice of the petition for expungement and the court order for expungement is directed specifically to the commissioner; or

(2) the commissioner received notice of the expungement order issued pursuant to section 609A.017, 609A.025, or 609A.035, and the order for expungement is directed specifically to the commissioner.

The commissioner may not consider information obtained under paragraph (a), clauses (3) and (4), or from any other source that identifies a violation of chapter 152 without determining if the offense involved the possession of marijuana or tetrahydrocannabinol and, if so, whether the person received a grant of expungement or order of expungement, or the person was resentenced to a lesser offense. If the person received a grant of expungement or order of expungement, the commissioner may not consider information related to that violation but may consider any other relevant information arising out of the same incident.

(c) The commissioner shall also review criminal case information received according to section 245C.04, subdivision 4a, from the Minnesota court information system that relates to individuals who have already been studied under this chapter and who remain affiliated with the agency that initiated the background study.

(d) When the commissioner has reasonable cause to believe that the identity of a background study subject is uncertain, the commissioner may require the subject to provide a set of classifiable fingerprints for purposes of completing a fingerprint-based record check with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph shall not be saved by the commissioner after they have been used to verify the identity of the background study subject against the particular criminal record in question.

(e) The commissioner may inform the entity that initiated a background study under NETStudy 2.0 of the status of processing of the subject's fingerprints.

Sec. 21. Minnesota Statutes 2022, section 245C.08, subdivision 4, is amended to read:

Subd. 4. **Juvenile court records.** (a) For a background study conducted by the Department of Human Services, the commissioner shall review records from the juvenile courts for an individual studied under ~~section 245C.03, subdivision 1, paragraph (a),~~ this chapter when the commissioner has reasonable cause.

~~(b) For a background study conducted by a county agency for family child care before the implementation of NETStudy 2.0, the commissioner shall review records from the juvenile courts for individuals listed in section 245C.03, subdivision 1, who are ages 13 through 23 living in the household where the licensed services will be provided. The commissioner shall also review records from juvenile courts for any other individual listed under section 245C.03, subdivision 1, when the commissioner has reasonable cause.~~

~~(c)~~ (b) The juvenile courts shall help with the study by giving the commissioner existing juvenile court records relating to delinquency proceedings held on individuals ~~described in section 245C.03, subdivision 1, paragraph (a),~~ who are subjects of studies under this chapter when requested pursuant to this subdivision.

~~(d)~~ (c) For purposes of this chapter, a finding that a delinquency petition is proven in juvenile court shall be considered a conviction in state district court.

~~(e)~~ (d) Juvenile courts shall provide orders of involuntary and voluntary termination of parental rights under section 260C.301 to the commissioner upon request for purposes of conducting a background study under this chapter.

Sec. 22. Minnesota Statutes 2023 Supplement, section 245C.10, subdivision 15, is amended to read:

Subd. 15. **Guardians and conservators.** (a) The commissioner shall recover the cost of conducting maltreatment and state licensing agency checks for guardians and conservators under section 245C.033 through a fee of no more than $50. The fees collected under this subdivision are appropriated to the commissioner for the purpose of conducting maltreatment and state licensing agency checks.

(b) The fee must be paid directly to and in the manner prescribed by the commissioner before any maltreatment and state licensing agency checks under section 245C.033 may be conducted.

(c) Notwithstanding paragraph (b), the court shall pay the fee for an applicant who has been granted in forma pauperis status upon receipt of the invoice from the commissioner.

Sec. 23. Minnesota Statutes 2022, section 245C.10, subdivision 18, is amended to read:

Subd. 18. **Applicants, licensees, and other occupations regulated by commissioner of health.** The applicant or license holder is responsible for paying to the Department of Human Services all fees associated with the preparation of the fingerprints, the criminal records check consent form, and, through a fee of no more than $44 per study, the criminal background check.

Sec. 24. Minnesota Statutes 2022, section 245C.14, is amended by adding a subdivision to read:

Subd. 5. **Basis for disqualification.** Information obtained by entities from public web-based data through NETStudy 2.0 or any other source that is not direct correspondence from the commissioner is not a notice of disqualification from the commissioner under this chapter.

Sec. 25. Minnesota Statutes 2022, section 245C.22, subdivision 4, is amended to read:

Subd. 4. **Risk of harm; set aside.** (a) The commissioner may set aside the disqualification if the commissioner finds that the individual has submitted sufficient information to demonstrate that the individual does not pose a risk of harm to any person served by the applicant, license holder, or other entities as provided in this chapter.

(b) In determining whether the individual has met the burden of proof by demonstrating the individual does not pose a risk of harm, the commissioner shall consider:

(1) the nature, severity, and consequences of the event or events that led to the disqualification;

(2) whether there is more than one disqualifying event;

(3) the age and vulnerability of the victim at the time of the event;

(4) the harm suffered by the victim;

(5) vulnerability of persons served by the program;

(6) the similarity between the victim and persons served by the program;

(7) the time elapsed without a repeat of the same or similar event;

(8) documentation of successful completion by the individual studied of training or rehabilitation pertinent to the event; and

(9) any other information relevant to reconsideration.

(c) For an individual seeking a child foster care license who is a relative of the child, the commissioner shall consider the importance of maintaining the child's relationship with relatives as an additional significant factor in determining whether a background study disqualification should be set aside.

~~(c)~~ (d) If the individual requested reconsideration on the basis that the information relied upon to disqualify the individual was incorrect or inaccurate and the commissioner determines that the information relied upon to disqualify the individual is correct, the commissioner must also determine if the individual poses a risk of harm to persons receiving services in accordance with paragraph (b).

~~(d)~~ (e) For an individual seeking employment in the substance use disorder treatment field, the commissioner shall set aside the disqualification if the following criteria are met:

(1) the individual is not disqualified for a crime of violence as listed under section 624.712, subdivision 5, except for the following crimes: crimes listed under section 152.021, subdivision 2 or 2a; 152.022, subdivision 2; 152.023, subdivision 2; 152.024; or 152.025;

(2) the individual is not disqualified under section 245C.15, subdivision 1;

(3) the individual is not disqualified under section 245C.15, subdivision 4, paragraph (b);

(4) the individual provided documentation of successful completion of treatment, at least one year prior to the date of the request for reconsideration, at a program licensed under chapter 245G, and has had no disqualifying crimes or conduct under section 245C.15 after the successful completion of treatment;

(5) the individual provided documentation demonstrating abstinence from controlled substances, as defined in section 152.01, subdivision 4, for the period of one year prior to the date of the request for reconsideration; and

(6) the individual is seeking employment in the substance use disorder treatment field.

Sec. 26. Minnesota Statutes 2022, section 245C.24, subdivision 2, is amended to read:

Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as provided in paragraphs (b) to ~~(f)~~ (g), the commissioner may not set aside the disqualification of any individual disqualified pursuant to this chapter, regardless of how much time has passed, if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision 1.

(b) For an individual in the substance use disorder or corrections field who was disqualified for a crime or conduct listed under section 245C.15, subdivision 1, and whose disqualification was set aside prior to July 1, 2005, the commissioner must consider granting a variance pursuant to section 245C.30 for the license holder for a program dealing primarily with adults. A request for reconsideration evaluated under this paragraph must include a letter of recommendation from the license holder that was subject to the prior set-aside decision addressing the individual's quality of care to children or vulnerable adults and the circumstances of the individual's departure from that service.

(c) If an individual who requires a background study for nonemergency medical transportation services under section 245C.03, subdivision 12, was disqualified for a crime or conduct listed under section 245C.15, subdivision 1, and if more than 40 years have passed since the discharge of the sentence imposed, the commissioner may consider granting a set-aside pursuant to section 245C.22. A request for reconsideration evaluated under this paragraph must include a letter of recommendation from the employer. This paragraph does not apply to a person disqualified based on a violation of sections 243.166; 609.185 to 609.205; 609.25; 609.342 to 609.3453; 609.352; 617.23, subdivision 2, clause (1), or 3, clause (1); 617.246; or 617.247.

(d) When a licensed foster care provider adopts an individual who had received foster care services from the provider for over six months, and the adopted individual is required to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30 to permit the adopted individual with a permanent disqualification to remain affiliated with the license holder under the conditions of the variance when the variance is recommended by the county of responsibility for each of the remaining individuals in placement in the home and the licensing agency for the home.

(e) For an individual 18 years of age or older affiliated with a licensed family foster setting, the commissioner must not set aside or grant a variance for the disqualification of any individual disqualified pursuant to this chapter, regardless of how much time has passed, if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision 4a, paragraphs (a) and (b).

(f) In connection with a family foster setting license, the commissioner may grant a variance to the disqualification for an individual who is under 18 years of age at the time the background study is submitted.

(g) In connection with foster residence settings and children's residential facilities, the commissioner must not set aside or grant a variance for the disqualification of any individual disqualified pursuant to this chapter, regardless of how much time has passed, if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision 4a, paragraph (a) or (b).

Sec. 27. Minnesota Statutes 2022, section 245C.24, subdivision 5, is amended to read:

Subd. 5. **Five-year bar to set aside or variance disqualification; children's residential facilities, foster residence settings.** The commissioner shall not set aside or grant a variance for the disqualification of an individual in connection with a license for a children's residential facility or foster residence setting who was convicted of a felony within the past five years for: (1) physical assault or battery; or (2) a drug-related offense.

Sec. 28. Minnesota Statutes 2022, section 245C.24, subdivision 6, is amended to read:

Subd. 6. **Five-year bar to set aside disqualification; family foster setting.** (a) The commissioner shall not set aside or grant a variance for the disqualification of an individual 18 years of age or older in connection with a foster family setting license if within five years preceding the study the individual is convicted of a felony in section 245C.15, subdivision 4a, paragraph (d).

(b) In connection with a foster family setting license, the commissioner may set aside or grant a variance to the disqualification for an individual who is under 18 years of age at the time the background study is submitted.

(c) In connection with a foster family setting license, the commissioner may set aside or grant a variance to the disqualification for an individual who is under 18 years of age at the time the background study is submitted.

Sec. 29. Minnesota Statutes 2022, section 245C.30, is amended by adding a subdivision to read:

Subd. 1b. **Child foster care variances.** For an individual seeking a child foster care license who is a relative of the child, the commissioner shall consider the importance of maintaining the child's relationship with relatives as an additional significant factor in determining whether the individual should be granted a variance.

Sec. 30. Minnesota Statutes 2022, section 245F.09, subdivision 2, is amended to read:

Subd. 2. **Protective procedures plan.** A license holder must have a written policy and procedure that establishes the protective procedures that program staff must follow when a patient is in imminent danger of harming self or others. The policy must be appropriate to the type of facility and the level of staff training. The protective procedures policy must include:

(1) an approval signed and dated by the program director and medical director prior to implementation. Any changes to the policy must also be approved, signed, and dated by the current program director and the medical director prior to implementation;

(2) which protective procedures the license holder will use to prevent patients from imminent danger of harming self or others;

(3) the emergency conditions under which the protective procedures are permitted to be used, if any;

(4) the patient's health conditions that limit the specific procedures that may be used and alternative means of ensuring safety;

(5) emergency resources the program staff must contact when a patient's behavior cannot be controlled by the procedures established in the policy;

(6) the training that staff must have before using any protective procedure;

(7) documentation of approved therapeutic holds;

(8) the use of law enforcement personnel as described in subdivision 4;

(9) standards governing emergency use of seclusion. Seclusion must be used only when less restrictive measures are ineffective or not feasible. The standards in items (i) to (vii) must be met when seclusion is used with a patient:

(i) seclusion must be employed solely for the purpose of preventing a patient from imminent danger of harming self or others;

(ii) seclusion rooms must be equipped in a manner that prevents patients from self-harm using projections, windows, electrical fixtures, or hard objects, and must allow the patient to be readily observed without being interrupted;

(iii) seclusion must be authorized by the program director, a licensed physician, a registered nurse, or a licensed physician assistant. If one of these individuals is not present in the facility, the program director or a licensed physician, registered nurse, or physician assistant must be contacted and authorization must be obtained within 30 minutes of initiating seclusion, according to written policies;

(iv) patients must not be placed in seclusion for more than 12 hours at any one time;

(v) once the condition of a patient in seclusion has been determined to be safe enough to end continuous observation, a patient in seclusion must be observed at a minimum of every 15 minutes for the duration of seclusion and must always be within hearing range of program staff;

(vi) a process for program staff to use to remove a patient to other resources available to the facility if seclusion does not sufficiently assure patient safety; and

(vii) a seclusion area may be used for other purposes, such as intensive observation, if the room meets normal standards of care for the purpose and if the room is not locked; and

(10) physical holds may only be used when less restrictive measures are not feasible. The standards in items (i) to (iv) must be met when physical holds are used with a patient:

(i) physical holds must be employed solely for preventing a patient from imminent danger of harming self or others;

(ii) physical holds must be authorized by the program director, a licensed physician, a registered nurse, or a physician assistant. If one of these individuals is not present in the facility, the program director or a licensed physician, registered nurse, or physician assistant must be contacted and authorization must be obtained within 30 minutes of initiating a physical hold, according to written policies;

(iii) the patient's health concerns must be considered in deciding whether to use physical holds and which holds are appropriate for the patient; and

(iv) only approved holds may be utilized. Prone and contraindicated holds are not allowed according to section 245A.211 and must not be authorized.

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

Sec. 31. Minnesota Statutes 2022, section 245F.14, is amended by adding a subdivision to read:

Subd. 8. **Notification to commissioner of changes in key staff positions.** A license holder must notify the commissioner within five business days of a change or vacancy in a key staff position. The key positions are a program director as required by subdivision 1, a registered nurse as required by subdivision 4, and a medical director as required by subdivision 5. The license holder must notify the commissioner of the staffing change on a form approved by the commissioner and include the name of the staff person now assigned to the key staff position and the staff person's qualifications for the position. The license holder must notify the program licensor of a vacancy to discuss how the duties of the key staff position will be fulfilled during the vacancy.

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

Sec. 32. Minnesota Statutes 2022, section 245F.17, is amended to read:

245F.17 PERSONNEL FILES.

A license holder must maintain a separate personnel file for each staff member. At a minimum, the file must contain:

(1) a completed application for employment signed by the staff member that contains the staff member's qualifications for employment and documentation related to the applicant's background study data, as defined in chapter 245C;

(2) documentation of the staff member's current professional license or registration, if relevant;

(3) documentation of orientation and subsequent training; and

~~(4) documentation of a statement of freedom from substance use problems; and~~

~~(5)~~ (4) an annual job performance evaluation.

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

Sec. 33. Minnesota Statutes 2022, section 245G.07, subdivision 4, is amended to read:

Subd. 4. **Location of service provision.** ~~The license holder may provide services at any of the license holder's licensed locations or at another suitable location including a school, government building, medical or behavioral health facility, or social service organization, upon notification and approval of the commissioner. If services are provided off site from the licensed site, the reason for the provision of services remotely must be documented. The license holder may provide additional services under subdivision 2, clauses (2) to (5), off site if the license holder includes a policy and procedure detailing the off site location as a part of the treatment service description and the program abuse prevention plan.~~

(a) The license holder must provide all treatment services a client receives at one of the license holder's substance use disorder treatment licensed locations or at a location allowed under paragraphs (b) to (f). If the services are provided at the locations in paragraphs (b) to (d), the license holder must document in the client record the location services were provided.

(b) The license holder may provide nonresidential individual treatment services at a client's home or place of residence.

(c) If the license holder provides treatment services by telehealth, the services must be provided according to this paragraph:

(1) the license holder must maintain a licensed physical location in Minnesota where the license holder must offer all treatment services in subdivision 1, paragraph (a), clauses (1) to (4), physically in-person to each client;

(2) the license holder must meet all requirements for the provision of telehealth in sections 254B.05, subdivision 5, paragraph (f), and 256B.0625, subdivision 3b. The license holder must document all items in section 256B.0625, subdivision 3b, paragraph (c), for each client receiving services by telehealth, regardless of payment type or whether the client is a medical assistance enrollee;

(3) the license holder may provide treatment services by telehealth to clients individually;

(4) the license holder may provide treatment services by telehealth to a group of clients that are each in a separate physical location;

(5) the license holder must not provide treatment services remotely by telehealth to a group of clients meeting together in person, unless permitted under clause (7);

(6) clients and staff may join an in-person group by telehealth if a staff member qualified to provide the treatment service is physically present with the group of clients meeting together in person; and

(7) the qualified professional providing a residential group treatment service by telehealth must be physically present on-site at the licensed residential location while the service is being provided. If weather conditions prohibit a qualified professional from traveling to the residential program and another qualified professional is not available to provide the service, a qualified professional may provide a residential group treatment service by telehealth from a location away from the licensed residential location.

(d) The license holder may provide the additional treatment services under subdivision 2, clauses (2) to (6) and (8), away from the licensed location at a suitable location appropriate to the treatment service.

(e) Upon written approval from the commissioner for each satellite location, the license holder may provide nonresidential treatment services at satellite locations that are in a school, jail, or nursing home. A satellite location may only provide services to students of the school, inmates of the jail, or residents of the nursing home. Schools, jails, and nursing homes are exempt from the licensing requirements in section 245A.04, subdivision 2a, to document compliance with building codes, fire and safety codes, health rules, and zoning ordinances.

(f) The commissioner may approve other suitable locations as satellite locations for nonresidential treatment services. The commissioner may require satellite locations under this paragraph to meet all applicable licensing requirements. The license holder may not have more than two satellite locations per license under this paragraph.

(g) The license holder must provide the commissioner access to all files, documentation, staff persons, and any other information the commissioner requires at the main licensed location for all clients served at any location under paragraphs (b) to (f).

(h) Notwithstanding sections 245A.65, subdivision 2, and 626.557, subdivision 14, a program abuse prevention plan is not required for satellite or other locations under paragraphs (b) to (e). An individual abuse prevention plan is still required for any client that is a vulnerable adult as defined in section 626.5572, subdivision 21.

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

Sec. 34. Minnesota Statutes 2022, section 245G.08, subdivision 5, is amended to read:

Subd. 5. **Administration of medication and assistance with self-medication.** (a) A license holder must meet the requirements in this subdivision if a service provided includes the administration of medication.

(b) A staff member, other than a licensed practitioner or nurse, who is delegated by a licensed practitioner or a registered nurse the task of administration of medication or assisting with self-medication, must:

(1) successfully complete a medication administration training program for unlicensed personnel through an accredited Minnesota postsecondary educational institution. A staff member's completion of the course must be documented in writing and placed in the staff member's personnel file;

(2) be trained according to a formalized training program that is taught by a registered nurse and offered by the license holder. ~~The training must include the process for administration of naloxone, if naloxone is kept on site.~~ A staff member's completion of the training must be documented in writing and placed in the staff member's personnel records; or

(3) demonstrate to a registered nurse competency to perform the delegated activity. A registered nurse must be employed or contracted to develop the policies and procedures for administration of medication or assisting with self-administration of medication, or both.

(c) A registered nurse must provide supervision as defined in section 148.171, subdivision 23. The registered nurse's supervision must include, at a minimum, monthly on-site supervision or more often if warranted by a client's health needs. The policies and procedures must include:

(1) a provision that a delegation of administration of medication is limited to a method a staff member has been trained to administer and limited to:

(i) a medication that is administered orally, topically, or as a suppository, an eye drop, an ear drop, an inhalant, or an intranasal; and

(ii) an intramuscular injection of ~~naloxone~~ an opiate antagonist as defined in section 604A.04, subdivision 1, or epinephrine;

(2) a provision that each client's file must include documentation indicating whether staff must conduct the administration of medication or the client must self-administer medication, or both;

(3) a provision that a client may carry emergency medication such as nitroglycerin as instructed by the client's physician, advanced practice registered nurse, or physician assistant;

(4) a provision for the client to self-administer medication when a client is scheduled to be away from the facility;

(5) a provision that if a client self-administers medication when the client is present in the facility, the client must self-administer medication under the observation of a trained staff member;

(6) a provision that when a license holder serves a client who is a parent with a child, the parent may only administer medication to the child under a staff member's supervision;

(7) requirements for recording the client's use of medication, including staff signatures with date and time;

(8) guidelines for when to inform a nurse of problems with self-administration of medication, including a client's failure to administer, refusal of a medication, adverse reaction, or error; and

(9) procedures for acceptance, documentation, and implementation of a prescription, whether written, verbal, telephonic, or electronic.

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

Sec. 35. Minnesota Statutes 2022, section 245G.08, subdivision 6, is amended to read:

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

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

(2) a system which accounts for all scheduled drugs each shift;

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

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

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

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

(7) a procedure for monitoring the available supply of ~~naloxone~~ an opiate antagonist as defined in section 604A.04, subdivision 1, on site~~,~~ and replenishing the ~~naloxone~~ supply when needed~~, and destroying naloxone according to clause (4)~~.

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

Sec. 36. Minnesota Statutes 2022, section 245G.10, is amended by adding a subdivision to read:

Subd. 6. **Notification to commissioner of changes in key staff positions.** A license holder must notify the commissioner within five business days of a change or vacancy in a key staff position. The key positions are a treatment director as required by subdivision 1, an alcohol and drug counselor supervisor as required by subdivision 2, and a registered nurse as required by section 245G.08, subdivision 5, paragraph (c). The license holder must notify the commissioner of the staffing change on a form approved by the commissioner and include the name of the staff person now assigned to the key staff position and the staff person's qualifications for the position. The license holder must notify the program licensor of a vacancy to discuss how the duties of the key staff position will be fulfilled during the vacancy.

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

Sec. 37. Minnesota Statutes 2023 Supplement, 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) "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) "Unsupervised use" or "take-home" 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 the day following final enactment.

Sec. 38. Minnesota Statutes 2022, section 245G.22, subdivision 6, is amended to read:

Subd. 6. **Criteria for unsupervised use.** (a) To limit the potential for diversion of medication used for the treatment of opioid use disorder to the illicit market, medication dispensed to a client for unsupervised use shall be subject to the requirements of this subdivision. Any client in an opioid treatment program may receive ~~a single unsupervised use dose for a day that the clinic is closed for business, including Sundays and state and federal holidays~~ their individualized take-home doses as ordered for days that the clinic is closed for business, on one weekend day (e.g., Sunday) and state and federal holidays, no matter their length of time in treatment, as allowed under Code of Federal Regulations, title 42, part 8.12 (i)(1).

(b) For take-home doses beyond those allowed by paragraph (a), a practitioner ~~with authority to prescribe~~ must review and document the criteria in ~~this paragraph and paragraph (c)~~ the Code of Federal Regulations, title 42, part 8.12 (i)(2), when determining whether dispensing medication for a client's unsupervised use is safe and it is appropriate to implement, increase, or extend the amount of time between visits to the program. ~~The criteria are:~~

~~(1) absence of recent abuse of drugs including but not limited to opioids, non-narcotics, and alcohol;~~

~~(2) regularity of program attendance;~~

~~(3) absence of serious behavioral problems at the program;~~

~~(4) absence of known recent criminal activity such as drug dealing;~~

~~(5) stability of the client's home environment and social relationships;~~

~~(6) length of time in comprehensive maintenance treatment;~~

~~(7) reasonable assurance that unsupervised use medication will be safely stored within the client's home; and~~

~~(8) whether the rehabilitative benefit the client derived from decreasing the frequency of program attendance outweighs the potential risks of diversion or unsupervised use.~~

(c) The determination, including the basis of the determination must be documented by a practitioner in the client's medical record.

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

Sec. 39. Minnesota Statutes 2022, section 245G.22, subdivision 7, is amended to read:

Subd. 7. **Restrictions for unsupervised use of methadone hydrochloride.** (a) If a ~~medical director or prescribing~~ practitioner assesses ~~and~~, determines, and documents that a client meets the criteria in subdivision 6 ~~and may be dispensed a medication used for the treatment of opioid addiction, the restrictions in this subdivision must be followed when the medication to be dispensed is methadone hydrochloride. The results of the assessment must be contained in the client file. The number of unsupervised use medication doses per week in paragraphs (b) to (d) is in addition to the number of unsupervised use medication doses a client may receive for days the clinic is closed for business as allowed by subdivision 6, paragraph (a)~~ and that a patient is safely able to manage unsupervised doses of methadone, the number of take-home doses the client receives must be limited by the number allowed by the Code of Federal Regulations, title 42, part 8.12 (i)(3).

~~(b) During the first 90 days of treatment, the unsupervised use medication supply must be limited to a maximum of a single dose each week and the client shall ingest all other doses under direct supervision.~~

~~(c) In the second 90 days of treatment, the unsupervised use medication supply must be limited to two doses per week.~~

~~(d) In the third 90 days of treatment, the unsupervised use medication supply must not exceed three doses per week.~~

~~(e) In the remaining months of the first year, a client may be given a maximum six day unsupervised use medication supply.~~

~~(f) After one year of continuous treatment, a client may be given a maximum two week unsupervised use medication supply.~~

~~(g) After two years of continuous treatment, a client may be given a maximum one month unsupervised use medication supply, but must make monthly visits to the program.~~

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

Sec. 40. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 17, is amended to read:

Subd. 17. **Policies and procedures.** (a) A license holder must develop and maintain the policies and procedures required in this subdivision.

(b) For a program that is not open every day of the year, the license holder must maintain a policy and procedure that covers requirements under section 245G.22, subdivisions 6 and 7. Unsupervised use of medication used for the treatment of opioid use disorder for days that the program is closed for business~~, including but not limited to Sundays~~ on one weekend day and state and federal holidays, must meet the requirements under section 245G.22, subdivisions 6 and 7.

(c) The license holder must maintain a policy and procedure that includes specific measures to reduce the possibility of diversion. The policy and procedure must:

(1) specifically identify and define the responsibilities of the medical and administrative staff for performing diversion control measures; and

(2) include a process for contacting no less than five percent of clients who have unsupervised use of medication, excluding clients approved solely under subdivision 6, paragraph (a), to require clients to physically return to the program each month. The system must require clients to return to the program within a stipulated time frame and turn in all unused medication containers related to opioid use disorder treatment. The license holder must document all related contacts on a central log and the outcome of the contact for each client in the client's record. The medical director must be informed of each outcome that results in a situation in which a possible diversion issue was identified.

(d) Medication used for the treatment of opioid use disorder must be ordered, administered, and dispensed according to applicable state and federal regulations and the standards set by applicable accreditation entities. If a medication order requires assessment by the person administering or dispensing the medication to determine the amount to be administered or dispensed, the assessment must be completed by an individual whose professional scope of practice permits an assessment. For the purposes of enforcement of this paragraph, the commissioner has the authority to monitor the person administering or dispensing the medication for compliance with state and federal regulations and the relevant standards of the license holder's accreditation agency and may issue licensing actions according to sections 245A.05, 245A.06, and 245A.07, based on the commissioner's determination of noncompliance.

(e) A counselor in an opioid treatment program must not supervise more than 50 clients.

(f) Notwithstanding paragraph (e), from July 1, 2023, to June 30, 2024, a counselor in an opioid treatment program may supervise up to 60 clients. The license holder may continue to serve a client who was receiving services at the program on June 30, 2024, at a counselor to client ratio of up to one to 60 and is not required to discharge any clients in order to return to the counselor to client ratio of one to 50. The license holder may not, however, serve a new client after June 30, 2024, unless the counselor who would supervise the new client is supervising fewer than 50 existing clients.

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

Sec. 41. Minnesota Statutes 2023 Supplement, section 256.046, subdivision 3, is amended to read:

Subd. 3. **Administrative disqualification of child care providers caring for children receiving child care assistance.** (a) The department shall pursue an administrative disqualification, if the child care provider is accused of committing an intentional program violation, in lieu of a criminal action when it has not been pursued.

Intentional program violations include intentionally making false or misleading statements; intentionally misrepresenting, concealing, or withholding facts; and repeatedly and intentionally violating program regulations under chapters 119B and 245E. Intent may be proven by demonstrating a pattern of conduct that violates program rules under chapters 119B and 245E.

(b) To initiate an administrative disqualification, the commissioner must ~~mail~~ send written notice ~~by certified mail~~ using a signature-verified confirmed delivery method to the provider against whom the action is being taken. Unless otherwise specified under chapter 119B or 245E or Minnesota Rules, chapter 3400, the commissioner must ~~mail~~ send the written notice at least 15 calendar days before the adverse action's effective date. The notice shall state (1) the factual basis for the agency's determination, (2) the action the agency intends to take, (3) the dollar amount of the monetary recovery or recoupment, if known, and (4) the provider's right to appeal the agency's proposed action.

(c) The provider may appeal an administrative disqualification by submitting a written request to the Department of Human Services, Appeals Division. A provider's request must be received by the Appeals Division no later than 30 days after the date the commissioner mails the notice.

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

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

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

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

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

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

(f) The hearing is subject to the requirements of sections 256.045 and 256.0451. The human services judge may combine a fair hearing and administrative disqualification hearing into a single hearing if the factual issues arise out of the same or related circumstances and the provider receives prior notice that the hearings will be combined.

(g) A provider found to have committed an intentional program violation and is administratively disqualified shall be disqualified, for a period of three years for the first offense and permanently for any subsequent offense, from receiving any payments from any child care program under chapter 119B.

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

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 42. Minnesota Statutes 2023 Supplement, section 256B.064, subdivision 4, is amended to read:

Subd. 4. **Notice.** (a) The department shall serve the notice required under subdivision 2 ~~by certified mail at~~ using a signature-verified confirmed delivery method to the address submitted to the department by the individual or entity. Service is complete upon mailing.

(b) The department shall give notice in writing to a recipient placed in the Minnesota restricted recipient program under section 256B.0646 and Minnesota Rules, part 9505.2200. The department shall send the notice by first class mail to the recipient's current address on file with the department. A recipient placed in the Minnesota restricted recipient program may contest the placement by submitting a written request for a hearing to the department within 90 days of the notice being mailed.

Sec. 43. Minnesota Statutes 2022, section 260E.33, subdivision 2, as amended by Laws 2024, chapter 80, article 8, section 44, is amended to read:

Subd. 2. **Request for reconsideration.** (a) Except as provided under subdivision 5, an individual or facility that the commissioner of human services; commissioner of children, youth, and families; a local welfare agency; or the commissioner of education determines has maltreated a child, an interested person acting on behalf of the child, regardless of the determination, who contests the investigating agency's final determination regarding maltreatment may request the investigating agency to reconsider its final determination regarding maltreatment. The request for reconsideration must be submitted in writing or submitted in the provider licensing and reporting hub to the investigating agency within 15 calendar days after receipt of notice of the final determination regarding maltreatment or, if the request is made by an interested person who is not entitled to notice, within 15 days after receipt of the notice by the parent or guardian of the child. If mailed, the request for reconsideration must be postmarked and sent to the investigating agency within 15 calendar days of the individual's or facility's receipt of the final determination. If the request for reconsideration is made by personal service, it must be received by the investigating agency within 15 calendar days after the individual's or facility's receipt of the final determination. Upon implementation of the provider licensing and reporting hub, the individual or facility must use the hub to request reconsideration. The reconsideration must be received by the commissioner within 15 calendar days of the individual's receipt of the notice of disqualification.

(b) An individual who was determined to have maltreated a child under this chapter and who was disqualified on the basis of serious or recurring maltreatment under sections 245C.14 and 245C.15 may request reconsideration of the maltreatment determination and the disqualification. The request for reconsideration of the maltreatment determination and the disqualification must be submitted within 30 calendar days of the individual's receipt of the notice of disqualification under sections 245C.16 and 245C.17. If mailed, the request for reconsideration of the maltreatment determination and the disqualification must be postmarked and sent to the investigating agency within 30 calendar days of the individual's receipt of the maltreatment determination and notice of disqualification. If the request for reconsideration is made by personal service, it must be received by the investigating agency within 30 calendar days after the individual's receipt of the notice of disqualification.

Sec. 44. Laws 2024, chapter 80, article 2, section 6, subdivision 2, is amended to read:

Subd. 2. **Change in ownership.** (a) If the commissioner determines that there is a change in ownership, the commissioner shall require submission of a new license application. This subdivision does not apply to a licensed program or service located in a home where the license holder resides. A change in ownership occurs when:

(1) except as provided in paragraph (b), the license holder sells or transfers 100 percent of the property, stock, or assets;

(2) the license holder merges with another organization;

(3) the license holder consolidates with two or more organizations, resulting in the creation of a new organization;

(4) there is a change to the federal tax identification number associated with the license holder; or

(5) except as provided in paragraph (b), all controlling individuals ~~associated with~~ for the original ~~application~~ license have changed.

(b) ~~Notwithstanding~~ For changes under paragraph (a), ~~clauses~~ clause (1) ~~and~~ or (5), no change in ownership has occurred and a new license application is not required if at least one controlling individual has been ~~listed~~ affiliated as a controlling individual for the license for at least the previous 12 months immediately preceding the change.

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

Sec. 45. Laws 2024, chapter 80, article 2, section 6, subdivision 3, is amended to read:

Subd. 3. **Standard change of ownership process.** (a) When a change in ownership is proposed and the party intends to assume operation without an interruption in service longer than 60 days after acquiring the program or service, the license holder must provide the commissioner with written notice of the proposed change on a form provided by the commissioner at least ~~60~~ 90 days before the anticipated date of the change in ownership. For purposes of this ~~subdivision and subdivision 4~~ section, "party" means the party that intends to operate the service or program.

(b) The party must submit a license application under this chapter on the form and in the manner prescribed by the commissioner at least ~~30~~ 90 days before the change in ownership is anticipated to be complete and must include documentation to support the upcoming change. The party must comply with background study requirements under chapter 245C and shall pay the application fee required under section 245A.10.

(c) The commissioner may streamline application procedures when the party is an existing license holder under this chapter and is acquiring a program licensed under this chapter or service in the same service class as one or more licensed programs or services the party operates and those licenses are in substantial compliance. For purposes of this subdivision, "substantial compliance" means within the previous 12 months the commissioner did not (1) issue a sanction under section 245A.07 against a license held by the party, or (2) make a license held by the party conditional according to section 245A.06.

(d) ~~Except when a temporary change in ownership license is issued pursuant to subdivision 4~~ While the standard change of ownership process is pending, the existing license holder ~~is solely~~ remains responsible for operating the program according to applicable laws and rules until a license under this chapter is issued to the party.

(e) If a licensing inspection of the program or service was conducted within the previous 12 months and the existing license holder's license record demonstrates substantial compliance with the applicable licensing requirements, the commissioner may waive the party's inspection required by section 245A.04, subdivision 4. The party must submit to the commissioner (1) proof that the premises was inspected by a fire marshal or that the fire marshal deemed that an inspection was not warranted, and (2) proof that the premises was inspected for compliance with the building code or that no inspection was deemed warranted.

(f) If the party is seeking a license for a program or service that has an outstanding action under section 245A.06 or 245A.07, the party must submit a letter as part of the application process identifying how the party has or will come into full compliance with the licensing requirements.

(g) The commissioner shall evaluate the party's application according to section 245A.04, subdivision 6. If the commissioner determines that the party has remedied or demonstrates the ability to remedy the outstanding actions under section 245A.06 or 245A.07 and has determined that the program otherwise complies with all applicable laws and rules, the commissioner shall issue a license or conditional license under this chapter. A conditional license

issued under this section is final and not subject to reconsideration under section 142B.16, subdivision 4. The conditional license remains in effect until the commissioner determines that the grounds for the action are corrected or no longer exist.

(h) The commissioner may deny an application as provided in section 245A.05. An applicant whose application was denied by the commissioner may appeal the denial according to section 245A.05.

(i) This subdivision does not apply to a licensed program or service located in a home where the license holder resides.

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

Sec. 46. Laws 2024, chapter 80, article 2, section 6, is amended by adding a subdivision to read:

Subd. 3a. **Emergency change in ownership process.** (a) In the event of a death of a license holder or sole controlling individual or a court order or other event that results in the license holder being inaccessible or unable to operate the program or service, a party may submit a request to the commissioner to allow the party to assume operation of the program or service under an emergency change in ownership process to ensure persons continue to receive services while the commissioner evaluates the party's license application.

(b) To request the emergency change of ownership process, the party must immediately:

(1) notify the commissioner of the event resulting in the inability of the license holder to operate the program and of the party's intent to assume operations; and

(2) provide the commissioner with documentation that demonstrates the party has a legal or legitimate ownership interest in the program or service if applicable and is able to operate the program or service.

(c) If the commissioner approves the party to continue operating the program or service under an emergency change in ownership process, the party must:

(1) request to be added as a controlling individual or license holder to the existing license;

(2) notify persons receiving services of the emergency change in ownership in a manner approved by the commissioner;

(3) submit an application for a new license within 30 days of approval;

(4) comply with the background study requirements under chapter 245C; and

(5) pay the application fee required under section 142B.12.

(d) While the emergency change of ownership process is pending, a party approved under this subdivision is responsible for operating the program under the existing license according to applicable laws and rules until a new license under this chapter is issued.

(e) The provisions in subdivision 3, paragraphs (c), (g), and (h), apply to this subdivision.

(f) Once a party is issued a new license or has decided not to seek a new license, the commissioner must close the existing license.

(g) This subdivision applies to any program or service licensed under this chapter.

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

Sec. 47. Laws 2024, chapter 80, article 2, section 6, is amended by adding a subdivision to read:

Subd. 5. **Failure to comply.** If the commissioner finds that the applicant or license holder has not fully complied with this section, the commissioner may impose a licensing sanction under section 142B.15, 142B.16, or 142B.18.

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

Sec. 48. Laws 2024, chapter 80, article 2, section 10, subdivision 1, is amended to read:

Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional under section 142B.16, the commissioner may suspend or revoke the license, impose a fine, or secure an injunction against the continuing operation of the program of a license holder who:

(1) does not comply with applicable law or rule;

(2) has nondisqualifying background study information, as described in section 245C.05, subdivision 4, that reflects on the license holder's ability to safely provide care to foster children; or

(3) has an individual living in the household where the licensed services are provided or is otherwise subject to a background study, and the individual has nondisqualifying background study information, as described in section 245C.05, subdivision 4, that reflects on the license holder's ability to safely provide care to foster children.

When applying sanctions authorized under this section, the commissioner shall consider the nature, chronicity, or severity of the violation of law or rule and the effect of the violation on the health, safety, or rights of persons served by the program.

(b) If a license holder appeals the suspension or revocation of a license and the license holder continues to operate the program pending a final order on the appeal, the commissioner shall issue the license holder a temporary provisional license. Unless otherwise specified by the commissioner, variances in effect on the date of the license sanction under appeal continue under the temporary provisional license. The commissioner may include terms the license holder must follow pending a final order on the appeal. If a license holder fails to comply with applicable law or rule while operating under a temporary provisional license, the commissioner may impose additional sanctions under this section and section 142B.16 and may terminate any prior variance. If a temporary provisional license is set to expire, a new temporary provisional license shall be issued to the license holder upon payment of any fee required under section 142B.12. The temporary provisional license shall expire on the date the final order is issued. If the license holder prevails on the appeal, a new nonprovisional license shall be issued for the remainder of the current license period.

(c) If a license holder is under investigation and the license issued under this chapter is due to expire before completion of the investigation, the program shall be issued a new license upon completion of the reapplication requirements and payment of any applicable license fee. Upon completion of the investigation, a licensing sanction may be imposed against the new license under this section or section 142B.16 or 142B.20.

(d) Failure to reapply or closure of a license issued under this chapter by the license holder prior to the completion of any investigation shall not preclude the commissioner from issuing a licensing sanction under this section or section 142B.16 at the conclusion of the investigation.

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

Sec. 49. Laws 2024, chapter 80, article 2, section 10, subdivision 6, is amended to read:

Subd. 6. **Appeal of multiple sanctions.** (a) When the license holder appeals more than one licensing action or sanction that were simultaneously issued by the commissioner, the license holder shall specify the actions or sanctions that are being appealed.

(b) If there are different timelines prescribed in statutes for the licensing actions or sanctions being appealed, the license holder must submit the appeal within the longest of those timelines specified in statutes.

(c) The appeal must be made in writing by certified mail ~~or,~~ personal service, or through the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent to the commissioner within the prescribed timeline with the first day beginning the day after the license holder receives the certified letter. If a request is made by personal service, it must be received by the commissioner within the prescribed timeline with the first day beginning the day after the license holder receives the certified letter. If the appeal is made through the provider hub, the appeal must be received by the commissioner within the prescribed timeline with the first day beginning the day after the commissioner issued the order through the hub.

(d) When there are different timelines prescribed in statutes for the appeal of licensing actions or sanctions simultaneously issued by the commissioner, the commissioner shall specify in the notice to the license holder the timeline for appeal as specified under paragraph (b).

Sec. 50. **REPEALER.**

(a) Minnesota Statutes 2022, section 245C.125, is repealed.

(b) Minnesota Statutes 2023 Supplement, section 245C.08, subdivision 2, is repealed.

(c) Minnesota Rules, part 9502.0425, subpart 5, is repealed.

(d) Laws 2024, chapter 80, article 2, section 6, subdivision 4, is repealed.

ARTICLE 11
MISCELLANEOUS

Section 1. Minnesota Statutes 2022, section 148F.025, subdivision 2, is amended to read:

Subd. 2. **Education requirements for licensure.** An applicant for licensure must submit evidence satisfactory to the board that the applicant has:

(1) received a bachelor's or master's degree from an accredited school or educational program; and

(2) received 18 semester credits or 270 clock hours of academic course work and 880 clock hours of supervised alcohol and drug counseling practicum from an accredited school or education program. The course work and practicum do not have to be part of the bachelor's degree earned under clause (1). The academic course work must be in the following areas:

(i) an overview of the transdisciplinary foundations of alcohol and drug counseling, including theories of chemical dependency, the continuum of care, and the process of change;

(ii) pharmacology of substance abuse disorders and the dynamics of addiction, including substance use disorder treatment with medications for opioid use disorder;

(iii) professional and ethical responsibilities;

(iv) multicultural aspects of chemical dependency;

(v) co-occurring disorders; and

(vi) the core functions defined in section 148F.01, subdivision 10.

Sec. 2. Minnesota Statutes 2023 Supplement, section 245.991, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The commissioner of human services must establish the projects for assistance in transition from homelessness program to prevent or end homelessness for people with serious mental illness, substance use disorder, or co-occurring substance use disorder and ensure the commissioner achieves the goals of the housing mission statement in section 245.461, subdivision 4.

Sec. 3. Minnesota Statutes 2023 Supplement, section 254B.04, subdivision 1a, is amended to read:

Subd. 1a. **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 substance use disorder treatment pursuant to an assessment under section 260E.20, subdivision 1, or in need of chemical dependency treatment pursuant to 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).

(d) A client is eligible to have substance use disorder treatment paid for with funds from the behavioral health fund when the client:

(1) is eligible for MFIP as determined under chapter 256J;

(2) is eligible for medical assistance as determined under Minnesota Rules, parts 9505.0010 to 9505.0150;

(3) is eligible for general assistance, general assistance medical care, or work readiness as determined under Minnesota Rules, parts 9500.1200 to 9500.1318; or

(4) has income that 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 with behavioral health fund money 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 that is 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 section 254B.04.

(h) When 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 the payment to the regional treatment center according to section 254B.05, subdivision 4.

(i) Notwithstanding paragraph (a), persons enrolled in MinnesotaCare are eligible for room and board services under section 254B.05, subdivision 1a, paragraph (e).

EFFECTIVE DATE. This section is effective January 1, 2025, 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 2023 Supplement, section 256D.01, subdivision 1a, is amended to read:

Subd. 1a. **Standards.** (a) A principal objective in providing general assistance is to provide for single adults, childless couples, or children as defined in section 256D.02, subdivision 2b, ineligible for federal programs who are unable to provide for themselves. The minimum standard of assistance determines the total amount of the general assistance grant without separate standards for shelter, utilities, or other needs.

(b) The standard of assistance for an assistance unit consisting of a recipient who is childless and unmarried or living apart from children and spouse and who does not live with a parent or parents or a legal custodian, or consisting of a childless couple, is $350 per month effective October 1, 2024, and must be adjusted by a percentage equal to the change in the consumer price index as of January 1 every year, beginning October 1, 2025.

(c) For an assistance unit consisting of a single adult who lives with a parent or parents, the general assistance standard of assistance is $350 per month effective October 1, ~~2023~~ 2024, and must be adjusted by a percentage equal to the change in the consumer price index as of January 1 every year, beginning October 1, 2025. Benefits received by a responsible relative of the assistance unit under the Supplemental Security Income program, a workers' compensation program, the Minnesota supplemental aid program, or any other program based on the responsible relative's disability, and any benefits received by a responsible relative of the assistance unit under the Social Security retirement program, may not be counted in the determination of eligibility or benefit level for the assistance unit. Except as provided below, the assistance unit is ineligible for general assistance if the available resources or the countable income of the assistance unit and the parent or parents with whom the assistance unit lives are such that a family consisting of the assistance unit's parent or parents, the parent or parents' other family members and the assistance unit as the only or additional minor child would be financially ineligible for general assistance. For the purposes of calculating the countable income of the assistance unit's parent or parents, the calculation methods must follow the provisions under section 256P.06.

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

Sec. 5. Minnesota Statutes 2022, section 256I.04, subdivision 2f, is amended to read:

Subd. 2f. **Required services.** (a) In ~~licensed and registered~~ authorized settings under subdivision 2a, providers shall ensure that participants have at a minimum:

(1) food preparation and service for three nutritional meals a day on site;

(2) a bed, clothing storage, linen, bedding, laundering, and laundry supplies or service;

(3) housekeeping, including cleaning and lavatory supplies or service; and

(4) maintenance and operation of the building and grounds, including heat, water, garbage removal, electricity, telephone for the site, cooling, supplies, and parts and tools to repair and maintain equipment and facilities.

(b) In addition, when providers serve participants described in subdivision 1, paragraph (c), the providers are required to assist the participants in applying for continuing housing support payments before the end of the eligibility period.

Sec. 6. Minnesota Statutes 2023 Supplement, section 256I.05, subdivision 1a, is amended to read:

Subd. 1a. **Supplementary service rates.** (a) Subject to the provisions of section 256I.04, subdivision 3, the agency may negotiate a payment not to exceed $494.91 for other services necessary to provide room and board if the residence is licensed by or registered by the Department of Health, or licensed by the Department of Human Services to provide services in addition to room and board, and if the provider of services is not also concurrently receiving funding for services for a recipient in the residence under the following programs or funding sources: (1) home and community-based waiver services under chapter 256S or section 256B.0913, 256B.092, or 256B.49; (2) personal care assistance under section 256B.0659; (3) community first services and supports under section 256B.85; or (4) services for adults with mental illness grants under section 245.73. If funding is available for other necessary services through a home and community-based waiver under chapter 256S, or section 256B.0913, 256B.092, or 256B.49; personal care assistance services under section 256B.0659; community first services and supports under section 256B.85; or services for adults with mental illness grants under section 245.73, then the housing support rate is limited to the rate set in subdivision 1. Unless otherwise provided in law, in no case may the supplementary service rate exceed $494.91. The registration and licensure requirement does not apply to establishments which are exempt from state licensure because they are located on Indian reservations and for which the tribe has prescribed health and safety requirements. Service payments under this section may be prohibited under rules to prevent the supplanting of federal funds with state funds.

~~(b) The commissioner is authorized to make cost-neutral transfers from the housing support fund for beds under this section to other funding programs administered by the department after consultation with the agency in which the affected beds are located. The commissioner may also make cost-neutral transfers from the housing support fund to agencies for beds permanently removed from the housing support census under a plan submitted by the agency and approved by the commissioner. The commissioner shall report the amount of any transfers under this provision annually to the legislature.~~

~~(c)~~ (b) Agencies must not negotiate supplementary service rates with providers of housing support that are licensed as board and lodging with special services and that do not encourage a policy of sobriety on their premises and make referrals to available community services for volunteer and employment opportunities for residents.

