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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2260

03/12/2025 Authored by Curran
03/24/2025 The bill was read for the first time and referred to the Committee on Judiciary Finance and Civil Law
Adoption of Report: Amended and re-referred to the Committee on Public Safety Finance and Policy

1.1 A bill for an act
1.2 relating to human services; Department of Human Services policy bill sections on
1.3 background studies, fraud prevention, Department of Corrections reconsiderations,
1.4 kickback crimes, and appeals division worker protections; providing for criminal
1.5 penalties; amending Minnesota Statutes 2024, sections 13.46, subdivisions 1, 2,
1.6 3, 4; 15.471, subdivision 6; 142E.51, subdivisions 5, 6; 245.095, subdivision 5,
1.7 by adding a subdivision; 245A.04, subdivision 1; 245A.05; 245A.07, subdivision
1.8 2; 245C.05, by adding a subdivision; 245C.08, subdivision 3; 245C.14, by adding
1.9 a subdivision; 245C.22, subdivision 5; 254A.19, subdivision 4; 256.98, subdivision
1.10 1; 256B.064, subdivision 1a; 256B.12; 256G.01, subdivision 3; 256G.08,
1.11 subdivisions 1, 2; 256G.09, subdivisions 1, 2; 480.40, subdivision 1; 611.43, by
1.12 adding a subdivision; 611.46, subdivision 1; 611.55, by adding a subdivision;
1.13 Laws 2023, chapter 70, article 7, section 34; proposing coding for new law in
1.14 Minnesota Statutes, chapter 609.

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

1.16 Section 1. Minnesota Statutes 2024, section 13.46, subdivision 1, is amended to read:

1.17 Subdivision 1. Definitions. As used in this section:

1.18 (a) "Individual" means an individual according to section 13.02, subdivision 8, but does
1.19 not include a vendor of services.

1.20 (b) "Program" includes all programs for which authority is vested in a component of the
1.21 welfare system according to statute or federal law, including but not limited to Native
1.22 American Tribe programs that provide a service component of the welfare system, the
1.23 Minnesota family investment program, medical assistance, general assistance, general
1.24 assistance medical care formerly codified in chapter 256D, the child care assistance program,
1.25 and child support collections.

2.1 (c) "Welfare system" includes the Department of Human Services; Direct Care and  
2.2 Treatment; the Department of Children, Youth, and Families; local social services agencies;  
2.3 county welfare agencies; county public health agencies; county veteran services agencies;  
2.4 county housing agencies; private licensing agencies; the public authority responsible for  
2.5 child support enforcement; human services boards; community mental health center boards,  
2.6 state hospitals, state nursing homes, the ombudsman for mental health and developmental  
2.7 disabilities; Native American Tribes to the extent a Tribe provides a service component of  
2.8 the welfare system; the Minnesota Competency Attainment Board and forensic navigators  
2.9 under chapter 611; and persons, agencies, institutions, organizations, and other entities  
2.10 under contract to any of the above agencies to the extent specified in the contract.

2.11 (d) "Mental health data" means data on individual clients and patients of community  
2.12 mental health centers, established under section 245.62, mental health divisions of counties  
2.13 and other providers under contract to deliver mental health services, Direct Care and  
2.14 Treatment mental health services, or the ombudsman for mental health and developmental  
2.15 disabilities.

2.16 (e) "Fugitive felon" means a person who has been convicted of a felony and who has  
2.17 escaped from confinement or violated the terms of probation or parole for that offense.

2.18 (f) "Private licensing agency" means an agency licensed by the commissioner of children,  
2.19 youth, and families under chapter 142B to perform the duties under section 142B.30.

2.20 Sec. 2. Minnesota Statutes 2024, section 13.46, subdivision 2, is amended to read:

2.21 Subd. 2. **General.** (a) Data on individuals collected, maintained, used, or disseminated  
2.22 by the welfare system are private data on individuals, and shall not be disclosed except:

2.23 (1) according to section 13.05;

2.24 (2) according to court order;

2.25 (3) according to a statute specifically authorizing access to the private data;

2.26 (4) to an agent ~~of the welfare system and an~~ or investigator acting on behalf of a county,  
2.27 the state, or the federal government, including a law enforcement person or attorney in the  
2.28 investigation or prosecution of a criminal, civil, or administrative proceeding relating to the  
2.29 administration of a program;

2.30 (5) to personnel of the welfare system who require the data to verify an individual's  
2.31 identity; determine eligibility, amount of assistance, and the need to provide services to an  
2.32 individual or family across programs; coordinate services for an individual or family;

3.1 evaluate the effectiveness of programs; assess parental contribution amounts; and investigate  
3.2 suspected fraud;

3.3 (6) to administer federal funds or programs;

3.4 (7) between personnel of the welfare system working in the same program;