Sec. 7. Minnesota Statutes 2023 Supplement, section 256I.05, subdivision 11, is amended to read:

Subd. 11. ~~**Transfer of emergency shelter funds**~~ **Cost-neutral transfers from the housing support fund.** (a) The commissioner is authorized to make cost-neutral transfers from the housing support fund for beds under this section to other funding programs administered by the department after consultation with the agency in which the affected beds are located.

(b) The commissioner may also make cost-neutral transfers from the housing support fund to agencies for beds removed from the housing support census under a plan submitted by the agency and approved by the commissioner.

~~(a)~~ (c) The commissioner shall make a cost-neutral transfer of funding from the housing support fund to the agency for emergency shelter beds removed from the housing support census under a ~~biennial~~ plan submitted by the agency and approved by the commissioner. Plans submitted under this paragraph must include anticipated and actual outcomes for persons experiencing homelessness in emergency shelters.

~~The plan~~ (d) Plans submitted under paragraph (b) or (c) must describe: (1) ~~anticipated and actual outcomes for persons experiencing homelessness in emergency shelters; (2)~~ improved efficiencies in administration; ~~(3)~~ (2) requirements for individual eligibility; and ~~(4)~~ (3) plans for quality assurance monitoring and quality assurance outcomes. The commissioner shall review ~~the~~ agency ~~plan~~ plans to monitor implementation and outcomes at least biennially, and more frequently if the commissioner deems necessary.

~~(b) The~~ (e) Funding under paragraph ~~(a)~~ (b), (c), or (d) may be used for the provision of room and board or supplemental services according to section 256I.03, subdivisions 14a and 14b. Providers must meet the requirements of section 256I.04, subdivisions 2a to 2f. Funding must be allocated annually, and the room and board portion of the allocation shall be adjusted according to the percentage change in the housing support room and board rate. ~~The room and board portion of the allocation shall be determined at the time of transfer.~~ The commissioner or agency may return beds to the housing support fund with 180 days' notice, including financial reconciliation.

Sec. 8. Minnesota Statutes 2023 Supplement, section 342.06, is amended to read:

342.06 APPROVAL OF CANNABIS FLOWER, PRODUCTS, AND CANNABINOIDS.

(a) For the purposes of this section, "product category" means a type of product that may be sold in different sizes, distinct packaging, or at various prices but is still created using the same manufacturing or agricultural processes. A new or additional stock keeping unit (SKU) or Universal Product Code (UPC) shall not prevent a product from being considered the same type as another unit. All other terms have the meanings provided in section 342.01.

(b) The office shall approve product categories of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products for retail sale.

(c) The office may establish limits on the total THC of cannabis flower, cannabis products, and hemp-derived consumer products. As used in this paragraph, "total THC" means the sum of the percentage by weight of tetrahydrocannabinolic acid multiplied by 0.877 plus the percentage by weight of all tetrahydrocannabinols.

(d) The office shall not approve any cannabis product, lower-potency hemp edible, or hemp-derived consumer product that:

(1) is or appears to be a lollipop or ice cream;

(2) bears the likeness or contains characteristics of a real or fictional person, animal, or fruit;

(3) is modeled after a type or brand of products primarily consumed by or marketed to children;

(4) is substantively similar to a meat food product; poultry food product as defined in section 31A.02, subdivision 10; or a dairy product as defined in section 32D.01, subdivision 7;

(5) contains a synthetic cannabinoid;

(6) is made by applying a cannabinoid, including but not limited to an artificially derived cannabinoid, to a finished food product that does not contain cannabinoids and is sold to consumers, including but not limited to a candy or snack food; or

(7) if the product is an edible cannabis product or lower-potency hemp edible, contains an ingredient, other than a cannabinoid, that is not approved by the United States Food and Drug Administration for use in food.

(e) The office must not approve any cannabis flower, cannabis product, or hemp-derived consumer product intended to be inhaled as smoke, aerosol, or vapor from the product that contains any added artificial flavoring or synthetic flavoring, either in the product itself or in its components or parts, that are not naturally occurring in the cannabis plants or hemp plants. For purposes of this paragraph, artificial flavoring or synthetic flavoring does not include naturally occurring terpenes.

Sec. 9. **REVIVAL AND REENACTMENT.**

Minnesota Statutes 2022, section 25B.051, subdivision 7, is revived and reenacted effective retroactively from August 1, 2023. Any time frames within or dependent on the subdivision are based on the original effective date in Laws 2017, First Special Session chapter 6, article 2, section 10.

Sec. 10. **REVISOR INSTRUCTION.**

The revisor of statutes shall renumber Minnesota Statutes, section 256D.21, as Minnesota Statutes, section 261.004.

Sec. 11. **REPEALER.**

Minnesota Statutes 2022, sections 256D.19, subdivisions 1 and 2; 256D.20, subdivisions 1, 2, 3, and 4; and 256D.23, subdivisions 1, 2, and 3, are repealed.

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

ARTICLE 12
HUMAN SERVICES FORECAST ADJUSTMENTS

Section 1. **HUMAN SERVICES FORECAST ADJUSTMENTS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2023, chapter 61, article 9, and Laws 2023, chapter 70, article 20, to the commissioner of human services from the general fund or other named fund for the purposes specified in section 2 and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" 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, 2024, or June 30, 2025, respectively.

			APPROPRIATIONS Available for the Year Ending June 30 2024	2025
Sec. 2. **COMMISSIONER OF HUMAN SERVICES**				
Subdivision 1. **Total Appropriation**			**$137,604,000**	**$329,432,000**
	Appropriations by Fund			
General Fund	139,746,000	325,606,000		
Health Care Access Fund	10,542,000	6,224,000		
Federal TANF	(12,684,000)	(2,398,000)		
Subd. 2. **Forecasted Programs**				
(a) **MFIP/DWP**				
	Appropriations by Fund			
General Fund	(5,990,000)	(2,793,000)		
Federal TANF	(12,684,000)	(2,398,000)		
(b) **MFIP Child Care Assistance**			(36,726,000)	(26,004,000)
(c) **General Assistance**			(567,000)	292,000
(d) **Minnesota Supplemental Aid**			1,424,000	1,500,000
(e) **Housing Support**			11,200,000	14,667,000
(f) **Northstar Care for Children**			(3,697,000)	(11,309,000)
(g) **MinnesotaCare**			10,542,000	6,224,000
These appropriations are from the health care access fund.				
(h) **Medical Assistance**			180,321,000	352,357,000
(i) **Behavioral Health Fund**			(6,219,000)	(3,104,000)
Sec. 3. **EFFECTIVE DATE.**				
This article is effective the day following final enactment.				

ARTICLE 13
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 2023, chapter 70, article 20, 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 "2024" and "2025" 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, 2024, or June 30, 2025, respectively. Base adjustments mean the addition to or subtraction from the base level adjustment set in Laws 2023, chapter 70, article 20. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2024, are effective the day following final enactment unless a different effective date is explicit.

	APPROPRIATIONS Available for the Year Ending June 30	
	2024	**2025**

Sec. 2. **COMMISSIONER OF HUMAN SERVICES**

Subdivision 1. **Total Appropriation** **$(10,083,000)** **$12,926,000**

Appropriations by Fund

	2024	2025
General	(6,867,000)	9,760,000
Health Care Access	(3,216,000)	3,166,000

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Central Office; Operations**

Appropriations by Fund

General	(1,443,000)	(1,443,000)
Health Care Access	-0-	572,000

Base Level Adjustment. The general fund base is increased by $331,000 in fiscal year 2026 and $252,000 in fiscal year 2027. The health care access fund base is increased by $114,000 in fiscal year 2026 and $114,000 in fiscal year 2027.

Subd. 3. **Central Office; Health Care**

Appropriations by Fund

General	-0-	400,000
Health Care Access	(3,216,000)	3,216,000

Base Level Adjustment. The general fund base is increased by $900,000 in fiscal year 2026 and $900,000 in fiscal year 2027.

Subd. 4. **Central Office; Behavioral Health, Housing, and Deaf and Hard-of-Hearing Services**	(136,000)	1,558,000

Residential Mental Health Crisis Stabilization. $204,000 in fiscal year 2025 is to develop a covered benefit under medical assistance to provide residential mental health crisis stabilization for children and to submit a report to the legislature. This is a onetime appropriation.

Subd. 5. **Forecasted Programs; MinnesotaCare**	-0-	(2,070,000)

This appropriation is from the health care access fund.

Subd. 6. **Forecasted Programs; Medical Assistance**

Appropriations by Fund

General	-0-	1,988,000
Health Care Access	-0-	1,448,000

Subd. 7. **Forecasted Programs; Behavioral Health Fund**	-0-	127,000
Subd. 8. **Grant Programs; Adult Mental Health Grants**	(6,731,000)	-0-
Subd. 9. **Grant Programs; Children's Mental Health Grants**	-0-	13,239,000

(a) **Respite Care Services.** $5,000,000 in fiscal year 2025 is for respite care services under Minnesota Statutes, section 245.4889, subdivision 1, paragraph (b), clause (3). Of this appropriation, $1,000,000 in fiscal year 2025 only is for grants to private child-placing agencies, as defined in Minnesota Rules, chapter 9545, to conduct recruitment and support licensing activities that are specific to increasing the availability of licensed foster homes to provide respite care services. The base for this appropriation is $8,945,000 in fiscal year 2026 and $8,945,000 in fiscal year 2027.

(b) **School-Linked Behavioral Health Grants.** $8,239,000 in fiscal year 2025 is for school-linked behavioral health grants under Minnesota Statutes, section 245.4901. This is a onetime appropriation and is available until June 30, 2027.

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

Sec. 3. **COMMISSIONER OF HEALTH**

Subdivision 1. **Total Appropriation**	**$(541,000)**	**$(2,446,000)**

	Appropriations by Fund	
	2024	2025
General	(545,000)	481,000
State Government Special Revenue	4,000	(2,736,000)

The amount that may be spent for each purpose is specified in the following subdivisions.

Subd. 2. **Health Improvement**

	Appropriations by Fund	
General	(545,000)	91,000
State Government Special Revenue	-0-	(2,880,000)

(a) **Request for Information; Evaluation of Statewide Health Care Needs and Capacity.** $150,000 in fiscal year 2025 is from the general fund for a request for information for a future evaluation of statewide health care needs and capacity and projections of future health care needs. This is a onetime appropriation.

(b) **Reports on Prior Authorization Requests.** $191,000 in fiscal year 2025 is from the general fund for purposes of Minnesota Statutes, section 62M.19. The base for this appropriation is $22,000 in fiscal year 2026 and $22,000 in fiscal year 2027.

(c) **Base Level Adjustment.** The general fund base is reduced by $22,000 in fiscal year 2026 and increased by $323,000 in fiscal year 2027.

Subd. 3. **Health Protection**

	Appropriations by Fund	
General	-0-	390,000
State Government Special Revenue	-0-	144,000

(a) **Natural Organic Reduction.** $140,000 in fiscal year 2025 is from the state government special revenue fund for the licensure of natural organic reduction facilities. The base for this appropriation is $85,000 in fiscal year 2026 and $16,000 in fiscal year 2027.

(b) **Groundwater Thermal Exchange Device Permitting.** $4,000 in fiscal year 2024 and $4,000 in fiscal year 2025 are from the state government special revenue fund for costs related to issuing permits for groundwater thermal exchange devices.

(c) **Base Level Adjustment.** The general fund base is increased by $448,000 in fiscal year 2026 and $185,000 in fiscal year 2027. The state government special revenue fund base is increased by $89,000 in fiscal year 2026 and $20,000 in fiscal year 2027.

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

Sec. 4. **BOARD OF PHARMACY** **$1,500,000** **$36,000**

Appropriations by Fund		
General	1,500,000	-0-
State Government Special Revenue	-0-	36,000

(a) **Legal Costs.** $1,500,000 in fiscal year 2024 is from the general fund for legal costs of the board. This is a onetime appropriation.

(b) **Pharmacist Authority; Laboratory Tests and Vaccines.** $27,000 in fiscal year 2025 is from the state government special revenue fund for board costs related to pharmacist authority to order and perform laboratory tests and initiate, order, and administer vaccines.

(c) **Statewide Protocol; Drugs to Prevent the Acquisition of HIV.** $9,000 in fiscal year 2025 is from the state government special revenue fund for the board to develop a statewide protocol for administering drugs to prevent the acquisition of human immunodeficiency virus (HIV). This is a onetime appropriation.

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

Sec. 5. **BOARD OF DIRECTORS OF MNSURE** **$-0-** **$807,000**

Cost-Sharing Reduction Program Administration. $807,000 in fiscal year 2025 is from the general fund for MNsure information technology and administrative costs for the cost-sharing reduction program. The base for this appropriation is $506,000 in fiscal year 2026 and $0 in fiscal year 2027.

Sec. 6. **ATTORNEY GENERAL** **$-0-** **$$159,000**

Oversight of Nonprofit Health Coverage Entity Transactions. $159,000 in fiscal year 2025 is for oversight and enforcement of nonprofit health coverage entity transactions under Minnesota Statutes, sections 145D.30 to 145D.37. This is a onetime appropriation and is available until June 30, 2027.

Sec. 7. **COMMISSIONER OF COMMERCE**

Base Level Adjustment. The general fund base is increased by $111,000 in fiscal year 2026 and $54,000 in fiscal year 2027 for administrative costs for defrayal requirements under Minnesota Statutes, sections 62A.3098, 62Q.524, and 62Q.665.

Sec. 8. **TRANSFERS.**

(a) $8,830,000 in fiscal year 2026 is transferred from the premium security plan account under Minnesota Statutes, section 62E.25, subdivision 1, to the general fund. This is a onetime transfer.

(b) $50,000 in fiscal year 2025, $50,000 in fiscal year 2026, and $50,000 in fiscal year 2027 are transferred from the health care access fund to the insulin repayment account under Minnesota Statutes, section 151.741, subdivision 5. These are onetime transfers.

Sec. 9. Laws 2023, chapter 22, section 4, subdivision 2, is amended to read:

Subd. 2. **Grants to navigators.** (a) $1,936,000 in fiscal year 2024 is appropriated from the health care access fund to the commissioner of human services for grants to organizations with a MNsure grant services navigator assister contract in good standing as of the date of enactment. The grant payment to each organization must be in proportion to the number of medical assistance and MinnesotaCare enrollees each organization assisted that resulted in a successful enrollment in the second quarter of fiscal years 2020 and 2023, as determined by MNsure's navigator payment process. This is a onetime appropriation and is available until June 30, 2025.

(b) $3,000,000 in fiscal year 2024 is appropriated from the health care access fund to the commissioner of human services for grants to organizations with a MNsure grant services navigator assister contract for successful enrollments in medical assistance and MinnesotaCare. This is a onetime appropriation and is available until June 30, 2025.

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

Sec. 10. Laws 2023, chapter 70, article 20, section 2, subdivision 5, is amended to read:

Subd. 5. **Central Office; Health Care**

Appropriations by Fund		
General	35,807,000	31,349,000
Health Care Access	30,668,000	50,168,000

(a) **Medical assistance and MinnesotaCare accessibility improvements.** ~~$4,000,000~~ $784,000 in fiscal year 2024 ~~is~~ and $3,216,000 in fiscal year 2025 are from the general fund for

interactive voice response upgrades and translation services for medical assistance and MinnesotaCare enrollees with limited English proficiency. This appropriation is available until June 30, ~~2025~~ 2027.

(b) **Transforming service delivery.** $155,000 in fiscal year 2024 and $180,000 in fiscal year 2025 are from the general fund for transforming service delivery projects.

(c) **Improving the Minnesota eligibility technology system functionality.** $1,604,000 in fiscal year 2024 and $711,000 in fiscal year 2025 are from the general fund for improving the Minnesota eligibility technology system functionality. The base for this appropriation is $1,421,000 in fiscal year 2026 and $0 in fiscal year 2027.

(d) **Actuarial and economic analyses.** $2,500,000 is from the health care access fund for actuarial and economic analyses and to prepare and submit a state innovation waiver under section 1332 of the federal Affordable Care Act for a Minnesota public option health care plan. This is a onetime appropriation and is available until June 30, 2025.

(e) **Contingent appropriation for Minnesota public option health care plan.** $22,000,000 in fiscal year 2025 is from the health care access fund to implement a Minnesota public option health care plan. This is a onetime appropriation and is available upon approval of a state innovation waiver under section 1332 of the federal Affordable Care Act. This appropriation is available until June 30, 2027.

(f) **Carryforward authority.** Notwithstanding Minnesota Statutes, section 16A.28, subdivision 3, $2,367,000 of the appropriation in fiscal year 2024 is available until June 30, 2027.

(g) **Base level adjustment.** The general fund base is $32,315,000 in fiscal year 2026 and $27,536,000 in fiscal year 2027. The health care access fund base is $28,168,000 in fiscal year 2026 and $28,168,000 in fiscal year 2027.

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

Sec. 11. Laws 2023, chapter 70, article 20, section 2, subdivision 7, is amended to read:

Subd. 7. **Central Office; Behavioral Health, Deaf and Hard of Hearing, and Housing Services**

	Appropriations by Fund	
General	~~27,870,000~~	~~27,592,000~~
	27,734,000	27,728,000
Lottery Prize	163,000	163,000

(a) **Homeless management system.** $250,000 in fiscal year 2024 and $1,000,000 in fiscal year 2025 are from the general fund for a homeless management information system. The base for this appropriation is $1,140,000 in fiscal year 2026 and $1,140,000 in fiscal year 2027.

(b) **Online behavioral health program locator.** $959,000 in fiscal year 2024 and $959,000 in fiscal year 2025 are from the general fund for an online behavioral health program locator.

(c) **Integrated services for children and families.** $286,000 in fiscal year 2024 and $286,000 in fiscal year 2025 are from the general fund for integrated services for children and families projects. Notwithstanding Minnesota Statutes, section 16A.28, subdivision 3, $1,797,000 of the appropriation in fiscal year 2024 is available until June 30, 2027.

(d) **Carryforward authority.** Notwithstanding Minnesota Statutes, section 16A.28, subdivision 3, $842,000 of the appropriation in fiscal year 2024 is available until June 30, 2027, $136,000 of the appropriation in fiscal year 2025 is available until June 30, 2027, and $852,000 of the appropriation in fiscal year 2025 is available until June 30, 2028.

(f) **Base level adjustment.** The general fund base is $25,243,000 in fiscal year 2026 and $24,682,000 in fiscal year 2027.

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

Sec. 12. Laws 2023, chapter 70, article 20, section 2, subdivision 29, is amended to read:

Subd. 29. **Grant Programs; Adult Mental Health Grants**	132,327,000	121,270,000

(a) **Mobile crisis grants to Tribal Nations.** $1,000,000 in fiscal year 2024 and $1,000,000 in fiscal year 2025 are for mobile crisis grants under Minnesota Statutes ~~section~~, sections 245.4661, subdivision 9, paragraph (b), clause (15), and 245.4889, subdivision 1, paragraph (b), clause (4), to Tribal Nations.

(b) **Mental health provider supervision grant program.** $1,500,000 in fiscal year 2024 and $1,500,000 in fiscal year 2025 are for the mental health provider supervision grant program under Minnesota Statutes, section 245.4663.

(c) **Minnesota State University, Mankato community behavioral health center.** $750,000 in fiscal year 2024 and $750,000 in fiscal year 2025 are for a grant to the Center for Rural Behavioral Health at Minnesota State University, Mankato to establish a community behavioral health center and training clinic. The community behavioral health center must provide comprehensive, culturally specific, trauma-informed, practice- and

evidence-based, person- and family-centered mental health and substance use disorder treatment services in Blue Earth County and the surrounding region to individuals of all ages, regardless of an individual's ability to pay or place of residence. The community behavioral health center and training clinic must also provide training and workforce development opportunities to students enrolled in the university's training programs in the fields of social work, counseling and student personnel, alcohol and drug studies, psychology, and nursing. Upon request, the commissioner must make information regarding the use of this grant funding available to the chairs and ranking minority members of the legislative committees with jurisdiction over behavioral health. This is a onetime appropriation and is available until June 30, 2027.

(d) **White Earth Nation; adult mental health initiative.** $300,000 in fiscal year 2024 and $300,000 in fiscal year 2025 are for adult mental health initiative grants to the White Earth Nation. This is a onetime appropriation.

(e) **Mobile crisis grants.** $8,472,000 in fiscal year 2024 and $8,380,000 in fiscal year 2025 are for the mobile crisis grants under Minnesota Statutes, ~~section~~ sections 245.4661, subdivision 9, paragraph (b), clause (15), and 245.4889, subdivision 1, paragraph (b), clause (4). This is a onetime appropriation and is available until June 30, 2027.

(f) **Base level adjustment.** The general fund base is $121,980,000 in fiscal year 2026 and $121,980,000 in fiscal year 2027.

Sec. 13. Laws 2023, chapter 70, article 20, section 3, subdivision 2, is amended to read:

Subd. 2. **Health Improvement**

Appropriations by Fund		
General	229,600,000	210,030,000
State Government Special Revenue	12,392,000	12,682,000
Health Care Access	49,051,000	53,290,000
Federal TANF	11,713,000	11,713,000

(a) **Studies of telehealth expansion and payment parity.** $1,200,000 in fiscal year 2024 is from the general fund for studies of telehealth expansion and payment parity. This is a onetime appropriation and is available until June 30, 2025.

(b) **Advancing equity through capacity building and resource allocation grant program.** $916,000 in fiscal year 2024 and $916,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 144.9821. This is a onetime appropriation.

(c) **Grant to Minnesota Community Health Worker Alliance.** $971,000 in fiscal year 2024 and $971,000 in fiscal year 2025 are from the general fund for Minnesota Statutes, section 144.1462.

(d) **Community solutions for healthy child development grants.** $2,730,000 in fiscal year 2024 and $2,730,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 145.9257. The base for this appropriation is $2,415,000 in fiscal year 2026 and $2,415,000 in fiscal year 2027.

(e) **Comprehensive Overdose and Morbidity Prevention Act.** $9,794,000 in fiscal year 2024 and $10,458,000 in fiscal year 2025 are from the general fund for comprehensive overdose and morbidity prevention strategies under Minnesota Statutes, section 144.0528. The base for this appropriation is $10,476,000 in fiscal year 2026 and $10,476,000 in fiscal year 2027.

(f) **Emergency preparedness and response.** $10,486,000 in fiscal year 2024 and $14,314,000 in fiscal year 2025 are from the general fund for public health emergency preparedness and response, the sustainability of the strategic stockpile, and COVID-19 pandemic response transition. The base for this appropriation is $11,438,000 in fiscal year 2026 and $11,362,000 in fiscal year 2027.

(g) **Healthy Beginnings, Healthy Families.** (1) $8,440,000 in fiscal year 2024 and $7,305,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, sections 145.9571 to 145.9576. The base for this appropriation is $1,500,000 in fiscal year 2026 and $1,500,000 in fiscal year 2027. (2) Of the amount in clause (1), $400,000 in fiscal year 2024 is to support the transition from implementation of activities under Minnesota Statutes, section 145.4235, to implementation of activities under Minnesota Statutes, sections 145.9571 to 145.9576. The commissioner shall award four sole-source grants of $100,000 each to Face to Face, Cradle of Hope, Division of Indian Work, and Minnesota Prison Doula Project. The amount in this clause is a onetime appropriation.

(h) **Help Me Connect.** $463,000 in fiscal year 2024 and $921,000 in fiscal year 2025 are from the general fund for the Help Me Connect program under Minnesota Statutes, section 145.988.

(i) **Home visiting.** $2,000,000 in fiscal year 2024 and $2,000,000 in fiscal year 2025 are from the general fund for home visiting under Minnesota Statutes, section 145.87, to provide home visiting to priority populations under Minnesota Statutes, section 145.87, subdivision 1, paragraph (e).

(j) **No Surprises Act enforcement.** $1,210,000 in fiscal year 2024 and $1,090,000 in fiscal year 2025 are from the general fund for implementation of the federal No Surprises Act under Minnesota Statutes, section 62Q.021, and an assessment of the feasibility of a statewide provider directory. The general fund base for this appropriation is $855,000 in fiscal year 2026 and $855,000 in fiscal year 2027.

(k) **Office of African American Health.** $1,000,000 in fiscal year 2024 and $1,000,000 in fiscal year 2025 are from the general fund for grants under the authority of the Office of African American Health under Minnesota Statutes, section 144.0756.

(l) **Office of American Indian Health.** $1,000,000 in fiscal year 2024 and $1,000,000 in fiscal year 2025 are from the general fund for grants under the authority of the Office of American Indian Health under Minnesota Statutes, section 144.0757.

(m) **Public health system transformation grants.** (1) $9,844,000 in fiscal year 2024 and $9,844,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 145A.131, subdivision 1, paragraph (f).

(2) $535,000 in fiscal year 2024 and $535,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 145A.14, subdivision 2b.

(3) $321,000 in fiscal year 2024 and $321,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 144.0759.

(n) **Health care workforce.** (1) $1,010,000 in fiscal year 2024 and $2,550,000 in fiscal year 2025 are from the health care access fund for rural training tracks and rural clinicals grants under Minnesota Statutes, sections 144.1505 and 144.1507. The base for this appropriation is $4,060,000 in fiscal year 2026 and $3,600,000 in fiscal year 2027.

(2) $420,000 in fiscal year 2024 and $420,000 in fiscal year 2025 are from the health care access fund for immigrant international medical graduate training grants under Minnesota Statutes, section 144.1911.

(3) $5,654,000 in fiscal year 2024 and $5,550,000 in fiscal year 2025 are from the health care access fund for site-based clinical training grants under Minnesota Statutes, section 144.1508. The base for this appropriation is $4,657,000 in fiscal year 2026 and $3,451,000 in fiscal year 2027.

(4) $1,000,000 in fiscal year 2024 and $1,000,000 in fiscal year 2025 are from the health care access fund for mental health for health care professional grants. This is a onetime appropriation and is available until June 30, 2027.

(5) $502,000 in fiscal year 2024 and $502,000 in fiscal year 2025 are from the health care access fund for workforce research and data analysis of shortages, maldistribution of health care providers in Minnesota, and the factors that influence decisions of health care providers to practice in rural areas of Minnesota.

(o) **School health.** $800,000 in fiscal year 2024 and $1,300,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 145.903. The base for this appropriation is $2,300,000 in fiscal year 2026 and $2,300,000 in fiscal year 2027.

(p) **Long COVID.** $3,146,000 in fiscal year 2024 and $3,146,000 in fiscal year 2025 are from the general fund for grants and to implement Minnesota Statutes, section 145.361.

(q) **Workplace safety grants.** $4,400,000 in fiscal year 2024 is from the general fund for grants to health care entities to improve employee safety or security. This is a onetime appropriation and is available until June 30, 2027. The commissioner may use up to ten percent of this appropriation for administration.

(r) **Clinical dental education innovation grants.** $1,122,000 in fiscal year 2024 and $1,122,000 in fiscal year 2025 are from the general fund for clinical dental education innovation grants under Minnesota Statutes, section 144.1913.

(s) **Emmett Louis Till Victims Recovery Program.** $500,000 in fiscal year 2024 is from the general fund for a grant to the Emmett Louis Till Victims Recovery Program. The commissioner must not use any of this appropriation for administration. This is a onetime appropriation and is available until June 30, 2025.

(t) **Center for health care affordability.** $2,752,000 in fiscal year 2024 and $3,989,000 in fiscal year 2025 are from the general fund to establish a center for health care affordability and to implement Minnesota Statutes, section 62J.312. The general fund base for this appropriation is $3,988,000 in fiscal year 2026 and $3,988,000 in fiscal year 2027.

(u) **Federally qualified health centers apprenticeship program.** $690,000 in fiscal year 2024 and $690,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 145.9272.

(v) **Alzheimer's public information program.** $80,000 in fiscal year 2024 and $80,000 in fiscal year 2025 are from the general fund for grants to community-based organizations to co-create culturally specific messages to targeted communities and to promote public awareness materials online through diverse media channels.

(w) ~~**Keeping Nurses at the Bedside Act; contingent appropriation**~~ **Nurse and Patient Safety Act.** ~~The appropriations in this paragraph are contingent upon legislative enactment of 2023 Senate File 1384 by the 93rd Legislature.~~ The appropriations in this paragraph are available until June 30, 2027.

(1) $5,317,000 in fiscal year 2024 and $5,317,000 in fiscal year 2025 are from the general fund for loan forgiveness under Minnesota Statutes, section 144.1501, for eligible nurses who have agreed to work as hospital nurses in accordance with Minnesota Statutes, section 144.1501, subdivision 2, paragraph (a), clause (7).

(2) $66,000 in fiscal year 2024 and $66,000 in fiscal year 2025 are from the general fund for loan forgiveness under Minnesota Statutes, section 144.1501, for eligible nurses who have agreed to teach in accordance with Minnesota Statutes, section 144.1501, subdivision 2, paragraph (a), clause (3).

~~(3) $545,000 in fiscal year 2024 and $879,000 in fiscal year 2025 are from the general fund to administer Minnesota Statutes, section 144.7057; to perform the evaluation duties described in Minnesota Statutes, section 144.7058; to continue prevention of violence in health care program activities; to analyze potential links between adverse events and understaffing; to convene stakeholder groups and create a best practices toolkit; and for a report on the current status of the state's nursing workforce employed by hospitals. The base for this appropriation is $624,000 in fiscal year 2026 and $454,000 in fiscal year 2027.~~

(x) **Supporting healthy development of babies.** $260,000 in fiscal year 2024 and $260,000 in fiscal year 2025 are from the general fund for a grant to the Amherst H. Wilder Foundation for the African American Babies Coalition initiative. The base for this appropriation is $520,000 in fiscal year 2026 and $0 in fiscal year 2027. Any appropriation in fiscal year 2026 is available until June 30, 2027. This paragraph expires on June 30, 2027.

(y) **Health professional education loan forgiveness.** $2,780,000 in fiscal year 2024 is from the general fund for eligible mental health professional loan forgiveness under Minnesota Statutes, section 144.1501. This is a onetime appropriation. The commissioner may use up to ten percent of this appropriation for administration.

(z) **Primary care residency expansion grant program.** $400,000 in fiscal year 2024 and $400,000 in fiscal year 2025 are from the general fund for a psychiatry resident under Minnesota Statutes, section 144.1506.

(aa) **Pediatric primary care mental health training grant program.** $1,000,000 in fiscal year 2024 and $1,000,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 144.1509. The commissioner may use up to ten percent of this appropriation for administration.

(bb) **Mental health cultural community continuing education grant program.** $500,000 in fiscal year 2024 and $500,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 144.1511. The commissioner may use up to ten percent of this appropriation for administration.

(cc) **Labor trafficking services grant program.** $500,000 in fiscal year 2024 and $500,000 in fiscal year 2025 are from the general fund for grants under Minnesota Statutes, section 144.3885.

(dd) **Palliative Care Advisory Council.** ~~$40,000~~ $44,000 in fiscal year 2024 and ~~$40,000~~ $44,000 in fiscal year 2025 are from the general fund for ~~grants~~ administration under Minnesota Statutes, section 144.059.

(ee) **Analysis of a universal health care financing system.** $1,815,000 in fiscal year 2024 and $580,000 in fiscal year 2025 are from the general fund to the commissioner to contract for an analysis of the benefits and costs of a legislative proposal for a universal health care financing system and a similar analysis of the current health care financing system. The base for this appropriation is $580,000 in fiscal year 2026 and $0 in fiscal year 2027. This appropriation is available until June 30, 2027.

(ff) **Charitable assets public interest review.** (1) The appropriations under this paragraph are contingent upon legislative enactment of 2023 House File 402 by the 93rd Legislature.

(2) $1,584,000 in fiscal year 2024 and $769,000 in fiscal year 2025 are from the general fund to review certain health care entity transactions; to conduct analyses of the impacts of health care transactions on health care cost, quality, and competition; and to issue public reports on health care transactions in Minnesota and their impacts. The base for this appropriation is $710,000 in fiscal year 2026 and $710,000 in fiscal year 2027.

(gg) **Study of the development of a statewide registry for provider orders for life-sustaining treatment.** $365,000 in fiscal year 2024 and $365,000 in fiscal year 2025 are from the general

fund for a study of the development of a statewide registry for provider orders for life-sustaining treatment. This is a onetime appropriation.

(hh) **Task Force on Pregnancy Health and Substance Use Disorders.** $199,000 in fiscal year 2024 and $100,000 in fiscal year 2025 are from the general fund for the Task Force on Pregnancy Health and Substance Use Disorders. This is a onetime appropriation and is available until June 30, 2025.

(ii) **988 Suicide and crisis lifeline.** $4,000,000 in fiscal year 2024 is from the general fund for 988 national suicide prevention lifeline grants under Minnesota Statutes, section 145.561. This is a onetime appropriation.

(jj) **Equitable Health Care Task Force.** $779,000 in fiscal year 2024 and $749,000 in fiscal year 2025 are from the general fund for the Equitable Health Care Task Force. This is a onetime appropriation.

(kk) **Psychedelic Medicine Task Force.** $338,000 in fiscal year 2024 and $171,000 in fiscal year 2025 are from the general fund for the Psychedelic Medicine Task Force. This is a onetime appropriation.

(ll) **Medical education and research costs.** $300,000 in fiscal year 2024 and $300,000 in fiscal year 2025 are from the general fund for the medical education and research costs program under Minnesota Statutes, section 62J.692.

(mm) **Special Guerilla Unit Veterans grant program.** $250,000 in fiscal year 2024 and $250,000 in fiscal year 2025 are from the general fund for a grant to the Special Guerrilla Units Veterans and Families of the United States of America to offer programming and culturally specific and specialized assistance to support the health and well-being of Special Guerilla Unit Veterans. The base for this appropriation is $500,000 in fiscal year 2026 and $0 in fiscal year 2027. Any amount appropriated in fiscal year 2026 is available until June 30, 2027. This paragraph expires June 30, 2027.

(nn) **Safe harbor regional navigator.** $300,000 in fiscal year 2024 and $300,000 in fiscal year 2025 are for a regional navigator in northwestern Minnesota. The commissioner may use up to ten percent of this appropriation for administration.

(oo) **Network adequacy.** $798,000 in fiscal year 2024 and $491,000 in fiscal year 2025 are from the general fund for reviews of provider networks under Minnesota Statutes, section 62K.10, to determine network adequacy.

(pp) **Grants to Minnesota Alliance for Volunteer Advancement.** $278,000 in fiscal year 2024 is from the general fund for a grant to the Minnesota Alliance for Volunteer Advancement to administer needs-based volunteerism subgrants targeting underresourced nonprofit organizations in greater Minnesota. Subgrants must be used to support the ongoing efforts of selected organizations to address and minimize disparities in access to human services through increased volunteerism. Subgrant applicants must demonstrate that the populations to be served by the subgrantee are underserved or suffer from or are at risk of homelessness, hunger, poverty, lack of access to health care, or deficits in education. The Minnesota Alliance for Volunteer Advancement must give priority to organizations that are serving the needs of vulnerable populations. This is a onetime appropriation and is available until June 30, 2025.

~~(pp)(1)~~ (qq)(1) **TANF Appropriations.** TANF funds must be used as follows:

(i) $3,579,000 in fiscal year 2024 and $3,579,000 in fiscal year 2025 are from the TANF fund for home visiting and nutritional services listed under Minnesota Statutes, section 145.882, subdivision 7, clauses (6) and (7). Funds must be distributed to community health boards according to Minnesota Statutes, section 145A.131, subdivision 1;

(ii) $2,000,000 in fiscal year 2024 and $2,000,000 in fiscal year 2025 are from the TANF fund for decreasing racial and ethnic disparities in infant mortality rates under Minnesota Statutes, section 145.928, subdivision 7;

(iii) $4,978,000 in fiscal year 2024 and $4,978,000 in fiscal year 2025 are from the TANF fund for the family home visiting grant program under Minnesota Statutes, section 145A.17. $4,000,000 of the funding in fiscal year 2024 and $4,000,000 in fiscal year 2025 must be distributed to community health boards under Minnesota Statutes, section 145A.131, subdivision 1. $978,000 of the funding in fiscal year 2024 and $978,000 in fiscal year 2025 must be distributed to Tribal governments under Minnesota Statutes, section 145A.14, subdivision 2a;

(iv) $1,156,000 in fiscal year 2024 and $1,156,000 in fiscal year 2025 are from the TANF fund for sexual and reproductive health services grants under Minnesota Statutes, section 145.925; and

(v) the commissioner may use up to 6.23 percent of the funds appropriated from the TANF fund each fiscal year to conduct the ongoing evaluations required under Minnesota Statutes, section 145A.17, subdivision 7, and training and technical assistance as required under Minnesota Statutes, section 145A.17, subdivisions 4 and 5.

(2) **TANF Carryforward.** Any unexpended balance of the TANF appropriation in the first year does not cancel but is available in the second year.

~~(qq)~~ (rr) **Base level adjustments.** The general fund base is $197,644,000 in fiscal year 2026 and $195,714,000 in fiscal year 2027. The health care access fund base is $53,354,000 in fiscal year 2026 and $50,962,000 in fiscal year 2027.

EFFECTIVE DATE. This section is effective the day following final enactment, except paragraph (pp) is effective retroactively from July 1, 2023.

Sec. 14. Laws 2023, chapter 70, article 20, section 12, as amended by Laws 2023, chapter 75, section 13, is amended to read:

Sec. 12. **COMMISSIONER OF MANAGEMENT AND BUDGET** **$12,932,000** **$3,412,000**

(a) **Outcomes and evaluation consultation.** $450,000 in fiscal year 2024 and $450,000 in fiscal year 2025 are for outcomes and evaluation consultation requirements.

(b) **Department of Children, Youth, and Families.** $11,931,000 in fiscal year 2024 and $2,066,000 in fiscal year 2025 are to establish the Department of Children, Youth, and Families. This is a onetime appropriation.

~~(c) **Keeping Nurses at the Bedside Act impact evaluation; contingent appropriation.** $232,000 in fiscal year 2025 is for the Keeping Nurses at the Bedside Act impact evaluation. This appropriation is contingent upon legislative enactment by the 93rd Legislature of a provision substantially similar to the impact evaluation provision in 2023 S. F. No. 2995, the third engrossment, article 3, section 22. This is a onetime appropriation and is available until June 30, 2029.~~

~~(d)~~ (c) **Health care subcabinet.** $551,000 in fiscal year 2024 and $664,000 in fiscal year 2025 are to hire an executive director for the health care subcabinet and to provide staffing and administrative support for the health care subcabinet.

~~(e)~~ (d) **Base level adjustment.** The general fund base is $1,114,000 in fiscal year 2026 and $1,114,000 in fiscal year 2027.

Sec. 15. **APPROPRIATIONS GIVEN EFFECT ONCE.**

If an appropriation or transfer in this article is enacted more than once during the 2024 regular session, the appropriation or transfer must be given effect once.

Sec. 16. **EXPIRATION OF UNCODIFIED LANGUAGE.**

All uncodified language contained in this article expires on June 30, 2025, unless a different expiration date is explicit.

Sec. 17. **REPEALER.**

(a) Laws 2023, chapter 70, article 20, section 2, subdivision 31, as amended by Laws 2023, chapter 75, section 12, is repealed.

(b) Laws 2023, chapter 75, section 10, is repealed.

EFFECTIVE DATE. Paragraph (b) is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state government; modifying provisions for human services health care finance, human services health care policy, health care generally, health insurance, Department of Health finance, Department of Health policy, emergency medical services, pharmacy practice, mental health, Department of Human Services Office of Inspector General; imposing penalties; making forecast adjustments; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 62A.28, subdivision 2; 62D.02, subdivisions 4, 7; 62D.03, subdivision 1; 62D.05, subdivision 1; 62D.06, subdivision 1; 62D.12, subdivision 19; 62D.14, subdivision 1; 62D.19; 62D.20, subdivision 1; 62D.22, subdivision 5, by adding a subdivision; 62E.02, subdivision 3; 62J.49, subdivision 1; 62J.61, subdivision 5; 62M.01, subdivision 3; 62M.02, subdivisions 1a, 5, 11, 12, 21, by adding a subdivision; 62M.04, subdivision 1; 62M.05, subdivision 3a; 62M.07, subdivisions 2, 4, by adding a subdivision; 62M.10, subdivisions 7, 8; 62M.17, subdivision 2; 62Q.14; 62Q.19, subdivisions 3, 5, by adding a subdivision; 62Q.73, subdivision 2; 62V.05, subdivision 12; 62V.08; 62V.11, subdivision 4; 103I.621, subdivisions 1, 2; 144.05, subdivisions 6, 7; 144.058; 144.0724, subdivisions 2, 3a, 4, 6, 7, 8, 9, 11; 144.1464, subdivisions 1, 2, 3; 144.1501, subdivision 5; 144.1911, subdivision 2; 144.292, subdivision 6; 144.293, subdivisions 2, 4, 9, 10; 144.493, by adding a subdivision; 144.494, subdivision 2; 144.551, subdivision 1; 144.555, subdivisions 1a, 1b, 2, by adding subdivisions; 144.605, by adding a subdivision; 144.7067, subdivision 2; 144A.10, subdivisions 15, 16; 144A.471, by adding a subdivision; 144A.474, subdivision 13; 144A.70, subdivisions 3, 5, 6, 7; 144A.71, subdivision 2, by adding a subdivision; 144A.72, subdivision 1; 144A.73; 144E.001, subdivision 3a, by adding subdivisions; 144E.101, by adding a subdivision; 144E.16, subdivisions 5, 7; 144E.19, subdivision 3; 144E.27, subdivisions 3, 5, 6; 144E.28, subdivisions 3, 5, 6, 8; 144E.285, subdivisions 1, 2, 4, 6, by adding subdivisions; 144E.287; 144E.305, subdivision 3; 144G.08, subdivision 29; 144G.10, by adding a subdivision; 144G.16, subdivision 6; 146B.03, subdivision 7a; 146B.10, subdivisions 1, 3; 148F.025, subdivision 2; 149A.02, subdivisions 3, 16, 26a, 27, 35, 37c, by adding subdivisions; 149A.03; 149A.65; 149A.70, subdivisions 1, 2, 3, 5; 149A.71, subdivisions 2, 4; 149A.72, subdivisions 3, 9; 149A.73, subdivision 1; 149A.74, subdivision 1; 149A.93, subdivision 3; 149A.94, subdivisions 1, 3, 4; 151.01, subdivisions 23, 27; 151.37, by adding a subdivision; 151.74, subdivision 6; 214.025; 214.04, subdivision 2a; 214.29; 214.31; 214.355; 245.462, subdivision 6; 245.4663, subdivision 2; 245A.04, by adding a subdivision; 245A.043, subdivisions 2, 4, by adding subdivisions; 245A.07, subdivision 6; 245A.52, subdivision 2; 245C.05, subdivision 5; 245C.08, subdivision 4; 245C.10, subdivision 18; 245C.14, by adding a subdivision; 245C.22, subdivision 4; 245C.24, subdivisions 2, 5, 6; 245C.30, by adding a subdivision; 245F.09, subdivision 2; 245F.14, by adding a subdivision; 245F.17; 245G.07, subdivision 4; 245G.08, subdivisions 5, 6; 245G.10, by adding a subdivision; 245G.22, subdivisions 6, 7; 245I.02, subdivisions 17, 19; 245I.04, subdivision 6; 245I.10, subdivision 9; 245I.11, subdivision 1, by adding a subdivision; 245I.20, subdivision 4; 245I.23, subdivision 14; 256.9657, subdivision 8, by adding a subdivision; 256.969, by adding subdivisions; 256B.056, subdivisions 1a, 10; 256B.0622, subdivisions 2a, 3a, 7a, 7d; 256B.0623, subdivision 5; 256B.0625,

subdivisions 12, 20, 32, by adding subdivisions; 256B.0757, subdivisions 4a, 4d; 256B.0943, subdivision 12; 256B.0947, subdivision 5; 256B.69, by adding a subdivision; 256B.76, subdivision 6; 256I.04, subdivision 2f; 256R.02, subdivision 20; 260E.33, subdivision 2, as amended; 317A.811, subdivision 1; 519.05; 524.3-801, as amended; Minnesota Statutes 2023 Supplement, sections 13.46, subdivision 4, as amended; 15A.0815, subdivision 2; 43A.08, subdivision 1a; 62Q.46, subdivision 1; 62Q.473, by adding a subdivision; 62Q.522, subdivision 1; 62Q.523, subdivision 1; 144.0526, subdivision 1; 144.1501, subdivision 2; 144.1505, subdivision 2; 144.587, subdivisions 1, 4; 144A.4791, subdivision 10; 144E.101, subdivisions 6, 7, as amended; 145.561, subdivision 4; 145D.01, subdivision 1; 151.555, subdivisions 1, 4, 5, 6, 7, 8, 9, 11, 12; 151.74, subdivision 3; 152.126, subdivision 6; 245.4889, subdivision 1; 245.991, subdivision 1; 245A.03, subdivision 2, as amended; 245A.043, subdivision 3; 245A.07, subdivision 1, as amended; 245A.11, subdivision 7; 245A.16, subdivision 1, as amended; 245A.211, subdivision 4; 245A.242, subdivision 2; 245C.02, subdivision 13e; 245C.033, subdivision 3; 245C.08, subdivision 1; 245C.10, subdivision 15; 245G.22, subdivisions 2, 17; 254B.04, subdivision 1a; 256.046, subdivision 3; 256.0471, subdivision 1, as amended; 256.9631; 256.969, subdivision 2b; 256B.0622, subdivisions 7b, 8; 256B.0625, subdivisions 5m, 13e, as amended, 13f, 16; 256B.064, subdivision 4; 256B.0671, subdivision 5; 256B.0701, subdivision 6; 256B.0947, subdivision 7; 256B.764; 256D.01, subdivision 1a; 256I.05, subdivisions 1a, 11; 256L.03, subdivision 1; 270A.03, subdivision 2; 342.06; Laws 2020, chapter 73, section 8; Laws 2023, chapter 22, section 4, subdivision 2; Laws 2023, chapter 70, article 20, sections 2, subdivisions 5, 7, 29; 3, subdivision 2; 12, as amended; Laws 2024, chapter 80, article 2, sections 6, subdivisions 2, 3, by adding subdivisions; 10, subdivisions 1, 6; proposing coding for new law in Minnesota Statutes, chapters 62A; 62C; 62D; 62J; 62M; 62Q; 62V; 144; 144A; 144E; 145D; 149A; 151; 245C; 256B; proposing coding for new law as Minnesota Statutes, chapter 332C; repealing Minnesota Statutes 2022, sections 62A.041, subdivision 3; 144.497; 144E.001, subdivision 5; 144E.01; 144E.123, subdivision 5; 144E.27, subdivisions 1, 1a; 144E.50, subdivision 3; 151.74, subdivision 16; 245C.125; 256D.19, subdivisions 1, 2; 256D.20, subdivisions 1, 2, 3, 4; 256D.23, subdivisions 1, 2, 3; 256R.02, subdivision 46; Minnesota Statutes 2023 Supplement, sections 62J.312, subdivision 6; 62Q.522, subdivisions 3, 4; 144.0528, subdivision 5; 245C.08, subdivision 2; Laws 2023, chapter 70, article 20, section 2, subdivision 31, as amended; Laws 2023, chapter 75, section 10; Laws 2024, chapter 80, article 2, section 6, subdivision 4; Minnesota Rules, part 9502.0425, subpart 5."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 912, 4822 and 5246 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. Nos. 4942, 37 and 4699 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Novotny introduced:

H. F. No. 5457, A bill for an act relating to capital investment; appropriating money for a fire and emergency services facility in the city of Otsego; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Engen and Hudson introduced:

H. F. No. 5458, A bill for an act relating to higher education; requiring cancellation of student organizations endorsing terrorism; removing financial aid eligibility for students who endorse terrorism; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A.

The bill was read for the first time and referred to the Committee on Higher Education Finance and Policy.

Anderson, P. E., introduced:

H. F. No. 5459, A bill for an act relating to economic development; modifying the annual volume cap allocations and allocation procedure for public facility projects funded by public facility bonds; amending Minnesota Statutes 2022, sections 474A.03, subdivision 1; 474A.091, subdivisions 2a, 3.

The bill was read for the first time and referred to the Committee on Taxes.

Engen introduced:

H. F. No. 5460, A bill for an act relating to the legislature; prohibiting a member of the legislature from receiving compensation, mileage, or per diem living expenses during any period in which the member is incarcerated in a local, state, or federal correctional facility; amending Minnesota Statutes 2022, section 3.099, subdivision 1.

The bill was read for the first time and referred to the Committee on State and Local Government Finance and Policy.

Hill introduced:

H. F. No. 5461, A bill for an act relating to capital investment; appropriating money for water treatment plants in the city of Stillwater; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 3438, A bill for an act relating to consumer protection; adding the failure to disclose mandatory fees in advertising as a deceptive trade practice; amending Minnesota Statutes 2022, sections 325D.43, by adding a subdivision; 325D.44, by adding subdivisions.

The Senate has appointed as such committee:

Senators Port, Marty, and Rasmusson.

Said House File is herewith returned to the House.

THOMAS S. BOTTERN, Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 4757, A bill for an act relating to cannabis; transferring enforcement of edible cannabinoid products to the Office of Cannabis Management; clarifying workplace testing for cannabis; making technical changes related to the taxation of cannabis and related products; replacing medical cannabis licenses with endorsements; establishing a petition process to designate cannabinoids as nonintoxicating or approved for use in lower-potency hemp edibles; authorizing lower-potency hemp edibles to contain certain artificially derived cannabinoids created in making delta-9 tetrahydrocannabinol; allowing testing of certain hemp products to be performed by labs meeting accreditation standards regardless of licensing status; authorizing patients enrolled in the registry program to obtain cannabis flower from registered designated caregivers; authorizing registered designated caregivers to cultivate cannabis plants on behalf of patients enrolled in the registry program; authorizing the Office of Cannabis Management to recall certain cannabis and related products; transferring the duties of the medical cannabis program to the Office of Cannabis Management on July 1, 2025; authorizing the appointment of deputy directors; clarifying the process for transfer of certain licenses; providing for license preapproval; removing the requirement that local governments perform certain inspections; removing the requirement that license applications be scored based on identified criteria and requiring that license applications be assessed based on certain minimum criteria; requiring employees of cannabis businesses to meet certain background check requirements; establishing social equity licenses; limiting the number of certain licenses that can be made available in an application period; providing for the conversion of a registration to sell certain hemp-derived products into a hemp business license; providing for a cannabis research license classification; authorizing the Office of Cannabis Management to adjust limits on cultivation area; permitting certain businesses to transport cannabis and related products between facilities operated by the business; replacing the prohibition on certain sales of lower-potency hemp products with a prohibition on selling to an obviously intoxicated person; providing for enforcement of unlicensed businesses engaging in activities that require a license;

making technical and conforming changes; amending Minnesota Statutes 2022, sections 17.133, subdivision 1; 152.22, subdivisions 11, 14, by adding a subdivision; 152.25, subdivision 2; 152.27, subdivisions 1, 2, 3, 4, 6, by adding a subdivision; 152.28, subdivision 2; 152.29, subdivision 3; 181.950, subdivision 10; 181.952, as amended; Minnesota Statutes 2023 Supplement, sections 3.9224, subdivision 1; 151.72, subdivisions 1, 2, 3, 4, 5a, 5b, 6, 7; 152.28, subdivision 1; 152.30; 181.951, subdivisions 4, 5, 8; 181.954, subdivision 1; 342.01, subdivisions 14, 17, 19, 48, 50, 52, 54, 63, 64, 65, 66, by adding subdivisions; 342.02, subdivisions 2, 3, 6; 342.03, subdivisions 1, 4; 342.06; 342.07, subdivision 3; 342.09, subdivision 3; 342.10; 342.11; 342.12; 342.13; 342.14; 342.15, by adding a subdivision; 342.17; 342.18, subdivisions 2, 3, by adding subdivisions; 342.19, by adding a subdivision; 342.22; 342.24, subdivisions 1, 2; 342.28, subdivision 2, by adding subdivisions; 342.29, subdivision 4, by adding a subdivision; 342.30, subdivision 4; 342.31, subdivision 4; 342.32, subdivision 4; 342.35, subdivision 1; 342.37, subdivision 1; 342.40, subdivision 7; 342.41, subdivision 3; 342.46, subdivision 8; 342.51; 342.515, subdivision 1, by adding a subdivision; 342.52, subdivisions 1, 2, 3, 4, 5, 9, 11; 342.53; 342.54; 342.55, subdivisions 1, 2; 342.56, subdivisions 1, 2; 342.57, subdivisions 1, 2, 4; 342.60; 342.61, subdivisions 1, 4, 5; 342.62, by adding a subdivision; 342.63, subdivisions 2, 3, 6; 342.64, subdivision 1; 342.73, subdivision 4; 342.80; Laws 2023, chapter 63, article 1, sections 2; 51; 52; 53; 54; 55; 56; 57; 58; 59; 61; article 6, sections 10; 73; proposing coding for new law in Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2022, sections 152.22, subdivision 3; 152.36; Minnesota Statutes 2023 Supplement, sections 342.01, subdivision 28; 342.18, subdivision 1; 342.27, subdivision 13; 342.29, subdivision 9; 342.47; 342.48; 342.49; 342.50; Laws 2023, chapter 63, article 7, sections 4; 6.

The Senate has appointed as such committee:

Senators Port, Pha, Frentz, Maye Quade, and Xiong.

Said House File is herewith returned to the House.

THOMAS S. BOTTERN, Secretary of the Senate

Madam Speaker:

I hereby announce the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 5289, A bill for an act relating to economic development; making supplemental budget adjustments for the Department of Employment and Economic Development and Explore Minnesota; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 116U.26; 116U.27, subdivisions 5, 6; Minnesota Statutes 2023 Supplement, sections 116L.43, subdivision 1; 116U.27, subdivisions 1, 4; Laws 2023, chapter 53, article 20, section 2, subdivisions 1, 2, 3, 4, 6; article 21, sections 6; 7; Laws 2023, chapter 64, article 15, section 30; proposing coding for new law in Minnesota Statutes, chapter 116U; repealing Minnesota Statutes 2022, section 116J.439.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Champion, Mohamed, and Gustafson.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

THOMAS S. BOTTERN, Secretary of the Senate

Hassan moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 5289. The motion prevailed.

MOTIONS AND RESOLUTIONS

Reyer moved that the name of Curran be added as an author on H. F. No. 3529. The motion prevailed.

Edelson moved that the name of Frederick be added as chief author on H. F. No. 4109. The motion prevailed.

Lee, K., moved that the name of Engen be added as an author on H. F. No. 4284. The motion prevailed.

Lislegard moved that the name of Feist be added as an author on H. F. No. 5246. The motion prevailed.

Wolgamott moved that the name of Harder be added as an author on H. F. No. 5374. The motion prevailed.

Long moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by Speaker pro tempore Her.

REPORT FROM THE COMMITTEE ON RULES
AND LEGISLATIVE ADMINISTRATION

Long from the Committee on Rules and Legislative Administration, pursuant to rules 1.21 and 3.33, designated the following bills to be placed on the Calendar for the Day for Thursday, May 9, 2024 and established a prefiling requirement for amendments offered to the following bills:

S. F. Nos. 4699 and 4942; and H. F. Nos. 5246 and 4984.

There being no objection, the order of business reverted to Calendar for the Day.

CALENDAR FOR THE DAY

H. F. No. 4738 was reported to the House.

Huot moved to amend H. F. No. 4738, the third engrossment, as follows:

Page 8, delete section 10

Page 18, after line 3, insert:

"Sec. 19. **ALTERNATIVE EMERGENCY MEDICAL SERVICES RESPONSE MODEL PILOT PROGRAM.**

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

(b) "Board" means the Emergency Medical Services Regulatory Board.

(c) "Partnering ambulance services" means the primary ambulance service and the supporting ambulance service that partner to jointly respond to emergency ambulance calls under the pilot program.

(d) "Pilot program" means the alternative emergency medical services response model pilot program established under this section.

(e) "Primary ambulance service" means a basic life support ambulance service or part-time advanced life support ambulance service.

(f) "Supporting ambulance service" means a full-time advanced life support ambulance service.

Subd. 2. **Pilot program established.** The board must establish and oversee an alternative emergency medical services response model pilot program, with one pilot program site in Otter Tail County and Grant County and one pilot program site in St. Louis County. Under the pilot program, the board may authorize primary ambulance services with primary service areas that include: (1) any portion of Otter Tail County or Grant County; or (2) any portion of St. Louis County to partner with supporting ambulance services to provide expanded advanced life support service intercept capability and staffing support for emergency ambulance calls to locations anywhere in the partnering ambulance services' primary service areas, including locations outside of Otter Tail County, Grant County, or St. Louis County.

Subd. 3. **Application.** A primary ambulance service that wishes to participate in the pilot program must apply to the board. An application from a primary ambulance service must be submitted jointly with the supporting ambulance service with which the primary ambulance service proposes to partner. The application must identify the ambulance services applying to be partnering ambulance services and must include:

(1) approval to participate in the pilot program from the medical directors of the proposed partnering ambulance services;

(2) procedures the primary ambulance service will implement to respond to emergency ambulance calls when the primary ambulance service is unable to meet the minimum staffing requirements under Minnesota Statutes, section 144E.101, and the supporting ambulance service is unavailable to jointly respond to emergency ambulance calls;

(3) an agreement between the proposed partnering ambulance services specifying which ambulance service is responsible for:

(i) workers' compensation insurance;

(ii) motor vehicle insurance; and

(iii) billing, identifying which if any ambulance service will bill the patient or the patient's insurer and specifying how payments received will be distributed among the proposed partnering ambulance services;

(4) communication procedures to coordinate and make known the real-time availability of the supporting ambulance service to its proposed partnering primary ambulance service and public safety answering points;

(5) an acknowledgment that the proposed partnering ambulance services must coordinate compliance with the prehospital care data requirements in Minnesota Statutes, section 144E.123; and

(6) an acknowledgment that the proposed partnering ambulance services remain responsible for providing continual service as required under Minnesota Statutes, section 144E.101, subdivision 3.

Subd. 4. **Operation.** Under the pilot program, a supporting ambulance service may partner with one or more primary ambulance services. Under this partnership, the supporting ambulance service and primary ambulance service must jointly respond to emergency ambulance calls originating in the primary service area of the primary ambulance service. The supporting ambulance service must respond to emergency ambulance calls with either an ambulance or a nontransporting vehicle fully equipped with the advanced life support complement of equipment and medications required for that nontransporting vehicle by that ambulance service's medical director.

Subd. 5. **Staffing.** (a) When responding to an emergency ambulance call covered by the pilot program and an ambulance or nontransporting vehicle from the supporting ambulance service is confirmed to be available and is responding to the call:

(1) the primary ambulance service ambulance must be staffed by at least one emergency medical technician; and

(2) the supporting ambulance service ambulance or nontransporting vehicle must be staffed with a minimum of one paramedic.

(b) The staffing specified in paragraph (a) is deemed to satisfy the staffing requirements in Minnesota Statutes, section 144E.101, for both the primary ambulance service response and the supporting ambulance service intercept requirements.

Subd. 6. **Medical director oversight.** The medical directors for ambulance services participating in the pilot program retain responsibility for the ambulance service personnel of their respective ambulance services. When a paramedic from the supporting ambulance service makes contact with the patient, the standing orders, clinical policies, protocols, and triage, treatment, and transportation guidelines for the supporting ambulance service must direct patient care related to the encounter.

Subd. 7. **Waivers and variances.** The board may issue any waivers of or variances to Minnesota Statutes, chapter 144E, or Minnesota Rules, chapter 4690, to partnering ambulance services that are needed to implement the pilot program, provided the waiver or variance does not adversely affect the public health or welfare.

Subd. 8. **Data and evaluation.** In administering the pilot program, the board shall collect from partnering ambulance services data needed to evaluate the impacts of the pilot program on response times, patient outcomes, and patient experience for emergency ambulance calls.

Subd. 9. **Expiration.** This section expires June 30, 2027."

Page 19, delete section 23 and insert:

"Sec. 23. **APPROPRIATION.**

$6,000,000 in fiscal year 2025 is appropriated from the general fund to the Emergency Medical Services Regulatory Board for grants to Otter Tail County and St. Louis County to fund the alternative emergency medical services response model pilot program. Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the Emergency Medical Services Regulatory Board may retain up to ten percent of this appropriation for administrative costs. This is a onetime appropriation and is available until June 30, 2027."

Page 30, after line 14, insert:

"ARTICLE 3
AMBULANCE SERVICE PERSONNEL AND EMERGENCY MEDICAL RESPONDERS

Section 1. Minnesota Statutes 2022, section 144E.001, subdivision 3a, is amended to read:

Subd. 3a. **Ambulance service personnel.** "Ambulance service personnel" means individuals who are authorized by a licensed ambulance service to provide emergency care for the ambulance service and are:

(1) EMTs, AEMTs, or paramedics;

(2) Minnesota registered nurses who are: (i) EMTs, are currently practicing nursing, and have ~~passed a paramedic practical skills test, as approved by the board and administered by an educational program approved by the board~~ been approved by the ambulance service medical director; (ii) on the roster of an ambulance service on or before January 1, 2000; ~~or~~ (iii) after petitioning the board, deemed by the board to have training and skills equivalent to an EMT, as determined on a case-by-case basis; or (iv) certified as a certified flight registered nurse or certified emergency nurse; or

(3) Minnesota licensed physician assistants who are: (i) EMTs, are currently practicing as physician assistants, and have ~~passed a paramedic practical skills test, as approved by the board and administered by an educational program approved by the board~~ been approved by the ambulance service medical director; (ii) on the roster of an ambulance service on or before January 1, 2000; or (iii) after petitioning the board, deemed by the board to have training and skills equivalent to an EMT, as determined on a case-by-case basis.

Sec. 2. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 6, is amended to read:

Subd. 6. **Basic life support.** (a) Except as provided in ~~paragraph (f)~~ subdivision 6a, a basic life-support ambulance shall be staffed by at least ~~two EMTs, one of whom must accompany the patient and provide a level of care so as to ensure that~~:

(1) one individual who is:

(i) certified as an EMT;

(ii) a Minnesota registered nurse who meets the qualification requirements in section 144E.001, subdivision 3a, clause (2); or

(iii) a Minnesota licensed physician assistant who meets the qualification requirements in section 144E.001, subdivision 3a, clause (3); and

(2) one individual to drive the ambulance who:

(i) either meets one of the qualification requirements in clause (1) or is a registered emergency medical responder driver; and

(ii) satisfies the requirements in subdivision 10.

(b) An individual who meets one of the qualification requirements in paragraph (a), clause (1), must accompany the patient and provide a level of care so as to ensure that:

(1) life-threatening situations and potentially serious injuries are recognized;

(2) patients are protected from additional hazards;

(3) basic treatment to reduce the seriousness of emergency situations is administered; and

(4) patients are transported to an appropriate medical facility for treatment.

~~(b)~~ (c) A basic life-support service shall provide basic airway management.

~~(c)~~ (d) A basic life-support service shall provide automatic defibrillation.

~~(d)~~ (e) A basic life-support service shall administer opiate antagonists consistent with protocols established by the service's medical director.

~~(e)~~ (f) A basic life-support service licensee's medical director may authorize ambulance service personnel to perform intravenous infusion and use equipment that is within the licensure level of the ambulance service. Ambulance service personnel must be properly trained. Documentation of authorization for use, guidelines for use, continuing education, and skill verification must be maintained in the licensee's files.

~~(f) For emergency ambulance calls and interfacility transfers, an ambulance service may staff its basic life-support ambulances with one EMT, who must accompany the patient, and one registered emergency medical responder driver. For purposes of this paragraph, "ambulance service" means either an ambulance service whose primary service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud; or an ambulance service based in a community with a population of less than 2,500.~~

Sec. 3. Minnesota Statutes 2022, section 144E.101, is amended by adding a subdivision to read:

Subd. 6a. **Variance; staffing of basic life-support ambulance.** (a) Upon application from an ambulance service that includes evidence demonstrating hardship, the board may grant a variance from the staff requirements in subdivision 6, paragraph (a), and may authorize a basic life-support ambulance to be staffed, for all emergency calls and interfacility transfers, with one individual who meets the qualification requirements in paragraph (b) to drive the ambulance and one individual who meets one of the qualification requirements in subdivision 6, paragraph (a), clause (1), and who must accompany the patient. The variance applies to basic life-support ambulances until the ambulance service renews its license. When the variance expires, the ambulance service may apply for a new variance under this subdivision.

(b) In order to drive an ambulance under a variance granted under this subdivision, an individual must:

(1) hold a valid driver's license from any state;

(2) have attended an emergency vehicle driving course approved by the ambulance service;

(3) have completed a course on cardiopulmonary resuscitation approved by the ambulance service; and

(4) register with the board according to a process established by the board.

(c) If an individual serving as a driver under this subdivision commits or has a record of committing an act listed in 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 section 144E.27, subdivisions 5 and 6.

Sec. 4. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 7, as amended by Laws 2024, chapter 85, section 32, is amended to read:

Subd. 7. **Advanced life support.** (a) Except as provided in paragraphs (f) and (g), an advanced life-support ambulance shall be staffed by at least:

(1) one EMT or one AEMT and one paramedic;

(2) one EMT or one AEMT and one registered nurse who: (i) is an EMT or an AEMT, is currently practicing nursing, and ~~has passed a paramedic practical skills test approved by the board and administered by an education program~~ has been approved by the ambulance service medical director; or (ii) is certified as a certified flight registered nurse or certified emergency nurse; or

(3) one EMT or one AEMT and one physician assistant who is an EMT or an AEMT, is currently practicing as a physician assistant, and ~~has passed a paramedic practical skills test approved by the board and administered by an education program~~ has been approved by the ambulance service medical director.

(b) An advanced life-support service shall provide basic life support, as specified under subdivision 6, paragraph ~~(a)~~ (b), advanced airway management, manual defibrillation, administration of intravenous fluids and pharmaceuticals, and administration of opiate antagonists.

(c) In addition to providing advanced life support, an advanced life-support service may staff additional ambulances to provide basic life support according to subdivision 6 and section 144E.103, subdivision 1.

(d) An ambulance service providing advanced life support shall have a written agreement with its medical director to ensure medical control for patient care 24 hours a day, seven days a week. The terms of the agreement shall include a written policy on the administration of medical control for the service. The policy shall address the following issues:

(1) two-way communication for physician direction of ambulance service personnel;

(2) patient triage, treatment, and transport;

(3) use of standing orders; and

(4) the means by which medical control will be provided 24 hours a day.

The agreement shall be signed by the licensee's medical director and the licensee or the licensee's designee and maintained in the files of the licensee.

(e) When an ambulance service provides advanced life support, the authority of a paramedic, Minnesota registered nurse-EMT, or Minnesota registered physician assistant-EMT to determine the delivery of patient care prevails over the authority of an EMT.

(f) Upon application from an ambulance service that includes evidence demonstrating hardship, the board may grant a variance from the staff requirements in paragraph (a), clause (1), and may authorize an advanced life-support ambulance to be staffed by a registered emergency medical responder driver with a paramedic for all emergency calls and interfacility transfers. The variance shall apply to advanced life-support ambulance services until the ambulance service renews its license. When the variance expires, an ambulance service may apply for a new variance under this paragraph. ~~This paragraph applies only to an ambulance service whose primary service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, or an ambulance service based in a community with a population of less than 1,000 persons.~~

(g) After an initial emergency ambulance call, each subsequent emergency ambulance response, until the initial ambulance is again available, and interfacility transfers, may be staffed by one registered emergency medical responder driver and an EMT or paramedic. ~~This paragraph applies only to an ambulance service whose primary service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, or an ambulance service based in a community with a population of less than 1,000 persons.~~

(h) An individual who staffs an advanced life-support ambulance as a driver must also meet the requirements in subdivision 10.

Sec. 5. Minnesota Statutes 2022, section 144E.27, subdivision 3, is amended to read:

Subd. 3. **Renewal.** (a) The board may renew the registration of an emergency medical responder who:

(1) successfully completes a board-approved refresher course; ~~and~~

(2) successfully completes a course in cardiopulmonary resuscitation approved by the board or by the licensee's medical director. This course may be a component of a board-approved refresher course; and

~~(2)~~ (3) submits a completed renewal application to the board before the registration expiration date.

(b) The board may renew the lapsed registration of an emergency medical responder who:

(1) successfully completes a board-approved refresher course; ~~and~~

(2) successfully completes a course in cardiopulmonary resuscitation approved by the board or by the licensee's medical director. This course may be a component of a board-approved refresher course; and

~~(2)~~ (3) submits a completed renewal application to the board within ~~12~~ 48 months after the registration expiration date.

Sec. 6. Minnesota Statutes 2022, section 144E.27, subdivision 5, is amended to read:

Subd. 5. **Denial, suspension, revocation; emergency medical responders and drivers.** (a) This subdivision applies to individuals seeking registration or registered as an emergency medical responder and to individuals seeking registration or registered as a driver of a basic life-support ambulance under section 144E.101, subdivision 6a. The board may deny, suspend, revoke, place conditions on, or refuse to renew the registration of an individual who the board determines:

(1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, an agreement for corrective action, or an order that the board issued or is otherwise empowered to enforce;

(2) misrepresents or falsifies information on an application form for registration;

(3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol;

(4) is actually or potentially unable to provide emergency medical services or drive an ambulance with reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or as a result of any mental or physical condition;

(5) engages in unethical conduct, including, but not limited to, conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of the public;

(6) maltreats or abandons a patient;

(7) violates any state or federal controlled substance law;

(8) engages in unprofessional conduct or any other conduct which has the potential for causing harm to the public, including any departure from or failure to conform to the minimum standards of acceptable and prevailing practice without actual injury having to be established;

(9) for emergency medical responders, provides emergency medical services under lapsed or nonrenewed credentials;

(10) is subject to a denial, corrective, disciplinary, or other similar action in another jurisdiction or by another regulatory authority;

(11) engages in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient; or

(12) makes a false statement or knowingly provides false information to the board, or fails to cooperate with an investigation of the board as required by section 144E.30.

(b) Before taking action under paragraph (a), the board shall give notice to an individual of the right to a contested case hearing under chapter 14. If an individual requests a contested case hearing within 30 days after receiving notice, the board shall initiate a contested case hearing according to chapter 14.

(c) The administrative law judge shall issue a report and recommendation within 30 days after closing the contested case hearing record. The board shall issue a final order within 30 days after receipt of the administrative law judge's report.

(d) After six months from the board's decision to deny, revoke, place conditions on, or refuse renewal of an individual's registration for disciplinary action, the individual shall have the opportunity to apply to the board for reinstatement.

Sec. 7. Minnesota Statutes 2022, section 144E.27, subdivision 6, is amended to read:

Subd. 6. **Temporary suspension; emergency medical responders and drivers.** (a) This subdivision applies to emergency medical responders registered under this section and to individuals registered as drivers of basic life-support ambulances under section 144E.101, subdivision 6a. In addition to any other remedy provided by law, the board may temporarily suspend the registration of an individual after conducting a preliminary inquiry to determine whether the board believes that the individual has violated a statute or rule that the board is empowered to enforce and determining that the continued provision of service by the individual would create an imminent risk to public health or harm to others.

(b) A temporary suspension order prohibiting an individual from providing emergency medical care or from driving a basic life-support ambulance shall give notice of the right to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry of the temporary suspension order.

(c) Service of a temporary suspension order is effective when the order is served on the individual personally or by certified mail, which is complete upon receipt, refusal, or return for nondelivery to the most recent address provided to the board for the individual.

(d) At the time the board issues a temporary suspension order, the board shall schedule a hearing, to be held before a group of its members designated by the board, that shall begin within 60 days after issuance of the temporary suspension order or within 15 working days of the date of the board's receipt of a request for a hearing from the individual, whichever is sooner. The hearing shall be on the sole issue of whether there is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under this paragraph is not subject to chapter 14.

(e) Evidence presented by the board or the individual may be in the form of an affidavit. The individual or the individual's designee may appear for oral argument.

(f) Within five working days of the hearing, the board shall issue its order and, if the suspension is continued, notify the individual of the right to a contested case hearing under chapter 14.

(g) If an individual requests a contested case hearing within 30 days after receiving notice under paragraph (f), the board shall initiate a contested case hearing according to chapter 14. The administrative law judge shall issue a report and recommendation within 30 days after the closing of the contested case hearing record. The board shall issue a final order within 30 days after receipt of the administrative law judge's report.

Sec. 8. Minnesota Statutes 2022, section 144E.28, subdivision 3, is amended to read:

Subd. 3. **Reciprocity.** The board may certify an individual who possesses a current National Registry of Emergency Medical Technicians ~~registration~~ certification from another jurisdiction if the individual submits a board-approved application form. The board certification classification shall be the same as the National Registry's classification. Certification shall be for the duration of the applicant's ~~registration~~ certification period in another jurisdiction, not to exceed two years.

Sec. 9. Minnesota Statutes 2022, section 144E.28, subdivision 8, is amended to read:

Subd. 8. **Reinstatement.** (a) Within four years of a certification expiration date, a person whose certification has expired under subdivision 7, paragraph (d), may have the certification reinstated upon submission of:

(1) evidence to the board of training equivalent to the continuing education requirements of subdivision 7 or, for community paramedics, evidence to the board of training equivalent to the continuing education requirements of subdivision 9, paragraph (c); and

(2) a board-approved application form.

(b) If more than four years have passed since a certificate expiration date, an applicant must complete the initial certification process required under subdivision 1.

(c) Beginning July 1, 2024, through December 31, 2025, and notwithstanding paragraph (b), a person whose certification as an EMT, AEMT, paramedic, or community paramedic expired more than four years ago but less than ten years ago may have the certification reinstated upon submission of:

(1) evidence to the board of the training required under paragraph (a), clause (1). This training must have been completed within the 24 months prior to the date of the application for reinstatement;

(2) a board-approved application form; and

(3) a recommendation from an ambulance service medical director.

This paragraph expires December 31, 2025.

Sec. 10. Minnesota Statutes 2022, section 144E.285, subdivision 1, is amended to read:

Subdivision 1. **Approval required.** (a) All education programs for an EMR, EMT, AEMT, or paramedic must be approved by the board.

(b) To be approved by the board, an education program must:

(1) submit an application prescribed by the board that includes:

(i) type ~~and length~~ of course to be offered;

(ii) names, addresses, and qualifications of the program medical director, program education coordinator, and instructors;

~~(iii) names and addresses of clinical sites, including a contact person and telephone number;~~

~~(iv)~~ (iii) admission criteria for students; and

~~(v)~~ (iv) materials and equipment to be used;

(2) for each course, implement the most current version of the United States Department of Transportation EMS Education Standards, or its equivalent as determined by the board applicable to EMR, EMT, AEMT, or paramedic education;

(3) have a program medical director and a program coordinator;

(4) utilize instructors who meet the requirements of section 144E.283 for teaching at least 50 percent of the course content. The remaining 50 percent of the course may be taught by guest lecturers approved by the education program coordinator or medical director;

~~(5) have at least one instructor for every ten students at the practical skill stations;~~

~~(6) maintain a written agreement with a licensed hospital or licensed ambulance service designating a clinical training site;~~

~~(7)~~ (5) retain documentation of program approval by the board, course outline, and student information;

~~(8)~~ (6) notify the board of the starting date of a course prior to the beginning of a course; and

~~(9)~~ (7) submit the appropriate fee as required under section 144E.29~~; and~~.

~~(10) maintain a minimum average yearly pass rate as set by the board on an annual basis. The pass rate will be determined by the percent of candidates who pass the exam on the first attempt. An education program not meeting this yearly standard shall be placed on probation and shall be on a performance improvement plan approved by the board until meeting the pass rate standard. While on probation, the education program may continue providing classes if meeting the terms of the performance improvement plan as determined by the board. If an education program having probation status fails to meet the pass rate standard after two years in which an EMT initial course has been taught, the board may take disciplinary action under subdivision 5.~~

Sec. 11. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision to read:

Subd. 1a. **EMR education program requirements.** The National EMS Education Standards established by the National Highway Traffic Safety Administration of the United States Department of Transportation specify the minimum requirements for knowledge and skills for emergency medical responders. An education program applying for approval to teach EMRs must comply with the requirements under subdivision 1, paragraph (b). A medical director of an emergency medical responder group may establish additional knowledge and skill requirements for EMRs.

Sec. 12. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision to read:

Subd. 1b. **EMT education program requirements.** In addition to the requirements under subdivision 1, paragraph (b), an education program applying for approval to teach EMTs must:

(1) include in the application prescribed by the board the names and addresses of clinical sites, including a contact person and telephone number;

(2) maintain a written agreement with at least one clinical training site that is of a type recognized by the National EMS Education Standards established by the National Highway Traffic Safety Administration; and

(3) maintain a minimum average yearly pass rate as set by the board. An education program not meeting this standard must be placed on probation and must comply with a performance improvement plan approved by the board until the program meets the pass rate standard. While on probation, the education program may continue to provide classes if the program meets the terms of the performance improvement plan, as determined by the board. If an education program that is on probation status fails to meet the pass rate standard after two years in which an EMT initial course has been taught, the board may take disciplinary action under subdivision 5.

Sec. 13. Minnesota Statutes 2022, section 144E.285, subdivision 2, is amended to read:

Subd. 2. **AEMT and paramedic education program requirements.** (a) In addition to the requirements under subdivision 1, paragraph (b), an education program applying for approval to teach AEMTs and paramedics must:

(1) be administered by an educational institution accredited by the Commission of Accreditation of Allied Health Education Programs (CAAHEP).;

(2) include in the application prescribed by the board the names and addresses of clinical sites, including a contact person and telephone number; and

(3) maintain a written agreement with a licensed hospital or licensed ambulance service designating a clinical training site.

(b) An AEMT and paramedic education program that is administered by an educational institution not accredited by CAAHEP, but that is in the process of completing the accreditation process, may be granted provisional approval by the board upon verification of submission of its self-study report and the appropriate review fee to CAAHEP.

(c) An educational institution that discontinues its participation in the accreditation process must notify the board immediately and provisional approval shall be withdrawn.

~~(d) This subdivision does not apply to a paramedic education program when the program is operated by an advanced life support ambulance service licensed by the Emergency Medical Services Regulatory Board under this chapter, and the ambulance service meets the following criteria:~~

~~(1) covers a rural primary service area that does not contain a hospital within the primary service area or contains a hospital within the primary service area that has been designated as a critical access hospital under section 144.1483, clause (9);~~

~~(2) has tax-exempt status in accordance with the Internal Revenue Code, section 501(c)(3);~~

~~(3) received approval before 1991 from the commissioner of health to operate a paramedic education program;~~

~~(4) operates an AEMT and paramedic education program exclusively to train paramedics for the local ambulance service; and~~

~~(5) limits enrollment in the AEMT and paramedic program to five candidates per biennium.~~

Sec. 14. Minnesota Statutes 2022, section 144E.285, subdivision 4, is amended to read:

Subd. 4. **Reapproval.** An education program shall apply to the board for reapproval at least ~~three months~~ 30 days prior to the expiration date of its approval and must:

(1) submit an application prescribed by the board specifying any changes from the information provided for prior approval and any other information requested by the board to clarify incomplete or ambiguous information presented in the application; ~~and~~

(2) comply with the requirements under subdivision 1, paragraph (b), clauses (2) to ~~(10).~~ (7);

(3) be subject to a site visit by the board;

(4) for education programs that teach EMRs, comply with the requirements in subdivision 1a;

(5) for education programs that teach EMTs, comply with the requirements in subdivision 1b; and

(6) for education programs that teach AEMTs and paramedics, comply with the requirements in subdivision 2 and maintain accreditation with CAAHEP.

Sec. 15. **REPEALER.**

Minnesota Statutes 2022, section 144E.27, subdivisions 1 and 1a, are repealed."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Huot amendment and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Davis	Harder	Knudsen	Nelson, N.	Robbins
Agbaje	Demuth	Hassan	Kotyza-Witthuhn	Neu Brindley	Schomacker
Altendorf	Dotseth	Heintzeman	Kozlowski	Newton	Scott
Anderson, P. E.	Edelson	Hemmingsen-Jaeger	Koznick	Niska	Sencer-Mura
Anderson, P. H.	Elkins	Her	Kraft	Noor	Smith
Backer	Engen	Hicks	Kresha	Norris	Stephenson
Bahner	Feist	Hill	Lawrence	Novotny	Swedzinski
Bakeberg	Finke	Hollins	Lee, F.	Olson, B.	Tabke
Baker	Fischer	Hornstein	Lee, K.	Olson, L.	Torkelson
Becker-Finn	Fogelman	Howard	Liebling	Pelowski	Urdahl
Bennett	Franson	Hudson	Lillie	Pérez-Vega	Vang
Berg	Frazier	Huot	Lislegard	Perryman	Virnig
Bierman	Frederick	Hussein	Long	Petersburg	West
Bliss	Freiberg	Igo	McDonald	Pfarr	Wiener
Brand	Garofalo	Jacob	Mekeland	Pinto	Wiens
Burkel	Gillman	Johnson	Mueller	Pryor	Witte
Carroll	Gomez	Jordan	Murphy	Pursell	Wolgamott
Cha	Greenman	Joy	Myers	Quam	Xiong
Clardy	Grossell	Keeler	Nadeau	Rarick	Youakim
Coulter	Hansen, R.	Kiel	Nash	Rehm	Zeleznikar
Curran	Hanson, J.	Klevorn	Nelson, M.	Reyer	Spk. Hortman

The motion prevailed and the amendment was adopted.

Koegel was excused for the remainder of today's session.

Backer moved to amend H. F. No. 4738, the third engrossment, as amended, as follows:

Page 3, after line 7, insert:

"Subd. 4. **Effects of proposed rules.** In adopting rules to implement this chapter, the director must identify and consider the effects the proposed rules will have on the operation of rural ambulance services as compared with the operation of ambulance services serving urban or suburban areas. Information on the effects identified according to this subdivision must be published in the notice of the proposed rule in the State Register and included in the notice of the proposed rule mailed to persons who have registered with the office to receive mailed notice."

Renumber the subdivisions in sequence

A roll call was requested and properly seconded.

The question was taken on the Backer amendment and the roll was called. There were 59 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Hudson	Lislegard	Niska	Scott
Anderson, P. E.	Dotseth	Igo	McDonald	Novotny	Swedzinski
Anderson, P. H.	Engen	Jacob	Mekeland	Olson, B.	Torkelson
Backer	Fogelman	Johnson	Mueller	Perryman	Urdahl
Bakeberg	Franson	Joy	Murphy	Petersburg	West
Baker	Garofalo	Kiel	Myers	Pfarr	Wiener
Bennett	Gillman	Knudsen	Nadeau	Quam	Wiens
Bliss	Grossell	Koznick	Nash	Rarick	Witte
Burkel	Harder	Kresha	Nelson, N.	Robbins	Zeleznikar
Davis	Heintzeman	Lawrence	Neu Brindley	Schomacker	

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Noor	Stephenson
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Norris	Tabke
Bahner	Feist	Her	Kozlowski	Olson, L.	Vang
Becker-Finn	Finke	Hicks	Kraft	Pelowski	Virnig
Berg	Fischer	Hill	Lee, F.	Pérez-Vega	Wolgamott
Bierman	Frazier	Hollins	Lee, K.	Pinto	Xiong
Brand	Frederick	Hornstein	Liebling	Pryor	Youakim
Carroll	Freiberg	Howard	Lillie	Pursell	Spk. Hortman
Cha	Gomez	Huot	Long	Rehm	
Clardy	Greenman	Hussein	Moller	Reyer	
Coulter	Hansen, R.	Jordan	Nelson, M.	Sencer-Mura	
Curran	Hanson, J.	Keeler	Newton	Smith	

The motion did not prevail and the amendment was not adopted.

Backer moved to amend H. F. No. 4738, the third engrossment, as amended, as follows:

Page 5, line 1, after "governor" insert ". At least one of the public members must reside outside the metropolitan counties listed in section 473.121, subdivision 4"

The motion prevailed and the amendment was adopted.

Backer moved to amend H. F. No. 4738, the third engrossment, as amended, as follows:

Page 5, line 9, delete "one member" and insert "two members" and delete "one member" and insert "two members"

Page 5, line 13, after "house" insert "and the house minority leader" and after "must" insert "each"

Page 5, line 14, delete everything after "council" and insert ". The senate majority leader and the senate minority leader"

Page 5, line 15, after "must" insert "each"

The motion prevailed and the amendment was adopted.

Backer offered an amendment to H. F. No. 4738, the third engrossment, as amended.

POINT OF ORDER

Neu Brindley raised a point of order pursuant to rule 4.03, relating to Ways and Means Committee; Budget Resolution; Effect on Expenditure and Revenue Bills, that the Backer amendment was not in order.

Speaker pro tempore Her submitted the following question to the House: "Is it the judgment of the House that the Neu Brindley point of order is well taken?"

A roll call was requested and properly seconded.

The vote was taken on the question "Is it the judgment of the House that the Neu Brindley point of order is well taken?" and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Cha	Freiberg	Howard	Kresha	Neu Brindley
Agbaje	Clardy	Garofalo	Hudson	Lee, F.	Newton
Altendorf	Coulter	Gillman	Huot	Lee, K.	Niska
Anderson, P. E.	Curran	Gomez	Hussein	Liebling	Noor
Anderson, P. H.	Davis	Greenman	Igo	Lillie	Norris
Backer	Demuth	Grossell	Jacob	Lislegard	Novotny
Bahner	Dotseth	Hansen, R.	Johnson	Long	Olson, B.
Bakeberg	Edelson	Hanson, J.	Jordan	McDonald	Olson, L.
Baker	Elkins	Harder	Joy	Mekeland	Pelowski
Becker-Finn	Engen	Hassan	Keeler	Moller	Pérez-Vega
Bennett	Feist	Heintzeman	Kiel	Mueller	Perryman
Berg	Finke	Hemmingsen-Jaeger	Klevorn	Murphy	Petersburg
Bierman	Fischer	Her	Knudsen	Myers	Pfarr
Bliss	Fogelman	Hicks	Kotyza-Witthuhn	Nadeau	Pinto
Brand	Franson	Hill	Kozlowski	Nash	Pryor
Burkel	Frazier	Hollins	Koznick	Nelson, M.	Pursell
Carroll	Frederick	Hornstein	Kraft	Nelson, N.	Quam

Rarick	Schomacker	Swedzinski	Vang	Wiens	Youakim
Rehm	Scott	Tabke	Virnig	Witte	Zeleznikar
Reyer	Sencer-Mura	Torkelson	West	Wolgamott	Spk. Hortman
Robbins	Stephenson	Urdahl	Wiener	Xiong	

So it was the judgment of the House that the Neu Brindley point of order was well taken and the Backer amendment to H. F. No. 4738, the third engrossment, as amended, was out of order.

Backer moved to amend H. F. No. 4738, the third engrossment, as amended, as follows:

Page 2, line 14, after "14.389" insert ", including subdivision 5"

A roll call was requested and properly seconded.

The question was taken on the Backer amendment and the roll was called. There were 60 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Hudson	McDonald	Niska	Schomacker
Anderson, P. E.	Dotseth	Igo	Mekeland	Novotny	Scott
Anderson, P. H.	Engen	Jacob	Mueller	O'Driscoll	Swedzinski
Backer	Fogelman	Johnson	Murphy	Olson, B.	Torkelson
Bakeberg	Franson	Joy	Myers	Perryman	Urdahl
Baker	Garofalo	Kiel	Nadeau	Petersburg	West
Bennett	Gillman	Knudsen	Nash	Pfarr	Wiener
Bliss	Grossell	Koznick	Nelson, M.	Quam	Wiens
Burkel	Harder	Kresha	Nelson, N.	Rarick	Witte
Davis	Heintzeman	Lawrence	Neu Brindley	Robbins	Zeleznikar

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Noor	Stephenson
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Norris	Tabke
Bahner	Feist	Her	Kozlowski	Olson, L.	Vang
Becker-Finn	Finke	Hicks	Kraft	Pelowski	Virnig
Berg	Fischer	Hill	Lee, F.	Pérez-Vega	Wolgamott
Bierman	Frazier	Hollins	Lee, K.	Pinto	Xiong
Brand	Frederick	Hornstein	Liebling	Pryor	Youakim
Carroll	Freiberg	Howard	Lillie	Pursell	Spk. Hortman
Cha	Gomez	Huot	Lislegard	Rehm	
Clardy	Greenman	Hussein	Long	Reyer	
Coulter	Hansen, R.	Jordan	Moller	Sencer-Mura	
Curran	Hanson, J.	Keeler	Newton	Smith	

The motion did not prevail and the amendment was not adopted.

Backer moved to amend H. F. No. 4738, the third engrossment, as amended, as follows:

Page 3, after line 7, insert:

"Subd. 4. **Effective date; rules.** A proposed rule for which notice of adoption is published in the State Register when the legislature is not meeting in a regular legislative session must not become effective until after the legislature adjourns the next regular legislative session after publication of the notice of adoption. A proposed rule for which notice of adoption is published in the State Register during a regular legislative session must not become effective until after the legislature adjourns that legislative session."

Renumber the subdivisions in sequence

A roll call was requested and properly seconded.

The question was taken on the Backer amendment and the roll was called. There were 59 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Hudson	McDonald	Novotny	Scott
Anderson, P. E.	Dotseth	Igo	Mekeland	O'Driscoll	Swedzinski
Anderson, P. H.	Engen	Jacob	Mueller	Olson, B.	Torkelson
Backer	Fogelman	Johnson	Murphy	Perryman	Urdahl
Bakeberg	Franson	Joy	Myers	Petersburg	West
Baker	Garofalo	Kiel	Nadeau	Pfarr	Wiener
Bennett	Gillman	Knudsen	Nash	Quam	Wiens
Bliss	Grossell	Koznick	Nelson, N.	Rarick	Witte
Burkel	Harder	Kresha	Neu Brindley	Robbins	Zeleznikar
Davis	Heintzeman	Lawrence	Niska	Schomacker	

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Newton	Smith
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Noor	Stephenson
Bahner	Feist	Her	Kozlowski	Norris	Tabke
Becker-Finn	Finke	Hicks	Kraft	Olson, L.	Vang
Berg	Fischer	Hill	Lee, F.	Pelowski	Virnig
Bierman	Frazier	Hollins	Lee, K.	Pérez-Vega	Wolgamott
Brand	Frederick	Hornstein	Liebling	Pinto	Xiong
Carroll	Freiberg	Howard	Lillie	Pryor	Youakim
Cha	Gomez	Huot	Lislegard	Pursell	Spk. Hortman
Clardy	Greenman	Hussein	Long	Rehm	
Coulter	Hansen, R.	Jordan	Moller	Reyer	
Curran	Hanson, J.	Keeler	Nelson, M.	Sencer-Mura	

The motion did not prevail and the amendment was not adopted.

Speaker pro tempore Her called Vang to the Chair.

H. F. No. 4738, A bill for an act relating to health; establishing an Office of Emergency Medical Services to replace the Emergency Medical Services Regulatory Board; specifying duties for the office; transferring duties; establishing advisory councils; establishing alternative EMS response model pilot program; making conforming changes; requiring a report; appropriating money; amending Minnesota Statutes 2022, sections 62J.49, subdivision 1; 144E.001, by adding subdivisions; 144E.16, subdivision 5; 144E.19, subdivision 3; 144E.27, subdivision 5; 144E.28, subdivisions 5, 6; 144E.285, subdivision 6; 144E.287; 144E.305, subdivision 3; 214.025; 214.04, subdivision 2a; 214.29; 214.31; 214.355; Minnesota Statutes 2023 Supplement, sections 15A.0815, subdivision 2; 43A.08, subdivision 1a; 152.126, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 144E; repealing Minnesota Statutes 2022, sections 144E.001, subdivision 5; 144E.01; 144E.123, subdivision 5; 144E.50, subdivision 3.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 70 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Acomb	Edelson	Hassan	Klevorn	Nelson, M.	Sencer-Mura
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Newton	Smith
Bahner	Feist	Her	Kozlowski	Noor	Stephenson
Becker-Finn	Finke	Hicks	Kraft	Norris	Tabke
Berg	Fischer	Hill	Lee, F.	Olson, L.	Vang
Bierman	Frazier	Hollins	Lee, K.	Pelowski	Virnig
Brand	Frederick	Hornstein	Liebling	Pérez-Vega	Wolgamott
Carroll	Freiberg	Howard	Lillie	Pinto	Xiong
Cha	Gomez	Huot	Lislegard	Pryor	Youakim
Clardy	Greenman	Hussein	Long	Pursell	Spk. Hortman
Coulter	Hansen, R.	Jordan	McDonald	Rehm	
Curran	Hanson, J.	Keeler	Moller	Reyer	

Those who voted in the negative were:

Altendorf	Demuth	Hudson	Mekeland	O'Driscoll	Swedzinski
Anderson, P. E.	Dotseth	Igo	Mueller	Olson, B.	Torkelson
Anderson, P. H.	Engen	Jacob	Murphy	Perryman	Urdahl
Backer	Fogelman	Johnson	Myers	Petersburg	West
Bakeberg	Franson	Joy	Nadeau	Pfarr	Wiener
Baker	Garofalo	Kiel	Nash	Quam	Wiens
Bennett	Gillman	Knudsen	Nelson, N.	Rarick	Witte
Bliss	Grossell	Koznick	Neu Brindley	Robbins	Zeleznikar
Burkel	Harder	Kresha	Niska	Schomacker	
Davis	Heintzeman	Lawrence	Novotny	Scott	

The bill was passed, as amended, and its title agreed to.

MOTIONS AND RESOLUTIONS

TAKEN FROM THE TABLE

Long moved that H. F. No. 5216 be taken from the table. The motion prevailed.

H. F. No. 5216 was reported to the House.

Perryman moved to amend H. F. No. 5216, the second engrossment, as follows:

Page 27, after line 4, insert:

"Sec. 4. **[299A.625] FEDERAL BACKGROUND CHECKS BY POLITICAL SUBDIVISIONS.**

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

(b) "Applicant for employment" means an individual who seeks either county or city employment where the job duties include access to residential property or business property.

(c) "Applicant for licensure" means an individual who seeks a license issued by a county or city to:

(1) operate a cabaret; or

(2) operate a business providing massage services.

Subd. 2. **Background check authorized.** (a) A county or city may investigate the criminal history background of any applicant for employment or applicant for licensure.