3.5 (8) to the Department of Revenue to administer and evaluate tax refund or tax credit  
3.6 programs and to identify individuals who may benefit from these programs, and prepare  
3.7 the databases for reports required under section 270C.13 and Laws 2008, chapter 366, article  
3.8 17, section 6. The following information may be disclosed under this paragraph: an  
3.9 individual's and their dependent's names, dates of birth, Social Security or individual taxpayer  
3.10 identification numbers, income, addresses, and other data as required, upon request by the  
3.11 Department of Revenue. Disclosures by the commissioner of revenue to the commissioner  
3.12 of human services for the purposes described in this clause are governed by section 270B.14,  
3.13 subdivision 1. Tax refund or tax credit programs include, but are not limited to, the dependent  
3.14 care credit under section 290.067, the Minnesota working family credit under section  
3.15 290.0671, the property tax refund under section 290A.04, and the Minnesota education  
3.16 credit under section 290.0674;

3.17 (9) between the Department of Human Services; the Department of Employment and  
3.18 Economic Development; the Department of Children, Youth, and Families; Direct Care and  
3.19 Treatment; and, when applicable, the Department of Education, for the following purposes:

3.20 (i) to monitor the eligibility of the data subject for unemployment benefits, for any  
3.21 employment or training program administered, supervised, or certified by that agency;

3.22 (ii) to administer any rehabilitation program or child care assistance program, whether  
3.23 alone or in conjunction with the welfare system;

3.24 (iii) to monitor and evaluate the Minnesota family investment program or the child care  
3.25 assistance program by exchanging data on recipients and former recipients of Supplemental  
3.26 Nutrition Assistance Program (SNAP) benefits, cash assistance under chapter 142F, 256D,  
3.27 256J, or 256K, child care assistance under chapter 142E, medical programs under chapter  
3.28 256B or 256L; and

3.29 (iv) to analyze public assistance employment services and program utilization, cost,  
3.30 effectiveness, and outcomes as implemented under the authority established in Title II,  
3.31 Sections 201-204 of the Ticket to Work and Work Incentives Improvement Act of 1999.  
3.32 Health records governed by sections 144.291 to 144.298 and "protected health information"  
3.33 as defined in Code of Federal Regulations, title 45, section 160.103, and governed by Code

4.1 of Federal Regulations, title 45, parts 160-164, including health care claims utilization  
4.2 information, must not be exchanged under this clause;

4.3 (10) to appropriate parties in connection with an emergency if knowledge of the  
4.4 information is necessary to protect the health or safety of the individual or other individuals  
4.5 or persons;

4.6 (11) data maintained by residential programs as defined in section 245A.02 may be  
4.7 disclosed to the protection and advocacy system established in this state according to Part  
4.8 C of Public Law 98-527 to protect the legal and human rights of persons with developmental  
4.9 disabilities or other related conditions who live in residential facilities for these persons if  
4.10 the protection and advocacy system receives a complaint by or on behalf of that person and  
4.11 the person does not have a legal guardian or the state or a designee of the state is the legal  
4.12 guardian of the person;

4.13 (12) to the county medical examiner or the county coroner for identifying or locating  
4.14 relatives or friends of a deceased person;

4.15 (13) data on a child support obligor who makes payments to the public agency may be  
4.16 disclosed to the Minnesota Office of Higher Education to the extent necessary to determine  
4.17 eligibility under section 136A.121, subdivision 2, clause (5);

4.18 (14) participant Social Security or individual taxpayer identification numbers and names  
4.19 collected by the telephone assistance program may be disclosed to the Department of  
4.20 Revenue to conduct an electronic data match with the property tax refund database to  
4.21 determine eligibility under section 237.70, subdivision 4a;

4.22 (15) the current address of a Minnesota family investment program participant may be  
4.23 disclosed to law enforcement officers who provide the name of the participant and notify  
4.24 the agency that:

4.25 (i) the participant:

4.26 (A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after  
4.27 conviction, for a crime or attempt to commit a crime that is a felony under the laws of the  
4.28 jurisdiction from which the individual is fleeing; or

4.29 (B) is violating a condition of probation or parole imposed under state or federal law;

4.30 (ii) the location or apprehension of the felon is within the law enforcement officer's  
4.31 official duties; and

4.32 (iii) the request is made in writing and in the proper exercise of those duties;

5.1 (16) the current address of a recipient of general assistance may be disclosed to probation  
5.2 officers and corrections agents who are supervising the recipient and to law enforcement  
5.3 officers who are investigating the recipient in connection with a felony level offense;

5.4 (17) information obtained from a SNAP applicant or recipient households may be  
5.5 disclosed to local, state, or federal law enforcement officials, upon their written request, for  
5.6 the purpose of investigating an alleged violation of the Food and Nutrition Act, according  
5.7 to Code of Federal Regulations, title 7, section 272.1(c);

5.8 (18) the address, Social Security or individual taxpayer identification number, and, if  
5.9 available, photograph of any member of a household receiving SNAP benefits shall be made  
5.10 available, on request, to a local, state, or federal law enforcement officer if the officer  
5.11 furnishes the agency with the name of the member and notifies the agency that:

5.12 (i) the member:

5.13 (A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a  
5.14 crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

5.15 (B) is violating a condition of probation or parole imposed under state or federal law;  
5.16 or

5.17 (C) has information that is necessary for the officer to conduct an official duty related  
5.18 to conduct described in subitem (A) or (B);

5.19 (ii) locating or apprehending the member is within the officer's official duties; and

5.20 (iii) the request is made in writing and in the proper exercise of the officer's official duty;

5.21 (19) the current address of a recipient of Minnesota family investment program, general  
5.22 assistance, or SNAP benefits may be disclosed to law enforcement officers who, in writing,  
5.23 provide the name of the recipient and notify the agency that the recipient is a person required  
5.24 to register under section 243.166, but is not residing at the address at which the recipient is  
5.25 registered under section 243.166;

5.26 (20) certain information regarding child support obligors who are in arrears may be  
5.27 made public according to section 518A.74;

5.28 (21) data on child support payments made by a child support obligor and data on the  
5.29 distribution of those payments excluding identifying information on obligees may be  
5.30 disclosed to all obligees to whom the obligor owes support, and data on the enforcement  
5.31 actions undertaken by the public authority, the status of those actions, and data on the income  
5.32 of the obligor or obligee may be disclosed to the other party;

6.1 (22) data in the work reporting system may be disclosed under section 142A.29,  
6.2 subdivision 7;

6.3 (23) to the Department of Education for the purpose of matching Department of Education  
6.4 student data with public assistance data to determine students eligible for free and  
6.5 reduced-price meals, meal supplements, and free milk according to United States Code,  
6.6 title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to allocate federal and state  
6.7 funds that are distributed based on income of the student's family; and to verify receipt of  
6.8 energy assistance for the telephone assistance plan;

6.9 (24) the current address and telephone number of program recipients and emergency  
6.10 contacts may be released to the commissioner of health or a community health board as  
6.11 defined in section 145A.02, subdivision 5, when the commissioner or community health  
6.12 board has reason to believe that a program recipient is a disease case, carrier, suspect case,  
6.13 or at risk of illness, and the data are necessary to locate the person;

6.14 (25) to other state agencies, statewide systems, and political subdivisions of this state,  
6.15 including the attorney general, and agencies of other states, interstate information networks,  
6.16 federal agencies, and other entities as required by federal regulation or law for the  
6.17 administration of the child support enforcement program;

6.18 (26) to personnel of public assistance programs as defined in section 518A.81, for access  
6.19 to the child support system database for the purpose of administration, including monitoring  
6.20 and evaluation of those public assistance programs;

6.21 (27) to monitor and evaluate the Minnesota family investment program by exchanging  
6.22 data between the Departments of Human Services; Children, Youth, and Families; and  
6.23 Education, on recipients and former recipients of SNAP benefits, cash assistance under  
6.24 chapter 142F, 256D, 256J, or 256K, child care assistance under chapter 142E, medical  
6.25 programs under chapter 256B or 256L, or a medical program formerly codified under chapter  
6.26 256D;

6.27 (28) to evaluate child support program performance and to identify and prevent fraud  
6.28 in the child support program by exchanging data between the Department of Human Services;  
6.29 Department of Children, Youth, and Families; Department of Revenue under section 270B.14,  
6.30 subdivision 1, paragraphs (a) and (b), without regard to the limitation of use in paragraph  
6.31 (c); Department of Health; Department of Employment and Economic Development; and  
6.32 other state agencies as is reasonably necessary to perform these functions;

7.1 (29) counties and the Department of Children, Youth, and Families operating child care  
7.2 assistance programs under chapter 142E may disseminate data on program participants,  
7.3 applicants, and providers to the commissioner of education;

7.4 (30) child support data on the child, the parents, and relatives of the child may be  
7.5 disclosed to agencies administering programs under titles IV-B and IV-E of the Social  
7.6 Security Act, as authorized by federal law;

7.7 (31) to a health care provider governed by sections 144.291 to 144.298, to the extent  
7.8 necessary to coordinate services;

7.9 (32) to the chief administrative officer of a school to coordinate services for a student  
7.10 and family; data that may be disclosed under this clause are limited to name, date of birth,  
7.11 gender, and address;

7.12 (33) to county correctional agencies to the extent necessary to coordinate services and  
7.13 diversion programs; data that may be disclosed under this clause are limited to name, client  
7.14 demographics, program, case status, and county worker information; or

7.15 (34) between the Department of Human Services and the Metropolitan Council for the  
7.16 following purposes:

7.17 (i) to coordinate special transportation service provided under section 473.386 with  
7.18 services for people with disabilities and elderly individuals funded by or through the  
7.19 Department of Human Services; and

7.20 (ii) to provide for reimbursement of special transportation service provided under section  
7.21 473.386.

7.22 The data that may be shared under this clause are limited to the individual's first, last, and  
7.23 middle names; date of birth; residential address; and program eligibility status with expiration  
7.24 date for the purposes of informing the other party of program eligibility.