(b) The investigation conducted pursuant to paragraph (a) must consist of a criminal history check of the state criminal records repository and a national criminal history check. The county or city must accept the applicant's signed criminal history records check consent form for the state and national criminal history check request, a full set of classifiable fingerprints, and required fees. The county or city must submit the applicant's completed criminal history records check consent form, full set of classifiable fingerprints, and required fees to the Bureau of Criminal Apprehension. After receiving this information, the bureau must conduct a Minnesota criminal history records check of the applicant. The bureau may exchange an applicant's fingerprints with the Federal Bureau of Investigation to obtain the applicant's national criminal history record information. The bureau must return the results of the Minnesota and federal criminal history records checks to the county or city. Using the criminal history data provided by the bureau, the county or city must determine whether the applicant is disqualified from employment or licensure. The applicant's failure to cooperate with the county or city in conducting the records check is reasonable cause to deny an application."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Novotny moved to amend H. F. No. 5216, the second engrossment, as amended, as follows:

Page 5, line 20, delete "Motor Vehicle Registration Compliance" and insert "Lights On! Grants"

Page 5, delete line 21

Page 5, line 22, after "for" insert "a grant to MicroGrants for its Lights On! program to allow peace officers to give out free vouchers for minor car repairs, such as replacing light bulbs, when doing traffic stops."

Page 5, delete line 23

Page 5, line 24, delete everything before "This"

Page 26, delete section 1

Page 27, delete section 5

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Novotny amendment and the roll was called. There were 60 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Hudson	McDonald	Novotny	Scott
Anderson, P. E.	Dotseth	Igo	Mekeland	O'Driscoll	Swedzinski
Anderson, P. H.	Engen	Jacob	Mueller	Olson, B.	Torkelson
Backer	Fogelman	Johnson	Murphy	Perryman	Urdahl
Bakeberg	Franson	Joy	Myers	Petersburg	West
Baker	Garofalo	Kiel	Nadeau	Pfarr	Wiener
Bennett	Gillman	Knudsen	Nash	Quam	Wiens
Bliss	Grossell	Koznick	Nelson, N.	Rarick	Witte
Burkel	Harder	Kresha	Neu Brindley	Robbins	Wolgamott
Davis	Heintzeman	Lawrence	Niska	Schomacker	Zeleznikar

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Newton	Smith
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Noor	Stephenson
Bahner	Feist	Her	Kozlowski	Norris	Tabke
Becker-Finn	Finke	Hicks	Kraft	Olson, L.	Vang
Berg	Fischer	Hill	Lee, F.	Pelowski	Virnig
Bierman	Frazier	Hollins	Lee, K.	Pérez-Vega	Xiong
Brand	Frederick	Hornstein	Liebling	Pinto	Youakim
Carroll	Freiberg	Howard	Lillie	Pryor	Spk. Hortman
Cha	Gomez	Huot	Lislegard	Pursell	
Clardy	Greenman	Hussein	Long	Rehm	
Coulter	Hansen, R.	Jordan	Moller	Reyer	
Curran	Hanson, J.	Keeler	Nelson, M.	Sencer-Mura	

The motion did not prevail and the amendment was not adopted.

Novotny moved that H. F. No. 5216 be re-referred to the Committee on Transportation Finance and Policy.

A roll call was requested and properly seconded.

The question was taken on the Novotny motion and the roll was called. There were 59 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Hudson	McDonald	Novotny	Scott
Anderson, P. E.	Dotseth	Igo	Mekeland	O'Driscoll	Swedzinski
Anderson, P. H.	Engen	Jacob	Mueller	Olson, B.	Torkelson
Backer	Fogelman	Johnson	Murphy	Perryman	Urdahl
Bakeberg	Franson	Joy	Myers	Petersburg	West
Baker	Garofalo	Kiel	Nadeau	Pfarr	Wiener
Bennett	Gillman	Knudsen	Nash	Quam	Wiens
Bliss	Grossell	Koznick	Nelson, N.	Rarick	Witte
Burkel	Harder	Kresha	Neu Brindley	Robbins	Zeleznikar
Davis	Heintzeman	Lawrence	Niska	Schomacker	

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Newton	Smith
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Noor	Stephenson
Bahner	Feist	Her	Kozlowski	Norris	Tabke
Becker-Finn	Finke	Hicks	Kraft	Olson, L.	Vang
Berg	Fischer	Hill	Lee, F.	Pelowski	Virnig
Bierman	Frazier	Hollins	Lee, K.	Pérez-Vega	Wolgamott
Brand	Frederick	Hornstein	Liebling	Pinto	Xiong
Carroll	Freiberg	Howard	Lillie	Pryor	Youakim
Cha	Gomez	Huot	Lislegard	Pursell	Spk. Hortman
Clardy	Greenman	Hussein	Long	Rehm	
Coulter	Hansen, R.	Jordan	Moller	Reyer	
Curran	Hanson, J.	Keeler	Nelson, M.	Sencer-Mura	

The motion did not prevail.

Nash moved to amend H. F. No. 5216, the second engrossment, as amended, as follows:

Page 26, after line 20, insert:

"Sec. 2. **[299A.019] EMPLOYEES; PROXIMITY TO PRIMARY PLACE OF EMPLOYMENT.**

(a) Employees of the Department of Public Safety must have a primary residence within Minnesota or a bordering state and must be able to report to the employee's primary place of employment within one hour of notification under normal weather and traffic conditions.

(b) Notwithstanding paragraph (a), the commissioner may establish policies and procedures to permit a transition period of up to 90 days for newly hired employees or employees who are transferred to a new primary place of employment.

(c) As used in this section, "primary place of employment" means the employment location identified when the employee was hired or a subsequent location assigned to the employee."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

H. F. No. 5216, A bill for an act relating to state government; providing law for judiciary, public safety, and corrections; establishing a state board of civil legal aid; modifying safe at home program certification and restorative practices restitution program; establishing working group for motor vehicle registration compliance; establishing task forces on holistic and effective responses to illicit drug use and domestic violence and firearm surrender; establishing a public safety telecommunicator training and standards board; authorizing rulemaking; requiring reports; appropriating money for judiciary, public safety, and corrections; amending Minnesota Statutes 2022, sections 5B.02; 5B.03, subdivision 3; 5B.04; 5B.05; 13.045, subdivision 3; 260B.198, subdivision 1; 260B.225, subdivision 9; 260B.235, subdivision 4; 299A.73, subdivision 4; 403.02, subdivision 17c; 480.24, subdivisions 2, 4; 480.242, subdivisions 2, 3; 480.243, subdivision 1; Minnesota Statutes 2023 Supplement, sections 244.50, subdivision 4; 299A.49, subdivisions 8, 9; 299A.95, subdivision 5; 403.11, subdivision 1; 609A.06, subdivision 2; 638.09, subdivision 5; Laws 2023, chapter 52, article 1, section 2, subdivision 3; article 2, sections 3, subdivision 5; 6, subdivisions 1, 4; article 8, section 20, subdivision 3; Laws 2023, chapter 63, article 5, section 5; proposing coding for new law in Minnesota Statutes, chapters 169; 403; 480; repealing Minnesota Statutes 2022, section 480.242, subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 71 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Acomb	Edelson	Hassan	Klevorn	Nadeau	Reyer
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Nelson, M.	Sencer-Mura
Bahner	Feist	Her	Kozlowski	Newton	Smith
Becker-Finn	Finke	Hicks	Kraft	Noor	Stephenson
Berg	Fischer	Hill	Lee, F.	Norris	Tabke
Bierman	Frazier	Hollins	Lee, K.	Olson, L.	Vang
Brand	Frederick	Hornstein	Liebling	Pelowski	Virnig
Carroll	Freiberg	Howard	Lillie	Pérez-Vega	Wolgamott
Cha	Gomez	Huot	Lislegard	Pinto	Xiong
Clardy	Greenman	Hussein	Long	Pryor	Youakim
Coulter	Hansen, R.	Jordan	Moller	Pursell	Spk. Hortman
Curran	Hanson, J.	Keeler	Mueller	Rehm	

Those who voted in the negative were:

Altendorf	Demuth	Hudson	McDonald	Olson, B.	Torkelson
Anderson, P. E.	Dotseth	Igo	Mekeland	Perryman	Urdahl
Anderson, P. H.	Engen	Jacob	Murphy	Petersburg	West
Backer	Fogelman	Johnson	Myers	Pfarr	Wiener
Bakeberg	Franson	Joy	Nash	Quam	Wiens
Baker	Garofalo	Kiel	Nelson, N.	Rarick	Witte
Bennett	Gillman	Knudsen	Neu Brindley	Robbins	Zeleznikar
Bliss	Grossell	Koznick	Niska	Schomacker	
Burkel	Harder	Kresha	Novotny	Scott	
Davis	Heintzeman	Lawrence	O'Driscoll	Swedzinski	

The bill was passed, as amended, and its title agreed to.

Urdahl was excused for the remainder of today's session.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 5335, A bill for an act relating to human services; the human services omnibus budget bill; modifying provisions related to disability services, aging services, substance use disorder treatment services, priority admissions to state-operated programs and civil commitment, and Direct Care and Treatment; modifying provisions related to licensing of assisted living facilities; making technical changes; appropriating money; amending Minnesota Statutes 2022, sections 13.46, subdivisions 1, as amended, 10, as amended; 144G.41, subdivision 1, by adding subdivisions; 144G.63, subdivisions 1, 4; 145.61, subdivision 5; 245.821, subdivision 1; 245.825, subdivision 1; 245A.11, subdivision 2a; 246.018, subdivision 3, as amended; 246.13, subdivision 2, as amended; 246.234, as amended; 246.36, as amended; 246.511, as amended; 252.27, subdivision 2b; 252.282, subdivision 1, by adding a subdivision; 256.88; 256.89; 256.90; 256.91; 256.92; 256B.02, subdivision 11; 256B.073, subdivision 4; 256B.0911, subdivisions 12, 17, 20; 256B.0913, subdivision 5a; 256B.0924, subdivision 3; 256B.434, by adding a subdivision; 256B.49, subdivision 16; 256B.4911, by adding subdivisions; 256B.77, subdivision 7a; 256R.53, by adding a subdivision; 256S.205, subdivision 5; 447.42, subdivision 1; Minnesota Statutes 2023 Supplement, sections 10.65, subdivision 2; 13.46, subdivision 2, as amended; 15.01; 15.06, subdivision 1; 15A.0815, subdivision 2; 15A.082, subdivisions 1, 3, 7; 43A.08, subdivisions 1, 1a; 245A.03, subdivision 7, as amended; 246.0135, as amended; 246C.01; 246C.02, as amended; 246C.04, as amended; 246C.05, as amended; 253B.10, subdivision 1; 256.042, subdivision 2; 256.043, subdivision 3; 256.9756, subdivisions 1, 2; 256B.073, subdivision 3; 256B.0911, subdivision 13; 256B.0913, subdivision 5; 256B.4914, subdivision 10d; 256R.55, subdivision 9; 270B.14, subdivision 1; Laws 2021, First Special Session chapter 7, article 13, section 68; article 17, section 19, as amended; Laws 2023, chapter 61, article 1, sections 59, subdivisions 2, 3; 60, subdivisions 1, 2; 67, subdivision 3; article 4, section 11; article 8, sections 1; 2; 3; 8; article 9, section 2, subdivisions 13, 16, as amended, 18; Laws 2024, chapter

79, article 1, sections 18; 23; 24; 25, subdivision 3; article 10, sections 1; 6; proposing coding for new law in Minnesota Statutes, chapters 144G; 245D; 246C; 256S; repealing Minnesota Statutes 2022, sections 246.41; 252.021; 252.27, subdivisions 1a, 2, 3, 4a, 5, 6; 256B.0916, subdivision 10; Minnesota Statutes 2023 Supplement, sections 246C.03; 252.27, subdivision 2a.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Hoffman, Fateh, and Abeler.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

THOMAS S. BOTTERN, Secretary of the Senate

Noor moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 5335. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 4124, A bill for an act relating to state government; appropriating money from the outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; modifying and extending prior appropriations; amending Laws 2023, chapter 40, article 3, sections 2, subdivision 1; 3; 4.

The Senate has appointed as such committee:

Senators Hawj, Pha, and Housley.

Said House File is herewith returned to the House.

THOMAS S. BOTTERN, Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3911, A bill for an act relating to state government; modifying disposition of certain state property; modifying remedies, penalties, and enforcement; providing for boat wrap product stewardship; providing for compliance protocols for certain air pollution facilities; providing for recovery of certain state and county costs; establishing certain priorities in environmental regulation; prohibiting certain mercury-containing lighting; establishing and modifying grant and rebate programs; modifying snowmobile requirements; modifying use of state lands; providing for tree planting; extending Mineral Coordinating Committee; providing for gas and oil exploration and production leases and permits on state-owned land; modifying game and fish laws; modifying Water Law; establishing Packaging Waste and Cost Reduction Act; providing for domestic hog control; modifying fur farm

provisions; modifying pesticide and fertilizer regulation; modifying agricultural development provisions; creating task force; classifying data; providing criminal penalties; requiring studies and reports; requiring rulemaking; appropriating money; amending Minnesota Statutes 2022, sections 13.7931, by adding a subdivision; 16A.125, subdivision 5; 18B.01, by adding a subdivision; 18C.005, by adding a subdivision; 21.81, by adding a subdivision; 84.027, subdivision 12; 84.0895, subdivision 1; 84.871; 84.943, subdivision 5, by adding a subdivision; 88.82; 89.36, subdivision 1; 89.37, subdivision 3; 93.0015, subdivision 3; 93.25, subdivisions 1, 2; 97A.015, by adding a subdivision; 97A.105; 97A.341, subdivisions 1, 2, 3; 97A.345; 97A.425, subdivision 4, by adding a subdivision; 97A.475, subdivisions 2, 3; 97A.505, subdivision 8; 97A.512; 97A.56, subdivisions 1, 2, by adding a subdivision; 97B.001, by adding a subdivision; 97B.022, subdivisions 2, 3; 97B.516; 97C.001, subdivision 2; 97C.005, subdivision 2; 97C.395, as amended; 97C.411; 103B.101, subdivisions 12, 12a; 103F.211, subdivision 1; 103F.48, subdivision 7; 103G.005, subdivision 15; 103G.315, subdivision 15; 115.071, subdivisions 1, 3, 4, by adding subdivisions; 115A.02; 115A.03, by adding a subdivision; 115A.5502; 115B.421; 116.07, subdivision 9, by adding subdivisions; 116.072, subdivisions 2, 5; 116.11; 116.92, by adding a subdivision; 116D.02, subdivision 2; 473.845, by adding a subdivision; Minnesota Statutes 2023 Supplement, sections 17.457, as amended; 21.86, subdivision 2; 41A.30, subdivision 1; 97B.071; 103B.104; 103F.06, by adding a subdivision; 103G.301, subdivision 2; 115.03, subdivision 1; 116P.09, subdivision 6; 116P.18; Laws 2023, chapter 60, article 1, section 3, subdivision 10; proposing coding for new law in Minnesota Statutes, chapters 84; 86B; 93; 97A; 97C; 103F; 115A; 116; 473; repealing Minnesota Statutes 2022, sections 17.353; 84.033, subdivision 3; 97B.802; 115A.5501.

THOMAS S. BOTTERN, Secretary of the Senate

Hansen, R., moved that the House refuse to concur in the Senate amendments to H. F. No. 3911, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 5237, A bill for an act relating to education; providing for supplemental funding for prekindergarten through grade 12 education; modifying provisions for general education, education excellence, the Read Act, American Indian education, teachers, charter schools, special education, school facilities, school nutrition and libraries, early childhood education, and state agencies; requiring reports; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2022, sections 13.321, by adding a subdivision; 120A.41; 122A.415, by adding a subdivision; 122A.73, subdivision 4; 124D.093, subdivisions 3, 4, 5; 124D.19, subdivision 8; 124D.957, subdivision 1; 124E.22; 126C.05, subdivision 15; 126C.10, subdivision 13a; 127A.45, subdivisions 12, 13, 14a; 127A.51; Minnesota Statutes 2023 Supplement, sections 120B.018, subdivision 6; 120B.021, subdivisions 1, 2, 3, 4; 120B.024, subdivision 1; 120B.1117; 120B.1118, subdivisions 7, 10, by adding a subdivision; 120B.12, subdivisions 1, 2, 2a, 3, 4, 4a; 120B.123, subdivisions 1, 2, 5, 7, by adding a subdivision; 120B.124, subdivisions 1, 2, by adding subdivisions; 121A.642; 122A.415, subdivision 4; 122A.73, subdivisions 2, 3; 122A.77, subdivisions 1, 2; 123B.92, subdivision 11; 124D.111, subdivision 3; 124D.151, subdivision 6; 124D.165, subdivisions 3, 6; 124D.42, subdivision 8; 124D.65, subdivision 5; 124D.81, subdivision 2b; 124D.901, subdivision 3; 124D.98, subdivision 5; 124D.995, subdivision 3; 124E.13, subdivision 1; 126C.10, subdivisions 2e, 3, 3c, 13, 18a; 127A.21; 256B.0625, subdivision 26; 256B.0671, by adding a subdivision; Laws 2023, chapter 18, section 4, subdivisions 2, as amended, 3, as amended; Laws 2023, chapter 54, section 20, subdivisions 6, 24; Laws 2023, chapter 55, article 1, section 36, subdivisions 2, as amended, 8; article 2, section 64, subdivisions 2, as amended, 6, as amended, 9, 14, 16,

31, 33; article 3, section 11, subdivisions 3, 4; article 5, sections 64, subdivisions 3, as amended, 5, 10, 12, 13, 15, 16; 65, subdivisions 3, 6, 7; article 7, section 18, subdivision 4, as amended; article 8, section 19, subdivisions 5, 6, as amended; proposing coding for new law in Minnesota Statutes, chapters 120B; 123B; repealing Laws 2023, chapter 55, article 10, section 4.

THOMAS S. BOTTERN, Secretary of the Senate

Youakim moved that the House refuse to concur in the Senate amendments to H. F. No. 5237, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 5242, A bill for an act relating to state government; appropriating money for a supplemental budget for the Department of Transportation, Department of Public Safety, and the Metropolitan Council; modifying prior appropriations; modifying various provisions related to transportation and public safety, including but not limited to an intensive driver testing program, greenhouse gas emissions, electric-assisted bicycles, high voltage transmission, railroad safety, and transit; establishing civil penalties; establishing an advisory committee; labor and industry; making supplemental appropriation changes to labor provisions; modifying combative sports regulations, construction codes and licensing, Bureau of Mediation provisions, public employee labor relations provisions, miscellaneous labor provisions, broadband and pipeline safety, employee misclassification, and minors appearing in internet content; housing; modifying prior appropriations; establishing new programs and modifying existing programs; expanding eligible uses of housing infrastructure bonds; authorizing the issuance of housing infrastructure bonds; establishing a working group and a task force; authorizing rulemaking; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 13.6905, by adding a subdivision; 15.082; 116J.395, subdivision 6; 161.14, by adding subdivisions; 161.45, by adding subdivisions; 161.46, subdivision 1; 168.09, subdivision 7; 168.092; 168.301, subdivision 3; 168A.10, subdivision 2; 168A.11, subdivision 1; 169.011, by adding subdivisions; 169.21, subdivision 6; 169.222, subdivisions 6a, 6b; 169A.55, subdivision 4; 171.306, subdivisions 1, 8; 174.02, by adding a subdivision; 174.75, subdivisions 1, 2, by adding a subdivision; 177.27, subdivision 3; 179A.12, subdivision 5; 181.171, subdivision 1; 181.722; 181.723; 181.960, subdivision 3; 181A.03, by adding subdivisions; 216B.17, by adding a subdivision; 216E.02, subdivision 1; 221.0255, subdivisions 4, 9, by adding subdivisions; 270B.14, subdivision 17, by adding a subdivision; 299J.01; 299J.02, by adding a subdivision; 299J.04, subdivision 2; 299J.11; 326B.081, subdivisions 3, 6, 8; 326B.082, subdivisions 1, 2, 4, 6, 7, 10, 11, 13, by adding a subdivision; 326B.701; 326B.802, subdivision 13; 326B.89, subdivisions 1, 5; 341.28, by adding a subdivision; 341.29; 462A.02, subdivision 10; 462A.03, by adding subdivisions; 462A.05, subdivisions 3b, 14a, 14b, 15, 15b, 21, 23; 462A.07, by adding subdivisions; 462A.202, subdivision 3a; 462A.21, subdivisions 7, 8b; 462A.222, by adding a subdivision; 462A.35, subdivision 2; 462A.37, by adding a subdivision; 462A.40, subdivisions 2, 3; 462C.02, subdivision 6; 469.012, subdivision 2j; 473.13, by adding a subdivision; 473.3927; 626.892, subdivision 10; Minnesota Statutes 2023 Supplement, sections 116J.871, subdivision 1, as amended; 161.178; 161.46, subdivision 2; 168.1259; 169.011, subdivision 27; 169A.44, subdivision 1; 171.0705, subdivision 2; 171.13, subdivision 1; 174.38, subdivisions 3, 6; 174.634, subdivision 2, by adding a subdivision; 177.27, subdivisions 1, 2, 4, 7; 177.42, subdivision 2; 179A.041, subdivision 10; 179A.06, subdivision 6; 179A.07, subdivisions 8, 9; 179A.10, subdivision 2; 179A.12, subdivisions 2a, 6, 11; 219.015, subdivision 2; 326B.106, subdivision 1; 326B.802, subdivision 15; 341.25; 341.28, subdivision 5; 341.30, subdivision 4; 341.321; 341.33, by adding a subdivision; 341.355; 462A.05, subdivisions 14, 45; 462A.22, subdivision 1; 462A.37, subdivisions 2, 5; 462A.39, subdivision 2; 473.4051, by adding a subdivision; 477A.35, subdivisions 1, 2, 4, 5, 6, by adding a subdivision; Laws 2021, First Special Session

chapter 5, article 1, section 2, subdivision 2; Laws 2023, chapter 37, article 1, section 2, subdivisions 1, 2, 17, 29, 32; article 2, section 12, subdivision 2; Laws 2023, chapter 52, article 19, section 120; Laws 2023, chapter 53, article 19, sections 2, subdivisions 1, 3, 5; 4; proposing coding for new law in Minnesota Statutes, chapters 116J; 161; 168; 169; 171; 174; 181; 181A; 219; 325F; 462A; 469; 504B; repealing Minnesota Statutes 2022, sections 116J.398; 168.1297; 179.81; 179.82; 179.83, subdivision 1; 179.84, subdivision 1; 179.85; Minnesota Rules, parts 5520.0100; 5520.0110; 5520.0120; 5520.0200; 5520.0250; 5520.0300; 5520.0500; 5520.0520; 5520.0540; 5520.0560; 5520.0600; 5520.0620; 5520.0700; 5520.0710; 5520.0800; 7410.6180.

THOMAS S. BOTTERN, Secretary of the Senate

Hornstein moved that the House refuse to concur in the Senate amendments to H. F. No. 5242, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

SUSPENSION OF RULES

Long moved that rule 1.18 paragraph (c), relating to Disposition of Senate Files, be suspended for the purpose of taking the Message from the Senate relating to H. F. No. 4109. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 4109, A bill for an act relating to judiciary; amending name of competency attainment board; amending Minnesota Statutes 2023 Supplement, sections 611.55, subdivision 1; 611.56, subdivisions 1, 6; 611.57, subdivisions 1, 4.

THOMAS S. BOTTERN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Frederick moved that the House concur in the Senate amendments to H. F. No. 4109 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

The question was taken on the Frederick motion and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Anderson, P. H.	Baker	Bierman	Carroll	Curran
Agbaje	Backer	Becker-Finn	Bliss	Cha	Davis
Altendorf	Bahner	Bennett	Brand	Clardy	Demuth
Anderson, P. E.	Bakeberg	Berg	Burkel	Coulter	Dotseth

Edelson	Harder	Keeler	Moller	Pérez-Vega	Tabke
Elkins	Hassan	Kiel	Mueller	Perryman	Torkelson
Engen	Heintzeman	Klevorn	Murphy	Petersburg	Vang
Feist	Hemmingsen-Jaeger	Knudsen	Myers	Pfarr	Virnig
Finke	Her	Kotyza-Witthuhn	Nadeau	Pinto	West
Fischer	Hicks	Kozlowski	Nash	Pryor	Wiener
Fogelman	Hill	Koznick	Nelson, M.	Pursell	Wiens
Franson	Hollins	Kraft	Nelson, N.	Quam	Witte
Frazier	Hornstein	Kresha	Neu Brindley	Rarick	Wolgamott
Frederick	Howard	Lawrence	Newton	Rehm	Xiong
Freiberg	Hudson	Lee, F.	Niska	Reyer	Youakim
Garofalo	Huot	Lee, K.	Noor	Robbins	Zeleznikar
Gillman	Hussein	Liebling	Norris	Schomacker	Spk. Hortman
Gomez	Igo	Lillie	Novotny	Scott	
Greenman	Jacob	Lislegard	O'Driscoll	Sencer-Mura	
Grossell	Johnson	Long	Olson, B.	Smith	
Hansen, R.	Jordan	McDonald	Olson, L.	Stephenson	
Hanson, J.	Joy	Mekeland	Pelowski	Swedzinski	

The motion prevailed.

H. F. No. 4109, A bill for an act relating to human rights; providing for certain human rights law; providing for civil penalties and other remedies; amending Minnesota Statutes 2022, sections 363A.03, subdivisions 12, 13, 18, 29; 363A.06, subdivision 4; 363A.07, subdivision 4; 363A.19; 363A.20, subdivision 2; 363A.26; 363A.28, subdivision 5; 363A.29, subdivisions 1, 2; 363A.33, subdivisions 1, 6, by adding subdivisions; Minnesota Statutes 2023 Supplement, sections 363A.02, subdivision 1; 363A.04; 363A.16, subdivision 1; repealing Minnesota Statutes 2022, section 363A.03, subdivision 3.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Clardy	Gillman	Hussein	Liebling	Norris
Agbaje	Coulter	Gomez	Igo	Lillie	Novotny
Altendorf	Curran	Greenman	Jacob	Lislegard	O'Driscoll
Anderson, P. E.	Davis	Grossell	Johnson	Long	Olson, B.
Anderson, P. H.	Demuth	Hansen, R.	Jordan	McDonald	Olson, L.
Backer	Dotseth	Hanson, J.	Joy	Mekeland	Pelowski
Bahner	Edelson	Harder	Keeler	Moller	Pérez-Vega
Bakeberg	Elkins	Hassan	Kiel	Mueller	Perryman
Baker	Engen	Heintzeman	Klevorn	Murphy	Petersburg
Becker-Finn	Feist	Hemmingsen-Jaeger	Knudsen	Myers	Pfarr
Bennett	Finke	Her	Kotyza-Witthuhn	Nadeau	Pinto
Berg	Fischer	Hicks	Kozlowski	Nash	Pryor
Bierman	Fogelman	Hill	Koznick	Nelson, M.	Pursell
Bliss	Franson	Hollins	Kraft	Nelson, N.	Quam
Brand	Frazier	Hornstein	Kresha	Neu Brindley	Rarick
Burkel	Frederick	Howard	Lawrence	Newton	Rehm
Carroll	Freiberg	Hudson	Lee, F.	Niska	Reyer
Cha	Garofalo	Huot	Lee, K.	Noor	Robbins

Schomacker	Stephenson	Vang	Wiens	Youakim
Scott	Swedzinski	Virnig	Witte	Zeleznikar
Sencer-Mura	Tabke	West	Wolgamott	Spk. Hortman
Smith	Torkelson	Wiener	Xiong	

The bill was repassed, as amended by the Senate, and its title agreed to.

MOTIONS AND RESOLUTIONS

TAKEN FROM THE TABLE

Long moved that H. F. No. 3872 be taken from the table. The motion prevailed.

H. F. No. 3872 was reported to the House.

Scott moved to amend H. F. No. 3872, the first engrossment, as follows:

Page 2, line 10, after the semicolon, insert "and"

Page 2, delete line 11

Page 2, line 12, delete "(4)" and insert "(3)" and delete "and current employees"

The motion did not prevail and the amendment was not adopted.

H. F. No. 3872, A bill for an act relating to judiciary; making policy and technical corrections to certain judiciary provisions, including data practices, family law, judiciary policy, guardianships, public defense, and civil law; classifying data; establishing crimes; amending Minnesota Statutes 2022, sections 117.042; 171.182, subdivisions 2, 3; 253B.02, subdivision 4d; 331A.02, by adding a subdivision; 480.15, subdivision 10c; 519.11, subdivision 1; 524.5-315; 524.5-317; 548.251, subdivision 2; 593.50, subdivision 1; 604.02, subdivision 2; 611.215, subdivision 2; 611.24; 611.26, subdivisions 2, 3, 3a, 4; 611.263, subdivision 1; 611.265; 611.27, subdivisions 1, 8, 10, 11, 13, 16; 645.11; Minnesota Statutes 2023 Supplement, sections 524.5-313; 611.215, subdivision 1; 611.23; 611.41, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 13; 480; 609; repealing Minnesota Statutes 2022, sections 611.25, subdivision 3; 611.27, subdivisions 6, 9, 12.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 71 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Acomb	Becker-Finn	Bierman	Cha	Curran	Feist
Agbaje	Bennett	Brand	Clardy	Edelson	Finke
Bahner	Berg	Carroll	Coulter	Elkins	Fischer

Frazier	Her	Keeler	Lislegard	Pérez-Vega	Tabke
Frederick	Hicks	Klevorn	Long	Pinto	Vang
Freiberg	Hill	Kotyza-Witthuhn	Moller	Pryor	Virnig
Gomez	Hollins	Kozlowski	Nelson, M.	Pursell	Wolgamott
Greenman	Hornstein	Kraft	Newton	Rehm	Xiong
Hansen, R.	Howard	Lee, F.	Noor	Reyer	Youakim
Hanson, J.	Huot	Lee, K.	Norris	Sencer-Mura	Zeleznikar
Hassan	Hussein	Liebling	Olson, L.	Smith	Spk. Hortman
Hemmingsen-Jaeger	Jordan	Lillie	Pelowski	Stephenson	

Those who voted in the negative were:

Altendorf	Dotseth	Igo	Mekeland	O'Driscoll	Swedzinski
Anderson, P. E.	Engen	Jacob	Mueller	Olson, B.	Torkelson
Anderson, P. H.	Fogelman	Johnson	Murphy	Perryman	West
Backer	Franson	Joy	Myers	Petersburg	Wiener
Bakeberg	Garofalo	Kiel	Nadeau	Pfarr	Wiens
Baker	Gillman	Knudsen	Nash	Quam	Witte
Bliss	Grossell	Koznick	Nelson, N.	Rarick	
Burkel	Harder	Kresha	Neu Brindley	Robbins	
Davis	Heintzeman	Lawrence	Niska	Schomacker	
Demuth	Hudson	McDonald	Novotny	Scott	

The bill was passed and its title agreed to.

TAKEN FROM THE TABLE

Long moved that H. F. No. 5299 be taken from the table. The motion prevailed.

H. F. No. 5299 was reported to the House.

Franson moved to amend H. F. No. 5299, the first engrossment, as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 2023 Supplement, section 136A.1465, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** The following terms have the meanings given:

(1) "eligible student" means a resident student under section 136A.101, subdivision 8, item (1) to (8) or (10), who is enrolled in any public postsecondary educational institution or Tribal college;

(2) "gift aid" means all financial aid designated for the student's educational expenses, including a grant, scholarship, tuition waiver, fellowship stipend, or other third-party payment, that is not a loan or pursuant to a work-study program;

(3) "office" means the Office of Higher Education;

(4) "public postsecondary educational institution" means an institution operated by this state, the Board of Regents of the University of Minnesota, or a Tribal college;

(5) "scholarship" means funds to pay 100 percent of tuition and fees remaining after deducting grants and other scholarships;

(6) "Tribal college" means a college defined in section 136A.1796, subdivision 1, paragraph (c); and

(7) "tuition and fees" means the actual tuition and fees charged by an institution.

Sec. 2. Minnesota Statutes 2023 Supplement, section 136A.1465, subdivision 2, is amended to read:

Subd. 2. **Conditions for eligibility.** A scholarship may be awarded to an eligible student who:

(1) has completed the Free Application for Federal Student Aid (FAFSA) or the state aid application;

(2) has a family adjusted gross income below $80,000;

(3) has not earned a baccalaureate degree at the time the scholarship is awarded;

(4) is enrolled in at least one credit per fall, spring, or summer semester; ~~and~~

(5) is meeting satisfactory academic progress as defined in section 136A.101, subdivision 10; and

(6) is legally residing or lawfully present in Minnesota for federal immigration purposes."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Franson amendment and the roll was called. There were 59 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Hudson	Lislegard	Niska	Schomacker
Anderson, P. E.	Dotseth	Igo	McDonald	Novotny	Scott
Anderson, P. H.	Engen	Jacob	Mekeland	O'Driscoll	Swedzinski
Backer	Fogelman	Johnson	Mueller	Olson, B.	Torkelson
Bakeberg	Franson	Joy	Murphy	Perryman	West
Baker	Garofalo	Kiel	Myers	Petersburg	Wiener
Bennett	Gillman	Knudsen	Nadeau	Pfarr	Wiens
Bliss	Grossell	Koznick	Nash	Quam	Witte
Burkel	Harder	Kresha	Nelson, N.	Rarick	Zeleznikar
Davis	Heintzeman	Lawrence	Neu Brindley	Robbins	

Those who voted in the negative were:

Acomb	Berg	Cha	Edelson	Fischer	Gomez
Agbaje	Bierman	Clardy	Elkins	Frazier	Greenman
Bahner	Brand	Coulter	Feist	Frederick	Hansen, R.
Becker-Finn	Carroll	Curran	Finke	Freiberg	Hanson, J.

Hassan	Huot	Lee, F.	Noor	Rehm	Wolgamott
Hemmingsen-Jaeger	Hussein	Lee, K.	Norris	Reyer	Xiong
Her	Jordan	Liebling	Olson, L.	Sencer-Mura	Youakim
Hicks	Keeler	Lillie	Pelowski	Smith	Spk. Hortman
Hill	Klevorn	Long	Pérez-Vega	Stephenson	
Hollins	Kotyza-Witthuhn	Moller	Pinto	Tabke	
Hornstein	Kozlowski	Nelson, M.	Pryor	Vang	
Howard	Kraft	Newton	Pursell	Virnig	

The motion did not prevail and the amendment was not adopted.

Scott moved to amend H. F. No. 5299, the first engrossment, as follows:

Page 6, after line 15, insert:

"Sec. 8. Laws 2023, chapter 41, article 1, section 3, subdivision 1, is amended to read:

Subdivision 1. **Total Appropriation** **$948,896,000** **$923,232,000**

(a) The amounts that may be spent for each purpose are specified in the following subdivisions.

(b) No amount appropriated in this section may be used to support diversity, equity, and inclusion efforts by the Board of Trustees or any state college or university, unless such efforts are necessary for legal compliance or accreditation.

Sec. 9. Laws 2023, chapter 41, article 1, section 4, subdivision 1, is amended to read:

Subdivision 1. **Total Appropriation** **$759,153,000** **$748,889,000**

Appropriations by Fund

	2024	2025
General	756,996,000	746,732,000
Health Care Access	2,157,000	2,157,000

(a) The amounts that may be spent for each purpose are specified in the following subdivisions.

(b) No amount appropriated in this section may be used to support diversity, equity, and inclusion efforts by the Board of Regents or any University of Minnesota program or institution, unless such efforts are necessary for legal compliance or accreditation."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Scott amendment and the roll was called. There were 56 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Altendorf	Demuth	Hudson	McDonald	Novotny	Swedzinski
Anderson, P. E.	Dotseth	Igo	Mekeland	O'Driscoll	Torkelson
Anderson, P. H.	Engen	Jacob	Mueller	Olson, B.	West
Backer	Fogelman	Johnson	Murphy	Petersburg	Wiener
Bakeberg	Franson	Joy	Myers	Pfarr	Wiens
Baker	Garofalo	Kiel	Nadeau	Quam	Witte
Bennett	Gillman	Knudsen	Nash	Rarick	
Bliss	Grossell	Koznick	Nelson, N.	Robbins	
Burkel	Harder	Kresha	Neu Brindley	Schomacker	
Davis	Heintzeman	Lawrence	Niska	Scott	

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Newton	Smith
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Noor	Stephenson
Bahner	Feist	Her	Kozlowski	Norris	Tabke
Becker-Finn	Finke	Hicks	Kraft	Olson, L.	Vang
Berg	Fischer	Hill	Lee, F.	Pelowski	Virnig
Bierman	Frazier	Hollins	Lee, K.	Pérez-Vega	Wolgamott
Brand	Frederick	Hornstein	Liebling	Pinto	Xiong
Carroll	Freiberg	Howard	Lillie	Pryor	Youakim
Cha	Gomez	Huot	Lislegard	Pursell	Spk. Hortman
Clardy	Greenman	Hussein	Long	Rehm	
Coulter	Hansen, R.	Jordan	Moller	Reyer	
Curran	Hanson, J.	Keeler	Nelson, M.	Sencer-Mura	

The motion did not prevail and the amendment was not adopted.

Niska moved to amend H. F. No. 5299, the first engrossment, as follows:

Page 1, after line 8, insert:

"Section 1. **[135A.154] INTELLECTUAL FREEDOM PROTECTION ACT.**

(a) For purposes of this section, "public postsecondary institution" or "institution" means an institution governed by the Board of Trustees of the Minnesota State Colleges and Universities. The Board of Regents is requested to adopt a policy in compliance with this section.

(b) No public postsecondary institution shall condition admission or benefits to an applicant for admission, or hiring, reappointment, or promotion to a faculty member, on the applicant's or faculty member's pledging allegiance to or making a statement of personal support for or opposition to any political ideology or movement, including a pledge or statement regarding diversity, equity, inclusion, patriotism, or related topics, nor shall any institution request or require any such pledge or statement from an applicant or faculty member.

(c) If a public postsecondary institution receives a pledge or statement describing a commitment to any particular political ideology or movement, including a pledge or statement regarding diversity, equity, inclusion, patriotism, or related topics, it may not grant or deny admission or benefits to a student, or hiring, reappointment, or promotion to a faculty member, on the basis of the viewpoints expressed in the pledge or statement.

(d) Nothing in this section:

(1) prohibits an institution from requiring a student, professor, or employee to comply with federal or state law, including antidiscrimination laws, or from taking action against a student, professor, or employee for violations of federal or state law;

(2) shall be construed to limit or restrict the academic freedom of faculty or to prevent faculty members from teaching, researching, or writing publications about diversity, equity, inclusion, patriotism, or other topics; or

(3) prohibits an institution from considering, in good faith, a candidate's scholarship, teaching, or subject-matter expertise in their given academic field.

(e) Each public postsecondary institution in the state shall post and make publicly available all training materials used for students, faculty, and staff, on all matters of nondiscrimination, diversity, equity, inclusion, race, ethnicity, sex, or bias, and all of its policies and guidance on these issues, on its website.

(f) An individual whose rights were violated through a violation of this section may bring an action against a public postsecondary institution, and its agents acting within their official capacities, in a state or federal court of competent jurisdiction to receive declaratory relief or enjoin a violation of this section. If a court finds a violation of this section, the court shall provide a prevailing plaintiff appropriate equitable remedies, and award damages, reasonable court costs, and attorney's fees. An action under this paragraph must be brought within one year of the latest date the violation is alleged to have occurred.

(g) The attorney general may file suit to enjoin a policy or practice prohibited by paragraph (a) or (b). In addition to equitable relief authorized by this paragraph, the court may impose a civil penalty of $100,000 against the public postsecondary institution for each violation of this section.

(h) If an institution, or any of its employees acting in their official capacities, are found by a court or the institution to have violated this section, the institution may take disciplinary action against the responsible employees in accordance with the institution's policies and procedures."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Niska amendment and the roll was called. There were 59 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Altendorf	Bliss	Franson	Igo	Kresha	Myers
Anderson, P. E.	Burkel	Garofalo	Jacob	Lawrence	Nadeau
Anderson, P. H.	Davis	Gillman	Johnson	Lislegard	Nash
Backer	Demuth	Grossell	Joy	McDonald	Nelson, N.
Bakeberg	Dotseth	Harder	Kiel	Mekeland	Neu Brindley
Baker	Engen	Heintzeman	Knudsen	Mueller	Niska
Bennett	Fogelman	Hudson	Koznick	Murphy	Novotny

O'Driscoll	Petersburg	Rarick	Scott	West	Witte
Olson, B.	Pfarr	Robbins	Swedzinski	Wiener	Zeleznikar
Perryman	Quam	Schomacker	Torkelson	Wiens	

Those who voted in the negative were:

Acomb	Edelson	Hassan	Klevorn	Noor	Stephenson
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Norris	Tabke
Bahner	Feist	Her	Kozlowski	Olson, L.	Vang
Becker-Finn	Finke	Hicks	Kraft	Pelowski	Virnig
Berg	Fischer	Hill	Lee, F.	Pérez-Vega	Wolgamott
Bierman	Frazier	Hollins	Lee, K.	Pinto	Xiong
Brand	Frederick	Hornstein	Liebling	Pryor	Youakim
Carroll	Freiberg	Howard	Lillie	Pursell	Spk. Hortman
Cha	Gomez	Huot	Long	Rehm	
Clardy	Greenman	Hussein	Moller	Reyer	
Coulter	Hansen, R.	Jordan	Nelson, M.	Sencer-Mura	
Curran	Hanson, J.	Keeler	Newton	Smith	

The motion did not prevail and the amendment was not adopted.

Engen offered an amendment to H. F. No. 5299, the first engrossment.

POINT OF ORDER

Long raised a point of order pursuant to rule 3.21 that the Engen amendment was not in order. The Speaker ruled the point of order well taken and the Engen amendment out of order.

Engen appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 69 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Acomb	Edelson	Hassan	Klevorn	Newton	Smith
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Noor	Stephenson
Bahner	Feist	Her	Kozlowski	Norris	Tabke
Becker-Finn	Finke	Hicks	Kraft	Olson, L.	Vang
Berg	Fischer	Hill	Lee, F.	Pelowski	Virnig
Bierman	Frazier	Hollins	Lee, K.	Pérez-Vega	Wolgamott
Brand	Frederick	Hornstein	Liebling	Pinto	Xiong
Carroll	Freiberg	Howard	Lillie	Pryor	Youakim
Cha	Gomez	Huot	Lislegard	Pursell	Spk. Hortman
Clardy	Greenman	Hussein	Long	Rehm	
Coulter	Hansen, R.	Jordan	Moller	Reyer	
Curran	Hanson, J.	Keeler	Nelson, M.	Sencer-Mura	

Those who voted in the negative were:

Altendorf	Demuth	Hudson	McDonald	Novotny	Scott
Anderson, P. E.	Dotseth	Igo	Mekeland	O'Driscoll	Swedzinski
Anderson, P. H.	Engen	Jacob	Mueller	Olson, B.	Torkelson
Backer	Fogelman	Johnson	Murphy	Perryman	West
Bakeberg	Franson	Joy	Myers	Petersburg	Wiener
Baker	Garofalo	Kiel	Nadeau	Pfarr	Wiens
Bennett	Gillman	Knudsen	Nash	Quam	Witte
Bliss	Grossell	Koznick	Nelson, N.	Rarick	Zeleznikar
Burkel	Harder	Kresha	Neu Brindley	Robbins	
Davis	Heintzeman	Lawrence	Niska	Schomacker	

So it was the judgment of the House that the decision of the Speaker should stand.

The Speaker called Vang to the Chair.

H. F. No. 5299, A bill for an act relating to higher education; providing for funding and related policy changes to certain bonding, licensure, and grant provisions; establishing fees; appropriating money; amending Minnesota Statutes 2022, sections 136A.29, subdivision 9; 136A.69, subdivision 1; 136A.824, subdivisions 1, 2; Laws 2022, chapter 42, section 2; Laws 2023, chapter 41, article 1, section 2, subdivisions 36, 49, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 69 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Acomb	Edelson	Hassan	Klevorn	Newton	Smith
Agbaje	Elkins	Hemmingsen-Jaeger	Kotyza-Witthuhn	Noor	Stephenson
Bahner	Feist	Her	Kozlowski	Norris	Tabke
Becker-Finn	Finke	Hicks	Kraft	Olson, L.	Vang
Berg	Fischer	Hill	Lee, F.	Pelowski	Virnig
Bierman	Frazier	Hollins	Lee, K.	Pérez-Vega	Wolgamott
Brand	Frederick	Hornstein	Liebling	Pinto	Xiong
Carroll	Freiberg	Howard	Lillie	Pryor	Youakim
Cha	Gomez	Huot	Lislegard	Pursell	Spk. Hortman
Clardy	Greenman	Hussein	Long	Rehm	
Coulter	Hansen, R.	Jordan	Moller	Reyer	
Curran	Hanson, J.	Keeler	Nelson, M.	Sencer-Mura	

Those who voted in the negative were:

Altendorf	Bliss	Franson	Igo	Kresha	Nadeau
Anderson, P. E.	Burkel	Garofalo	Jacob	Lawrence	Nash
Anderson, P. H.	Davis	Gillman	Johnson	McDonald	Nelson, N.
Backer	Demuth	Grossell	Joy	Mekeland	Neu Brindley
Bakeberg	Dotseth	Harder	Kiel	Mueller	Niska
Baker	Engen	Heintzeman	Knudsen	Murphy	Novotny
Bennett	Fogelman	Hudson	Koznick	Myers	O'Driscoll

Olson, B.	Pfarr	Robbins	Swedzinski	Wiener	Zeleznikar
Perryman	Quam	Schomacker	Torkelson	Wiens	
Petersburg	Rarick	Scott	West	Witte	

The bill was passed and its title agreed to.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 5040, A bill for an act relating to retirement; accelerating the effective date from July 1, 2025, to July 1, 2024, for the change in the normal retirement age for the teachers retirement association from 66 to 65; reducing the employee contribution rates for two years by 0.25 percent for St. Paul Teachers Retirement Fund Association; extending the suspension of earnings limitation for retired teachers who return to teaching; authorizing eligible employees of Minnesota State Colleges and Universities who are members of the higher education individual retirement account plan to elect coverage by the Teachers Retirement Association and purchase past service credit; implementing the recommendations of the State Auditor's volunteer firefighter working group; adding a defined contribution plan and making other changes to the statewide volunteer firefighter plan; modifying requirements for electing to participate in the public employees defined contribution plan; increasing the multiplier in the benefit formula for prospective service and increasing employee and employer contribution rates for the local government correctional service retirement plan; eliminating the workers' compensation offset for the Public Employees Retirement Association general and correctional plans; clarifying eligibility for firefighters in the public employees police and fire plan; making changes of an administrative nature for plans administered by the Minnesota State Retirement System; authorizing employees on a H-1B, H-1B1, or E3 visa to purchase service credit for a prior period of employment when excluded from the general state employees retirement plan; codifying the right to return to employment and continue receiving an annuity from the State Patrol plan; adding additional positions to the list of positions eligible for the correctional state employees retirement plan coverage and permitting the purchase of past service credit; establishing a work group on correctional state employees plan eligibility; modifying the Minnesota Secure Choice retirement program by permitting participation by home and community-based services employees; modifying requirements for Minnesota Secure Choice retirement program board of directors; allowing employer matching contributions on an employee's qualified student loan payments under Secure 2.0 and modifying investment rates of return and fee disclosure requirements and other provisions for supplemental deferred compensation plans; resolving a conflict in the statute setting the plans' established date for full funding and establishing an amortization work group; restructuring statutes applicable to tax-qualified pension and retirement plans that impose requirements under the Internal Revenue Code; modifying the authority of pension fund executive directors to correct operational and other errors and requiring an annual report; changing the expiration date for state aids by requiring three years at 100 percent funded rather than one year before the state aid expires; making other administrative and conforming changes; appropriating money to the IRAP to TRA transfer account, the Teachers Retirement Association, and St. Paul Teachers Retirement Association; amending Minnesota Statutes 2022, sections 352.01, subdivision 13; 352.03, subdivision 5; 352.113, subdivision 1; 352.1155, subdivision 3; 352.12,

subdivisions 1, 2, 2b, 7, 8; 352.95, subdivision 4; 353.028, subdivisions 1, 2, 3, 5; 353.03, subdivision 3a; 353.27, subdivision 4; 353.33, subdivisions 7, 7a; 353.64, subdivisions 1, 2, 4, 5a; 353.65, subdivision 3b; 353.87, subdivision 1; 353D.02, as amended; 353E.03; 353E.04, subdivision 3; 353E.06, subdivision 6; 353G.01, subdivisions 9, 9a, 11, by adding subdivisions; 353G.05, as amended; 353G.08, subdivision 2; 354.435, subdivision 4; 354.436, subdivision 3; 354.44, subdivision 9; 354A.011, subdivision 7; 354A.021, subdivisions 2, 3, 6, 7, 8, 9; 354A.05; 354A.091; 354A.094; 354A.12, subdivisions 3a, 3c, 5; 354A.31, subdivision 3a; 354A.32, subdivision 1a; 354B.20, subdivision 18, by adding subdivisions; 356.215, subdivisions 2, 3; 356.24, subdivision 3; 356.611, subdivision 2, by adding a subdivision; 356.62; 356.635, subdivisions 1, 2, by adding subdivisions; 356A.06, subdivision 5; 423A.02, subdivision 5; 423A.022, subdivision 5; 424A.001, subdivisions 4, 5, 8, 9, 10, by adding subdivisions; 424A.003; 424A.01, subdivisions 1, 2, 5; 424A.015, subdivisions 1, 5, 7; 424A.016, subdivisions 2, 6; 424A.02, subdivisions 1, 3, 7, 9; 424A.021; 424A.092, subdivision 6; 424A.093, subdivision 6; 424A.094, subdivision 1; 424A.095, subdivision 2; 424A.10; 424B.22, subdivisions 2, 10; Minnesota Statutes 2023 Supplement, sections 187.03, by adding a subdivision; 187.05, subdivision 7; 187.08, subdivisions 1, 7, 8; 352.91, subdivision 3f, as amended; 353.335, subdivision 1; 353D.01, subdivision 2; 353G.01, subdivisions 7b, 8b, 12, 12a, 14a, 15; 353G.02, subdivisions 1, 3, 4; 353G.03, subdivision 3; 353G.07; 353G.08, subdivision 1; 353G.09, subdivisions 1, 1a, 2; 353G.10; 353G.11, subdivision 2, by adding a subdivision; 353G.115; 353G.12, subdivision 2, by adding a subdivision; 353G.14; 354.05, subdivision 38; 354.06, subdivision 2; 354A.12, subdivision 1; 356.215, subdivision 11; 356.24, subdivision 1; 477B.02, subdivision 3; Laws 2021, chapter 22, article 2, section 3; Laws 2022, chapter 65, article 3, section 1, subdivisions 2, 3; Laws 2023, chapter 46, section 11; proposing coding for new law in Minnesota Statutes, chapters 352B; 353G; 354B; 356; repealing Minnesota Statutes 2022, sections 353.33, subdivision 5; 353.86; 353.87, subdivisions 2, 3, 4; 353D.071; 353G.01, subdivision 10; 356.635, subdivisions 3, 4, 5, 6, 7, 8, 9a, 10, 11, 12, 13; 424A.01, subdivision 5a; Minnesota Statutes 2023 Supplement, sections 353.335, subdivision 2; 353G.01, subdivisions 7a, 8a; 353G.02, subdivision 6; 353G.08, subdivision 3; 353G.11, subdivisions 1, 1a, 3, 4; 353G.112; 353G.121.

THOMAS S. BOTTERN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Her moved that the House concur in the Senate amendments to H. F. No. 5040 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 5040, A bill for an act relating to retirement; accelerating the effective date from July 1, 2025, to July 1, 2024, for the change in the normal retirement age for the teachers retirement association from 66 to 65; reducing the employee contribution rates for two years by 0.25 percent for St. Paul Teachers Retirement Fund Association; extending the suspension of earnings limitation for retired teachers who return to teaching; authorizing eligible employees of Minnesota State Colleges and Universities who are members of the higher education individual retirement account plan to elect coverage by the Teachers Retirement Association and purchase past service credit; implementing the recommendations of the State Auditor's volunteer firefighter working group; adding a defined contribution plan and making other changes to the statewide volunteer firefighter plan; modifying requirements for electing to participate in the public employees defined contribution plan; increasing the multiplier in the benefit formula for prospective service and increasing employee and employer contribution rates for the local government correctional service retirement plan; eliminating the workers' compensation offset for the Public Employees Retirement Association general and correctional plans; clarifying eligibility for firefighters in the public employees police and fire plan; making changes of an administrative nature for plans administered by the Minnesota State Retirement System; authorizing employees on a H-1B, H-1B1, or E3 visa to purchase service credit for a prior period of employment when excluded from the general state employees retirement plan; codifying the right to return to employment and continue receiving an annuity from the State Patrol plan; adding additional positions to the list of positions eligible for the correctional state employees retirement plan coverage and permitting the purchase of past

service credit; establishing a work group on correctional state employees plan eligibility; modifying the Minnesota Secure Choice retirement program by permitting participation by home and community-based services employees; modifying requirements for Minnesota Secure Choice retirement program board of directors; allowing employer matching contributions on an employee's qualified student loan payments under Secure 2.0 and modifying investment rates of return and fee disclosure requirements and other provisions for supplemental deferred compensation plans; resolving a conflict in the statute setting the plans' established date for full funding and establishing an amortization work group; restructuring statutes applicable to tax-qualified pension and retirement plans that impose requirements under the Internal Revenue Code; modifying the authority of pension fund executive directors to correct operational and other errors and requiring an annual report; changing the expiration date for state aids by requiring three years at 100 percent funded rather than one year before the state aid expires; making other administrative and conforming changes; appropriating money to the IRAP to TRA transfer account, the Teachers Retirement Association, and St. Paul Teachers Retirement Association; amending Minnesota Statutes 2022, sections 352.01, subdivision 13; 352.03, subdivision 5; 352.113, subdivision 1; 352.1155, subdivision 3; 352.12, subdivisions 1, 2, 2b, 7, 8; 352.95, subdivision 4; 353.028, subdivisions 1, 2, 3, 5; 353.03, subdivision 3a; 353.27, subdivision 4; 353.33, subdivisions 7, 7a; 353.64, subdivisions 1, 2, 4, 5a; 353.65, subdivision 3b; 353.87, subdivision 1; 353D.02, as amended; 353E.03; 353E.04, subdivision 3; 353E.06, subdivision 6; 353G.01, subdivisions 9, 9a, 11, by adding subdivisions; 353G.05, as amended; 353G.08, subdivision 2; 354.435, subdivision 4; 354.436, subdivision 3; 354.44, subdivision 9; 354A.011, subdivision 7; 354A.021, subdivisions 2, 3, 6, 7, 8, 9; 354A.05; 354A.091; 354A.094; 354A.12, subdivisions 3a, 3c, 5; 354A.31, subdivision 3a; 354A.32, subdivision 1a; 354B.20, subdivision 18, by adding subdivisions; 356.215, subdivisions 2, 3; 356.24, subdivision 3; 356.611, subdivision 2, by adding a subdivision; 356.62; 356.635, subdivisions 1, 2, by adding subdivisions; 356A.06, subdivision 5; 423A.02, subdivision 5; 423A.022, subdivision 5; 424A.001, subdivisions 4, 5, 8, 9, 10, by adding subdivisions; 424A.003; 424A.01, subdivisions 1, 2, 5; 424A.015, subdivisions 1, 5, 7; 424A.016, subdivisions 2, 6; 424A.02, subdivisions 1, 3, 7, 9; 424A.021; 424A.092, subdivision 6; 424A.093, subdivision 6; 424A.094, subdivision 1; 424A.095, subdivision 2; 424A.10; 424B.22, subdivisions 2, 10; Minnesota Statutes 2023 Supplement, sections 187.03, by adding a subdivision; 187.05, subdivision 7; 187.08, subdivisions 1, 7, 8; 352.91, subdivision 3f, as amended; 353.335, subdivision 1; 353D.01, subdivision 2; 353G.01, subdivisions 7b, 8b, 12, 12a, 14a, 15; 353G.02, subdivisions 1, 3, 4; 353G.03, subdivision 3; 353G.07; 353G.08, subdivision 1; 353G.09, subdivisions 1, 1a, 2; 353G.10; 353G.11, subdivision 2, by adding a subdivision; 353G.115; 353G.12, subdivision 2, by adding a subdivision; 353G.14; 354.05, subdivision 38; 354.06, subdivision 2; 354A.12, subdivision 1; 356.215, subdivision 11; 356.24, subdivision 1; 477B.02, subdivision 3; Laws 2021, chapter 22, article 2, section 3; Laws 2022, chapter 65, article 3, section 1, subdivisions 2, 3; Laws 2023, chapter 46, section 11; proposing coding for new law in Minnesota Statutes, chapters 352B; 353G; 354B; 356; repealing Minnesota Statutes 2022, sections 353.33, subdivision 5; 353.86; 353.87, subdivisions 2, 3, 4; 353D.071; 353G.01, subdivision 10; 356.635, subdivisions 3, 4, 5, 6, 7, 8, 9a, 10, 11, 12, 13; 424A.01, subdivision 5a; Minnesota Statutes 2023 Supplement, sections 353.335, subdivision 2; 353G.01, subdivisions 7a, 8a; 353G.02, subdivision 6; 353G.08, subdivision 3; 353G.11, subdivisions 1, 1a, 3, 4; 353G.112; 353G.121.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Backer	Bennett	Burkel	Curran	Elkins
Agbaje	Bahner	Berg	Carroll	Davis	Engen
Altendorf	Bakeberg	Bierman	Cha	Demuth	Feist
Anderson, P. E.	Baker	Bliss	Clardy	Dotseth	Finke
Anderson, P. H.	Becker-Finn	Brand	Coulter	Edelson	Fischer

Fogelman	Her	Klevorn	Mueller	Pelowski	Smith
Franson	Hicks	Knudsen	Murphy	Pérez-Vega	Stephenson
Frazier	Hill	Kotyza-Witthuhn	Myers	Perryman	Swedzinski
Frederick	Hollins	Kozlowski	Nadeau	Petersburg	Tabke
Freiberg	Hornstein	Kraft	Nash	Pfarr	Torkelson
Garofalo	Howard	Kresha	Nelson, M.	Pinto	Vang
Gillman	Hudson	Lawrence	Nelson, N.	Pryor	Virnig
Gomez	Huot	Lee, F.	Neu Brindley	Pursell	West
Greenman	Hussein	Lee, K.	Newton	Quam	Wiener
Grossell	Igo	Liebling	Niska	Rarick	Witte
Hansen, R.	Jacob	Lillie	Noor	Rehm	Wolgamott
Hanson, J.	Johnson	Lislegard	Norris	Reyer	Xiong
Harder	Jordan	Long	Novotny	Robbins	Youakim
Hassan	Joy	McDonald	O'Driscoll	Schomacker	Zeleznikar
Heintzeman	Keeler	Mekeland	Olson, B.	Scott	Spk. Hortman
Hemmingsen-Jaeger	Kiel	Moller	Olson, L.	Sencer-Mura	

The bill was repassed, as amended by the Senate, and its title agreed to.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3204, A bill for an act relating to domestic relations; modifying parenting time provisions; amending Minnesota Statutes 2022, sections 257.025; 518.131, subdivisions 1, 11; 518.14; 518.17, subdivisions 1, 3; 518.175, subdivisions 1, 6; proposing coding for new law in Minnesota Statutes, chapter 518.

THOMAS S. BOTTERN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Moller moved that the House concur in the Senate amendments to H. F. No. 3204 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 3204, A bill for an act relating to family law; modifying parenting time and spousal maintenance provisions; modifying and updating provisions governing antenuptial and postnuptial agreements; establishing rights and responsibilities relating to assisted reproduction; directing the revisor of statutes to update terms used in statute; amending Minnesota Statutes 2022, sections 257.025; 518.131, subdivisions 1, 11; 518.14; 518.17, subdivisions 1, 3; 518.175, subdivisions 1, 6; 518.552, subdivisions 1, 2, 3, 6, by adding subdivisions; 518A.39, subdivision 1; 519.11; Minnesota Statutes 2023 Supplement, section 518A.39, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 518; proposing coding for new law as Minnesota Statutes, chapter 257E; repealing Minnesota Statutes 2022, sections 257.56; 518A.39, subdivision 3.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Acomb	Demuth	Heintzeman	Koznick	Niska	Sencer-Mura
Agbaje	Dotseth	Hemmingsen-Jaeger	Kraft	Noor	Smith
Altendorf	Edelson	Her	Kresha	Norris	Stephenson
Anderson, P. E.	Elkins	Hicks	Lawrence	Novotny	Swedzinski
Anderson, P. H.	Engen	Hill	Lee, F.	O'Driscoll	Tabke
Backer	Feist	Hollins	Lee, K.	Olson, B.	Torkelson
Bahner	Finke	Hornstein	Liebling	Olson, L.	Vang
Bakeberg	Fischer	Howard	Lillie	Pelowski	Virnig
Baker	Fogelman	Hudson	Lislegard	Pérez-Vega	West
Becker-Finn	Franson	Huot	Long	Perryman	Wiener
Bennett	Frazier	Hussein	McDonald	Petersburg	Wiens
Berg	Frederick	Igo	Mekeland	Pfarr	Witte
Bierman	Freiberg	Jacob	Moller	Pinto	Wolgamott
Bliss	Garofalo	Johnson	Mueller	Pryor	Xiong
Brand	Gillman	Jordan	Murphy	Pursell	Youakim
Burkel	Gomez	Joy	Myers	Quam	Zeleznikar
Carroll	Greenman	Keeler	Nadeau	Rarick	Spk. Hortman
Cha	Grossell	Kiel	Nash	Rehm	
Clardy	Hansen, R.	Klevorn	Nelson, M.	Reyer	
Coulter	Hanson, J.	Knudsen	Nelson, N.	Robbins	
Curran	Harder	Kotyza-Witthuhn	Neu Brindley	Schomacker	
Davis	Hassan	Kozlowski	Newton	Scott	

The bill was repassed, as amended by the Senate, and its title agreed to.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. No. 3436

A bill for an act relating to transportation; modifying various transportation-related provisions, including but not limited to motor vehicles, driving rules, accident reporting requirements, child passenger restraint requirements, roadable aircraft, legislative routes, drivers' licenses and exams, excavation notices, and greater Minnesota transit; establishing criminal penalties; modifying prior appropriations; making technical changes; appropriating money; requiring reports; amending Minnesota Statutes 2022, sections 43A.17, by adding a subdivision; 65B.28, subdivision 2; 161.115, subdivisions 116, 117, by adding a subdivision; 161.321, subdivisions 2, 2b; 168.002, subdivisions 18, 24, 26, 27; 168.013, subdivision 1d; 168.0135, by adding a subdivision; 168.12, subdivision 1; 168.33, subdivision 8a; 168A.085, by adding a subdivision; 168B.035, subdivision 3; 169.011, subdivisions 3a, 44, by adding subdivisions; 169.09, subdivisions 5, 14a, 19; 169.19, subdivision 2; 169.224, subdivision 3; 169.34, subdivision 1; 169.444, subdivision 4; 169.685, subdivisions 4, 5, by adding subdivisions; 169.79, by adding a subdivision; 169.80, by adding a subdivision; 169.801, subdivision 7; 169.974, subdivision 2; 169A.52, subdivision 7; 171.01, subdivisions 40, 41a, 47, by adding a subdivision; 171.06, subdivision 2a; 171.0605, subdivision 2; 171.072; 171.13, subdivision 6, by adding a subdivision; 171.30, subdivisions 2a, 5; 174.03, subdivision 12; 174.22, subdivisions 2b, 7, 12, 14, by adding subdivisions; 174.23, subdivision 2; 174.24, subdivisions 1a, 3b, 3c; 174.247; 174.632, subdivision 2; 174.636, subdivision 1; 216D.01, subdivision 12, by adding subdivisions; 216D.03, by adding a subdivision; 216D.04; 216D.05; 221.033, subdivision 1, by adding a subdivision; 360.013, by adding a

subdivision; 360.075, subdivision 1; 473.121, subdivision 19; Minnesota Statutes 2023 Supplement, sections 4.076, subdivision 3; 115E.042, subdivision 4; 161.045, subdivision 3; 168.1235, subdivision 1; 168.1259, subdivision 5; 168.345, subdivision 2; 169.09, subdivision 8; 171.06, subdivision 3; 171.0605, subdivision 5; 171.12, subdivisions 5c, 11; 171.13, subdivision 1a; 171.395, subdivision 1; 171.396; 174.40, subdivision 4a; 256B.0625, subdivision 17; 609.855, subdivision 7; Laws 2021, First Special Session chapter 5, article 2, section 3; Laws 2023, chapter 68, article 1, section 2, subdivision 4; article 2, sections 2, subdivisions 3, 4, 5, 7, 9; 3; proposing coding for new law in Minnesota Statutes, chapters 168; 169; 171; 174; repealing Minnesota Statutes 2022, sections 169.011, subdivision 70; 169.25; 171.0605, subdivision 4; 174.22, subdivisions 5, 15; 174.23, subdivision 7; 216D.06, subdivision 3; 221.033, subdivision 2c; Minnesota Statutes 2023 Supplement, section 171.06, subdivisions 9, 10, 11; Minnesota Rules, parts 7411.7600, subpart 3; 8835.0110, subparts 1, 1a, 6, 7, 10, 11a, 12a, 12b, 13a, 14a, 15, 15a, 16, 17, 18, 19; 8835.0210; 8835.0220; 8835.0230; 8835.0240; 8835.0250; 8835.0260; 8835.0265; 8835.0270; 8835.0275; 8835.0280; 8835.0290; 8835.0310; 8835.0320; 8835.0330, subparts 1, 3, 4; 8835.0350, subparts 1, 3, 4, 5.

May 3, 2024

The Honorable Melissa Hortman
Speaker of the House of Representatives

The Honorable Bobby Joe Champion
President of the Senate

We, the undersigned conferees for H. F. No. 3436 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 3436 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1
TRANSPORTATION POLICY

Section 1. Minnesota Statutes 2023 Supplement, section 4.076, subdivision 3, is amended to read:

Subd. 3. **Membership; chair.** (a) The advisory council consists of the following members:

(1) the chair, which is filled on a two-year rotating basis by a designee from:

(i) the Office of Traffic Safety in the Department of Public Safety;

(ii) the Office of Traffic Engineering in the Department of Transportation; and

(iii) the Injury and Violence Prevention Section in the Department of Health;

(2) two vice chairs, which must be filled by the two designees who are not currently serving as chair of the advisory council under clause (1);

(3) the statewide Toward Zero Deaths communications coordinator;

(4) the statewide Toward Zero Deaths program and operations coordinator;

~~(4)~~ (5) a regional coordinator from the Toward Zero Deaths program;

~~(5)~~ (6) the chief of the State Patrol or a designee;

~~(6)~~ (7) the state traffic safety engineer in the Department of Transportation or a designee;

~~(7)~~ (8) a law enforcement liaison from the Department of Public Safety;

~~(8)~~ (9) a representative from the Department of Human Services;

~~(9)~~ (10) a representative from the Department of Education;

~~(10)~~ (11) a representative from the Council on Disability;

~~(11)~~ (12) a representative for Tribal governments;

~~(12)~~ (13) a representative from the Center for Transportation Studies at the University of Minnesota;

~~(13)~~ (14) a representative from the Minnesota Chiefs of Police Association;

~~(14)~~ (15) a representative from the Minnesota Sheriffs' Association;

~~(15)~~ (16) a representative from the Minnesota Safety Council;

~~(16)~~ (17) a representative from AAA Minnesota;

~~(17)~~ (18) a representative from the Minnesota Trucking Association;

~~(18)~~ (19) a representative from the Insurance Federation of Minnesota;

~~(19)~~ (20) a representative from the Association of Minnesota Counties;

~~(20)~~ (21) a representative from the League of Minnesota Cities;

~~(21)~~ (22) the American Bar Association State Judicial Outreach Liaison;

~~(22)~~ (23) a representative from the City Engineers Association of Minnesota;

~~(23)~~ (24) a representative from the Minnesota County Engineers Association;

~~(24)~~ (25) a representative from the Bicycle Alliance of Minnesota;

~~(25)~~ (26) two individuals representing vulnerable road users, including pedestrians, bicyclists, and other operators of a personal conveyance;

~~(26)~~ (27) a representative from Minnesota Operation Lifesaver;

~~(27)~~ (28) a representative from the Minnesota Driver and Traffic Safety Education Association;

~~(28)~~ (29) a representative from the Minnesota Association for Pupil Transportation;

~~(29)~~ (30) a representative from the State Trauma Advisory Council;

~~(30)~~ (31) a person representing metropolitan planning organizations; ~~and~~

~~(31)~~ (32) a person representing contractors engaged in construction and maintenance of highways and other infrastructure;

(33) the director of the Minnesota Emergency Medical Services Regulatory Board or successor organization; and

(34) a person representing a victims advocacy organization.

(b) The commissioners of public safety and transportation must jointly appoint the advisory council members under paragraph (a), clauses ~~(11)~~ (12), ~~(25)~~ (26), ~~(30)~~ (31), ~~and (31)~~ (32), and (34).

Sec. 2. Minnesota Statutes 2022, section 43A.17, is amended by adding a subdivision to read:

Subd. 13. **Compensation for law enforcement officers.** (a) For purposes of this subdivision, the term "law enforcement officers" means all licensed peace officers employed by the state who are included in the state units under section 179A.10, subdivision 2, including without limitation: Minnesota State Patrol troopers, Bureau of Criminal Apprehension agents, and Alcohol and Gambling Enforcement agents, in the Department of Public Safety; Department of Natural Resources conservation officers; Department of Corrections Fugitive Apprehension Unit members; and Commerce Fraud Bureau agents in the Department of Commerce.

(b) When the commissioner of management and budget negotiates a collective bargaining agreement establishing compensation for law enforcement officers, the commissioner must use compensation and benefit data from the most recent salary and benefits survey conducted pursuant to section 299D.03, subdivision 2a, to compare salaries to ensure appropriate increases are made to law enforcement officer salaries and benefits.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and expires January 1, 2032. This section applies to contracts entered into on or after the effective date but before January 1, 2032.

Sec. 3. Minnesota Statutes 2022, section 65B.28, subdivision 2, is amended to read:

Subd. 2. **Accident prevention course; rules.** (a) The commissioner of public safety ~~shall~~ must adopt rules establishing and regulating a motor vehicle accident prevention course for persons 55 years old and older.

(b) The rules must, at a minimum, include provisions:

(1) establishing curriculum requirements; and

~~(2) establishing the number of hours required for successful completion of the course; and~~

~~(3)~~ (2) providing for the issuance of a course completion certification and requiring its submission to an insured as evidence of completion of the course.

(c) The accident prevention course must be a total of four hours.

EFFECTIVE DATE. This section is effective July 1, 2024, and applies to accident prevention courses held on or after that date.

Sec. 4. Minnesota Statutes 2023 Supplement, section 115E.042, subdivision 4, is amended to read:

Subd. 4. **Response capabilities; time limits.** (a) Following confirmation of a discharge, a railroad must deliver and deploy sufficient equipment and trained personnel to (1) contain and recover discharged oil or other hazardous substances, (2) protect the environment, and (3) assist local public safety officials. Within 15 minutes of a rail incident involving a confirmed discharge or release of oil or other hazardous substances, a railroad must contact the applicable emergency manager and applicable fire ~~chief~~ department, through the local public safety answering point, having jurisdiction along the route where the incident occurred. After learning of the rail incident involving oil or other hazardous substances, the applicable emergency manager and applicable fire ~~chief~~ department must, as soon as practicable, identify and provide contact information of the responsible incident commander to the reporting railroad.

(b) Within 15 minutes of local emergency responder arrival on the scene of a rail incident involving oil or other hazardous substances, a railroad must assist the incident commander to determine the nature of any hazardous substance known to have been released and hazardous substance cargo transported on the train. Assistance must include providing information that identifies the chemical content of the hazardous substance, contact information for the shipper, and instructions for dealing with the release of the material. A railroad may provide information on the hazardous substances transported on the train through the train orders on board the train or by facsimile or electronic transmission.

(c) Within one hour of confirmation of a discharge, a railroad must provide a qualified company representative to advise the incident commander, assist in assessing the situation, initiate railroad response actions as needed, and provide advice and recommendations to the incident commander regarding the response. The representative may be made available by telephone, and must be authorized to deploy all necessary response resources of the railroad.

(d) Within three hours of confirmation of a discharge, a railroad must be capable of delivering monitoring equipment and a trained operator to assist in protection of responder and public safety. A plan to ensure delivery of monitoring equipment and an operator to a discharge site must be provided each year to the commissioner of public safety.

(e) Within three hours of confirmation of a discharge, a railroad must provide (1) qualified personnel at a discharge site to assess the discharge and to advise the incident commander, and (2) resources to assist the incident commander with ongoing public safety and scene stabilization.

(f) A railroad must be capable of deploying containment boom from land across sewer outfalls, creeks, ditches, and other places where oil or other hazardous substances may drain, in order to contain leaked material before it reaches those resources. The arrangement to provide containment boom and staff may be made by:

(1) training and caching equipment with local jurisdictions;

(2) training and caching equipment with a fire mutual-aid group;

(3) means of an industry cooperative or mutual-aid group;

(4) deployment of a contractor;

(5) deployment of a response organization under state contract; or

(6) other dependable means acceptable to the Pollution Control Agency.

(g) Each arrangement under paragraph (f) must be confirmed each year. Each arrangement must be tested by drill at least once every five years.

(h) Within eight hours of confirmation of a discharge, a railroad must be capable of delivering and deploying containment boom, boats, oil recovery equipment, trained staff, and all other materials needed to provide:

(1) on-site containment and recovery of a volume of oil equal to ten percent of the calculated worst case discharge at any location along the route; and

(2) protection of listed sensitive areas and potable water intakes within one mile of a discharge site and within eight hours of water travel time downstream in any river or stream that the right-of-way intersects.

(i) Within 60 hours of confirmation of a discharge, a railroad must be capable of delivering and deploying additional containment boom, boats, oil recovery equipment, trained staff, and all other materials needed to provide containment and recovery of a worst case discharge and to protect listed sensitive areas and potable water intakes at any location along the route.

Sec. 5. Minnesota Statutes 2022, section 161.115, subdivision 116, is amended to read:

Subd. 116. **Route No. 185.** Beginning at a point on Route No. 1 ~~at Sandstone~~ and Route No. 390, thence extending in a northeasterly direction to a point on Route No. 103 as herein established in Duluth.

EFFECTIVE DATE. This section is effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Pine County to transfer jurisdiction of a portion of Legislative Route No. 185 and notifies the revisor of statutes electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 6. Minnesota Statutes 2022, section 161.115, subdivision 117, is amended to read:

Subd. 117. **Route No. 186.** Beginning at a point on Route No. 110 as herein established, thence extending in an easterly direction to a point on Route No. ~~185 as herein established at or near Askov~~ 1 and Route No. 390; affording Isle~~,~~ and Finlayson~~, and Askov,~~ a reasonable means of communication each with the other and other places within the state.

EFFECTIVE DATE. This section is effective the day after the commissioner of transportation notifies the revisor of statutes electronically or in writing of the effective date.

Sec. 7. Minnesota Statutes 2022, section 161.115, is amended by adding a subdivision to read:

Subd. 272. **Route No. 341.** Beginning at a point on Route No. 1 at Sandstone, thence extending in a generally easterly direction to a point at or near the east bank of the Kettle River.

EFFECTIVE DATE. This section is effective the day after the commissioner of transportation notifies the revisor of statutes electronically or in writing of the effective date.

Sec. 8. Minnesota Statutes 2022, section 161.14, is amended by adding a subdivision to read:

Subd. 106. **Mayor Dave Smiglewski Memorial Bridge.** The bridge on marked U.S. Highway 212 over the Minnesota River in the city of Granite Falls is designated as "Mayor Dave Smiglewski Memorial Bridge." Subject to section 161.139, the commissioner must adopt a suitable design to mark the bridge and erect appropriate signs.

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

Sec. 9. Minnesota Statutes 2022, section 161.321, subdivision 2, is amended to read:

Subd. 2. **Small targeted group business, small business; contract preferences.** (a) The commissioner may award up to a ~~six~~ 12 percent preference in the amount bid for specified construction work to small targeted group businesses.

(b) The commissioner may designate a contract for construction work for award only to small targeted group businesses if the commissioner determines that at least three small targeted group businesses are likely to bid.

(c) The commissioner may award up to a four percent preference in the amount bid for specified construction work to small businesses located in an economically disadvantaged area as defined in section 16C.16, subdivision 7.

Sec. 10. Minnesota Statutes 2022, section 161.321, subdivision 2b, is amended to read:

Subd. 2b. **Veteran-owned small business; contract preferences.** (a) The commissioner may award up to a ~~six~~ 12 percent preference in the amount bid for specified construction work to veteran-owned small businesses, except when prohibited by the federal government as a condition of receiving federal funds. When a bid preference is provided under this section, the percentage of preference in bid amount under this subdivision may not be less than the percentage of bid preference provided to any small targeted group business under subdivision 2.

(b) When a bid preference is provided under this subdivision, the commissioner must be as inclusive as possible in specifying contracts for construction work, as well as for construction-related professional and technical services, available under this bid preference program for veteran-owned small businesses. The term "construction" must be given broad meaning for purposes of specifying and letting contracts for veteran-owned small businesses and must include, but is not limited to, preplanning, planning, and all other construction-related professional and technical services.

(c) When a bid preference is provided under this subdivision, the commissioner must strive to ensure that contracts will be awarded on a proportional basis with contracts awarded under subdivision 2.

(d) The commissioner may designate a contract for construction work for award only to veteran-owned small businesses, if the commissioner determines that at least three veteran-owned small businesses are likely to bid.

Sec. 11. Minnesota Statutes 2022, section 168.002, subdivision 18, is amended to read:

Subd. 18. **Motor vehicle.** (a) "Motor vehicle" means any self-propelled vehicle designed and originally manufactured to operate primarily on highways, and not operated exclusively upon railroad tracks. It includes any vehicle propelled or drawn by a self-propelled vehicle and includes vehicles known as trackless trolleys that are propelled by electric power obtained from overhead trolley wires but not operated upon rails.

(b) "Motor vehicle" includes an all-terrain vehicle only if the all-terrain vehicle (1) has at least four wheels, (2) is owned and operated by a physically disabled person, and (3) displays both disability plates and a physically disabled certificate issued under section 169.345.

(c) "Motor vehicle" does not include an all-terrain vehicle except (1) an all-terrain vehicle described in paragraph (b), or (2) an all-terrain vehicle licensed as a motor vehicle before August 1, 1985. The owner may continue to license an all-terrain vehicle described in clause (2) as a motor vehicle until it is conveyed or otherwise transferred to another owner, is destroyed, or fails to comply with the registration and licensing requirements of this chapter.

(d) "Motor vehicle" does not include a snowmobile; a manufactured home; a park trailer; an electric personal assistive mobility device as defined in section 169.011, subdivision 26; a motorized foot scooter as defined in section 169.011, subdivision 46; or an electric-assisted bicycle as defined in section 169.011, subdivision 27.

(e) "Motor vehicle" includes an off-highway motorcycle modified to meet the requirements of chapter 169 according to section 84.788, subdivision 12.

(f) "Motor vehicle" includes a roadable aircraft as defined in section 169.011, subdivision 67a.

Sec. 12. Minnesota Statutes 2022, section 168.002, subdivision 24, is amended to read:

Subd. 24. **Passenger automobile.** (a) "Passenger automobile" means any motor vehicle designed and used for carrying not more than 15 individuals, including the driver.

(b) "Passenger automobile" does not include motorcycles, motor scooters, buses, school buses, or commuter vans as defined in section 168.126.

(c) "Passenger automobile" includes~~,~~ but is not limited to:

(1) a vehicle that is a pickup truck or a van as defined in subdivisions 26 and 40;

(2) neighborhood electric vehicles, as defined in section 169.011, subdivision 47; ~~and~~

(3) medium-speed electric vehicles, as defined in section 169.011, subdivision 39; and

(4) roadable aircraft, as defined in section 169.011, subdivision 67a.

Sec. 13. Minnesota Statutes 2022, section 168.002, subdivision 26, is amended to read:

Subd. 26. **Pickup truck.** "Pickup truck" means any truck with a manufacturer's nominal rated carrying capacity of three-fourths ton or less and commonly known as a pickup truck. If the manufacturer's nominal rated carrying capacity is not provided or cannot be determined, then the value specified by the manufacturer as the gross vehicle weight as indicated on the manufacturer's certification label must be ~~less than~~ 10,000 pounds or less.

Sec. 14. Minnesota Statutes 2022, section 168.002, subdivision 27, is amended to read:

Subd. 27. **Recreational vehicle.** (a) "Recreational vehicle" means travel trailers including those that telescope or fold down, chassis-mounted campers, motor homes, tent trailers, teardrop trailers, and converted buses that provide temporary human living quarters.

(b) "Recreational vehicle" is a vehicle that:

(1) is not used as the residence of the owner or occupant;

(2) is used while engaged in recreational or vacation activities; and

(3) is either self-propelled or towed on the highways incidental to the recreational or vacation activities.

Sec. 15. Minnesota Statutes 2022, section 168.013, subdivision 1d, is amended to read:

Subd. 1d. **Trailer.** (a) On trailers registered at a gross vehicle weight of greater than 3,000 pounds, the annual tax is based on total gross weight and is 30 percent of the Minnesota base rate prescribed in subdivision 1e, when the gross weight is 15,000 pounds or less, and when the gross weight of a trailer is more than 15,000 pounds, the tax for the first eight years of vehicle life is 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life the tax is 75 percent of the Minnesota base rate prescribed by subdivision 1e. A trailer registered at a gross vehicle weight greater than 3,000 pounds but no greater than 7,200 pounds may be taxed either: (1) annually as provided in this paragraph; or (2) once every three years on the basis of total gross weight and is 90 percent of the Minnesota base rate prescribed in subdivision 1e, provided that the filing fee under section 168.33, subdivision 7, paragraph (a), is multiplied by three, with funds collected by the commissioner allocated proportionally in the same manner as provided in section 168.33, subdivision 7, paragraph (e).

(b) Farm trailers with a gross weight in excess of 10,000 pounds and as described in section 168.002, subdivision 8, are taxed as farm trucks as prescribed in subdivision 1c.

(c) Effective on and after July 1, 2001, trailers registered at a gross vehicle weight of 3,000 pounds or less, excluding recreational vehicles, must display a distinctive plate. The registration on the license plate is valid for the life of the trailer only if it remains registered at the same gross vehicle weight. The onetime registration tax for trailers registered for the first time in Minnesota is $55. For trailers registered in Minnesota before July 1, 2001, and for which:

(1) registration is desired for the remaining life of the trailer, the registration tax is $25; or

(2) permanent registration is not desired, the biennial registration tax is $10 for the first renewal if registration is renewed between and including July 1, 2001, and June 30, 2003. These trailers must be issued permanent registration at the first renewal on or after July 1, 2003, and the registration tax is $20.

For trailers registered at a gross weight of 3,000 pounds or less before July 1, 2001, but not renewed until on or after July 1, 2003, the registration tax is $20 and permanent registration must be issued.

Sec. 16. Minnesota Statutes 2022, section 168.0135, is amended by adding a subdivision to read:

Subd. 2a. **Limitations.** (a) A vendor must not have an ownership interest with a deputy registrar or a driver's license agent.

(b) A vendor is not eligible to be appointed by the commissioner as a deputy registrar or a driver's license agent.

(c) An entity that owns, leases, or otherwise provides a location where a self-service kiosk is placed is not eligible to be appointed by the commissioner as a deputy registrar or a driver's license agent. This paragraph does not apply to a deputy registrar or a driver's license agent appointed prior to placement of a self-service kiosk within the office of the deputy registrar or driver's license agent.

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

Sec. 17. Minnesota Statutes 2022, section 168.12, subdivision 1, is amended to read:

Subdivision 1. **Plates; design, visibility, periods of issuance.** (a) The commissioner, upon approval and payment, ~~shall~~ must issue to the applicant the plates required by this chapter, bearing the state name and an assigned vehicle registration number. The number assigned by the commissioner may be a combination of a letter or sign with figures. The color of the plates and the color of the abbreviation of the state name and the number assigned must be in marked contrast. The plates must be lettered, spaced, or distinguished to suitably indicate the registration of the vehicle according to the rules of the commissioner.

(b) When a vehicle is registered on the basis of total gross weight, the plates issued must clearly indicate by letters or other suitable insignia the maximum gross weight for which the tax has been paid.

(c) Plates issued to a noncommercial vehicle must bear the inscription "noncommercial" unless the vehicle is displaying a special plate authorized and issued under this chapter.

(d) A one-ton pickup truck that is used for commercial purposes and is subject to section 168.185, is eligible to display special plates as authorized and issued under this chapter.

(e) The plates must be so treated as to be at least 100 times brighter than the conventional painted number plates. When properly mounted on an unlighted vehicle, the plates, when viewed from a vehicle equipped with standard headlights, must be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet.

(f) The commissioner ~~shall~~ must issue plates for the following periods:

(1) New plates issued pursuant to section 168.012, subdivision 1, must be issued to a vehicle for as long as the vehicle is owned by the exempt agency and the plate ~~shall~~ is not ~~be~~ transferable from one vehicle to another but the plate may be transferred with the vehicle from one tax-exempt agency to another.

(2) Plates issued for passenger automobiles must be issued for a seven-year period. All plates issued under this paragraph must be replaced if they are seven years old or older at the time of registration renewal or will become so during the registration period.

(3) Plates issued under sections 168.053 and 168.27, subdivisions 16 and 17, must be for a seven-year period.

(4) Plates issued under subdivisions 2c and 2d and sections 168.123, 168.1235, and 168.1255 must be issued for the life of the veteran under section 169.79.

(5) Plates for any vehicle not specified in clauses (1) to (3) must be issued for the life of the vehicle.

(g) In a year in which plates are not issued, the commissioner ~~shall~~ must issue for each registration a sticker to designate the year of registration. This sticker must show the year or years for which the sticker is issued, and is valid only for that period. The plates and stickers issued for a vehicle may not be transferred to another vehicle during the period for which the sticker is issued, except when issued for a vehicle registered under section 168.187.

(h) Despite any other provision of this subdivision, plates issued to a vehicle used for behind-the-wheel instruction in a driver education course in a public school may be transferred to another vehicle used for the same purpose without payment of any additional fee. The public school ~~shall~~ must notify the commissioner of each transfer of plates under this paragraph. The commissioner may prescribe a format for notification.

(i) In lieu of plates required under this section, the commissioner must issue a registration number identical to the federally issued tail number assigned to a roadable aircraft.

Sec. 18. Minnesota Statutes 2023 Supplement, section 168.1235, subdivision 1, is amended to read:

Subdivision 1. **General requirements; fees.** (a) The commissioner ~~shall~~ must issue a special plate emblem for each plate to an applicant who:

(1) is a member of a congressionally chartered veterans service organization and is a registered owner of a passenger automobile, pickup truck, van, or self-propelled recreational vehicle, or is a congressionally chartered veterans service organization that is the registered owner of a passenger automobile, pickup truck, van, or self-propelled recreational vehicle;

(2) pays the registration tax required by law;

(3) pays a fee in the amount specified for special plates under section 168.12, subdivision 5, for each set of two plates, and any other fees required by this chapter; and

(4) complies with this chapter and rules governing the registration of motor vehicles and licensing of drivers.

(b) The additional fee is payable at the time of initial application for the special plate emblem and when the plates must be replaced or renewed. ~~An applicant must not be issued more than two sets of special plate emblems for motor vehicles listed in paragraph (a) and registered to the applicant.~~

(c) The applicant must present a valid card indicating membership in the American Legion, Veterans of Foreign Wars, or Disabled American Veterans.

Sec. 19. Minnesota Statutes 2023 Supplement, section 168.1259, subdivision 5, is amended to read:

Subd. 5. **Contributions; account; appropriation.** Contributions collected under subdivision 2, paragraph (a), clause (5), must be deposited in the Minnesota professional sports team foundations account, which is established in the special revenue fund. Money in the account is annually appropriated to the commissioner of public safety. This appropriation is first for the annual cost of administering the account funds, and the remaining funds are for distribution to the foundations in proportion to the total number of Minnesota professional sports team foundation plates issued for that year. Proceeds from a plate that includes the marks and colors of all foundations must be divided evenly between all foundations. The foundations must only use the proceeds for philanthropic or charitable purposes.

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

Sec. 20. Minnesota Statutes 2022, section 168.1282, subdivision 1, is amended to read:

Subdivision 1. **Issuance of plates.** The commissioner must issue "Start Seeing Motorcycles" special license plates or a single motorcycle plate to an applicant who:

(1) is a registered owner of a passenger automobile, noncommercial one-ton pickup truck, motorcycle, or recreational vehicle;

(2) pays a fee in the amount specified for special plates under section 168.12, subdivision 5, for each set of plates;

(3) pays the registration tax as required under section 168.013, along with any other fees required by this chapter;

(4) contributes a minimum of $10 annually to the motorcycle safety ~~fund~~ account, created under section 171.06, subdivision 2a~~, paragraph (a), clause (1)~~; and

(5) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 21. **[168.24] ROADABLE AIRCRAFT REGISTRATION.**

(a) For purposes of this section, "roadable aircraft" has the meaning given in section 169.011, subdivision 67a.

(b) An owner of a roadable aircraft must comply with all rules and requirements of this chapter and chapter 168A governing the titling, registration, taxation, and insurance of motor vehicles.

(c) A person who seeks to register a roadable aircraft for operation as a motor vehicle on public roadways in Minnesota must apply to the commissioner. The application must contain:

(1) the name and address of the owner of the roadable aircraft;

(2) the federally issued tail number assigned to the aircraft;

(3) the make and model of the roadable aircraft; and

(4) any other information the commissioner may require.

(d) Upon receipt of a valid and complete application for registration of a roadable aircraft, the commissioner must issue a certificate of registration.

(e) A valid registration certificate issued under this section must be located inside the roadable aircraft when the aircraft is in operation on a public highway.

(f) A roadable aircraft registered as a motor vehicle under this section must also be registered as an aircraft as provided in section 360.60.

Sec. 22. Minnesota Statutes 2022, section 168.33, subdivision 8a, is amended to read:

Subd. 8a. **Electronic transmission.** (a) If the commissioner accepts electronic transmission of a motor vehicle transfer and registration by a new or used motor vehicle dealer, a deputy registrar who is equipped with electronic transmission technology and trained in its use ~~shall~~ must receive the filing fee provided for in subdivision 7 and review the transfer of each new or used motor vehicle to determine its genuineness and regularity before issuance of a certificate of title, and ~~shall~~ must receive and retain the filing fee under subdivision 7, paragraph (a), clause (2).

(b) The commissioner must establish reasonable performance, security, technical, and financial standards to approve companies that provide computer software and services to motor vehicle dealers to electronically transmit vehicle title transfer and registration information. An approved company must be offered access to department facilities, staff, and technology on a fair and reasonable basis. An approved company must not have an ownership interest with a deputy registrar or a driver's license agent. An approved company is not eligible to be appointed by the commissioner as a deputy registrar or a driver's license agent.

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

Sec. 23. Minnesota Statutes 2023 Supplement, section 168.345, subdivision 2, is amended to read:

Subd. 2. **Lessees; information.** (a) The commissioner may not furnish information about registered owners of ~~passenger automobiles who are~~ motor vehicle lessees under a lease for a term of 180 days or more to any person except:

(1) the owner of the vehicle~~,~~;

(2) the lessee~~,~~;

(3) personnel of law enforcement agencies ~~and~~;

(4) trade associations performing a member service under section 604.15, subdivision 4a~~, and~~;

(5) licensed dealers in connection with a vehicle sale or lease;

(6) federal, state, and local governmental units~~,~~; and~~,~~

(7) at the commissioner's discretion, to persons who use the information to notify lessees of automobile recalls.

(b) The commissioner may release information about motor vehicle lessees in the form of summary data, as defined in section 13.02, to persons who use the information in conducting statistical analysis and market research.

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 24. Minnesota Statutes 2022, section 168A.085, is amended by adding a subdivision to read:

Subd. 4. **Foreign passport.** A valid and unexpired passport issued to the applicant by a recognized foreign government is a primary document for purposes of Minnesota Rules, part 7410.0400, and successor rules, when the applicant is an individual who is applying as the owner for a vehicle title or registration.

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

Sec. 25. Minnesota Statutes 2022, section 168B.035, subdivision 3, is amended to read:

Subd. 3. **Towing prohibited.** (a) A towing authority may not tow a motor vehicle because:

(1) the vehicle ~~has expired~~ displays registration ~~tabs~~ validation stickers that have been expired for less than 90 days; or

(2) the vehicle is at a parking meter on which the time has expired ~~and the vehicle has fewer than five unpaid parking tickets~~.

(b) A towing authority may tow a motor vehicle, notwithstanding paragraph (a), if:

(1) the vehicle is parked in violation of snow emergency regulations;

(2) the vehicle is parked in a rush-hour restricted parking area;

(3) the vehicle is blocking a driveway, alley, or fire hydrant;

(4) the vehicle is parked in a bus lane, or at a bus stop, during hours when parking is prohibited;

(5) the vehicle is parked within 30 feet of a stop sign and visually blocking the stop sign;

(6) the vehicle is parked in a disability transfer zone or disability parking space without a disability parking certificate or disability license plates;

(7) the vehicle is parked in an area that has been posted for temporary restricted parking (i) at least 12 hours in advance in a home rule charter or statutory city having a population under 50,000, or (ii) at least 24 hours in advance in another political subdivision;

(8) the vehicle is parked within the right-of-way of a controlled-access highway or within the traveled portion of a public street when travel is allowed there;

(9) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by fire, police, public safety, or emergency vehicles;

(10) the vehicle is unlawfully parked on property at the Minneapolis-St. Paul International Airport owned by the Metropolitan Airports Commission;

(11) a law enforcement official has probable cause to believe that the vehicle is stolen, or that the vehicle constitutes or contains evidence of a crime and impoundment is reasonably necessary to obtain or preserve the evidence;

(12) the driver, operator, or person in physical control of the vehicle is taken into custody and the vehicle is impounded for safekeeping;

(13) a law enforcement official has probable cause to believe that the owner, operator, or person in physical control of the vehicle has failed to respond to five or more citations for parking or traffic offenses;

(14) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by taxicabs;

(15) the vehicle is unlawfully parked and prevents egress by a lawfully parked vehicle;

(16) the vehicle is parked, on a school day during prohibited hours, in a school zone on a public street where official signs prohibit parking; or

(17) the vehicle is a junk, abandoned, or unauthorized vehicle, as defined in section 168B.011, and subject to immediate removal under this chapter.