7.25 (b) Information on persons who have been treated for substance use disorder may only  
7.26 be disclosed according to the requirements of Code of Federal Regulations, title 42, sections  
7.27 2.1 to 2.67.

7.28 (c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16),  
7.29 (17), or (18), or paragraph (b), are investigative data and are confidential or protected  
7.30 nonpublic while the investigation is active. The data are private after the investigation  
7.31 becomes inactive under section 13.82, subdivision 7, clause (a) or (b).

8.1 (d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but are  
8.2 not subject to the access provisions of subdivision 10, paragraph (b).

8.3 For the purposes of this subdivision, a request will be deemed to be made in writing if  
8.4 made through a computer interface system.

8.5 Sec. 3. Minnesota Statutes 2024, section 13.46, subdivision 3, is amended to read:

8.6 Subd. 3. **Investigative data.** (a) Data on persons, including data on vendors of services,  
8.7 licensees, and applicants that is collected, maintained, used, or disseminated by the welfare  
8.8 system in an investigation, authorized by statute, and relating to the enforcement of rules  
8.9 or law are confidential data on individuals pursuant to section 13.02, subdivision 3, or  
8.10 protected nonpublic data not on individuals pursuant to section 13.02, subdivision 13, and  
8.11 shall not be disclosed except:

8.12 (1) pursuant to section 13.05;

8.13 (2) pursuant to statute or valid court order;

8.14 (3) to a party named in a civil or criminal proceeding, administrative or judicial, for  
8.15 preparation of defense;

8.16 (4) to an agent ~~of the welfare system~~ or an investigator acting on behalf of a county,  
8.17 state, or federal government, including a law enforcement officer or attorney in the  
8.18 investigation or prosecution of a criminal, civil, or administrative proceeding, unless the  
8.19 commissioner of human services ~~or~~; the commissioner of children, youth, and families; or  
8.20 the Direct Care and Treatment executive board determines that disclosure may compromise  
8.21 a Department of Human Services ~~or~~; Department of Children, Youth, and Families; or Direct  
8.22 Care and Treatment ongoing investigation; or

8.23 (5) to provide notices required or permitted by statute.

8.24 The data referred to in this subdivision shall be classified as public data upon submission  
8.25 to an administrative law judge or court in an administrative or judicial proceeding. Inactive  
8.26 welfare investigative data shall be treated as provided in section 13.39, subdivision 3.

8.27 (b) Notwithstanding any other provision in law, the commissioner of human services  
8.28 shall provide all active and inactive investigative data, including the name of the reporter  
8.29 of alleged maltreatment under section 626.557 or chapter 260E, to the ombudsman for  
8.30 mental health and developmental disabilities upon the request of the ombudsman.

8.31 (c) Notwithstanding paragraph (a) and section 13.39, the existence of an investigation  
8.32 by the commissioner of human services of possible overpayments of public funds to a service



9.1 provider or recipient or the reduction or withholding of payments may be disclosed if the  
9.2 commissioner determines that it will not compromise the investigation.

9.3 **EFFECTIVE DATE.** This section is effective July 1, 2025.

9.4 Sec. 4. Minnesota Statutes 2024, section 13.46, subdivision 4, is amended to read:

9.5 Subd. 4. **Licensing data.** (a) As used in this subdivision:

9.6 (1) "licensing data" are all data collected, maintained, used, or disseminated by the  
9.7 welfare system pertaining to persons licensed or registered or who apply for licensure or  
9.8 registration or who formerly were licensed or registered under the authority of the  
9.9 commissioner of human services;

9.10 (2) "client" means a person who is receiving services from a licensee or from an applicant  
9.11 for licensure; and

9.12 (3) "personal and personal financial data" are Social Security numbers, identity of and  
9.13 letters of reference, insurance information, reports from the Bureau of Criminal  
9.14 Apprehension, health examination reports, and social/home studies.

9.15 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants, license  
9.16 holders, certification holders, and former licensees are public: name, address, telephone  
9.17 number of licensees, email addresses except for family child foster care, date of receipt of  
9.18 a completed application, dates of licensure, licensed capacity, type of client preferred,  
9.19 variances granted, record of training and education in child care and child development,  
9.20 type of dwelling, name and relationship of other family members, previous license history,  
9.21 class of license, the existence and status of complaints, and the number of serious injuries  
9.22 to or deaths of individuals in the licensed program as reported to the commissioner of human  
9.23 services; the commissioner of children, youth, and families; the local social services agency;  
9.24 or any other county welfare agency. For purposes of this clause, a serious injury is one that  
9.25 is treated by a physician.

9.26 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,  
9.27 an order of license suspension, an order of temporary immediate suspension, an order of  
9.28 license revocation, an order of license denial, or an order of conditional license has been  
9.29 issued, or a complaint is resolved, the following data on current and former licensees and  
9.30 applicants are public: the general nature of the complaint or allegations leading to the  
9.31 temporary immediate suspension; the substance and investigative findings of the licensing  
9.32 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence  
9.33 of settlement negotiations; the record of informal resolution of a licensing violation; orders

10.1 of hearing; findings of fact; conclusions of law; specifications of the final correction order,  
10.2 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license  
10.3 contained in the record of licensing action; whether a fine has been paid; and the status of  
10.4 any appeal of these actions.