Sec. 26. Minnesota Statutes 2022, section 169.011, subdivision 3a, is amended to read:

Subd. 3a. **Autocycle.** (a) "Autocycle" means a motorcycle that:

(1) has three wheels in contact with the ground;

(2) is designed with seating that does not require operators or any occupants to straddle or sit astride it;

(3) has a steering wheel;

(4) is equipped with antilock brakes; and

(5) is originally manufactured to meet federal motor vehicle safety standards for motorcycles in Code of Federal Regulations, title 49, part 571, and successor requirements.

(b) An autocycle does not include a roadable aircraft as defined in subdivision 67a.

Sec. 27. Minnesota Statutes 2022, section 169.011, subdivision 44, is amended to read:

Subd. 44. **Motorcycle.** "Motorcycle" means every motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground, including motor scooters and autocycles. Motorcycle does not include (1) motorized bicycles as defined in subdivision 45, (2) electric-assisted bicycles as defined in subdivision 27, ~~or~~ (3) a tractor, or (4) roadable aircraft.

Sec. 28. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision to read:

Subd. 48a. **Nondivisible load or vehicle.** "Nondivisible load" or "nondivisible vehicle" means any load or vehicle exceeding the applicable length, width, height, or weight limits set forth in this chapter which, if separated into smaller loads or vehicles, would:

(1) compromise the intended use of the load or vehicle;

(2) destroy the value of the load or vehicle; or

(3) require more than eight work hours to dismantle using appropriate equipment.

Sec. 29. Minnesota Statutes 2022, section 169.011, is amended by adding a subdivision to read:

Subd. 67a. **Roadable aircraft.** "Roadable aircraft" means any aircraft capable of taking off and landing from a suitable airfield and that is also designed to be operated on a public highway as a motor vehicle.

Sec. 30. Minnesota Statutes 2022, section 169.09, subdivision 5, is amended to read:

Subd. 5. **Notify owner of damaged property.** If the driver of any vehicle involved in a collision knows or has reason to know the collision resulted only in damage to fixtures legally upon or adjacent to a highway, the driver ~~shall~~ must:

(1) take reasonable steps to locate and notify the owner or person in charge of the property of ~~that fact~~ the collision, ~~of~~ the driver's name and address, and ~~of~~ the ~~registration~~ license plate number of the vehicle being driven and ~~shall~~ must, upon request and if available, exhibit the driver's license~~, and make an accident report in every case~~; and

(2) report the information required in clause (1) to a peace officer.

Sec. 31. Minnesota Statutes 2023 Supplement, section 169.09, subdivision 8, is amended to read:

Subd. 8. **Officer to report accident to commissioner.** ~~A peace officer who, in the regular course of duty, investigates an accident that must be reported under this section shall, within ten days after the date of the accident, forward an electronic or written report of the accident as prescribed by the commissioner of public safety. Within two business days after identification of a fatality that resulted from an accident, the reporting agency must notify the commissioner of the basic circumstances of the accident using an electronic format as prescribed by the commissioner~~ (a) A peace officer who investigates in the regular course of duty an accident that is required to be reported under this section must submit an electronic or written report of the accident to the commissioner of public safety within ten days after the date of the accident. Within two business days after identification of a fatality that resulted from an accident, the reporting agency must notify the commissioner of the basic circumstances of the accident. A report or notification under this subdivision must be in the format as prescribed in subdivision 9.

(b) Accidents on streets, highways, roadways, sidewalks, shoulders, shared use paths, or any other portion of a public right-of-way must be reported under the requirements of this section if the accident results in:

(1) a fatality;

(2) bodily injury to a person who, because of the injury, immediately receives medical treatment away from or at the scene of the accident;

(3) one or more of the motor vehicles incurring disabling damage that requires a vehicle to be transported away from the scene of the accident by tow truck or other vehicle; or

(4) damage to fixtures, infrastructure, or any other property alongside or on a highway.

(c) An accident involving a school bus, as defined in section 169.011, subdivision 71, must be reported under the requirements of this section and section 169.4511.

(d) An accident involving a commercial motor vehicle, as defined in section 169.781, subdivision 1, paragraph (a), must be reported under the requirements of this section and section 169.783.

(e) Accidents occurring on public lands or trail systems that result in the circumstances specified in paragraph (b) must be reported under the requirements of this section.

Sec. 32. Minnesota Statutes 2022, section 169.09, subdivision 14a, is amended to read:

Subd. 14a. **Suspension of license for failure to report accident.** The commissioner may suspend the license, or any nonresident's operating privilege, of any ~~person~~ driver who willfully fails, refuses, or neglects to make report of a traffic accident as required ~~by the laws of this state~~ under this section. A license suspension under this section is subject to the notice requirements of section 171.18, subdivision 2.

Sec. 33. Minnesota Statutes 2022, section 169.09, subdivision 19, is amended to read:

Subd. 19. **Terminology.** (a) The provisions of this section apply equally whether the term "accident" or "collision" is used. The term "accident" or "collision" does not include:

(1) an occurrence involving only boarding and alighting from a stationary motor vehicle;

(2) an occurrence involving only the loading or unloading of cargo; or

(3) intentional vehicle-to-vehicle contact when initiated by a peace officer:

(i) to stop a perpetrator from fleeing in a motor vehicle, as defined in section 609.487, subdivision 3; or

(ii) as an authorized use of force, as defined in section 609.06, subdivision 1; 609.065; or 609.066.

(b) For purposes of this section, "disabling damage" means damage that prevents a motor vehicle from departing the scene of the accident in its usual manner in daylight after simple repairs. Disabling damage includes damage to a motor vehicle that could be driven from the scene of the accident but would be further damaged if so driven. Disabling damage does not include:

(1) damage that can be remedied temporarily at the scene of the accident without special tools or parts;

(2) tire disablement without other damage, even if no spare tire is available;

(3) headlamp or taillight damage; or

(4) damage that makes the turn signals, horn, or windshield wipers inoperable.

(c) For purposes of this section, motor vehicle includes off-highway vehicles, as defined in section 84.771, and snowmobiles, as defined in section 84.81.

Sec. 34. Minnesota Statutes 2022, section 169.19, subdivision 2, is amended to read:

Subd. 2. **U-turn.** ~~No vehicle shall be turned~~ The operator of a vehicle must not turn to proceed in the opposite direction upon any curve, or upon the approach to or near the crest of a grade, where the vehicle cannot be seen by the ~~driver~~ operator of any other vehicle approaching from either direction within 1,000 feet~~, nor shall the driver~~. The operator of a vehicle must not turn the vehicle to proceed in the opposite direction unless the movement can be made safely and without interfering with other traffic. ~~When necessary to accommodate vehicle configuration on~~ The operator of a vehicle is permitted to make a right-hand turn into the farthest lane of a roadway with two or more lanes in the same direction~~, a driver may turn the vehicle into the farthest lane and temporarily use the shoulder to make a U-turn~~ in order to make a U-turn at a reduced-conflict intersection if it is safe to do so.

Sec. 35. Minnesota Statutes 2022, section 169.224, subdivision 3, is amended to read:

Subd. 3. **Operation.** (a) A neighborhood electric vehicle or a medium-speed electric vehicle may not be operated on a street or highway with a speed limit greater than 35 miles per hour, except to make a direct crossing of that street or highway.

(b) A person may operate a three-wheeled neighborhood electric vehicle without a ~~two-wheeled vehicle~~ motorcycle endorsement~~, provided~~ if the person has a valid driver's license issued under chapter 171.

Sec. 36. Minnesota Statutes 2022, section 169.34, subdivision 1, is amended to read:

Subdivision 1. **Prohibitions.** (a) ~~No person shall~~ A person must not stop, stand, or park a vehicle, except when necessary to avoid conflict with other traffic or in compliance with the directions of a police officer or traffic-control device, in any of the following places:

(1) on a sidewalk;

(2) in front of a public or private driveway;

(3) within an intersection;

(4) within ten feet of a fire hydrant;

(5) on a crosswalk;

(6) within 20 feet of a crosswalk at an intersection;

(7) within 30 feet upon the approach to any flashing beacon, stop sign, or traffic-control signal located at the side of a roadway;

~~(8) between a safety zone and the adjacent curb or within 30 feet of points on the curb immediately opposite the ends of a safety zone, unless a different length is indicated by signs or markings;~~

~~(9)~~ (8) within 50 feet of the nearest rail of a railroad crossing;

~~(10)~~ (9) within 20 feet of the driveway entrance to any fire station and on the side of a street opposite the entrance to any fire station within 75 feet of said entrance when properly signposted;

~~(11)~~ (10) alongside or opposite any street excavation or obstruction when such stopping, standing, or parking would obstruct traffic;

~~(12)~~ (11) on the roadway side of any vehicle stopped or parked at the edge or curb of a street;

~~(13)~~ (12) upon any bridge or other elevated structure upon a highway or within a highway tunnel, except as otherwise provided by ordinance;

~~(14)~~ (13) within a bicycle lane, except when posted signs permit parking; or

~~(15)~~ (14) at any place where official signs prohibit stopping.

(b) ~~No person shall~~ A person must not move a vehicle not owned by ~~such~~ the person into any prohibited area or away from a curb such distance as is unlawful.

(c) ~~No person shall~~ A person must not, for camping purposes, leave or park a travel trailer on or within the limits of any highway or on any highway right-of-way, except where signs are erected designating the place as a campsite.

(d) ~~No person shall~~ A person must not stop or park a vehicle on a street or highway when directed or ordered to proceed by any peace officer invested by law with authority to direct, control, or regulate traffic.

Sec. 37. Minnesota Statutes 2022, section 169.444, subdivision 4, is amended to read:

Subd. 4. **Exception for separated roadway.** (a) A person driving a vehicle on a street or highway with separated roadways is not required to stop the vehicle when approaching or meeting a school bus that is on a different roadway.

(b) "Separated roadway" means a road that is separated from a parallel road by a ~~safety isle or safety zone~~ physical barrier, raised median, or depressed median.

Sec. 38. Minnesota Statutes 2022, section 169.4503, subdivision 31, is amended to read:

Subd. 31. **Supplemental warning system~~; temporary authority~~.** ~~(a) Prior to August 1, 2022, the commissioner may approve a~~ Type A, B, C, or D school ~~bus to~~ buses may be equipped with a supplemental warning system. ~~On and after that date, a school bus may continue to be equipped with a previously approved supplemental warning system.~~

~~(b) To determine approval of a supplemental warning system, the commissioner must consider~~ A supplemental warning system must:

(1) use amber and red signal colors~~, which are limited to one or more of the colors white, amber, and red~~;

(2) ~~flashing patterns~~ use supplemental amber warning lights activated only in conjunction with activated overhead amber warning lights and supplemental red warning lights activated only in conjunction with activated overhead red flashing lights;

~~(3) vehicle mounting and placement;~~

~~(4) supplemental warning system activation~~ (3) be wired so the supplemental warning system is automatically activated in conjunction with activation of prewarning flashing amber signals, stop-signal arm, and flashing red signals;

~~(5) light intensity~~ (4) be programmed to flash at a rate of 60 to 120 flashes per minute by either:

(i) using a randomized flash pattern; or

(ii) alternating with the corresponding overhead light; and

~~(6) permissible text, signage, and graphics, if any~~ (5) use lights installed in pairs and mounted on the same level and placed as wide as practicable on the body above the bumper level.

~~(c) The commissioner must review relevant research findings and experience in other jurisdictions, and must consult with interested stakeholders, including but not limited to representatives from school district pupil transportation directors, private school bus operators, and pupil transportation and traffic safety associations.~~

Sec. 39. Minnesota Statutes 2022, section 169.56, is amended by adding a subdivision to read:

Subd. 6. **Motorcycle ground light.** Notwithstanding section 169.64, subdivision 4a, a motorcycle may be equipped with white ground lights mounted under the motorcycle if:

(1) the bulbs or strips are not visible to operators of other vehicles; and

(2) the lights are aimed as to project a steady, nonflashing beam not more than six feet in radius directly onto the roadway and illuminate an area around the motorcycle.

Sec. 40. Minnesota Statutes 2022, section 169.685, is amended by adding a subdivision to read:

Subd. 3a. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Booster seat" means a child passenger restraint system that meets applicable federal motor vehicle safety standards and is designed to provide belt-positioning that elevates a child to be properly seated with a safety belt.

(c) "Child passenger restraint system" means a device that:

(1) meets applicable federal motor vehicle safety standards of the United States Department of Transportation and complies with any other applicable federal regulations;

(2) is designed to restrain, seat, or position children; and

(3) is appropriate to the age of the child being restrained.

Child passenger restraint system includes a booster seat.

(d) "Properly restrained" means restrained or secured according to the instructions of both the motor vehicle manufacturer and the child passenger restraint system manufacturer.

(e) "Secured with a safety belt" means restrained or secured by a seat belt that (1) meets applicable federal motor vehicle safety standards, and (2) is properly adjusted and fastened, including both the shoulder and lap straps when equipped in the vehicle.

Sec. 41. Minnesota Statutes 2022, section 169.685, subdivision 4, is amended to read:

Subd. 4. **Admissibility into evidence.** (a) Except as provided in paragraph (b), proof of the use or failure to use seat belts or a child passenger restraint system as described in subdivision ~~5~~ 4a, or proof of the installation or failure of installation of seat belts or a child passenger restraint system as described in subdivision ~~5 shall not be~~ 4a is not admissible in evidence in any litigation involving personal injuries or property damage resulting from the use or operation of any motor vehicle.

(b) Paragraph (a) does not affect the right of a person to bring an action for damages arising out of an incident that involves a defectively designed, manufactured, installed, or operating seat belt or child passenger restraint system. Paragraph (a) does not prohibit the introduction of evidence pertaining to the use of a seat belt or child passenger restraint system in an action described in this paragraph.

Sec. 42. Minnesota Statutes 2022, section 169.685, is amended by adding a subdivision to read:

Subd. 4a. **Child passenger restraint systems.** (a) Except as provided in paragraph (c), every driver in this state who transports a child or children under the age of 18 years in a motor vehicle that is in motion or a part of traffic and is required under federal motor vehicle safety standards to be equipped with a safety belt or lower anchors and tethers for children in a passenger seating position must have the child or children secured as follows:

(1) a child who is younger than two years of age must be properly restrained in a rear-facing child passenger restraint system with an internal harness, until the child reaches the weight or height limit of the child passenger restraint system;

(2) a child who is at least two years of age and exceeds the rear-facing weight or height limit of the child passenger restraint system must be properly restrained in a forward-facing child passenger restraint system with an internal harness, until the child reaches the weight or height limit of the child passenger restraint system;

(3) a child who is at least four years of age and exceeds the weight or height limit of the forward-facing child passenger restraint system must be properly restrained in a booster seat and secured with a safety belt;

(4) a child who is at least nine years of age or exceeds the weight or height limit of the child passenger restraint system or the booster seat must be secured with a safety belt adjusted and fastened around the child's body to fit correctly. The safety belt fits correctly when the child sits all the way back against the vehicle seat, the child's knees bend over the edge of the vehicle seat, the lap strap fits snugly across the child's thighs and lower hips and not the child's abdomen, and the shoulder strap snugly crosses the center of the child's chest and not the child's neck;

(5) a child who is younger than 13 years of age must be transported in the rear seat of a motor vehicle, when available, and must be properly restrained in a child passenger restraint system or booster seat or secured with a safety belt; and

(6) a child who, because of age or weight, can be placed in more than one category under this paragraph must be placed in the more protective category, where clause (1) provides for the most protective and clause (5) provides for the least protective.

(b) The driver of a motor vehicle transporting a child who is younger than six years of age or weighs less than 60 pounds must transport the child in a rear seat if:

(1) the vehicle is equipped with a passenger side air bag supplemental restraint system;

(2) the air bag system is activated; and

(3) a rear seat is available.

(c) When the number of children in the motor vehicle under 13 years of age exceeds the number of age- or size-appropriate child passenger restraint systems and safety belts available in the motor vehicle, the unrestrained children must be seated in a rear seat, if rear seats are available.

(d) The weight and height limits of a child passenger restraint system under this subdivision are as established by the child passenger restraint system manufacturer.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to violations committed on or after that date.

Sec. 43. Minnesota Statutes 2022, section 169.685, subdivision 5, is amended to read:

Subd. 5. **Violation; petty misdemeanor.** (a) ~~Every motor vehicle operator, when transporting a child who is both under the age of eight and shorter than four feet nine inches on the streets and highways of this state in a motor vehicle equipped with factory installed seat belts, shall equip and install for use in the motor vehicle, according to the manufacturer's instructions, a child passenger restraint system meeting federal motor vehicle safety standards.~~

~~(b) No motor vehicle operator who is operating a motor vehicle on the streets and highways of this state may transport a child who is both under the age of eight and shorter than four feet nine inches in a seat of a motor vehicle equipped with a factory installed seat belt, unless the child is properly fastened in the child passenger restraint system.~~ Any motor vehicle operator who violates ~~this~~ subdivision 4a is guilty of a petty misdemeanor and may be sentenced to pay a fine of not more than $50. The fine may be waived or the amount reduced if the motor vehicle operator produces evidence that within 14 days after the date of the violation a child passenger restraint system meeting federal motor vehicle safety standards was purchased or obtained for the exclusive use of the operator.

~~(c)~~ (b) At the time of issuance of a citation under this subdivision, a peace officer may provide to the violator information on obtaining a free or low-cost child passenger restraint system.

~~(d)~~ (c) The fines collected for violations of this subdivision must be deposited in the ~~state treasury and credited to a special account to be known as the~~ Minnesota child passenger restraint and education account.

~~(e) For the purposes of this section, "child passenger restraint system" means any device that meets the standards of the United States Department of Transportation; is designed to restrain, seat, or position children; and includes a booster seat.~~

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to violations committed on or after that date.

Sec. 44. Minnesota Statutes 2022, section 169.685, subdivision 7, is amended to read:

Subd. 7. **Appropriation; special account.** The Minnesota child passenger restraint and education account is created in the ~~state treasury~~ special revenue fund, consisting of fines collected under subdivision 5 and other money appropriated or donated. The money in the account is annually appropriated to the commissioner of public safety to be used to provide child passenger restraint systems to families in financial need, school districts and child care providers that provide for the transportation of pupils to and from school using type III vehicles or school buses with a gross vehicle weight rating of 10,000 pounds or less, and to provide an educational program on the need for and proper use of child passenger restraint systems. Information on the commissioner's activities and expenditure of funds under this section must be available upon request.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 45. Minnesota Statutes 2022, section 169.79, is amended by adding a subdivision to read:

Subd. 3b. **Roadable aircraft.** Notwithstanding subdivision 1 and section 168.09, subdivision 1, a roadable aircraft is not required to display a license plate.

Sec. 46. Minnesota Statutes 2022, section 169.80, is amended by adding a subdivision to read:

Subd. 4. **Divisible load.** (a) A load that is not a nondivisible load on a vehicle or combination of vehicles must be transported:

(1) with the load reduced or positioned in a manner so that the transportation does not exceed the size and weight limits of vehicles under this chapter; or

(2) under a special permit authorized in this chapter for which the transportation qualifies.

(b) The applicant for a special permit related to a nondivisible load has the burden of proof as to the number of work hours required to dismantle the load.

Sec. 47. Minnesota Statutes 2022, section 169.801, subdivision 7, is amended to read:

Subd. 7. **Driving rules.** (a) An implement of husbandry may not be operated or towed on an interstate highway.

(b) An implement of husbandry may be operated or towed to the left of the center of a roadway only if ~~it~~ the operation does not extend into the left half of the roadway more than is necessary and:

(1) the operation is for the purpose of avoiding an obstacle on the right-hand side of the road and the following requirements are met:

(i) the implement crosses the center line for as brief a period of time as necessary to avoid the obstacle;

(ii) the implement returns to the right half of the roadway immediately after passing the obstacle and when safe to do so; and

(iii) no other vehicles are approaching from the opposite direction such that the approaching vehicle would be within the immediate vicinity of the implement before the implement returns to the right-hand side of the road; or

(2) the implement is escorted at the front by a vehicle displaying hazard warning lights visible in normal sunlight ~~and the operation does not extend into the left half of the roadway more than is necessary~~.

(c) An implement of husbandry, when operating in compliance with the requirements of this section and under paragraph (b), is not subject to the escort requirements in section 169.812, subdivision 2.

EFFECTIVE DATE. This section is effective August 1, 2024, and applies to violations committed on or after that date.

Sec. 48. Minnesota Statutes 2022, section 169.829, is amended by adding a subdivision to read:

Subd. 5. **Sewage septic tank trucks.** (a) For the purposes of this subdivision, "emergency pumping services" means a sewage septic tank truck's response to:

(1) uncontrolled and unintended seepage of the contents of a septic system into the ground, around a structure, or into a body of surface water;

(2) damage or malfunction to a septic system that requires removal of the contents of the septic system for repair or maintenance; or

(3) a condition that creates an immediate hazard to the health, welfare, or safety of a person.

(b) When a sewage septic tank truck used exclusively to transport sewage from septic or holding tanks is performing emergency pumping services, sections 169.823 and 169.826 to 169.828 do not apply, and the weight limitations under section 169.824 are increased by ten percent when transporting sewage from a single point of service to the point of unloading.

(c) Notwithstanding section 169.824, subdivision 1, paragraph (d); 169.826, subdivision 3; or any other law to the contrary, a permit is not required to operate a vehicle under this subdivision.

(d) The seasonal weight increases under section 169.826, subdivision 1, do not apply to a vehicle operated under this subdivision.

(e) A vehicle operated under this subdivision is subject to bridge load limits posted under section 169.84.

(f) A vehicle operated under this subdivision must not be operated with a load that exceeds the tire manufacturer's recommended load, the manufacturer's gross vehicle weight rating as affixed to the vehicle, or other certification of gross vehicle weight rating under Code of Federal Regulations, title 49, sections 567.4 to 567.7.

(g) The exceptions under this subdivision do not apply to a sewage septic tank truck's operation on an interstate highway.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 49. **[169.8655] SPECIAL SUGAR BEET HAULING VEHICLE PERMIT.**

Subdivision 1. **122,000-pound vehicles; East Grand Forks.** A road authority may issue a permit for a vehicle or combination of vehicles that transports sugar beets and meets the following requirements:

(1) does not exceed a maximum gross vehicle weight of 122,000 pounds;

(2) does not use a semitrailer in a combination of vehicles that has an overall length in excess of 28-1/2 feet; and

(3) is only for operation on the following roads in East Grand Forks:

(i) U.S. Highway 2 between the North Dakota border and Fifth Avenue Northeast;

(ii) Fifth Avenue Northeast between U.S. Highway 2 and Business Highway 2; and

(iii) Business Highway 2 from Fifth Avenue Northeast to the sugar beet processing facility on Business Highway 2.

Subd. 2. **Requirements; restrictions.** (a) A vehicle or combination of vehicles issued a permit under subdivision 1:

(1) is subject to axle weight limitations under section 169.824, subdivision 1;

(2) is subject to seasonal load restrictions under section 169.87;

(3) is subject to bridge load limits posted under section 169.84;

(4) may not be operated with a load that exceeds the tire manufacturer's recommended load limit under section 169.823, the manufacturer's gross vehicle weight rating as affixed to the vehicle, or other certification of gross weight rating under Code of Federal Regulations, title 49, sections 567.4 to 567.7; and

(5) may not be operated on the interstate highway system.

(b) The seasonal weight increases authorized under section 169.826 do not apply to a vehicle or combination of vehicles operating under this section.

Subd. 3. **Permit fee.** A permit issued under this section must be an annual permit. A permit issued under this section may only be issued before July 1, 2027. The fee for permits issued under this section is $300 and must be deposited in the trunk highway fund.

Sec. 50. Minnesota Statutes 2022, section 169.87, subdivision 6, is amended to read:

Subd. 6. **Recycling ~~and~~, garbage, and waste collection vehicles.** (a) ~~Except as provided in paragraph (b)~~ While a vehicle is engaged in the type of collection the vehicle was designed to perform, weight restrictions imposed under subdivisions 1 and 2 do not apply to:

(1) a vehicle that does not exceed 20,000 pounds per single axle and is designed and used exclusively for recycling, while ~~engaged in recycling~~ operating in a political subdivision that mandates curbside recycling pickup~~.~~;

~~(b) Weight restrictions imposed under subdivisions 1 and 2 do not apply to:~~ ~~(1)~~ (2) a vehicle that does not exceed 14,000 pounds per single axle and is used exclusively for recycling ~~as described in paragraph (a)~~;

~~(2)~~ (3) a vehicle that does not exceed 14,000 pounds per single axle and is designed and used exclusively for collecting mixed municipal solid waste, as defined in section 115A.03, subdivision 21~~, while engaged in such collection~~; ~~or~~

~~(3)~~ (4) a portable toilet service vehicle that does not exceed 14,000 pounds per single axle or 26,000 pounds gross vehicle weight, and is designed and used exclusively for collecting liquid waste from portable toilets~~, while engaged in such collection~~; or

(5) a sewage septic tank truck while performing emergency pumping services as defined in section 169.829, subdivision 5, that does not exceed 20,000 pounds per single axle and is designed and used exclusively to haul sewage from septic or holding tanks.

~~(c)~~ (b) Notwithstanding section 169.80, subdivision 1, ~~a violation of~~ the owner or operator of a vehicle that violates the weight restrictions imposed under subdivisions 1 and 2 ~~by a vehicle designed and used exclusively for recycling while engaged in recycling in a political subdivision that mandates curbside recycling pickup while engaged in such collection, by a vehicle that is designed and used exclusively for collecting mixed municipal solid waste as defined in section 115A.03, subdivision 21, while engaged in such collection, or by a portable toilet service vehicle that is designed and used exclusively for collecting liquid waste from portable toilets, while engaged in such collection,~~ is not subject to criminal penalties but is subject to a civil penalty for excess weight under section 169.871 if the vehicle meets the requirements under paragraph (a) and is engaged in the type of collection the vehicle was designed to perform.

EFFECTIVE DATE. This section is effective June 1, 2024.

Sec. 51. Minnesota Statutes 2022, section 169.974, subdivision 2, is amended to read:

Subd. 2. **License endorsement and permit requirements.** (a) ~~No person shall~~ A person must not operate a motorcycle on any street or highway without having a valid driver's license with a ~~two-wheeled vehicle~~ motorcycle endorsement as provided by law. A person may operate an autocycle without a ~~two-wheeled vehicle~~ motorcycle endorsement~~, provided~~ if the person has a valid driver's license issued under section 171.02.

(b) The commissioner of public safety ~~shall~~ must issue a ~~two-wheeled vehicle~~ motorcycle endorsement only if the applicant (1) has in possession a valid ~~two-wheeled vehicle~~ motorcycle instruction permit as provided in paragraph (c), (2) has passed a written examination and road test administered by the Department of Public Safety for the endorsement, and (3) in the case of applicants under 18 years of age, presents a certificate or other evidence of having successfully completed an approved ~~two-wheeled vehicle~~ motorcycle driver's safety course in this or another state, in accordance with rules adopted by the commissioner of public safety for courses offered by a public, private, or commercial school or institute. The commissioner of public safety may waive the road test for any applicant on determining that the applicant possesses a valid license to operate a ~~two-wheeled vehicle~~ motorcycle issued by a jurisdiction that requires a comparable road test for license issuance.

(c) The commissioner of public safety ~~shall~~ must issue a ~~two-wheeled vehicle~~ motorcycle instruction permit to any person over 16 years of age who (1) is in possession of a valid driver's license, (2) is enrolled in an approved ~~two-wheeled vehicle~~ motorcycle driver's safety course, and (3) has passed a written examination for the permit and paid a fee prescribed by the commissioner of public safety. A ~~two-wheeled vehicle~~ motorcycle instruction permit is effective for one year and may be renewed under rules prescribed by the commissioner of public safety.

(d) ~~No~~ A person who is operating by virtue of a ~~two-wheeled vehicle~~ motorcycle instruction permit ~~shall~~ must not:

(1) carry any passengers on the streets and highways of this state on the motorcycle while the person is operating the motorcycle;

(2) drive the motorcycle at night; or

(3) drive the motorcycle without wearing protective headgear that complies with standards established by the commissioner of public safety.

(e) Notwithstanding paragraphs (a) to (d), the commissioner of public safety may issue a special motorcycle permit, restricted or qualified as the commissioner of public safety deems proper, to any person demonstrating a need for the permit and unable to qualify for a driver's license.

Sec. 52. **[169.975] OPERATION OF ROADABLE AIRCRAFT.**

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

(b) "Aircraft" has the meaning given in section 360.013, subdivision 37.

(c) "Airport" has the meaning given in section 360.013, subdivision 39, and includes a personal-use airport as defined in Minnesota Rules, part 8800.0100, subpart 22a.

(d) "Restricted landing area" has the meaning given in section 360.013, subdivision 57.

(e) "Unlicensed landing area" has the meaning given in Minnesota Rules, part 8800.0100, subpart 32a.

Subd. 2. **Operation.** (a) A roadable aircraft is considered a motor vehicle when in operation, including on a public highway, except when the vehicle is (1) at an airport, (2) on a restricted landing area, (3) on an unlicensed landing area, or (4) in flight. When operating a roadable aircraft as a motor vehicle, an operator must comply with all rules and requirements set forth in this chapter governing the operation and insurance of a motor vehicle.

(b) When in operation at an airport, a restricted landing area, an unlicensed landing area, or in flight, a roadable aircraft is considered an aircraft and the operator must comply with all rules and requirements set forth in chapter 360. An owner of a roadable aircraft registered in Minnesota must comply with all rules and requirements of chapter 360 governing the registration, taxation, and insurance of aircraft.

(c) A roadable aircraft may only take off or land at an airport, unlicensed landing area, or restricted landing area.

Sec. 53. Minnesota Statutes 2022, section 169A.52, subdivision 7, is amended to read:

Subd. 7. **Test refusal; driving privilege lost.** (a) On behalf of the commissioner, a peace officer requiring a test or directing the administration of a chemical test shall serve immediate notice of intention to revoke and of revocation on a person who refuses to permit a test or on a person who submits to a test the results of which indicate an alcohol concentration of 0.08 or more.

(b) On behalf of the commissioner, a peace officer requiring a test or directing the administration of a chemical test of a person driving, operating, or in physical control of a commercial motor vehicle shall serve immediate notice of intention to disqualify and of disqualification on a person who refuses to permit a test, or on a person who submits to a test the results of which indicate an alcohol concentration of 0.04 or more.

(c) The officer shall:

(1) invalidate the person's driver's license or permit card ~~by clipping the upper corner of the card in such a way that no identifying information including the photo is destroyed, and immediately return the card to the person~~;

(2) issue the person a temporary license effective for only seven days; and

(3) send the notification of this action to the commissioner along with the certificate required by subdivision 3 or 4.

Sec. 54. Minnesota Statutes 2022, section 171.01, subdivision 40, is amended to read:

Subd. 40. **Motorcycle.** "Motorcycle" means every motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground~~, including~~. Motorcycle includes motor scooters and bicycles with motor attached~~, but excluding~~.

(b) Motorcycle excludes tractors ~~and~~, motorized bicycles, and roadable aircraft, as defined in section 169.011, subdivision 67a.

Sec. 55. Minnesota Statutes 2022, section 171.01, subdivision 41a, is amended to read:

Subd. 41a. **Noncompliant license; noncompliant identification card.** "Noncompliant license," "noncompliant identification card," or "noncompliant license or identification card," means a driver's license or a Minnesota identification card issued under section 171.019, subdivision 2, paragraph (b). Unless provided otherwise, noncompliant license includes an appropriate instruction permit, provisional license, limited license, and restricted license.

Sec. 56. Minnesota Statutes 2022, section 171.01, is amended by adding a subdivision to read:

Subd. 45c. **REAL ID compliant license; REAL ID compliant identification card.** "REAL ID compliant license," "REAL ID compliant identification card," or "REAL ID compliant license or identification card" means a driver's license or a Minnesota identification card issued under section 171.019, subdivision 2, paragraph (a). Unless provided otherwise, REAL ID compliant license includes an appropriate instruction permit, provisional license, limited license, and restricted license.

Sec. 57. Minnesota Statutes 2022, section 171.01, subdivision 47, is amended to read:

Subd. 47. **State.** "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States, including a United States military base located on foreign soil.

Sec. 58. Minnesota Statutes 2022, section 171.06, subdivision 2a, is amended to read:

Subd. 2a. ~~**Two-wheeled vehicle**~~ **Motorcycle endorsement fee.** (a) In addition to the appropriate fee under subdivision 2, the fee for a ~~two-wheeled vehicle~~ motorcycle endorsement on a driver's license is:

(1) $26.50 for an initial endorsement or a duplicate license obtained for the purpose of adding the endorsement; and

(2) $17 for each license renewal with the endorsement.

(b) The additional fee must be paid into the state treasury and credited as follows:

(1) $19 of the additional fee under paragraph (a), clause (1), and $11 of the additional fee under paragraph (a), clause (2), to the motorcycle safety ~~fund~~ account, which is hereby created in the special revenue fund; and

(2) the remainder to the general fund.

(c) All application forms prepared by the commissioner for ~~two-wheeled vehicle~~ motorcycle endorsements must clearly state the amount of the total fee that is dedicated to the motorcycle safety ~~fund~~ account.

Sec. 59. Minnesota Statutes 2023 Supplement, section 171.06, subdivision 3, is amended to read:

Subd. 3. **Contents of application; other information.** (a) An application must:

(1) state the full name, date of birth, sex, and either (i) the residence address of the applicant, or (ii) designated address under section 5B.05;

(2) ~~as may be required by the commissioner,~~ contain a description of the applicant ~~and any other facts pertaining to the applicant~~, including the applicant's height in feet and inches, weight in pounds, eye color, and sex; the applicant's driving privileges~~,~~; and the applicant's ability to operate a motor vehicle with safety;

(3) state:

(i) the applicant's Social Security number; or

(ii) if the applicant does not have a Social Security number and is applying for a Minnesota identification card, instruction permit, or class D provisional or driver's license, that the applicant elects not to specify a Social Security number;

(4) contain a notification to the applicant of the availability of a living will/health care directive designation on the license under section 171.07, subdivision 7;

(5) include a method for the applicant to:

(i) request a veteran designation on the license under section 171.07, subdivision 15, and the driving record under section 171.12, subdivision 5a;

(ii) indicate a desire to make an anatomical gift under subdivision 3b, paragraph (e);

(iii) as applicable, designate document retention as provided under section 171.12, subdivision 3c;

(iv) indicate emergency contacts as provided under section 171.12, subdivision 5b;

(v) indicate the applicant's race and ethnicity; and

(vi) indicate caretaker information as provided under section 171.12, subdivision 5c; and

(6) meet the requirements under section 201.161, subdivision 3.

(b) Applications must be accompanied by satisfactory evidence demonstrating:

(1) identity, date of birth, and any legal name change if applicable; and

(2) for ~~driver's~~ drivers' licenses and Minnesota identification cards that meet all requirements of the REAL ID Act:

(i) principal residence address in Minnesota, including application for a change of address, unless the applicant provides a designated address under section 5B.05;

(ii) Social Security number, or related documentation as applicable; and

(iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.

(c) An application for an enhanced driver's license or enhanced identification card must be accompanied by:

(1) satisfactory evidence demonstrating the applicant's full legal name and United States citizenship; and

(2) a photographic identity document.

~~(d) A valid Department of Corrections or Federal Bureau of Prisons identification card containing the applicant's full name, date of birth, and photograph issued to the applicant is an acceptable form of proof of identity in an application for an identification card, instruction permit, or driver's license as a secondary document for purposes of Minnesota Rules, part 7410.0400, and successor rules.~~

~~(e)~~ (d) An application form must not provide for identification of (1) the accompanying documents used by an applicant to demonstrate identity, or (2) except as provided in paragraphs (b) and (c), the applicant's citizenship, immigration status, or lawful presence in the United States. The commissioner and a driver's license agent must not inquire about an applicant's citizenship, immigration status, or lawful presence in the United States, except as provided in paragraphs (b) and (c).

(e) A Minnesota driver's license or identification card must be issued only to an individual who has a residence address in the state at the time of the application. Applications for an enhanced driver's license or enhanced identification card must include proof of residency in accordance with section 171.063, subdivision 6. An individual may only have one residence address where the individual is domiciled at any particular time. The residence address of the individual is presumed to continue until the contrary is shown. The applicant must provide the following information about the residence address: residence number, street name, street type, directional, city or town, state, and zip code.

Sec. 60. Minnesota Statutes 2022, section 171.0605, subdivision 2, is amended to read:

Subd. 2. **Evidence; identity; date of birth.** (a) Only the following is satisfactory evidence of an applicant's identity and date of birth under section 171.06, subdivision 3, paragraph (b):

(1) a driver's license or identification card that:

(i) complies with all requirements of the REAL ID Act;

(ii) is not designated as temporary or limited term; and

(iii) is current or has been expired for five years or less;

(2) a valid, unexpired United States passport, including a passport booklet or passport card, issued by the United States Department of State;

(3) a certified copy of a birth certificate issued by a government bureau of vital statistics or equivalent agency in the applicant's state of birth, which must bear the raised or authorized seal of the issuing government entity;

(4) a consular report of birth abroad, certification of report of birth, or certification of birth abroad, issued by the United States Department of State, Form FS-240, Form DS-1350, or Form FS-545;

(5) a valid, unexpired permanent resident card issued by the United States Department of Homeland Security or the former Immigration and Naturalization Service of the United States Department of Justice, Form I-551. If the Form I-551 validity period has been automatically extended by the United States Department of Homeland Security, it is deemed unexpired, regardless of the expiration date listed;

(6) a foreign passport with an unexpired temporary I-551 stamp or a temporary I-551 printed notation on a machine-readable immigrant visa with a United States Department of Homeland Security admission stamp within the validity period;

(7) a United States Department of Homeland Security Form I-94 or Form I-94A with a photograph and an unexpired temporary I-551 stamp;

(8) a United States Department of State Form DS-232 with a United States Department of Homeland Security admission stamp and validity period;

~~(6)~~ (9) a certificate of naturalization issued by the United States Department of Homeland Security, Form N-550 or Form N-570;

~~(7)~~ (10) a certificate of citizenship issued by the United States Department of Homeland Security, Form N-560 or Form N-561;

~~(8)~~ (11) an unexpired employment authorization document issued by the United States Department of Homeland Security, Form I-766 or Form I-688B. If the Form I-766 validity period has been automatically extended by the United States Department of Homeland Security, it is deemed unexpired, regardless of the expiration date listed;

~~(9)~~ (12) a valid, unexpired passport issued by a foreign country and a valid, unexpired United States visa accompanied by documentation of the applicant's most recent lawful admittance into the United States;

~~(10)~~ (13) a document as designated by the United States Department of Homeland Security under Code of Federal Regulations, title 6, part 37.11 (c)(1)(x);

~~(11)~~ (14) a copy of the applicant's certificate of marriage certified by the issuing government jurisdiction;

~~(12)~~ (15) a certified copy of a court order that specifies the applicant's name change; or

~~(13)~~ (16) a certified copy of a divorce decree or dissolution of marriage that specifies the applicant's name change, issued by a court.

(b) A document under paragraph (a) must be legible and unaltered.

Sec. 61. Minnesota Statutes 2023 Supplement, section 171.0605, subdivision 5, is amended to read:

Subd. 5. **Evidence; residence in Minnesota.** (a) Submission of two forms of documentation from the following is satisfactory evidence of an applicant's principal residence address in Minnesota under section 171.06, subdivision 3, paragraph (b):

(1) a home utility services bill issued no more than 12 months before the application;

(2) a home utility services hook-up work order issued no more than 12 months before the application;

(3) United States bank or financial information issued no more than 12 months before the application, with account numbers redacted, including:

(i) a bank account statement;

(ii) a credit card or debit card statement;

(iii) a brokerage account statement;

(iv) a money market account statement;

(v) a Health Savings Account statement; or

(vi) a retirement account statement;

(4) a certified transcript from a United States high school, if issued no more than 180 days before the application;

(5) a certified transcript from a Minnesota college or university, if issued no more than 180 days before the application;

(6) a student summary report from a United States high school signed by a school principal or designated authority and issued no more than 180 days before the application;

(7) an employment pay stub issued no more than 12 months before the application that lists the employer's name and address;

(8) a Minnesota unemployment insurance benefit statement issued no more than 12 months before the application;

(9) a statement from an assisted living facility licensed under chapter 144G, nursing home licensed under chapter 144A, or a boarding care facility licensed under sections 144.50 to 144.56, that was issued no more than 12 months before the application;

(10) a current policy or card for health, automobile, homeowner's, or renter's insurance;

(11) a federal or state income tax return for the most recent tax filing year;

(12) a Minnesota property tax statement for the current or prior calendar year or a proposed Minnesota property tax notice for the current year that shows the applicant's principal residential address both on the mailing portion and the portion stating what property is being taxed;

(13) a Minnesota vehicle certificate of title;

(14) a filed property deed or title for current residence;

(15) a Supplemental Security Income award statement issued no more than 12 months before the application;

(16) mortgage documents for the applicant's principal residence;

(17) a residential lease agreement for the applicant's principal residence issued no more than 12 months before the application;

(18) an affidavit of residence for an applicant whose principal residence is a group home, communal living arrangement, cooperative, or a religious order issued no more than 90 days before the application;

(19) an assisted living or nursing home statement issued no more than 90 days before the application;

(20) a valid driver's license, including an instruction permit, issued under this chapter;

(21) a valid Minnesota identification card;

(22) an unexpired Minnesota professional license;

(23) an unexpired Selective Service card;

(24) military orders that are still in effect at the time of application;

(25) a cellular phone bill issued no more than 12 months before the application; or

(26) a valid license issued pursuant to the game and fish laws.

(b) In lieu of one of the two documents required by paragraph (a), an applicant under the age of 18 may use a parent or guardian's proof of principal residence as provided in this paragraph. The parent or guardian of the applicant must provide a document listed under paragraph (a) that includes the parent or guardian's name and the same address as the address on the document provided by the applicant. The parent or guardian must also certify that the applicant is the child of the parent or guardian and lives at that address.

(c) A document under paragraph (a) must include the applicant's name and principal residence address in Minnesota.

(d) For purposes of this ~~section~~ subdivision, Internet service and cable service are utilities ~~under this section and Minnesota Rules, part 7410.0410, subpart 4a~~.

Sec. 62. Minnesota Statutes 2022, section 171.0605, subdivision 6, is amended to read:

Subd. 6. **Exceptions process.** (a) The commissioner may grant a variance from the requirements of this section as provided under Minnesota Rules, part 7410.0600, or successor rules, for evidence of:

(1) identity or date of birth under subdivision 2;

(2) lawful status under subdivision 3, only for demonstration of United States citizenship; and

~~(3) Social Security number under subdivision 4; and~~

~~(4)~~ (3) residence in Minnesota under subdivision 5.

(b) The commissioner must not grant a variance for an applicant having a lawful temporary admission period.

Sec. 63. **[171.062] EVIDENCE OF IDENTITY; NONCOMPLIANT CREDENTIALS.**

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

(b) "Court" includes a foreign court of competent jurisdiction.

(c) "Foreign" means a jurisdiction that is not, and is not within, the United States, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, or a territory of the United States.

Subd. 2. **Evidence of identity.** For a noncompliant license or identification card, an applicant must submit:

(1) a Minnesota driver's license or identification card that is current or has been expired:

(i) for five years or less with a color photograph or electronically produced or digitized image; or

(ii) for one year or less without a color photograph or electronically produced or digitized image; or

(2) if the applicant cannot present a credential under clause (1), either:

(i) one primary document under subdivision 4 and one secondary document under subdivision 5; or

(ii) two primary documents under subdivision 4.

Subd. 3. **General requirements.** (a) A document submitted under this section must include the applicant's name and must be:

(1) issued to or provided for the applicant;

(2) legible and unaltered;

(3) an original or a copy certified by the issuing agency or by a court; and

(4) accompanied by a certified translation or an affidavit of translation into English, if the document is not in English.

(b) If the applicant's current legal name is different from the name on a document submitted under subdivision 4 or 5, the applicant must submit:

(1) a certified copy of a court order that specifies the applicant's name change;

(2) a certified copy of the applicant's certificate of marriage;

(3) a certified copy of a divorce decree or dissolution of marriage that specifies the applicant's name change, issued by a court; or

(4) similar documentation of a lawful change of name, as determined by the commissioner.

(c) A form issued by a federal agency that is specified under this section includes any subsequent form or version.

(d) The commissioner must establish a process to grant a waiver from the requirements under this section.

(e) The same document must not be submitted as both a primary document and a secondary document.

Subd. 4. **Primary documents.** (a) For purposes of a noncompliant driver's license or identification card, a primary document includes:

(1) a copy of the applicant's record of birth, or an original certificate of birth that is in the files of the applicable bureau or board under item (iii) and can be readily viewed by the official accepting the application, certified by the issuing state that:

(i) is not issued by a hospital and is not a baptismal certificate;

(ii) bears the raised or authorized seal of the issuing government jurisdiction or a protective equivalent; and

(iii) is issued by:

(A) a government bureau of vital statistics or community health board;

(B) the United States Department of State as a Record of Birth Abroad, Form FS-545 or Form DS-1350; or

(C) a United States embassy as a Consular Report of Birth Abroad, Form FS-240;

(2) a certified copy of an adoption certificate with the applicant's full name and date of birth from a United States court of competent jurisdiction that bears the raised court seal or other court certification;

(3) an unexpired identification card issued to the applicant by the United States Department of Defense for active duty, reserve, or retired military personnel, Form DD-2 or Common Access Card;

(4) a valid, unexpired passport issued to the applicant by the United States Department of State;

(5) a Canadian birth certificate or Canadian naturalization certificate;

(6) one of the following documents issued by the United States Department of Justice or the United States Department of Homeland Security or any subsequent form or version of the documents:

(i) Certificate of Naturalization, Form N-550, Form N-570, or Form N-578;

(ii) Certificate of Citizenship, Form N-560, Form N-561, or Form N-645;

(iii) United States Citizen Identification card, Form I-179 or Form I-197;

(iv) valid, unexpired Permanent Resident or Resident Alien card, Form I-551 or Form I-151;

(v) Northern Mariana card, Form I-873, with "Northern Mariana" imprinted instead of "Resident Alien";

(vi) American Indian card, Form I-872, with "American Indian" imprinted instead of "Resident Alien";

(vii) unexpired employment authorization document with a photograph, Form I-688, Form I-688A, Form I-688B, or Form I-766; or

(viii) unexpired Re-entry Permit/Refugee Travel Document, Form I-571;

(7) an unexpired passport or a consular identification document that bears a photograph of the applicant;

(8) a certified birth certificate issued by a foreign jurisdiction; and

(9) a certified adoption certificate issued by a foreign jurisdiction that includes the applicant's name and date of birth.

(b) A document submitted under this subdivision must contain security features that make the document as impervious to alteration as is reasonably practicable in its design and quality of material and technology.

(c) Submission of more than one primary document is not required under this subdivision.