10.5 (iii) When a license denial under section 142A.15 or 245A.05 or a sanction under section  
10.6 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling  
10.7 individual is responsible for maltreatment under section 626.557 or chapter 260E, the identity  
10.8 of the applicant, license holder, or controlling individual as the individual responsible for  
10.9 maltreatment is public data at the time of the issuance of the license denial or sanction.

10.10 (iv) When a license denial under section 142A.15 or 245A.05 or a sanction under section  
10.11 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling  
10.12 individual is disqualified under chapter 245C, the identity of the license holder, applicant,  
10.13 or controlling individual as the disqualified individual is public data at the time of the  
10.14 issuance of the licensing sanction or denial. If the applicant, license holder, or controlling  
10.15 individual requests reconsideration of the disqualification and the disqualification is affirmed,  
10.16 the reason for the disqualification and the reason to not set aside the disqualification are  
10.17 private data.

10.18 (v) A correction order or fine issued to a child care provider for a licensing violation is  
10.19 private data on individuals under section 13.02, subdivision 12, or nonpublic data under  
10.20 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

10.21 (2) For applicants who withdraw their application prior to licensure or denial of a license,  
10.22 the following data are public: the name of the applicant, the city and county in which the  
10.23 applicant was seeking licensure, the dates of the commissioner's receipt of the initial  
10.24 application and completed application, the type of license sought, and the date of withdrawal  
10.25 of the application.

10.26 (3) For applicants who are denied a license, the following data are public: the name and  
10.27 address of the applicant, the city and county in which the applicant was seeking licensure,  
10.28 the dates of the commissioner's receipt of the initial application and completed application,  
10.29 the type of license sought, the date of denial of the application, the nature of the basis for  
10.30 the denial, the existence of settlement negotiations, the record of informal resolution of a  
10.31 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final  
10.32 order of denial, and the status of any appeal of the denial.

10.33 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the  
10.34 victim and the substantiated perpetrator are affiliated with a program licensed under chapter

11.1 142B or 245A; the commissioner of human services; commissioner of children, youth, and  
11.2 families; local social services agency; or county welfare agency may inform the license  
11.3 holder where the maltreatment occurred of the identity of the substantiated perpetrator and  
11.4 the victim.

11.5 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder  
11.6 and the status of the license are public if the county attorney has requested that data otherwise  
11.7 classified as public data under clause (1) be considered private data based on the best interests  
11.8 of a child in placement in a licensed program.

11.9 (c) The following are private data on individuals under section 13.02, subdivision 12,  
11.10 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data  
11.11 on family day care program and family foster care program applicants and licensees and  
11.12 their family members who provide services under the license.

11.13 (d) The following are private data on individuals: the identity of persons who have made  
11.14 reports concerning licensees or applicants that appear in inactive investigative data, and the  
11.15 records of clients or employees of the licensee or applicant for licensure whose records are  
11.16 received by the licensing agency for purposes of review or in anticipation of a contested  
11.17 matter. The names of reporters of complaints or alleged violations of licensing standards  
11.18 under chapters 142B, 245A, 245B, 245C, and 245D, and applicable rules and alleged  
11.19 maltreatment under section 626.557 and chapter 260E, are confidential data and may be  
11.20 disclosed only as provided in section 260E.21, subdivision 4; 260E.35; or 626.557,  
11.21 subdivision 12b.

11.22 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this  
11.23 subdivision become public data if submitted to a court or administrative law judge as part  
11.24 of a disciplinary proceeding in which there is a public hearing concerning a license which  
11.25 has been suspended, immediately suspended, revoked, or denied.

11.26 (f) Data generated in the course of licensing investigations that relate to an alleged  
11.27 violation of law are investigative data under subdivision 3.

11.28 (g) Data that are not public data collected, maintained, used, or disseminated under this  
11.29 subdivision that relate to or are derived from a report as defined in section 260E.03, or  
11.30 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,  
11.31 subdivision 6, and 626.557, subdivision 12b.

11.32 (h) Upon request, not public data collected, maintained, used, or disseminated under  
11.33 this subdivision that relate to or are derived from a report of substantiated maltreatment as  
11.34 defined in section 626.557 or chapter 260E may be exchanged with the Department of

12.1 Health for purposes of completing background studies pursuant to section 144.057 and with  
12.2 the Department of Corrections for purposes of completing background studies pursuant to  
12.3 section 241.021.

12.4 (i) Data on individuals collected according to licensing activities under chapters 142B,  
12.5 245A, and 245C, data on individuals collected by the commissioner of human services  
12.6 according to investigations under section 626.557 and chapters 142B, 245A, 245B, 245C,  
12.7 245D, and 260E may be shared with the Department of Human Rights, the Department of  
12.8 Health, the Department of Corrections, the ombudsman for mental health and developmental  
12.9 disabilities, and the individual's professional regulatory board when there is reason to believe  
12.10 that laws or standards under the jurisdiction of those agencies may have been violated or  
12.11 the information may otherwise be relevant to the board's regulatory jurisdiction. Background  
12.12 study data on an individual who is the subject of a background study under chapter 245C  
12.13 for a licensed service for which the commissioner of human services ~~or~~; commissioner of  
12.14 children, youth, and families; or the Direct Care and Treatment executive board is the license  
12.15 holder may be shared with the commissioner and the commissioner's delegate by the licensing  
12.16 division. Unless otherwise specified in this chapter, the identity of a reporter of alleged  
12.17 maltreatment or licensing violations may not be disclosed.

12.18 (j) In addition to the notice of determinations required under sections 260E.24,  
12.19 subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the  
12.20 commissioner of children, youth, and families or the local social services agency has  
12.21 determined that an individual is a substantiated perpetrator of maltreatment of a child based  
12.22 on sexual abuse, as defined in section 260E.03, and the commissioner or local social services  
12.23 agency knows that the individual is a person responsible for a child's care in another facility,  
12.24 the commissioner or local social services agency shall notify the head of that facility of this  
12.25 determination. The notification must include an explanation of the individual's available  
12.26 appeal rights and the status of any appeal. If a notice is given under this paragraph, the  
12.27 government entity making the notification shall provide a copy of the notice to the individual  
12.28 who is the subject of the notice.

12.29 (k) All not public data collected, maintained, used, or disseminated under this subdivision  
12.30 and subdivision 3 may be exchanged between the Department of Human Services, Licensing  
12.31 Division, and the Department of Corrections for purposes of regulating services for which  
12.32 the Department of Human Services and the Department of Corrections have regulatory  
12.33 authority.

12.34 **EFFECTIVE DATE.** This section is effective July 1, 2025.

13.1 Sec. 5. Minnesota Statutes 2024, section 15.471, subdivision 6, is amended to read:

13.2 Subd. 6. **Party.** (a) Except as modified by paragraph (b), "party" means a person named  
13.3 or admitted as a party, or seeking and entitled to be admitted as a party, in a court action or  
13.4 contested case proceeding, or a person admitted by an administrative law judge for limited  
13.5 purposes, and who is:

13.6 (1) an unincorporated business, partnership, corporation, association, or organization,  
13.7 having not more than 500 employees at the time the civil action was filed or the contested  
13.8 case proceeding was initiated; and

13.9 (2) an unincorporated business, partnership, corporation, association, or organization  
13.10 whose annual revenues did not exceed \$7,000,000 at the time the civil action was filed or  
13.11 the contested case proceeding was initiated.

13.12 (b) "Party" also includes a partner, officer, shareholder, member, or owner of an entity  
13.13 described in paragraph (a), clauses (1) and (2).

13.14 (c) "Party" does not include a person providing services pursuant to licensure or  
13.15 reimbursement on a cost basis by the Department of Health ~~or~~ the Department of Human  
13.16 Services, or Direct Care and Treatment when that person is named or admitted or seeking  
13.17 to be admitted as a party in a matter which involves the licensing or reimbursement rates,  
13.18 procedures, or methodology applicable to those services.

13.19 **EFFECTIVE DATE.** This section is effective July 1, 2025.

13.20 Sec. 6. Minnesota Statutes 2024, section 142E.51, subdivision 5, is amended to read:

13.21 Subd. 5. **Administrative disqualification of child care providers caring for children**  
13.22 **receiving child care assistance.** (a) The department shall pursue an administrative  
13.23 disqualification, if the child care provider is accused of committing an intentional program  
13.24 violation, in lieu of a criminal action when it has not been pursued. Intentional program  
13.25 violations include intentionally making false or misleading statements; receiving or providing  
13.26 a kickback, as defined in subdivision 6, paragraph (b); intentionally misrepresenting,  
13.27 concealing, or withholding facts; and repeatedly and intentionally violating program  
13.28 regulations under this chapter. Intent may be proven by demonstrating a pattern of conduct  
13.29 that violates program rules under this chapter.

13.30 (b) To initiate an administrative disqualification, the commissioner must send written  
13.31 notice using a signature-verified confirmed delivery method to the provider against whom  
13.32 the action is being taken. Unless otherwise specified under this chapter or Minnesota Rules,  
13.33 chapter 3400, the commissioner must send the written notice at least 15 calendar days before

14.1 the adverse action's effective date. The notice shall state (1) the factual basis for the agency's  
14.2 determination, (2) the action the agency intends to take, (3) the dollar amount of the monetary  
14.3 recovery or recoupment, if known, and (4) the provider's right to appeal the agency's proposed  
14.4 action.