Subd. 5. **Secondary documents.** (a) For purposes of a noncompliant driver's license or identification card, a secondary document includes:

(1) a second primary document listed under subdivision 4, paragraph (a);

(2) a driver's license, identification card, or permit, with a photograph or digitized image, issued by a United States state other than Minnesota or a foreign jurisdiction and that is current or has expired no more than five years before the application;

(3) a certified copy of a court order or judgment from a United States or Canadian court of competent jurisdiction containing the applicant's full name and date of birth and bearing the raised court seal or other court certification;

(4) a current United States or Canadian government jurisdiction employee photo identification card;

(5) a certified copy of a record of birth issued by a government jurisdiction other than one in the United States, the District of Columbia, Guam, Puerto Rico, or the United States Virgin Islands;

(6) a current identification card or document issued to the applicant by the United States Department of Defense, described as:

(i) DD Form 1173 series, for dependents of active duty personnel; or

(ii) DD Form 214, Certificate of Release or Discharge from Active Duty;

(7) a copy of a marriage certificate certified by the issuing government jurisdiction or the original certificate only if it is in the files of the issuing jurisdiction and can be readily viewed by the official accepting the application;

(8) an unexpired permit to carry a firearm or concealed weapon bearing a color photo of the applicant issued by a chief of police in an organized, full-time United States police department or by a United States county sheriff;

(9) a current pilot's license issued by the United States Department of Transportation, Federal Aviation Administration;

(10) a copy of a transcript containing the applicant's full legal name and date of birth certified by the issuing secondary or postsecondary school;

(11) a United States nonmetal Social Security card or a Canadian social insurance card;

(12) a current secondary school student identification card with the student's name, a photograph or electronically produced image of the student, and the student's date of birth or unique student identification number;

(13) a notice of action on or proof of submission of a completed Application for Asylum and for Withholding of Removal issued by the United States Department of Homeland Security, Form I-589;

(14) a Certificate of Eligibility for Nonimmigrant Student Status issued by the United States Department of Homeland Security, Form I-20;

(15) a Certificate of Eligibility for Exchange Visitor (J-1) Status issued by the United States Department of State, Form DS-2019;

(16) a Deferred Action for Childhood Arrival approval notice issued by the United States Department of Homeland Security;

(17) an employment authorization document issued by the United States Department of Homeland Security, Form I-688, Form I-688A, Form I-688B, or Form I-766;

(18) a document issued by the Internal Revenue Service with an individual taxpayer identification number;

(19) a Social Security card;

(20) a Supplemental Security Income award statement;

(21) a Selective Service card;

(22) military orders that are still in effect at the time of the application with a copy of a DD Form 2058 State of Legal Residence Certificate;

(23) a Minnesota unemployment insurance benefit statement;

(24) a valid identification card for health benefits or an assistance or social services program;

(25) a Minnesota vehicle certificate of title;

(26) mortgage documents for the applicant's residence;

(27) a filed property deed or title for the applicant's residence;

(28) a Minnesota property tax statement or a proposed Minnesota property tax notice;

(29) a certified copy of a divorce decree or dissolution of marriage issued by a court that specifies the applicant's name or name change;

(30) a valid Department of Corrections or Federal Bureau of Prisons identification card containing the applicant's full name, date of birth, and photograph; and

(31) any of the following documents issued by a foreign jurisdiction:

(i) a driver's license that is current or has been expired for no more than five years before the application;

(ii) a high school, college, or university student identification card with a certified transcript from the school;

(iii) an official high school, college, or university transcript that includes the applicant's date of birth and a photograph of the applicant at the age the record was issued;

(iv) a federal electoral card that contains the applicant's photograph issued on or after January 1, 1991;

(v) a certified copy of the applicant's certificate of marriage; and

(vi) a certified copy of a court order or judgment from a court of competent jurisdiction that contains the applicant's name and date of birth.

(b) Submission of more than one secondary document is not required under this subdivision.

Subd. 6. **Verification.** The department must be able to verify with the issuing jurisdiction the issuance and authenticity of the primary or secondary documents submitted under this section. Verification is required if:

(1) the document provided by the applicant is inconsistent with the department record;

(2) the document provided by the applicant appears to be altered or fraudulent; or

(3) there is reason to believe the applicant is not who the applicant claims to be.

Sec. 64. **[171.063] EVIDENCE OF IDENTITY FOR ENHANCED CREDENTIALS.**

Subdivision 1. **Date of birth.** As satisfactory evidence of date of birth, an applicant for an enhanced driver's license or an enhanced identification card must present one of the following documents:

(1) original or certified copy of a United States or United States territory birth certificate that bears the raised or authorized seal of the issuing jurisdiction or a protective equivalent;

(2) United States Department of State Consular Report of Birth Abroad, Form FS-240, Form DS-1350, or Form FS-545;

(3) valid, unexpired United States passport or United States passport card;

(4) Certificate of Naturalization, Form N-550 or Form N-570;

(5) Certificate of Citizenship, Form N-560 or Form N-561;

(6) American Indian card, Form I-872, or Minnesota tribal identification card that meets the requirements of section 171.072; or

(7) United States military photo identification card issued to active duty, reserve, or retired military personnel.

Subd. 2. **Full legal name.** As satisfactory evidence of full legal name, an applicant for an enhanced driver's license or enhanced identification card must present one of the following documents that was not also presented for proof of photographic identity under subdivision 4:

(1) original or certified copy of a United States or United States territory birth certificate that bears the raised or authorized seal of the issuing jurisdiction or a protective equivalent;

(2) United States Department of State Consular Report of Birth Abroad, Form FS-240, Form DS-1350, or Form FS-545;

(3) valid, unexpired United States passport or United States passport card;

(4) Certificate of Naturalization, Form N-550 or Form N-570;

(5) Certificate of Citizenship, Form N-560 or Form N-561;

(6) American Indian card, Form I-872, or Minnesota tribal identification card that meets the requirements of section 171.072;

(7) United States military photo identification card issued to active duty, reserve, or retired military personnel;

(8) federal or Minnesota income tax form W-2;

(9) federal or Minnesota income tax form SSA-1099;

(10) non-SSA federal or Minnesota income tax form 1099;

(11) United States high school identification card with a certified transcript from the same school if issued no more than 180 days before the application;

(12) United States college or university identification card with a certified transcript from the same college or university if issued no more than 180 days before the application;

(13) Minnesota unemployment insurance benefit statement issued no more than 90 days before the application;

(14) life, health, automobile, homeowner's, or renter's insurance policy that is issued no more than 90 days before the application. The commissioner must not accept a proof of insurance card;

(15) federal or state income tax return or statement for the most recent tax filing year;

(16) Minnesota property tax statement for the current year that reflects the applicant's principal residential address both on the mailing portion and the portion stating what property is being taxed;

(17) Minnesota vehicle certificate of title if issued no more than 12 months before the application;

(18) filed property deed or title for the applicant's current residence if issued no more than 12 months before the application;

(19) Supplemental Security Income award statement that is issued no more than 12 months before the application;

(20) valid Minnesota driver's license, valid Minnesota identification card, or valid permit;

(21) unexpired Minnesota professional license;

(22) unexpired Selective Service card;

(23) military orders that are still in effect at the time of the application;

(24) copy of the applicant's certificate of marriage certified by the issuing government jurisdiction;

(25) certified copy of a court order specifying a name change; or

(26) certified copy of a divorce decree or dissolution of marriage granted to the applicant that specifies a name change requested from a court of competent jurisdiction.

Subd. 3. **Social Security number.** As satisfactory evidence of Social Security number, an applicant for an enhanced driver's license or an enhanced identification card must present the applicant's original Social Security card or one of the following:

(1) federal or Minnesota income tax form W-2;

(2) federal or Minnesota income tax form SSA-1099;

(3) non-SSA federal or Minnesota income tax form 1099; or

(4) United States employment computer-printed pay stub containing the applicant's name, address, and full Social Security number.

Subd. 4. **Photographic identity.** As satisfactory evidence of photographic identity, an applicant for an enhanced driver's license or an enhanced identification card must present one of the following documents:

(1) valid Minnesota driver's license, identification card, or permit;

(2) valid driver's license, identification card, or permit issued by another United States state, including the District of Columbia and any United States territory;

(3) United States military identification card issued to active duty, reserve, or retired military personnel;

(4) United States military dependent identification card;

(5) valid, unexpired United States passport or United States passport card;

(6) American Indian card, Form I-872, or Minnesota tribal identification card that meets the requirements under section 171.072;

(7) valid city, county, state, or federal employee identification card;

(8) United States high school identification card with a certified transcript from the same school, both issued no more than 180 days before the application;

(9) United States college or university identification card with a certified transcript from the same college or university, both issued no more than 180 days before the application; or

(10) veterans universal access identification card.

Subd. 5. **United States citizenship.** As satisfactory evidence of United States citizenship, an applicant for an enhanced driver's license or enhanced identification card must present one of the following documents:

(1) original or certified copy of a United States or United States territory birth certificate that bears the raised or authorized seal of the issuing jurisdiction or a protective equivalent;

(2) United States Department of State Consular Report of Birth Abroad, Form FS-240, Form DS-1350, or Form FS-545;

(3) valid, unexpired United States passport or United States passport card;

(4) Certificate of Naturalization, Form N-550 or Form N-570; or

(5) Certificate of Citizenship, Form N-560 or Form N-561.

Subd. 6. **Residency.** (a) As satisfactory evidence of residency, an applicant for an enhanced driver's license or enhanced identification card must present two different forms of the following documents that list the applicant's name and address:

(1) United States home utility services bill that is issued no more than 90 days before the application. The commissioner must not accept a United States home utility bill if two unrelated people are listed on the bill;

(2) United States home utility services hook-up work order that is issued no more than 90 days before the application. The commissioner must not accept a United States home utility services hook-up work order if two unrelated people are listed on the work order;

(3) United States financial information with account numbers redacted that is issued no more than 90 days before the application, including a:

(i) bank account statement;

(ii) canceled check; or

(iii) credit card statement;

(4) United States high school identification card with a certified transcript from the same school if issued no more than 180 days before the application;

(5) United States college or university identification card with a certified transcript from the same college or university if issued no more than 180 days before the application;

(6) United States employment pay stub that lists the employer's name, address, and telephone number that is issued no more than 90 days before the application;

(7) Minnesota unemployment insurance benefit statement issued no more than 90 days before the application;

(8) assisted living or nursing home statement that is issued no more than 90 days before the application;

(9) life, health, automobile, homeowner's, or renter's insurance policy that is issued no more than 90 days before the application. The commissioner must not accept a proof of insurance card;

(10) federal or state income tax return or statement for the most recent tax filing year;

(11) Minnesota property tax statement for the current year that reflects the applicant's principal residential address both on the mailing portion and the portion stating what property is being taxed;

(12) Minnesota vehicle certificate of title if issued no more than 12 months before the application;

(13) filed property deed or title for the applicant's current residence if issued no more than 12 months before the application;

(14) Supplemental Security Income award statement that is issued no more than 12 months before the application;

(15) mortgage documents for the applicant's principal residence;

(16) residential lease agreement for the applicant's principal residence that is issued no more than 12 months before the application;

(17) valid Minnesota driver's license, identification card, or permit;

(18) unexpired Minnesota professional license;

(19) unexpired Selective Service card; or

(20) military orders that are still in effect at the time of the application with a copy of a DD Form 2058 State of Legal Residence Certificate.

(b) For purposes of this subdivision, Internet service and cable service are utilities.

(c) The commissioner must verify with the United States Postal Service the address information provided under this subdivision.

Subd. 7. **Verification.** The department must be able to verify with the issuing jurisdiction the issuance and authenticity of the documents submitted under this section. Verification is required if:

(1) the document provided by the applicant is inconsistent with the department record;

(2) the document provided by the applicant appears to be altered or fraudulent; or

(3) there is reason to believe the applicant is not who the applicant claims to be.

Sec. 65. **[171.069] TRANSLATIONS.**

For any document submitted to the commissioner under this chapter in a language other than English:

(1) the document must be accompanied by a translation of that document into the English language;

(2) the translation must be sworn to by the translator as being a true and accurate translation;

(3) the translator must not be related by blood or marriage to the applicant; and

(4) the translator must be:

(i) accredited by the American Translators Association;

(ii) certified by a court of competent jurisdiction;

(iii) approved by an embassy or consulate of the United States or diplomatic or consular official of a foreign country assigned or accredited to the United States;

(iv) affiliated with or approved by the United States Citizenship and Immigration Services or a government jurisdiction within the United States;

(v) an attorney licensed to practice in the United States or affiliated with that attorney;

(vi) a vendor listed to provide translation services for the state of Minnesota; or

(vii) a qualified individual who certifies the individual is competent to translate the document into English.

Sec. 66. Minnesota Statutes 2023 Supplement, section 171.07, subdivision 15, is amended to read:

Subd. 15. **Veteran designation.** (a) At the request of an eligible applicant and on payment of the required fee, the department ~~shall~~ must issue, renew, or reissue to the applicant a driver's license or Minnesota identification card bearing a graphic or written designation of:

(1) Veteran; or

(2) Veteran 100% T&P.

(b) At the time of the initial application for the designation provided under this subdivision, the applicant must:

(1) be one of the following:

(i) a veteran, as defined in section 197.447; or

(ii) a retired or honorably discharged member of the National Guard or a reserve component of the United States armed forces;

(2) provide a certified copy of the applicant's discharge papers that confirms an honorable or general discharge under honorable conditions status, or a military retiree identification card, veteran identification card, or veteran health identification card; and

(3) if the applicant is seeking the disability designation under paragraph (a), clause (2), provide satisfactory evidence of a 100 percent total and permanent service-connected disability as determined by the United States Department of Veterans Affairs.

Sec. 67. Minnesota Statutes 2022, section 171.072, is amended to read:

171.072 TRIBAL IDENTIFICATION CARD.

(a) If a Minnesota identification card is deemed an acceptable form of identification in Minnesota Statutes or Rules, a tribal identification card is also an acceptable form of identification. A tribal identification card is a primary document for purposes of ~~Minnesota Rules, part 7410.0400, and successor rules,~~ section 171.062 when an applicant applies for a noncompliant license or identification card.

(b) For purposes of this section, "tribal identification card" means an unexpired identification card issued by a ~~Minnesota~~ tribal government of a tribe recognized by the Bureau of Indian Affairs, United States Department of the Interior, that contains the legal name, date of birth, signature, and picture of the enrolled tribal member.

(c) The tribal identification card must contain security features that make it as impervious to alteration as is reasonably practicable in its design and quality of material and technology. The security features must use materials that are not readily available to the general public. The tribal identification card must not be susceptible to reproduction by photocopying or simulation and must be highly resistant to data or photograph substitution and other tampering.

(d) The requirements of this section do not apply: (1) except as provided in paragraph (a), to an application for a driver's license or Minnesota identification card under this chapter; or (2) to tribal identification cards used to prove an individual's residence for purposes of section 201.061, subdivision 3.

Sec. 68. Minnesota Statutes 2023 Supplement, section 171.12, subdivision 5c, is amended to read:

Subd. 5c. **Caretaker information.** (a) Upon request by an applicant for a driver's license, instruction permit, or Minnesota identification card under section 171.06, subdivision 3, the commissioner must maintain electronic records of names and contact information for ~~up to three~~ individuals receiving exclusive care from the applicant. The request must be made on a form prescribed by the commissioner. The commissioner must make the form available on the department's website. The form must include a notice as described in section 13.04, subdivision 2.

(b) A person who has provided caretaker information under this subdivision may change, add, or delete the information at any time. Notwithstanding sections 171.06, subdivision 2; and 171.061, the commissioner or a driver's license agent must not charge a fee for a transaction described in this paragraph.

(c) Caretaker data are classified as private data on individuals, as defined in section 13.02, subdivision 12, except that the commissioner may share caretaker information with law enforcement agencies to notify the cared-for individuals regarding an emergency.

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

Sec. 69. Minnesota Statutes 2023 Supplement, section 171.12, subdivision 7b, is amended to read:

Subd. 7b. **Data privacy; noncompliant license or identification card.** (a) With respect to noncompliant licenses or identification cards, the commissioner is prohibited from:

(1) electronically disseminating outside the state data that is not disseminated as of May 19, 2017; or

(2) utilizing any electronic validation or verification system accessible from or maintained outside the state that is not in use as of May 19, 2017.

(b) The limitations in paragraph (a) do not apply to the extent necessary to:

(1) maintain compliance with the driver's license compact under section 171.50 and applicable federal law governing commercial driver's licenses; ~~and~~

(2) perform identity verification as part of an application for a replacement Social Security card issued by the Social Security Administration; and

(3) perform identity verification for a program participant in the Transportation Security Administration's Registered Traveler program who has voluntarily provided their Minnesota driver's license or identification card to confirm their identity to a private entity operating under the Registered Traveler program.

(c) For purposes of paragraph (b), clause (3), the information provided for identity verification is limited to name, date of birth, the license or identification card's identification number, issuance date, expiration date, and credential security features which does not include facial recognition.

~~(c)~~ (d) For purposes of this subdivision, "outside the state" includes federal agencies, states other than Minnesota, organizations operating under agreement among the states, and private entities.

~~(d)~~ (e) Prior to disclosing to a data requester, other than the data subject, any data on individuals relating to a noncompliant driver's license or identification card, the commissioner or a driver's license agent must require the data requester to certify that the data requester must not use the data for civil immigration enforcement purposes or disclose the data to a state or federal government entity that primarily enforces immigration law or to any employee

or agent of any such government entity. A data requester who violates the certification required in this paragraph may be liable in a civil action brought under section 13.08, may be subject to criminal penalties under section 13.09, may have subsequent requests for noncompliant driver's license or identification card data be denied by the commissioner, and may lose access to the driver records subscription service under section 168.327. A certification form used by the commissioner or a driver's license agent under this paragraph must include information about penalties that apply for violations.

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

Sec. 70. Minnesota Statutes 2023 Supplement, section 171.12, subdivision 11, is amended to read:

Subd. 11. **Certain data on noncompliant license or identification card; department and agents.** (a) For purposes of this section, "immigration status data" means data on individuals who have applied for or been issued a noncompliant driver's license or identification card and that indicate or otherwise have the effect of identifying (1) whether the individual has demonstrated United States citizenship, or (2) whether the individual has demonstrated lawful presence in the United States. Immigration status data include but are not limited to any documents specified under section ~~171.06, subdivision 9, 10, or 11~~ 171.062; immigration status data contained in those documents; or the applicant's submission of the documents.

(b) Immigration status data are classified as private data on individuals, as defined in section 13.02, subdivision 12. Notwithstanding any law to the contrary, the commissioner or a driver's license agent must not share or disseminate immigration status data except to or within the division of the department that administers driver licensing and to the secretary of state for purposes of improving the accuracy of voter registration records under subdivision 7a.

(c) As authorized or required by state or federal law, the commissioner or a driver's license agent may share or disseminate data on individuals who have applied for or been issued a noncompliant driver's license or identification card that are not immigration status data to a government entity, as defined in section 13.02, subdivision 7a, or to a federal government entity that does not enforce immigration law, provided that the receiving entity must not use the data for civil immigration enforcement purposes or further disclose the data to a state or federal government entity that primarily enforces immigration law or to any employee or agent of any such government entity.

(d) Notwithstanding any law to the contrary, the commissioner or a driver's license agent must not share or disseminate any data on individuals who have applied for or been issued a noncompliant driver's license or identification card to any federal government entity that primarily enforces immigration law, except pursuant to a valid search warrant or court order issued by a state or federal judge.

(e) Violation of this subdivision by the commissioner, a driver's license agent, a government entity, or an employee or agent thereof constitutes a violation of the Minnesota Government Data Practices Act and may be subject to penalties and remedies applicable under that chapter.

Sec. 71. Minnesota Statutes 2023 Supplement, section 171.13, subdivision 1a, is amended to read:

Subd. 1a. **Waiver when license issued by another jurisdiction.** (a) If the commissioner determines that an applicant for a driver's license is 21 years of age or older and possesses a valid driver's license issued by another state or jurisdiction that requires a comparable examination to obtain a driver's license, the commissioner must waive the requirements that the applicant pass a knowledge examination and demonstrate ability to exercise ordinary and reasonable control in the operation of a motor vehicle.

(b) If the commissioner determines that an applicant for a ~~two-wheeled vehicle~~ motorcycle endorsement is 21 years of age or older and possesses a valid driver's license with a ~~two-wheeled vehicle~~ motorcycle endorsement issued by another state or jurisdiction that requires a comparable examination to obtain an endorsement, the commissioner must waive the requirements with respect to the endorsement that the applicant pass a knowledge examination and demonstrate the ability to exercise ordinary and reasonable control in the operation of a motor vehicle.

(c) For purposes of this subdivision, "jurisdiction" includes, but is not limited to, both the active and reserve components of any branch or unit of the United States armed forces, and "valid driver's license" includes any driver's license that is recognized by that branch or unit as currently being valid, or as having been valid at the time of the applicant's separation or discharge from the military within a period of time deemed reasonable and fair by the commissioner, up to and including one year past the date of the applicant's separation or discharge.

Sec. 72. Minnesota Statutes 2022, section 171.13, subdivision 6, is amended to read:

Subd. 6. **~~Two-wheeled vehicle~~ Motorcycle endorsement examination fee.** A person applying for an initial ~~two-wheeled vehicle~~ motorcycle endorsement on a driver's license ~~shall~~ must pay at the place of examination a $2.50 examination fee, an endorsement fee as prescribed in section 171.06, subdivision 2a, and the appropriate driver's license fee as prescribed in section 171.06, subdivision 2.

Sec. 73. Minnesota Statutes 2022, section 171.13, is amended by adding a subdivision to read:

Subd. 10. **Exam scheduling reporting.** (a) For purposes of this subdivision, the following terms have the meanings given:

(1) "delay" or "delayed" means a road test examination under this section between 15 and 30 days after an eligible applicant's request for a road test; and

(2) "reporting period" means a calendar year or a fiscal year as identified for each report under paragraph (b).

(b) By March 1 and September 1 of each year, the commissioner must submit a report on road test examination scheduling to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. The report due by September 1 must include information for the most recently ended fiscal year. The report due by March 1 must include information for the most recently ended calendar year.

(c) At a minimum, the report must:

(1) identify each performance measure or metric established by the commissioner related to scheduling availability and passage of road tests;

(2) for the reporting period, identify the results for the performance measures or metrics under clause (1); and

(3) for the reporting period, identify the rate at which applicants are able to obtain an appointment for a road test in the time period provided under subdivision 1, paragraph (d), compared to the number of individuals who experienced a delay in booking a road test appointment.

(d) For the reporting period, if a goal is not met in a performance measure or metric under paragraph (c), clause (1), or if the requirements specified under subdivision 1, paragraph (d), are not fully met, the report must also:

(1) include the number of administered road tests for Class D and commercial drivers' licenses per month for the previous five fiscal years;

(2) provide information about factors that impact road test examination appointment availability, including information on staffing and the use of overtime at exam stations, budgetary resources, the number of potential applicants seeking a road test, and any other analysis based on the department's experience necessary to identify and project what may cause delays in the next five fiscal years;

(3) analyze the rate and frequency of which an applicant was administered a road test for either a Class D or commercial driver's license at an exam station outside the applicant's county or exam station region to identify the rate at which an applicant must travel to obtain a road test appointment;

(4) for the analysis required in clause (3), provide a breakout by county and exam station region; and

(5) conduct the analysis required in clauses (3) and (4) for retakes of Class D or commercial driver's license road tests.

Sec. 74. Minnesota Statutes 2022, section 171.30, subdivision 2a, is amended to read:

Subd. 2a. **Other waiting periods.** Notwithstanding subdivision 2, a limited license ~~shall~~ must not be issued for a period of:

(1) 15 days, to a person whose license or privilege has been revoked or suspended for a first violation of section 169A.20, sections 169A.50 to 169A.53, section 171.177, or a statute or ordinance from another state in conformity with either of those sections; or

(2) one year, to a person whose license or privilege has been revoked or suspended for:

(i) committing manslaughter resulting from the operation of a motor vehicle~~, committing criminal vehicular homicide or injury under section 609.2112, subdivision 1, clause (1), (2), item (ii), (5), (6), (7), or (8), committing criminal vehicular homicide under section 609.2112, subdivision 1, clause (2), item (i) or (iii), (3), or (4), or violating a statute or ordinance from another state in conformity with either of those offenses.~~; or

(ii) committing criminal vehicular operation under section:

(A) 609.2113, subdivision 1, 2, or 3; or

(B) 609.2114, subdivision 2.

Sec. 75. Minnesota Statutes 2022, section 171.30, subdivision 5, is amended to read:

Subd. 5. **Exception; criminal vehicular ~~operation~~ homicide.** Notwithstanding subdivision 1, the commissioner may not issue a limited license to a person whose driver's license has been suspended or revoked due to:

(1) a violation ~~of~~ under section:

(i) 609.2112, subdivision 1, ~~clause (2), item (i) or (iii), (3), or (4), resulting in bodily harm, substantial bodily harm, or great bodily harm~~ paragraph (a);

(ii) 609.2114, subdivision 1, paragraph (a); or

(iii) 169.13, subdivision 1, that contributed to causing death to another; or

(2) a statute or ordinance from another state in conformity with the offenses under clause (1).

Sec. 76. Minnesota Statutes 2022, section 171.335, subdivision 3, is amended to read:

Subd. 3. **Appropriation.** (a) All funds in the motorcycle safety ~~fund~~ account created ~~by~~ under section 171.06, subdivision 2a, are ~~hereby~~ annually appropriated to the commissioner of public safety to carry out the purposes of subdivisions 1 and 2.

(b) Of the money appropriated under paragraph (a):

(1) not more than five percent shall be expended to defray the administrative costs of carrying out the purposes of subdivisions 1 and 2; and

(2) not more than 65 percent shall be expended for the combined purpose of training and coordinating the activities of motorcycle safety instructors and making reimbursements to schools and other approved organizations.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 77. Minnesota Statutes 2023 Supplement, section 171.395, subdivision 1, is amended to read:

Subdivision 1. **Authorization.** A licensed or approved driver education program that provides both classroom and behind-the-wheel instruction may offer teleconference driver education as provided in this section. For purposes of this section, the driver education program must offer both classroom and behind-the-wheel instruction. ~~If a program partners or contracts with a second program to provide any portion of classroom or behind-the-wheel instruction, the first program is not eligible to offer teleconference driver education instruction.~~

Sec. 78. Minnesota Statutes 2023 Supplement, section 171.396, is amended to read:

171.396 ONLINE DRIVER EDUCATION PROGRAM.

(a) A licensed or approved driver education program may offer online driver education as provided in this section. The online driver education program must satisfy the requirements for classroom driver education as provided in section 171.0701, subdivision 1, and Minnesota Rules, chapter 7411. In addition, an online driver education program must:

(1) include a means for the student to measure performance outcomes;

(2) use a pool of rotating quiz questions;

(3) incorporate accountability features to ensure the identity of the student while engaged in the course of online study;

(4) measure the amount of time that the student spends in the course;

(5) provide technical support to customers that is available 24 hours per day, seven days per week;

(6) require a licensed Minnesota driver education instructor to monitor each student's progress and be available to answer questions in a timely manner, provided that the instructor is not required to monitor progress or answer questions in real time;

(7) store course content and student data on a secure server that is protected against data breaches and is regularly backed up;

(8) incorporate preventive measures in place to protect against the access of private information;

(9) include the ability to update course content uniformly throughout the state; and

(10) provide online interactive supplemental parental curriculum consistent with section 171.0701, subdivision 1a.

(b) Except as required by this section, the commissioner is prohibited from imposing requirements on online driver education programs that are not equally applicable to classroom driver education programs.

Sec. 79. Minnesota Statutes 2022, section 174.03, subdivision 12, is amended to read:

Subd. 12. **Trunk highway performance, resiliency, and sustainability.** (a) The commissioner must implement performance measures and ~~annual~~ targets for the trunk highway system in order to construct resilient infrastructure, enhance the project selection for all transportation modes, improve economic security, and achieve the state transportation goals established in section 174.01.

(b) At a minimum, the transportation planning process must include:

(1) an inventory of transportation assets, including but not limited to bridge, pavement, geotechnical, pedestrian, bicycle, and transit asset categories;

(2) ~~lag (resulting), and where practicable lead (predictive),~~ establishment of statewide performance measures and ~~annual~~ targets, reporting of performance measure results, and where possible, performance forecasts that are:

(i) statewide and, where data allow, district-specific;

(ii) for assets in each asset category specified in clause (1) ~~for a period of up to 60 years~~; and

(iii) identified in collaboration with the public;

(3) gap identification and an explanation of the difference between performance targets and current status; and

(4) life cycle assessment and corridor risk assessment as part of asset management programs in each district of the department.

(c) At a minimum, the ten-year capital highway investment plan in each district of the department must:

(1) be based on expected funding during the plan period and, to the extent feasible, maximize long-term benefits;

(2) estimate the funding necessary to make optimal life cycle investments;

~~(2)~~ (3) identify investments within each of the asset categories specified in paragraph (b), clause (1), that are funded through the trunk highway capital program;

~~(3)~~ (4) ~~recommend~~ identify specific trunk highway segments programmed to be removed from the trunk highway system; and

~~(4)~~ (5) deliver annual progress toward achieving the state transportation goals established in section 174.01.

(d) Annually by December 15, the commissioner must report trunk highway performance measures and ~~annual~~ targets and identify gaps, including information detailing the department's progress on achieving the state transportation goals, to the chairs and ranking minority members of the legislative committees having jurisdiction over transportation policy and finance. The report must be signed by the ~~department's chief engineer~~ commissioner.

Sec. 80. Minnesota Statutes 2023 Supplement, section 174.38, subdivision 3, is amended to read:

Subd. 3. **Active transportation accounts.** (a) An active transportation account is established in the special revenue fund. The account consists of funds provided by law and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account is annually appropriated to the commissioner and must be expended only on projects that receive financial assistance under this section.

(b) An active transportation account is established in the bond proceeds fund. The account consists of state bond proceeds appropriated to the commissioner. Money in the account may only be expended on bond-eligible costs of a project receiving financial assistance as provided under this section. Money in the account may only be expended on a project that is publicly owned.

~~(c) An active transportation account is established in the general fund. The account consists of money as provided by law and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account may only be expended on a project receiving financial assistance as provided under this section.~~

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 81. Minnesota Statutes 2023 Supplement, section 174.40, subdivision 4a, is amended to read:

Subd. 4a. **Eligibility.** A statutory or home rule charter city, county, town, or federally recognized Indian Tribe is eligible to receive funding under this section. A statutory or home rule charter city, county, or town is eligible to receive funding for infrastructure projects under this section only if it has adopted subdivision regulations that require safe routes to school infrastructure in developments authorized on or after June 1, 2016.

Sec. 82. **[174.595] TRANSPORTATION FACILITIES CAPITAL PROGRAM.**

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

(b) "Capital building asset" includes but is not limited to district headquarters buildings, truck stations, salt storage or other unheated storage buildings, deicing and anti-icing facilities, fuel dispensing facilities, highway rest areas, and vehicle weigh and inspection stations.

(c) "Commissioner" means the commissioner of transportation.

(d) "Department" means the Department of Transportation.

(e) "Program" means the transportation facilities capital program established in this section.

Subd. 2. **Program established.** The commissioner must establish a transportation facilities capital program in conformance with this section to provide for capital building asset projects related to buildings and other capital facilities of the department.

Subd. 3. **Transportation facilities capital accounts.** (a) A transportation facilities capital account is established in the trunk highway fund. The account consists of money appropriated from the trunk highway fund for the purposes of the program and any other money donated, allotted, transferred, or otherwise provided to the account by law.

(b) A transportation facilities capital subaccount is established in the bond proceeds account in the trunk highway fund. The subaccount consists of trunk highway bond proceeds appropriated to the commissioner for the purposes of the program. Money in the subaccount may only be expended on trunk highway purposes, including the purposes specified in this section.

Subd. 4. **Implementation standards.** The commissioner must establish a process to implement the program that includes allocation of funding based on review of eligible projects as provided under subdivision 5 and prioritization as provided under subdivision 6. The process must be in conformance with trunk highway fund uses for the purposes of constructing, improving, and maintaining the trunk highway system in the state pursuant to Minnesota Constitution, article XIV.

Subd. 5. **Eligible expenditures.** A project is eligible under this section only if the project:

(1) involves the construction, improvement, or maintenance of a capital building asset that is part of the trunk highway system;

(2) accomplishes at least one of the following:

(i) supports the programmatic mission of the department;

(ii) extends the useful life of existing buildings; or

(iii) renovates or constructs facilities to meet the department's current and future operational needs; and

(3) complies with the sustainable building guidelines provided in section 16B.325.

Subd. 6. **Prioritization.** In prioritizing funding allocation among projects under the program, the commissioner must consider:

(1) whether a project ensures the effective and efficient condition and operation of the facility;

(2) the urgency in ensuring the safe use of existing buildings;

(3) the project's total life-cycle cost;

(4) additional criteria for priorities otherwise specified in law that apply to a category listed in the act making an appropriation for the program; and

(5) any other criteria the commissioner deems necessary.

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

Sec. 83. Minnesota Statutes 2022, section 174.632, subdivision 2, is amended to read:

Subd. 2. **Responsibilities.** (a) The planning, design, development, construction, operation, and maintenance of passenger rail track, facilities, and services are governmental functions, serve a public purpose, and are a matter of public necessity.

(b) The commissioner is responsible for all aspects of planning, designing, developing, constructing, equipping, operating, promoting, and maintaining passenger rail, including system planning, alternatives analysis, environmental studies, preliminary engineering, final design, construction, negotiating with railroads, and developing financial and operating plans.

(c) The commissioner may enter into a memorandum of understanding or agreement with a public or private entity, including Amtrak, a regional railroad authority, a joint powers board, and a railroad, to carry out these activities.

Sec. 84. Minnesota Statutes 2022, section 174.636, subdivision 1, is amended to read:

Subdivision 1. **Powers.** The commissioner has all powers necessary to carry out the duties specified in section 174.632. In the exercise of those powers, the commissioner may:

(1) acquire by purchase, gift, or by eminent domain proceedings as provided by law, all land and property necessary to preserve future passenger rail corridors or to construct, maintain, and improve passenger rail corridors;

(2) conduct and engage in promotional and marketing research, campaigns, outreach, and other activities to increase awareness, education, and ridership of passenger rail in Minnesota;

~~(2)~~ (3) let all necessary contracts as provided by law; and

~~(3)~~ (4) make agreements with and cooperate with any public or private entity, including Amtrak, to carry out statutory duties related to passenger rail.

Sec. 85. Minnesota Statutes 2022, section 216D.01, is amended by adding a subdivision to read:

Subd. 7a. **Locate.** "Locate" means an operator's markings of an underground facility.

Sec. 86. Minnesota Statutes 2022, section 216D.01, is amended by adding a subdivision to read:

Subd. 7b. **Locate period.** "Locate period" means:

(1) the period among the following that ends farthest from now:

(i) the 48-hour period beginning at 12:01 a.m. on the day after a locate request is submitted to the notification center, excluding any Saturday, Sunday, or holiday; or

(ii) the period between the date of submission of a locate request to the notification center and the identified date and time of excavation; or

(2) if applicable, and notwithstanding clause (1), a period of time that is mutually agreed to between the excavator and operator, as specified in written documentation provided to the notification center.

Sec. 87. Minnesota Statutes 2022, section 216D.01, is amended by adding a subdivision to read:

Subd. 8a. **On-site meet.** "On-site meet" means meeting at the site of a proposed excavation requested at the time of notice by the excavator with all affected underground facility operators to further clarify the precise geographic location of excavation, schedule the locating, propose future contacts, and share other information concerning the excavation and facilities.

Sec. 88. Minnesota Statutes 2022, section 216D.01, subdivision 12, is amended to read:

Subd. 12. **Utility quality level.** "Utility quality level" means a professional opinion about the quality and reliability of utility information. There are four levels of utility quality information, ranging from the most precise and reliable, level A, to the least precise and reliable, level D. The utility quality level must be determined in accordance with guidelines established by the Construction Institute of the American Society of Civil Engineers in the document ~~CI/ASCE 38-02~~ entitled " ~~Standard Guidelines for the Collection and Depiction of Existing Subsurface Utility Data.~~ Standard Guideline for Investigating and Documenting Existing Utilities, " ASCE/UESI/CI 38-22, or in a successor document.

Sec. 89. Minnesota Statutes 2022, section 216D.03, is amended by adding a subdivision to read:

Subd. 5. **Performance reporting.** (a) Each operator must submit a report to the Office of Pipeline Safety on a quarterly basis, using a form or database entry designated by the Office of Pipeline Safety. The report must contain the following information:

(1) the total number of notifications and the number of notifications, itemized by type;

(2) for each notification type, the percentage of notifications marked by the start time on the notice; and

(3) the number of utility damages, itemized by the cause of the damages.

(b) Except for a pipeline operator that is subject to chapter 299F or 299J, an operator with fewer than 5,000 notifications received during the previous calendar year is exempt from the reporting requirement under paragraph (a).

(c) The data collected under this subdivision may not be used to initiate an enforcement action by the Office of Pipeline Safety.

(d) The commissioner must annually publish a report on the data collected under this subdivision and make the report available on the Office of Pipeline Safety website.

Sec. 90. Minnesota Statutes 2022, section 216D.04, is amended to read:

216D.04 EXCAVATION; LAND SURVEY.

Subdivision 1. **Notice required; contents.** (a) Except in an emergency, an excavator ~~shall~~ must and a land surveyor may contact the notification center and provide notice at least 48 hours, excluding the day of notification, Saturdays, Sundays, and holidays and not more than 14 calendar days before beginning any excavation or boundary survey. An excavation or boundary survey begins, for purposes of this requirement, the first time excavation or a boundary survey occurs in an area that was not previously identified by the excavator or land surveyor in the notice.

(b) The notice may be oral or written, and must contain the following information:

(1) the name of the individual providing the notice;

(2) the precise location of the proposed area of excavation or survey;

(3) the name, address, and telephone number of the individual or individual's company;

(4) the field telephone number, if one is available;

(5) the type and extent of the activity;

(6) whether or not the discharge of explosives is anticipated;

(7) the date and time when the excavation or survey is to commence; and

(8) the estimated duration of the activity.

Subd. 1a. **Plans for excavation.** (a) Any person, prior to soliciting bids or entering into a contract for excavation, ~~shall~~ must provide a proposed notice to the notification center to obtain from the affected operators of underground facilities the type, size, and general location of underground facilities. Affected operators ~~shall~~ must provide the information within 15 working days. An operator who provides information to a person who is not a unit of government may indicate any portions of the information which are proprietary and may require the person to provide appropriate confidentiality protection. The information obtained from affected operators must be submitted on the final drawing used for the bid or contract and must depict the utility quality level of that information. This information must be updated not more than 90 days before completion of the final drawing used for the bid or contract.

(b) This subdivision does not apply to bids and contracts for:

(1) routine maintenance of underground facilities or installation, maintenance, or repair of service lines;

(2) excavation for operators of underground facilities performed on a unit of work or similar basis; or

(3) excavation for home construction and projects by home owners.

(c) A person required by this section to show existing underground facilities on its drawings ~~shall~~ must conduct one or more preliminary design meetings during the design phase to communicate the project design and project scope and timeline and to coordinate utility relocation. Affected facility operators ~~shall~~ must attend these meetings ~~or make other arrangements to provide information~~. Project owners must provide project start dates, duration information, and scope of work.

(d) A person required by this section to show existing underground facilities on its drawings ~~shall~~ must conduct one or more preconstruction meetings to communicate the project design and project scope and timeline and to coordinate utility relocation. Affected facility operators and contractors ~~shall~~ must attend these meetings ~~or make other arrangements to provide information~~.

(e) This subdivision does not affect the obligation to provide a notice of excavation as required under subdivision 1.

Subd. 1b. **On-site meet.** (a) An on-site meet may be requested for any excavation at the discretion of the excavator. The meet request must include the entire geographic area of the proposed excavation and the specific location of the meet.

(b) Unless otherwise agreed to between an excavator and operator, an on-site meet is required for:

(1) an excavation notice that involves excavation of one mile or more in length; or

(2) any combination of notices provided for adjacent geographic sections that, when combined, meet or exceed the minimum excavation length under clause (1).

(c) The excavator must provide a precise geographic area of the proposed excavation and use markings as specified under section 216D.05, clause (2).

(d) An affected operator must (1) attend the on-site meet at the proposed date and time, or (2) contact the excavator before the meet and (i) reschedule the meet for a mutually agreed date and time, or (ii) reach an agreement with the excavator that a meet is not required. At the meet, the operator and the excavator must reach an agreement on any subsequent planned meets or further communication.

(e) The on-site meet date and time must occur at least 48 hours after the notice, excluding Saturdays, Sundays, and holidays. The excavation start time must be at least 48 hours after the proposed meet date and time specified on the notice, excluding Saturdays, Sundays, and holidays.

(f) The excavator and the operator must submit documentation of each on-site meet to the notification center, in the manner specified by the notification center. The documentation must include:

(1) the date and time of the meet;

(2) the names, company affiliations, and contact information of the attendees of each meet;

(3) a diagram, sketch, or description of the precise excavation locations, dates, and times; and

(4) the agreed schedule of any future on-site meets or communications.

Subd. 2. **Duties of notification center; regarding notice.** The notification center ~~shall~~ must assign an inquiry identification number to each notice and retain a record of all notices received for at least six years. The center ~~shall~~ must immediately transmit the information contained in a notice to every operator that has an underground facility in the area of the proposed excavation or boundary survey.

Subd. 3. **Locating underground facility; operator.** (a) Prior to the ~~excavation start time on the notice~~ conclusion of the locate period, an operator ~~shall~~ must locate and mark or otherwise provide the approximate horizontal location of the underground facilities of the operator and provide readily available information regarding the operator's abandoned and out-of-service underground facilities as shown on maps, drawings, diagrams, or other records used in the operator's normal course of business, without cost to the excavator. The excavator ~~shall~~ must determine the precise location of the underground facility, without damage, before excavating within two feet of the marked location of the underground facility.

(b) Within 96 hours or the time specified in the notice, whichever is later, after receiving a notice for boundary survey from the notification center, excluding Saturdays, Sundays, and holidays, unless otherwise agreed to between the land surveyor and operator, an operator ~~shall~~ must locate and mark or otherwise provide the approximate horizontal location of the underground facilities of the operator, without cost to the land surveyor.

(c) For the purpose of this section, the approximate horizontal location of the underground facilities is a strip of land two feet on either side of the underground facilities.

(d) Markers used to designate the approximate horizontal location of underground facilities ~~must~~ are subject to the following requirements:

(1) markers must be a combination of paint markings and at least one of the following: (i) a flag or flags, (ii) a stake or stakes, or (iii) a whisker or whiskers;

(2) all markers under clause (1) must follow the current color code standard used by the American Public Works Association;

(3) markers must be located within a plus or minus two-foot tolerance; and

(4) the name of the operator must be indicated on each flag, stake, or whisker.

If the surface being marked is hard, markers without flags, stakes, or whiskers may be used but must comply with the color code standard and tolerance requirement under clauses (2) and (3).

(e) If the operator cannot complete marking of the excavation or boundary survey area before the excavation or boundary survey start time stated in the notice, the operator ~~shall~~ must promptly contact the excavator or land surveyor.

(f) ~~After December 31, 1998,~~ Operators ~~shall~~ must maintain maps, drawings, diagrams, or other records of any underground facility abandoned or out-of-service after December 31, 1998.

(g) An operator or other person providing information pursuant to this subdivision is not responsible to any person, for any costs, claims, or damages for information provided in good faith regarding abandoned, out-of-service, or private or customer-owned underground facilities.

(h) An operator must use geospatial location information or an equivalent technology to develop as-built drawings of newly installed or newly abandoned facilities if exposed in the excavation area. The requirements under this paragraph apply (1) on or after January 1, 2026, or (2) on or after January 1, 2027, for an operator that provided services to fewer than 10,000 customers in calendar year 2025.

Subd. 4. **Locating underground facility; excavator or land surveyor.** (a) The excavator or land surveyor ~~shall~~ must determine the precise location of the underground facility, without damage, before excavating within two feet on either side of the marked location of the underground facility.

(b) Activities in the proposed area of excavation or boundary survey must take place before the expiration date and time on the notification. If the excavator or land surveyor cancels the excavation or boundary survey, the excavator or land surveyor ~~shall~~ must cancel the notice through the notification center.

(c) The notice is valid for 14 calendar days from the start time stated on the notice. If the activity will continue after the expiration time, then the person responsible for the activity ~~shall~~ must serve an additional notice at least 48 hours, excluding Saturdays, Sundays, and holidays, before the expiration time of the original notice, unless the excavator makes arrangements with the operators affected to periodically verify or refresh the marks, in which case the notice is valid for six months from the start time stated on the notice.

(d) The excavator is responsible for reasonably protecting and preserving the marks until no longer required for proper and safe excavation near the underground facility. If the excavator has reason to believe the marks are obliterated, obscured, missing, or incorrect, the excavator ~~shall~~ must notify the facility operator or notification center in order to have an operator verify or refresh the marks.

Sec. 91. Minnesota Statutes 2022, section 216D.05, is amended to read:

216D.05 PRECAUTIONS TO AVOID DAMAGE.

(a) An excavator ~~shall~~ must:

(1) plan the excavation to avoid damage to and minimize interference with underground facilities in and near the construction area;

(2) ~~use white markings~~ for proposed excavations ~~except where it can be shown that it is not practical~~, use (i) white markings or black markings in wintery conditions, or (ii) electronic marking as provided in paragraph (b);

(3) maintain a clearance between an underground facility and the cutting edge or point of any mechanized equipment, considering the known limit of control of the cutting edge or point to avoid damage to the facility;

(4) provide support for underground facilities in and near the construction area, including during backfill operations, to protect the facilities; and

(5) conduct the excavation in a careful and prudent manner.

(b) An excavator may use electronic marking under paragraph (a), clause (2), if:

(1) the marking provides at least as much proposed excavation information as equivalent physical markings; and

(2) electronic marking used prior to January 1, 2026, is accompanied by equivalent physical markings as provided under paragraph (a), clause (2).

(c) Following submission of electronic marking, an operator may require the excavator to use physical markings.

Sec. 92. **[219.455] DEFINITIONS.**

(a) For purposes of sections 219.45 to 219.53, the following terms have the meanings given.

(b) "Depot company" means a company formed to construct and operate a passenger station on behalf of a railroad or rail carrier.

(c) "Passenger service" means both intercity rail passenger service and commuter rail passenger service.

(d) "Railway company" means a company incorporated or licensed to operate a railroad track or train, and includes a company that loads, unloads, or transloads products.

(e) "Terminal" means a facility or station where:

(1) trains stop to load, unload, or transfer passengers, freight, or both;

(2) formation, dispatch, reception and temporary stabling, and marshalling of rolling stock occurs; or

(3) trains are serviced, maintained, or repaired.

(f) "Yard" means a system of tracks within defined limits provided for making up trains, storing cars, and other purposes.

(g) "Yard track" means a system of tracks within defined limits used for:

(1) the making up or breaking up of trains;

(2) the storing of cars; and

(3) other related purposes over which movements not authorized by timetable or by train order may be made subject to prescribed signals, rules, or other special instructions.

Sidings used exclusively as passing track and main line track within yard limits do not constitute yard track.