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

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

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

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

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

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

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

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

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

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

14.27 Sec. 7. Minnesota Statutes 2024, section 142E.51, subdivision 6, is amended to read:

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

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

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

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

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

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

15.13 (c) An attempt to buy or sell access to a family's child care subsidy benefits to an  
15.14 unauthorized person by an applicant, a participant, or a provider is a kickback, an intentional  
15.15 program violation under subdivision 5, and wrongfully obtaining assistance under section  
15.16 256.98.

15.17 Sec. 8. Minnesota Statutes 2024, section 245.095, subdivision 5, is amended to read:

15.18 Subd. 5. **Withholding of payments.** (a) Except as otherwise provided by state or federal  
15.19 law, the commissioner may withhold payments to a provider, vendor, individual, associated  
15.20 individual, or associated entity in any program administered by the commissioner if the  
15.21 commissioner determines:

15.22 (1) there is a credible allegation of fraud for which an investigation is pending for a  
15.23 program administered by a Minnesota state or federal agency;

15.24 (2) the individual, the entity, or an associated individual or entity was convicted of a  
15.25 crime charged in state or federal court with an offense that involves fraud or theft against  
15.26 a program administered by the commissioner or another Minnesota state or federal agency.  
15.27 For purposes of this subdivision, "convicted" means a judgment of conviction has been  
15.28 entered by a federal, state, or local court, regardless of whether an appeal from the judgment  
15.29 is pending, and includes a stay of adjudication, a court-ordered diversion program, or a plea  
15.30 of guilty or nolo contendere;

15.31 (3) the provider is operating after a Minnesota state or federal agency orders the  
15.32 suspension, revocation, or decertification of the provider's license;

16.1 (4) the provider, vendor, associated individual, or associated entity, including those  
16.2 receiving money under any contract or registered program, has a background study  
16.3 disqualification under chapter 245C that has not been set aside and for which no variance  
16.4 has been issued, except for a disqualification under section 245C.14, subdivision 5; or

16.5 (5) by a preponderance of the evidence that the provider, vendor, individual, associated  
16.6 individual, or associated entity intentionally provided materially false information when  
16.7 billing the commissioner.

16.8 (b) For purposes of this subdivision, "credible allegation of fraud" means an allegation  
16.9 that has been verified by the commissioner from any source, including but not limited to:

16.10 (1) fraud hotline complaints;

16.11 (2) claims data mining;

16.12 (3) patterns identified through provider audits, civil false claims cases, and law  
16.13 enforcement investigations; and

16.14 (4) court filings and other legal documents, including but not limited to police reports,  
16.15 complaints, indictments, informations, affidavits, declarations, and search warrants.

16.16 (c) The commissioner must send notice of the withholding of payments within five days  
16.17 of taking such action. The notice must:

16.18 (1) state that payments are being withheld according to this subdivision;

16.19 (2) set forth the general allegations related to the withholding action, except the notice  
16.20 need not disclose specific information concerning an ongoing investigation;

16.21 (3) state that the withholding is for a temporary period and cite the circumstances under  
16.22 which the withholding will be terminated; and

16.23 (4) inform the provider, vendor, individual, associated individual, or associated entity  
16.24 of the right to submit written evidence to contest the withholding action for consideration  
16.25 by the commissioner.

16.26 (d) If the commissioner withholds payments under this subdivision, the provider, vendor,  
16.27 individual, associated individual, or associated entity has a right to request administrative  
16.28 reconsideration. A request for administrative reconsideration must be made in writing, state  
16.29 with specificity the reasons the payment withholding decision is in error, and include  
16.30 documents to support the request. Within 60 days from receipt of the request, the  
16.31 commissioner shall judiciously review allegations, facts, evidence available to the  
16.32 commissioner, and information submitted by the provider, vendor, individual, associated



17.1 individual, or associated entity to determine whether the payment withholding should remain  
17.2 in place.

17.3 (e) The commissioner shall stop withholding payments if the commissioner determines  
17.4 there is insufficient evidence of fraud by the provider, vendor, individual, associated  
17.5 individual, or associated entity or when legal proceedings relating to the alleged fraud are  
17.6 completed, unless the commissioner has sent notice under subdivision 3 to the provider,  
17.7 vendor, individual, associated individual, or associated entity.

17.8 (f) The withholding of payments is a temporary action and is not subject to appeal under  
17.9 section 256.045 or chapter 14.

17.10 **EFFECTIVE DATE.** This section is effective July 1, 2025.

17.11 Sec. 9. Minnesota Statutes 2024, section 245.095, is amended by adding a subdivision to  
17.12 read:

17.13 **Subd. 6. Data practices.** The commissioner may exchange information, including claims  
17.14 data, with state or federal agencies, professional boards, departments, or programs for the  
17.15 purpose of investigating or prosecuting a criminal, civil, or administrative proceeding related  
17.16 to suspected fraud or exclusion from any program administered by a state or federal agency.