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

Sec. 93. Minnesota Statutes 2022, section 219.46, subdivision 1, is amended to read:

Subdivision 1. **Structure.** (a) On and after April 16, 1913, it is unlawful for a common carrier or any other person, on a standard gauge road on its line or a standard gauge sidetrack, for use in any traffic mentioned in section 219.45:

(1) to erect or reconstruct and maintain an adjoining warehouse, coal chute, stock pen, pole, mail crane, standpipe, hog drencher, or any permanent or fixed structure or obstruction within eight feet of the centerline of the track or sidetrack;

(2) in excavating, to allow an adjoining embankment of earth or natural rock to remain within eight feet of the centerline of the track or sidetrack; or

(3) to erect or reconstruct overhead wires, bridges, viaducts or other obstructions passing over or above its tracks at a height less than 21 feet, measured from the top of the track rail.

(b) If after May 1, 1943, overhead structures or platforms or structures designed only to be used in the loading or unloading of cars are rebuilt or remodeled, then these overhead structures must be built with an overhead clearance of not less than 22 feet from the top of the rail. These structures or platforms must be built with a side clearance of not less than 8-1/2 feet from the centerline of the track unless by order the commissioner may provide otherwise.

(c) Sections 219.45 to 219.53 do not apply to yards and terminals of: (1) depot companies, or (2) railway companies used only for passenger service. If personal injury is sustained by an employee of a depot company or railway company used only for passenger service, by reason of noncompliance with sections 219.45 to 219.53, that employee, or in case of the employee's death, the personal representative, has the rights, privileges, and immunities enumerated in section 219.53.

(d) On and after May 1, 1943, it is unlawful for a common carrier or any other person, on a standard gauge road on its line or a standard gauge sidetrack or spur, for use in any traffic mentioned in section 219.45:

(1) to erect or construct and maintain an adjoining warehouse, coal chute, stock pen, pole, mail crane, standpipe, hog drencher, or any permanent or fixed structure or obstruction within 8-1/2 feet of the centerline of the track;

(2) in excavating, to allow an adjoining embankment of earth or natural rock to remain within 8-1/2 feet of the centerline of the track or sidetrack; or

(3) to erect or construct overhead wires, bridges, viaducts, or other obstructions passing over or above its tracks at a height less than 22 feet, measured from the top of the track rail.

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

Sec. 94. Minnesota Statutes 2023 Supplement, section 221.0269, subdivision 4, is amended to read:

Subd. 4. **Intrastate transportation; ~~heating~~ fuel products.** (a) If a regional emergency has been declared by the President of the United States or by the Federal Motor Carrier Safety Administration pursuant to United States Code, title 49, section 390.23(a), ~~and the declaration includes heating fuel as a covered commodity,~~ the federal regulations incorporated into section 221.0314, subdivision 9, for hours of service do not apply to drivers engaged in intrastate transportation of ~~heating~~ fuel products when the driver is:

(1) driving a vehicle designed and exclusively used to transport fuel products; and

(2) carrying only fuel products as defined in section 296A.01.

(b) The relief provided by paragraph (a) only applies when the fuel product being transported is included in the emergency declaration as a covered commodity.

(c) Notwithstanding the relief provided in paragraph (a), a driver may not exceed a total of 14 hours combined on-duty and driving time after coming on duty following at least ten consecutive hours off-duty.

~~(c)~~ (d) If a driver is operating under the relief provided by paragraph (a), and the declaration is in effect for more than 30 calendar days, the driver must take a 34-hour restart before the driver has been on duty for 30 consecutive days.

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

Sec. 95. Minnesota Statutes 2022, section 221.033, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** Except as provided in ~~subdivisions 2 to 2d~~ this section, no person may transport or offer or accept for transportation within the state of Minnesota a hazardous material, hazardous substance, or hazardous waste except in compliance with United States Code, title 49, sections 5101 to 5126 and the provisions of Code of Federal Regulations, title 49, parts 171 to 199, which are incorporated by reference. Those provisions apply to transportation in intrastate commerce to the same extent they apply to transportation in interstate commerce.

Sec. 96. Minnesota Statutes 2022, section 221.033, is amended by adding a subdivision to read:

Subd. 2e. **Transportation of specific petroleum products; driver requirements.** (a) This subdivision applies to intrastate commerce.

(b) A driver who operates a motorized tank truck vehicle with a capacity of less than 3,500 gallons that is used to transport petroleum products must have a valid commercial driver's license with endorsements for hazardous materials and tank vehicles and be at least 18 years of age.

(c) A driver who operates a vehicle that is used to transport liquefied petroleum gases in nonbulk or bulk packaging as defined in Code of Federal Regulations, title 49, section 171.8, including the transportation of consumer storage tanks in compliance with Code of Federal Regulations, title 49, section 173.315(j), must have a valid commercial driver's license with a hazardous materials endorsement and be at least 18 years of age.

(d) A driver who operates a vehicle under paragraph (c) must also have a tank vehicle endorsement if the aggregate capacity of the bulk packaging being transported is 1,000 gallons or more.

(e) Nonbulk or bulk packaging transported under paragraph (c) must have an aggregate capacity of less than 3,500 gallons.

Sec. 97. Minnesota Statutes 2022, section 360.013, is amended by adding a subdivision to read:

Subd. 57c. **Roadable aircraft.** "Roadable aircraft" has the meaning given in section 169.011, subdivision 67a.

Sec. 98. Laws 2023, chapter 68, article 1, section 2, subdivision 4, is amended to read:

Subd. 4. **Local Roads**

(a) **County State-Aid Highways**	917,782,000	991,615,000
This appropriation is from the county state-aid highway fund under Minnesota Statutes, sections 161.081, 174.49, and 297A.815, subdivision 3, and chapter 162, and is available until June 30, 2033.		

If the commissioner of transportation determines that a balance remains in the county state-aid highway fund following the appropriations and transfers made in this paragraph and that the appropriations made are insufficient for advancing county state-aid highway projects, an amount necessary to advance the projects, not to exceed the balance in the county state-aid highway fund, is appropriated in each year to the commissioner. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation must notify the commissioner of management and budget and the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation finance concerning funds appropriated. The governor must identify in the next budget submission to the legislature under Minnesota Statutes, section 16A.11, any amount that is appropriated under this paragraph.

(b) **Municipal State-Aid Streets** 236,360,000 251,748,000

This appropriation is from the municipal state-aid street fund under Minnesota Statutes, chapter 162, and is available until June 30, 2033.

If the commissioner of transportation determines that a balance remains in the municipal state-aid street fund following the appropriations and transfers made in this paragraph and that the appropriations made are insufficient for advancing municipal state-aid street projects, an amount necessary to advance the projects, not to exceed the balance in the municipal state-aid street fund, is appropriated in each year to the commissioner. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation must notify the commissioner of management and budget and the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation finance concerning funds appropriated. The governor must identify in the next budget submission to the legislature under Minnesota Statutes, section 16A.11, any amount that is appropriated under this paragraph.

(c) **Other Local Roads**

(1) **Local Bridges** 18,013,000 -0-

This appropriation is from the general fund to replace or rehabilitate local deficient bridges under Minnesota Statutes, section 174.50. This is a onetime appropriation and is available until June 30, 2027.

(2) **Local Road Improvement** 18,013,000 -0-

This appropriation is from the general fund for construction and reconstruction of local roads under Minnesota Statutes, section 174.52. This is a onetime appropriation and is available until June 30, 2027.

(3) **Local Transportation Disaster Support** 4,300,000 1,000,000

This appropriation is from the general fund to provide:

(i) a cost-share for federal assistance from the Federal Highway Administration for the emergency relief program under United States Code, title 23, section 125.; and

(ii) assistance for roadway damage on the state-aid or federal-aid system associated with state or federally declared disasters ineligible for assistance from existing state and federal disaster programs.

Of the appropriation in fiscal year 2024, $3,300,000 is onetime and is available until June 30, 2027.

(4) **Metropolitan Counties** 20,000,000 -0-

This appropriation is from the general fund for distribution to metropolitan counties as provided under Minnesota Statutes, section 174.49, subdivision 5, for use in conformance with the requirements under Minnesota Statutes, section 174.49, subdivision 6.

Sec. 99. Laws 2023, chapter 68, article 1, section 17, subdivision 7, is amended to read:

Subd. 7. **U.S. Highway 52 box culvert underpass; Dakota County.** $2,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for preliminary and final design, planning, engineering, environmental analysis, acquisition of permanent easements and rights-of-way, and construction of a box culvert underpass at or an alternative option near marked U.S. Highway 52 and Dakota County Road 6 State-Aid Highway 66 near the Hmong American Farmers Association in the township of Vermillion. This is a onetime appropriation and is available until June 30, 2027.

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

Sec. 100. Laws 2023, chapter 68, article 1, section 17, subdivision 18, is amended to read:

Subd. 18. **Town roads.** (a) $7,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of transportation for a grant to a township with a population greater than 10,000 according to the last two federal decennial censuses. This appropriation is for the purposes specified in Minnesota Statutes, section 162.081, subdivision 4 construction, reconstruction, and gravel maintenance of town roads within the town.

(b) Notwithstanding internal Department of Transportation guidelines, policies, or documents relating to grant management, the commissioner must disburse the appropriation under this subdivision directly to a township meeting the criteria in paragraph (a), and may do so without complying with Minnesota laws and policies regarding grant management, including but not limited to the requirement to have an agreement.

(c) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner must not use any amount of this appropriation for administrative costs.

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

Sec. 101. Laws 2023, chapter 68, article 2, section 2, subdivision 3, is amended to read:

Subd. 3. **Transportation Facilities Capital Improvements** 87,440,000

This appropriation is for ~~capital improvements to Department of Transportation facilities. The improvements must: (1) support the programmatic mission of the department; (2) extend the useful life of existing buildings; or (3) renovate or construct facilities to meet the department's current and future operational needs~~ the transportation facilities capital program under Minnesota Statutes, section 174.595.

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

Sec. 102. Laws 2023, chapter 68, article 2, section 2, subdivision 4, is amended to read:

Subd. 4. **Trunk Highway 65; Anoka County** 68,750,000

This appropriation is for ~~one or more grants to the city of Blaine, Anoka County, or both for the~~ predesign, right-of-way acquisition, design, engineering, and construction of intersection improvements along Trunk Highway 65 at 99th Avenue Northeast; 105th Avenue Northeast; Anoka County State-Aid Highway 12; 109th Avenue Northeast; 117th Avenue Northeast; and the associated frontage roads and backage roads within the trunk highway system.

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

Sec. 103. Laws 2023, chapter 68, article 2, section 2, subdivision 5, is amended to read:

Subd. 5. **U.S. Highway 10; Coon Rapids** 30,000,000

This appropriation is for ~~a grant to Anoka County for~~ preliminary engineering, environmental analysis, final design, right-of-way acquisition, construction, and construction administration of a third travel lane in each direction of marked U.S. Highway 10 from east of the interchange with Hanson Boulevard to Round Lake Boulevard in the city of Coon Rapids.

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

Sec. 104. Laws 2023, chapter 68, article 2, section 2, subdivision 7, is amended to read:

Subd. 7. **U.S. Highway 169 Interchange; Scott County** 4,200,000

This appropriation is ~~for a grant to Scott County~~ to design and construct trunk highway improvements associated with an interchange at U.S. Highway 169, marked Trunk Highway 282, and Scott County State-Aid Highway 9 in the city of Jordan, including accommodations for bicycles and pedestrians and for bridge and road construction.

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

Sec. 105. Laws 2023, chapter 68, article 2, section 2, subdivision 9, is amended to read:

Subd. 9. **U.S. Highway 8; Chisago County** 42,000,000

This appropriation is for ~~a grant to Chisago County for~~ predesign, design, engineering, and reconstruction of marked U.S. Highway 8 from Karmel Avenue in Chisago City to marked Interstate Highway 35, including pedestrian and bike trails along and crossings of this segment of marked U.S. Highway 8. The reconstruction project may include expanding segments of marked U.S. Highway 8 to four lanes, constructing or reconstructing frontage roads and backage roads, and realigning local roads to consolidate, remove, and relocate access onto and off of U.S. Highway 8. This appropriation is for the portion of the project that is eligible for use of proceeds of trunk highway bonds. ~~This appropriation is not available until the commissioner of management and budget determines that sufficient resources have been committed from nonstate sources to complete the project.~~

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

Sec. 106. **REPORT; CITY SPEED LIMIT ANALYSIS STUDY REQUIRED.**

(a) The commissioner of transportation must conduct a comprehensive study to assess speed limits in cities that adopted speed limits on city streets under the provisions provided in Minnesota Statutes, section 169.14, subdivision 5h, since the provision's enactment. The commissioner must conduct the assessment on all cities that have instituted speed limit changes to determine whether the cities are setting the appropriate speed limit for the roadway based on engineering principles, safety considerations, and traffic flow.

(b) The study required under this section must include:

(1) an evaluation of roadway design and characteristics;

(2) an analysis of traffic volume and patterns;

(3) an examination of crash data and safety records;

(4) a review of existing speed studies and surveys;

(5) any discrepancies between established speed limits and engineering recommendations; and

(6) recommendations for upward adjustments to city speed limits necessary to align with engineering principles and enhance roadway safety and design.

(c) By March 15, 2025, the commissioner of transportation must submit the results of the comprehensive study to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. The report must identify affected cities and recommend upward adjustments based on observations in the report.

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

Sec. 107. **TRAFFIC ENGINEERING STUDIES AND INVESTIGATIONS.**

(a) Notwithstanding the requirements of the Minnesota Manual on Uniform Traffic Control Devices established by the commissioner of transportation under Minnesota Statutes, section 169.06, subdivision 2, by July 1, 2024, the commissioner must implement section 2B.21 of the Manual on Uniform Traffic Control Devices for Streets and Highways, 11th Edition, as incorporated by the United States Department of Transportation, pertaining to traffic engineering studies and investigations for establishing or reevaluating speed limits within speed zones.

(b) This section expires upon adoption of relevant revisions to the Minnesota Manual on Uniform Traffic Control Devices that pertain to traffic engineering studies and investigations for speed zones. The commissioner must notify the revisor of statutes, whether electronically or in writing, of the expiration.

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

Sec. 108. **FULL-SERVICE PROVIDER.**

(a) For purposes of this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of public safety; and

(2) "full-service provider" has the meaning given in Minnesota Statutes, section 168.002, subdivision 12a.

(b) A driver's license agent under Minnesota Statutes, section 171.061, who was appointed before January 1, 2024, and is recognized by the commissioner as a limited licensing agent under Minnesota Rules, part 7404.0340, may apply to the commissioner to become a full-service provider at the agent's current office location. A driver's license agent must submit an application on or before June 1, 2025. By June 30, 2025, an applicant under this section must satisfactorily complete any additional staff training required by the commissioner to offer expanded services as a full-service provider.

(c) The commissioner may appoint an applicant who meets the requirements under this section as a full-service provider.

(d) Minnesota Rules, chapter 7404, applies to an appointment under this section, except that this section applies notwithstanding Minnesota Rules, parts 7404.0300, subparts 4, 5, and 6; 7404.0305, subpart 1, item B; 7404.0345, item D; 7404.0350; 7404.0360, subpart 2; and 7404.0400, subpart 4, item B.

Sec. 109. **MINNESOTA STATE FAIR TRANSPORTATION PLANNING.**

(a) By August 1, 2024, the board of managers of the State Agricultural Society, in consultation with the Metropolitan Council, must develop a multimodal Minnesota State Fair transportation plan for implementation at the 2024 Minnesota State Fair and must submit a copy of the plan to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture and transportation policy and finance.

(b) At a minimum, the plan must:

(1) determine methods to reduce motor vehicle traffic, congestion, and parking in the area of the Minnesota State Fairgrounds;

(2) identify improvements to the transportation experience for attendees at the Minnesota State Fair;

(3) expand bicycle access and secure storage, including at park-and-ride locations;

(4) improve support for ride hailing and transportation network companies; and

(5) specify public distribution of information on transportation options and services.

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

Sec. 110. **REPEALER.**

(a) Minnesota Statutes 2022, sections 169.011, subdivision 70; 169.25; 171.0605, subdivision 4; 216D.06, subdivision 3; and 221.033, subdivision 2c, are repealed.

(b) Minnesota Statutes 2023 Supplement, section 171.06, subdivisions 9, 10, and 11, are repealed.

(c) Minnesota Rules, part 7410.6180, is repealed.

(d) Minnesota Rules, part 7411.7600, subpart 3, is repealed.

EFFECTIVE DATE. Paragraph (d) is effective July 1, 2024.

ARTICLE 2
GREATER MINNESOTA TRANSIT

Section 1. Minnesota Statutes 2022, section 174.22, is amended by adding a subdivision to read:

Subd. 1a. **Complementary paratransit service (ADA).** "Complementary paratransit service (ADA)" means public transportation service provided on a regular basis where fixed route public transit service exists and is designed exclusively or primarily to serve individuals who are elderly or disabled and unable to use regular means of public transportation.

Sec. 2. Minnesota Statutes 2022, section 174.22, subdivision 2b, is amended to read:

Subd. 2b. **Elderly and disabled service.** "Elderly and disabled service" means transportation service provided on a regular basis in small urbanized or large urbanized areas and designed exclusively or primarily to serve individuals who are elderly or disabled and unable to use regular means of public transportation.

Sec. 3. Minnesota Statutes 2022, section 174.22, is amended by adding a subdivision to read:

Subd. 3a. **Large urbanized area service.** "Large urbanized area service" means a public transportation service operated in areas located outside the metropolitan area with a population greater than 200,000 that is designated by the United States Census Bureau. Large urbanized area service does not include complementary paratransit service (ADA), as defined in subdivision 1a.

Sec. 4. Minnesota Statutes 2022, section 174.22, subdivision 7, is amended to read:

Subd. 7. **Public ~~transit or transit~~ transportation.** ~~"Public transit" or "transit" means general or specific transportation service provided to the public on a regular and continuing basis. "Public transit" or "transit" includes paratransit and regular route transit.~~ "Public transportation" means regular, continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income. Public transportation does not include:

(1) intercity passenger rail transportation provided by the entity described in United States Code, title 49, section 243, or a successor entity;

(2) intercity bus service;

(3) charter bus service;

(4) school bus service;

(5) sightseeing service;

(6) courtesy shuttle service for patrons of one or more specific establishments; or

(7) intraterminal or intrafacility shuttle services.

Sec. 5. Minnesota Statutes 2022, section 174.22, subdivision 12, is amended to read:

Subd. 12. **Rural area service.** "Rural area service" means a public transportation service ~~primarily~~ operated in ~~an area having population centers of less than 2,500 persons~~ rural areas that have not been designated in the most recent decennial census as an urbanized area by the United States Census Bureau.

Sec. 6. Minnesota Statutes 2022, section 174.22, subdivision 14, is amended to read:

Subd. 14. **Small ~~urban~~ urbanized area service.** "Small ~~urban~~ urbanized area service" means a public transportation service ~~operating in an area with a population between 2,500 and 50,000~~ operated in areas located outside the metropolitan area with a population of at least 50,000 but less than 200,000 that is designated by the United States Census Bureau. Small urbanized area service does not include complementary paratransit service (ADA), as defined in subdivision 1a.

Sec. 7. Minnesota Statutes 2022, section 174.23, subdivision 2, is amended to read:

Subd. 2. **Financial assistance; application, approval.** (a) The commissioner ~~shall~~ must seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27.

(b) The commissioner ~~shall~~ must establish ~~by rule the~~ procedures and standards for review and approval of applications for financial assistance submitted to the commissioner pursuant to sections 174.21 to 174.27. Any applicant ~~shall~~ must provide to the commissioner any financial or other information required by the commissioner to carry out the commissioner's duties. The commissioner may require local contributions from applicants as a condition for receiving financial assistance.

~~(c) Before the commissioner approves any grant, the application for the grant may be reviewed by the appropriate regional development commission only for consistency with regional transportation plans and development guides. If an applicant proposes a project within the jurisdiction of a transit authority or commission or a transit system assisted or operated by a city or county, the application shall also be reviewed by that commission, authority, or political subdivision for consistency with its transit programs, policies, and plans.~~

Sec. 8. Minnesota Statutes 2022, section 174.24, subdivision 1a, is amended to read:

Subd. 1a. **Greater Minnesota transit investment plan.** (a) The commissioner ~~shall~~ must develop a greater Minnesota transit investment plan that contains a goal of meeting at least 80 percent of total transit service needs in greater Minnesota by July 1, 2015, and meeting at least 90 percent of total transit service needs in greater Minnesota by July 1, 2025.

(b) The plan must include, but is not limited to, the following:

(1) an analysis of ridership and total transit service needs throughout greater Minnesota;

(2) a calculation of the level and type of service required to meet total transit service needs, for the transit system classifications as provided under subdivision 3b, paragraph (c), of large urbanized area, small ~~urban~~ urbanized area, rural area, ~~and~~ elderly and disabled service, and complementary paratransit service (ADA);

(3) an analysis of costs and revenue options;

(4) a plan to reduce total transit service needs as specified in this subdivision; and

(5) identification of the operating and capital costs necessary to meet 100 percent of the greater Minnesota transit targeted and projected bus service hours, as identified in the greater Minnesota transit plan, for 2010, 2015, 2020, 2025, and 2030.

(c) The plan must specifically address special transportation service ridership and needs. The plan must also provide that recipients of operating assistance under this section provide fixed route public transit service without charge for disabled veterans in accordance with subdivision 7.

Sec. 9. Minnesota Statutes 2022, section 174.24, subdivision 3b, is amended to read:

Subd. 3b. **Operating assistance; recipient classifications.** ~~(a) The commissioner shall determine the total operating cost of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles. To be eligible for financial assistance, an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine total operating cost and correspondingly the amount of assistance that may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system, the commissioner shall identify one as lead agency for the purpose of receiving money under this section.~~

~~(b)~~ (a) Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner ~~shall~~ must place all recipients into one of the following classifications: large urbanized area service, small ~~urban~~ urbanized area service, rural area service, ~~and~~ elderly and disabled service, and complementary paratransit service (ADA).

~~(c)~~ (b) The commissioner ~~shall~~ must distribute ~~funds~~ the operating assistance amount under this section so that the percentage ~~of total contracted operating cost~~ from local sources paid by any recipient ~~from local sources~~ will not exceed the following percentage for that recipient's classification, except as provided in this subdivision~~. The percentages must be~~:

(1) for urbanized area service and small urban area service, 20 percent;

(2) for rural area service, 15 percent; and

(3) for elderly and disabled service and complementary paratransit service (ADA), 15 percent.

~~Except as provided in a United States Department of Transportation program allowing or requiring a lower percentage to be paid from local sources, the remainder of the recipient's total contracted operating cost will be paid from state sources of funds less any assistance received by the recipient from the United States Department of Transportation.~~

~~(d)~~ (c) For purposes of this subdivision, "local sources" means all local sources of funds and includes all operating revenue, tax levies, and contributions from public funds~~, except that the commissioner may exclude from the total assistance contract revenues derived from operations the cost of which is excluded from the computation of total operating cost~~.

~~(e)~~ (d) If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of ~~total operating cost~~ the operating assistance amount from local sources will cause undue hardship, the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources by one or more other recipients inside or outside the classification. However, the commissioner may not reduce or increase any recipient's percentage under this paragraph for more than two years successively. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of ~~total operating cost~~ the operating assistance amount as provided in this paragraph, the commissioner ~~shall~~ must reduce the state share in each classification to the extent necessary.

Sec. 10. Minnesota Statutes 2022, section 174.24, subdivision 3c, is amended to read:

Subd. 3c. **Nonoperating assistance.** The commissioner ~~shall~~ must determine the total cost of any planning and engineering design, capital assistance, other capital expenditures, and other assistance for public transit services that furthers the purposes of section 174.21 for any public transit system receiving or applying for the assistance in accordance with generally accepted accounting principles. The percentage of local sources paid by any recipient must not exceed 20 percent of the awarded amount. To be eligible for non-operating-cost financial assistance, an applicant or recipient ~~shall~~ must provide to the commissioner all financial records and other information and ~~shall~~ must permit any inspection reasonably necessary to determine total cost and the amount of assistance that may be paid to the applicant or recipient. When more than one county or municipality contributes assistance to the operation of a public transit system, the commissioner ~~shall~~ must identify one as a lead agency for the purpose of receiving money under this section. The commissioner has the sole discretion to determine the amount of state funds distributed to any recipient for non-operating-cost assistance.

Sec. 11. Minnesota Statutes 2022, section 174.247, is amended to read:

174.247 ANNUAL TRANSIT REPORT.

(a) By February 15 annually, the commissioner ~~shall~~ must submit a report to the legislature on transit services outside the metropolitan area. ~~The Metropolitan Council and~~ Any public transit system receiving assistance under section 174.24 ~~shall~~ must provide assistance in creating the report, as requested by the commissioner.

(b) The report must include, at a minimum, the following:

(1) a descriptive overview of public transit in Minnesota;

(2) a descriptive summary of funding sources and assistance programs;

(3) a summary of each public transit system receiving assistance under section 174.24;

(4) data that identifies use of volunteers in providing transit service;

(5) financial data that identifies for each public transit system and for each transit system classification under section 174.24, subdivision 3b:

(i) the operating and capital costs;

(ii) each of the funding sources used to provide financial assistance; and

(iii) for federal funds, the amount from each specific federal program under which funding is provided;

(6) a summary of the differences in program implementation requirements and aid recipient eligibility between federal aid and state sources of funds; and

(7) ~~in each odd-numbered year,~~ an analysis of public transit system needs and operating expenditures on an annual basis, which must include a methodology for identifying monetary needs, and calculations of:

(i) the total monetary needs for all public transit systems, for the year of the report and the ensuing five years;

(ii) the total expenditures from local sources for each transit system classification;

(iii) the comprehensive transit assistance percentage for each transit system classification, which equals (A) the expenditures identified under item (ii), for a transit system classification, divided by (B) the amounts identified under subitem (A), plus the sum of state sources of funds plus federal funds provided to all transit systems in that classification; and

(iv) the amount of surplus or insufficient funds available for paying capital and operating costs to fully implement the greater Minnesota transit investment plan under section 174.24, subdivision 1a.

Sec. 12. Minnesota Statutes 2023 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) 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.

(c) 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, within the meaning of "public transportation" 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).

(d) 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.

(e) 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.

(f) The administrative agency of nonemergency medical transportation must:

(1) adhere to the policies defined by the commissioner;

(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.

(g) 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 (l), clauses (4), (5), (6), and (7).

(h) The commissioner may use an order by the recipient's attending physician, advanced practice registered nurse, physician assistant, 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.

(i) 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.

(j) 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.

(k) The administrative agency shall use the level of service process established by the commissioner 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.

(l) 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.

(m) The local agency shall be the single administrative agency and shall administer and reimburse for modes defined in paragraph (l) according to paragraphs (p) and (q) 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.

(n) The commissioner shall:

(1) 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.

(o) 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.

(p) Payments for nonemergency medical transportation must be paid based on the client's assessed mode under paragraph (k), 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 $12.10 for the base rate and $1.43 per mile when provided by a nonemergency medical transportation provider;

(4) $14.30 for the base rate and $1.43 per mile for assisted transport;

(5) $19.80 for the base rate and $1.70 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.

(q) 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 (p), 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 (p), 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 (p), clauses (1) to (7).

(r) For purposes of reimbursement rates for nonemergency medical transportation services under paragraphs (p) and (q), the zip code of the recipient's place of residence shall determine whether the urban, rural, or super rural reimbursement rate applies.

(s) The commissioner, when determining reimbursement rates for nonemergency medical transportation under paragraphs (p) and (q), shall exempt all modes of transportation listed under paragraph (l) from Minnesota Rules, part 9505.0445, item R, subitem (2).

(t) 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 (p) 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. 13. Minnesota Statutes 2022, section 473.121, subdivision 19, is amended to read:

Subd. 19. **Public transit or transit.** "Public transit" or "transit" has the meaning given to "public transportation" in section 174.22, subdivision 7.

Sec. 14. Minnesota Statutes 2023 Supplement, section 609.855, subdivision 7, is amended to read:

Subd. 7. **Definitions.** (a) The definitions in this subdivision apply in this section.

(b) "Public transit" or "transit" has the meaning given to "public transportation" in section 174.22, subdivision 7.

(c) "Public transit vehicle" or "transit vehicle" means any vehicle used for the purpose of providing public transit, whether or not the vehicle is owned or operated by a public entity.

(d) "Public transit facilities" or "transit facilities" means any vehicles, equipment, property, structures, stations, improvements, plants, parking or other facilities, or rights that are owned, leased, held, or used for the purpose of providing public transit, whether or not the facility is owned or operated by a public entity.

(e) "Fare medium" means a ticket, smart card, pass, coupon, token, transfer, or other medium sold or distributed by a public transit provider, or its authorized agents, for use in gaining entry to or use of the public transit facilities or vehicles of the provider.

(f) "Proof of fare payment" means a fare medium valid for the place or time at, or the manner in, which it is used. If using a reduced-fare medium, proof of fare payment also includes proper identification demonstrating a person's eligibility for the reduced fare. If using a fare medium issued solely for the use of a particular individual, proof of fare payment also includes an identification document bearing a photographic likeness of the individual and demonstrating that the individual is the person to whom the fare medium is issued.

(g) "Authorized transit representative" means the person authorized by the transit provider to operate the transit vehicle, a peace officer, a transit official under section 473.4075, subdivision 1, or any other person designated by the transit provider as an authorized transit representative under this section.

Sec. 15. **REVISOR INSTRUCTION.**

(a) The revisor of statutes must renumber the subdivisions in Minnesota Statutes, section 174.22, in alphabetical order and correct any cross-reference changes that result.

(b) The revisor of statutes must change the term "public transit" to "public transportation" wherever the term appears in Minnesota Statutes, sections 174.21 to 174.27.

(c) Except as otherwise provided in this article, the revisor of statutes must change the term "public transit" to "public transportation" wherever the term appears in Minnesota Statutes in conjunction with a specific reference to Minnesota Statutes, section 174.22, subdivision 7.

Sec. 16. **REPEALER.**

(a) Minnesota Statutes 2022, sections 174.22, subdivisions 5 and 15; and 174.23, subdivision 7, are repealed.

(b) Minnesota Rules, parts 8835.0110, subparts 1, 1a, 6, 7, 10, 11a, 12a, 12b, 13a, 14a, 15, 15a, 16, 17, 18, and 19; 8835.0210; 8835.0220; 8835.0230; 8835.0240; 8835.0250; 8835.0260; 8835.0265; 8835.0270; 8835.0275; 8835.0280; 8835.0290; 8835.0310; 8835.0320; 8835.0330, subparts 1, 3, and 4; and 8835.0350, subparts 1, 3, 4, and 5, are repealed."

Delete the title and insert:

"A bill for an act relating to transportation; modifying various transportation-related provisions, including but not limited to motor vehicles, driving rules, accident reporting requirements, child passenger restraint requirements, roadable aircraft, legislative routes, drivers' licenses and exams, excavation requirements, and greater Minnesota transit; modifying criminal penalties; modifying prior appropriations; making technical changes; requiring reports; amending Minnesota Statutes 2022, sections 43A.17, by adding a subdivision; 65B.28, subdivision 2; 161.115, subdivisions 116, 117, by adding a subdivision; 161.14, by adding a subdivision; 161.321, subdivisions 2, 2b; 168.002, subdivisions 18, 24, 26, 27; 168.013, subdivision 1d; 168.0135, by adding a subdivision; 168.12, subdivision 1; 168.1282, subdivision 1; 168.33, subdivision 8a; 168A.085, by adding a subdivision; 168B.035, subdivision 3; 169.011, subdivisions 3a, 44, by adding subdivisions; 169.09, subdivisions 5, 14a, 19; 169.19, subdivision 2; 169.224, subdivision 3; 169.34, subdivision 1; 169.444, subdivision 4; 169.4503, subdivision 31; 169.56, by adding a subdivision; 169.685, subdivisions 4, 5, 7, by adding subdivisions; 169.79, by adding a subdivision; 169.80, by adding a subdivision; 169.801, subdivision 7; 169.829, by adding a subdivision; 169.87, subdivision 6; 169.974, subdivision 2; 169A.52, subdivision 7; 171.01, subdivisions 40, 41a, 47, by adding a subdivision; 171.06, subdivision 2a; 171.0605, subdivisions 2, 6; 171.072; 171.13, subdivision 6, by adding a subdivision; 171.30, subdivisions 2a, 5; 171.335, subdivision 3; 174.03, subdivision 12; 174.22, subdivisions 2b, 7, 12, 14, by adding subdivisions; 174.23, subdivision 2; 174.24, subdivisions 1a, 3b, 3c; 174.247; 174.632, subdivision 2; 174.636, subdivision 1; 216D.01, subdivision 12, by adding subdivisions; 216D.03, by adding a subdivision; 216D.04; 216D.05; 219.46, subdivision 1; 221.033, subdivision 1, by adding a subdivision; 360.013, by adding a subdivision; 473.121, subdivision 19; Minnesota Statutes 2023 Supplement, sections 4.076, subdivision 3; 115E.042, subdivision 4; 168.1235, subdivision 1; 168.1259, subdivision 5; 168.345, subdivision 2; 169.09, subdivision 8; 171.06, subdivision 3; 171.0605, subdivision 5; 171.07, subdivision 15; 171.12, subdivisions 5c, 7b, 11; 171.13, subdivision 1a; 171.395, subdivision 1; 171.396; 174.38, subdivision 3; 174.40, subdivision 4a; 221.0269, subdivision 4; 256B.0625, subdivision 17; 609.855, subdivision 7; Laws 2023, chapter 68, article 1, sections 2, subdivision 4; 17, subdivisions 7, 18; article 2, section 2, subdivisions 3, 4, 5, 7, 9; proposing coding for new law in Minnesota Statutes, chapters 168; 169; 171; 174; 219; repealing Minnesota Statutes 2022, sections 169.011, subdivision 70; 169.25; 171.0605, subdivision 4; 174.22, subdivisions 5, 15; 174.23, subdivision 7; 216D.06, subdivision 3; 221.033, subdivision 2c; Minnesota Statutes 2023 Supplement, section 171.06, subdivisions 9, 10, 11; Minnesota Rules, parts 7410.6180; 7411.7600, subpart 3; 8835.0110, subparts 1, 1a, 6, 7, 10, 11a, 12a, 12b, 13a, 14a, 15, 15a, 16, 17, 18, 19; 8835.0210; 8835.0220; 8835.0230; 8835.0240; 8835.0250; 8835.0260; 8835.0265; 8835.0270; 8835.0275; 8835.0280; 8835.0290; 8835.0310; 8835.0320; 8835.0330, subparts 1, 3, 4; 8835.0350, subparts 1, 3, 4, 5."

We request the adoption of this report and repassage of the bill.

House Conferees: BRAD TABKE AND JOHN PETERSBURG.

Senate Conferees: SCOTT DIBBLE and KELLY MORRISON.

Tabke moved that the report of the Conference Committee on H. F. No. 3436 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 3436, A bill for an act relating to transportation; modifying various transportation-related provisions, including but not limited to motor vehicles, driving rules, accident reporting requirements, child passenger restraint requirements, roadable aircraft, legislative routes, drivers' licenses and exams, excavation notices, and greater Minnesota transit; establishing criminal penalties; modifying prior appropriations; making technical changes; appropriating money; requiring reports; amending Minnesota Statutes 2022, sections 43A.17, by adding a subdivision; 65B.28, subdivision 2; 161.115, subdivisions 116, 117, by adding a subdivision; 161.321, subdivisions

2, 2b; 168.002, subdivisions 18, 24, 26, 27; 168.013, subdivision 1d; 168.0135, by adding a subdivision; 168.12, subdivision 1; 168.33, subdivision 8a; 168A.085, by adding a subdivision; 168B.035, subdivision 3; 169.011, subdivisions 3a, 44, by adding subdivisions; 169.09, subdivisions 5, 14a, 19; 169.19, subdivision 2; 169.224, subdivision 3; 169.34, subdivision 1; 169.444, subdivision 4; 169.685, subdivisions 4, 5, by adding subdivisions; 169.79, by adding a subdivision; 169.80, by adding a subdivision; 169.801, subdivision 7; 169.974, subdivision 2; 169A.52, subdivision 7; 171.01, subdivisions 40, 41a, 47, by adding a subdivision; 171.06, subdivision 2a; 171.0605, subdivision 2; 171.072; 171.13, subdivision 6, by adding a subdivision; 171.30, subdivisions 2a, 5; 174.03, subdivision 12; 174.22, subdivisions 2b, 7, 12, 14, by adding subdivisions; 174.23, subdivision 2; 174.24, subdivisions 1a, 3b, 3c; 174.247; 174.632, subdivision 2; 174.636, subdivision 1; 216D.01, subdivision 12, by adding subdivisions; 216D.03, by adding a subdivision; 216D.04; 216D.05; 221.033, subdivision 1, by adding a subdivision; 360.013, by adding a subdivision; 360.075, subdivision 1; 473.121, subdivision 19; Minnesota Statutes 2023 Supplement, sections 4.076, subdivision 3; 115E.042, subdivision 4; 161.045, subdivision 3; 168.1235, subdivision 1; 168.1259, subdivision 5; 168.345, subdivision 2; 169.09, subdivision 8; 171.06, subdivision 3; 171.0605, subdivision 5; 171.12, subdivisions 5c, 11; 171.13, subdivision 1a; 171.395, subdivision 1; 171.396; 174.40, subdivision 4a; 256B.0625, subdivision 17; 609.855, subdivision 7; Laws 2021, First Special Session chapter 5, article 2, section 3; Laws 2023, chapter 68, article 1, section 2, subdivision 4; article 2, sections 2, subdivisions 3, 4, 5, 7, 9; 3; proposing coding for new law in Minnesota Statutes, chapters 168; 169; 171; 174; repealing Minnesota Statutes 2022, sections 169.011, subdivision 70; 169.25; 171.0605, subdivision 4; 174.22, subdivisions 5, 15; 174.23, subdivision 7; 216D.06, subdivision 3; 221.033, subdivision 2c; Minnesota Statutes 2023 Supplement, section 171.06, subdivisions 9, 10, 11; Minnesota Rules, parts 7411.7600, subpart 3; 8835.0110, subparts 1, 1a, 6, 7, 10, 11a, 12a, 12b, 13a, 14a, 15, 15a, 16, 17, 18, 19; 8835.0210; 8835.0220; 8835.0230; 8835.0240; 8835.0250; 8835.0260; 8835.0265; 8835.0270; 8835.0275; 8835.0280; 8835.0290; 8835.0310; 8835.0320; 8835.0330, subparts 1, 3, 4; 8835.0350, subparts 1, 3, 4, 5.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 97 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Acomb	Demuth	Hassan	Kozlowski	Noor	Swedzinski
Agbaje	Dotseth	Hemmingsen-Jaeger	Kraft	Norris	Tabke
Anderson, P. H.	Edelson	Her	Lee, F.	Olson, L.	Torkelson
Bahner	Elkins	Hicks	Lee, K.	Pelowski	Vang
Bakeberg	Feist	Hill	Liebling	Pérez-Vega	Virnig
Becker-Finn	Finke	Hollins	Lillie	Perryman	Wiens
Bennett	Fischer	Hornstein	Lislegard	Petersburg	Witte
Berg	Franson	Howard	Long	Pinto	Wolgamott
Bierman	Frazier	Hudson	Mekeland	Pryor	Xiong
Bliss	Frederick	Huot	Moller	Pursell	Youakim
Brand	Freiberg	Hussein	Mueller	Rarick	Zeleznikar
Burkel	Garofalo	Igo	Myers	Rehm	Spk. Hortman
Carroll	Gomez	Jordan	Nadeau	Reyer	
Cha	Greenman	Keeler	Nash	Schomacker	
Clardy	Hansen, R.	Kiel	Nelson, M.	Sencer-Mura	
Coulter	Hanson, J.	Klevorn	Newton	Smith	
Curran	Harder	Kotyza-Witthuhn	Niska	Stephenson	

Those who voted in the negative were:

Altendorf	Engen	Jacob	Kresha	Neu Brindley	Quam
Anderson, P. E.	Fogelman	Johnson	Lawrence	Novotny	Robbins
Backer	Gillman	Joy	McDonald	O'Driscoll	Scott
Baker	Grossell	Knudsen	Murphy	Olson, B.	West
Davis	Heintzeman	Koznick	Nelson, N.	Pfarr	Wiener

The bill was repassed, as amended by Conference, and its title agreed to.

MESSAGES FROM THE SENATE, Continued

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 4247, A bill for an act relating to health; establishing registration for transfer care specialists; establishing licensure for behavior analysts; establishing licensure for veterinary technicians and a veterinary institutional license; modifying provisions of veterinary supervision; modifying specialty dentist licensure and dental assistant licensure by credentials; removing additional collaboration requirements for physician assistants to provide certain psychiatric treatment; modifying social worker provisional licensure; establishing guest licensure for marriage and family therapists; modifying pharmacy provisions for certain reporting requirements and change of ownership or relocation; appropriating money; amending Minnesota Statutes 2022, sections 148D.061, subdivisions 1, 8; 148D.062, subdivisions 3, 4; 148D.063, subdivisions 1, 2; 148E.055, by adding subdivisions; 149A.01, subdivision 3; 149A.02, subdivision 13a, by adding a subdivision; 149A.03; 149A.09; 149A.11; 149A.60; 149A.61, subdivisions 4, 5; 149A.62; 149A.63; 149A.65, subdivision 2; 149A.70, subdivisions 3, 4, 5, 7; 149A.90, subdivisions 2, 4, 5; 150A.06, subdivisions 1c, 8; 151.065, by adding subdivisions; 151.066, subdivisions 1, 2, 3; 156.001, by adding subdivisions; 156.07; 156.12, subdivisions 2, 4; Minnesota Statutes 2023 Supplement, section 148B.392, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 148; 148B; 149A; 156; repealing Minnesota Statutes 2022, sections 147A.09, subdivision 5; 148D.061, subdivision 9; 156.12, subdivision 6.

THOMAS S. BOTTERN, Secretary of the Senate

Liebling moved that the House refuse to concur in the Senate amendments to H. F. No. 4247, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 5247, A bill for an act relating to taxation; modifying individual income taxes, corporate franchise taxes, property taxes, local government aids, minerals taxes, sales and use taxes, gross receipts taxes, excise taxes, and other tax-related provisions; modifying income tax credits and subtractions; expanding the child tax credit and providing for a minimum credit; providing for nonconformity to certain worker classification rules; providing for disclosure of certain corporate franchise tax information; providing for direct free filing; requiring a corporate tax base erosion study; modifying property tax exemptions, credits, classifications, and abatements; adjusting local government aid calculations and payments and forgiving local government aid penalties; providing for an advance homestead credit for seniors; providing for transfers and distributions of proceeds of minerals taxes; providing for issuance of revenue bonds; providing for an amusement device gross receipts tax in lieu of the sales and use tax; providing sales and use tax construction exemptions; repealing the tax on illegal marijuana and controlled substances; providing special tax increment financing authority; authorizing cities and counties to impose local sales and use taxes for certain projects; establishing a local sales tax equalization distribution; providing for state auditor oversight of local sales and use taxes; modifying certain special local taxes; providing for taxpayer assistance and outreach grants; providing aid for various uses; providing for the establishment of land valuation districts; making technical changes; requiring reports; transferring money; appropriating money; amending Minnesota Statutes 2022, sections 10A.02, subdivision 11b; 10A.322, subdivision 4; 116U.27, subdivision 2; 123B.53, subdivision 1; 123B.71, subdivision 8; 270C.21; 270C.445, subdivision 6; 272.02, subdivisions 7, 19, by adding subdivisions; 273.13, subdivision 22; 273.135, subdivision 2; 273.1393; 273.38; 273.41; 275.065, by adding a subdivision; 276.04, subdivision 2, as amended, by adding a subdivision; 276A.01, subdivision 17; 276A.06, subdivision 8; 289A.08, subdivision 1; 289A.12, subdivision 18; 290.0132, by adding a subdivision; 290.0683, subdivision 3; 290.92, by adding a subdivision; 290A.03, by adding subdivisions; 295.53, subdivision 4a; 297A.68, subdivisions 3a, 45; 297A.99, subdivision 3, by adding a subdivision; 297I.20, subdivision 4; 298.17; 298.28, subdivision 8; 298.282, subdivision 1; 298.292, subdivision 2; 375.192, subdivision 2; 446A.086, subdivision 1; 469.104; 469.1812, by adding a subdivision; 469.1813, subdivisions 1, 6, by adding a subdivision; 469.190, subdivisions 1, 7; 474A.091, subdivisions 2, 2a; 609.902, subdivision 4; Minnesota Statutes 2023 Supplement, sections 41B.0391, subdivision 4; 123B.71, subdivision 12; 126C.40, subdivision 6; 273.13, subdivisions 25, 34; 273.1392; 275.065, subdivision 3; 290.01, subdivision 19; 290.0132, subdivision 34; 290.0134, subdivision 20; 290.06, subdivision 23; 290.0661, subdivisions 1, 8, by adding a subdivision; 290.0671, subdivision 1a; 290.0693, subdivisions 1, 6, 8; 290.0695, subdivision 2; 290A.03, subdivisions 3, 13; 297A.61, subdivision 3; 297A.99, subdivision 1; 297H.13, subdivision 2; 298.018, subdivision 1; 298.28, subdivisions 7a, 16; 349.12, subdivision 25; 477A.30, subdivisions 4, 5, 6, 7; 477A.35, subdivision 6; Laws 1986, chapter 396, section 5, as amended; Laws 1986, chapter 400, section 44, as amended; Laws 2010, chapter 389, article 7, section 22, as amended; Laws 2014, chapter 308, article 6, section 9, as amended; Laws 2017, First Special Session chapter 1, article 6, section 22; Laws 2023, chapter 1, sections 22; 28; proposing coding for new law in Minnesota Statutes, chapters 270B; 273; 289A; 290A; 295; 297A; 428A; repealing Minnesota Statutes 2022, sections 13.4967, subdivision 5; 297D.02; 297D.03; 297D.05; 297D.09, subdivisions 1, 2; 297D.12; 297D.13; Minnesota Statutes 2023 Supplement, sections 297A.99, subdivision 3a; 297D.01; 297D.04; 297D.06; 297D.07; 297D.08; 297D.085; 297D.09, subdivision 1a; 297D.10; 297D.11; 477A.30, subdivision 8; Laws 2023, chapter 64, article 15, section 24.

THOMAS S. BOTTERN, Secretary of the Senate

Gomez moved that the House refuse to concur in the Senate amendments to H. F. No. 5247, that the Speaker appoint a Conference Committee of 5 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Long moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by Speaker pro tempore Vang.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 5289:

Hassan, Xiong and Zeleznikar.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 5335:

Noor, Bahner and Franson.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 3911:

Hansen, R.; Pursell; Finke; Jordan and Heintzeman.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 4247:

Liebling, Carroll and Nadeau.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 5237:

Youakim, Clardy, Edelson, Sencer-Mura and Kresha.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 5242:

Hornstein; Nelson, M.; Howard; Tabke and Petersburg.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 5247:

Gomez; Lislegard; Agbaje; Lee, K., and Norris.

REQUEST PURSUANT TO RULE 4.31

Pursuant to rule 4.31, Olson, B., gave notice that Olson, B., is requesting the return to the House of H. F. No. 4803 from the Committee on State and Local Government Finance and Policy.

ADJOURNMENT

Long moved that when the House adjourns today it adjourn until 11:00 a.m., Thursday, May 9, 2024. The motion prevailed.

Long moved that the House adjourn. The motion prevailed, and Speaker pro tempore Vang declared the House stands adjourned until 11:00 a.m., Thursday, May 9, 2024.

PATRICK D. MURPHY, Chief Clerk, House of Representatives