17.17 Sec. 10. Minnesota Statutes 2024, section 245A.04, subdivision 1, is amended to read:

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

17.28 The commissioner shall act on the application within 90 working days after a complete  
17.29 application and any required reports have been received from other state agencies or  
17.30 departments, counties, municipalities, or other political subdivisions. The commissioner  
17.31 shall not consider an application to be complete until the commissioner receives all of the  
17.32 required information. If the applicant or a controlling individual is the subject of a pending

18.1 administrative, civil, or criminal investigation, the application is not complete until the  
18.2 investigation has closed or the related legal proceedings are complete.

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

18.12 (b) An application for licensure must identify all controlling individuals as defined in  
18.13 section 245A.02, subdivision 5a, and must designate one individual to be the authorized  
18.14 agent. The application must be signed by the authorized agent and must include the authorized  
18.15 agent's first, middle, and last name; mailing address; and email address. By submitting an  
18.16 application for licensure, the authorized agent consents to electronic communication with  
18.17 the commissioner throughout the application process. The authorized agent must be  
18.18 authorized to accept service on behalf of all of the controlling individuals. A government  
18.19 entity that holds multiple licenses under this chapter may designate one authorized agent  
18.20 for all licenses issued under this chapter or may designate a different authorized agent for  
18.21 each license. Service on the authorized agent is service on all of the controlling individuals.  
18.22 It is not a defense to any action arising under this chapter that service was not made on each  
18.23 controlling individual. The designation of a controlling individual as the authorized agent  
18.24 under this paragraph does not affect the legal responsibility of any other controlling individual  
18.25 under this chapter.

18.26 (c) An applicant or license holder must have a policy that prohibits license holders,  
18.27 employees, subcontractors, and volunteers, when directly responsible for persons served  
18.28 by the program, from abusing prescription medication or being in any manner under the  
18.29 influence of a chemical that impairs the individual's ability to provide services or care. The  
18.30 license holder must train employees, subcontractors, and volunteers about the program's  
18.31 drug and alcohol policy.

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

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

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

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

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

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

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

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

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

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

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

19.27 (3) the first, middle, and last name, and address for all individuals who will be controlling  
19.28 individuals, including all officers, owners, and managerial officials as defined in section  
19.29 245A.02, subdivision 5a, and the date that the background study was initiated by the applicant  
19.30 for each controlling individual;

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

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

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

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

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

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

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

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

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

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

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

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

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

20.31 (iii) recovery of payments made for the service;

20.32 (iv) disenrollment in the public payment program; or

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

21.2 Sec. 11. Minnesota Statutes 2024, section 245A.05, is amended to read:

21.3 **245A.05 DENIAL OF APPLICATION.**

21.4 (a) The commissioner may deny a license if an applicant or controlling individual:

21.5 (1) fails to submit a substantially complete application after receiving notice from the  
21.6 commissioner under section 245A.04, subdivision 1;

21.7 (2) fails to comply with applicable laws or rules;

21.8 (3) knowingly withholds relevant information from or gives false or misleading  
21.9 information to the commissioner in connection with an application for a license or during  
21.10 an investigation;

21.11 (4) has a disqualification that has not been set aside under section 245C.22 and no  
21.12 variance has been granted;

21.13 (5) has an individual living in the household who received a background study under  
21.14 section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that  
21.15 has not been set aside under section 245C.22, and no variance has been granted;

21.16 (6) is associated with an individual who received a background study under section  
21.17 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to  
21.18 children or vulnerable adults, and who has a disqualification that has not been set aside  
21.19 under section 245C.22, and no variance has been granted;

21.20 (7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);

21.21 (8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision  
21.22 6;

21.23 (9) has a history of noncompliance as a license holder or controlling individual with  
21.24 applicable laws or rules, including but not limited to this chapter and chapters 142E and  
21.25 245C; ~~or~~

21.26 (10) is prohibited from holding a license according to section 245.095; or

21.27 (11) is the subject of a pending administrative, civil, or criminal investigation.

21.28 (b) An applicant whose application has been denied by the commissioner must be given  
21.29 notice of the denial, which must state the reasons for the denial in plain language. Notice  
21.30 must be given by certified mail, by personal service, or through the provider licensing and  
21.31 reporting hub. The notice must state the reasons the application was denied and must inform

22.1 the applicant of the right to a contested case hearing under chapter 14 and Minnesota Rules,  
22.2 parts 1400.8505 to 1400.8612. The applicant may appeal the denial by notifying the  
22.3 commissioner in writing by certified mail, by personal service, or through the provider  
22.4 licensing and reporting hub. If mailed, the appeal must be postmarked and sent to the  
22.5 commissioner within 20 calendar days after the applicant received the notice of denial. If  
22.6 an appeal request is made by personal service, it must be received by the commissioner  
22.7 within 20 calendar days after the applicant received the notice of denial. If the order is issued  
22.8 through the provider hub, the appeal must be received by the commissioner within 20  
22.9 calendar days from the date the commissioner issued the order through the hub. Section  
22.10 245A.08 applies to hearings held to appeal the commissioner's denial of an application.

22.11 Sec. 12. Minnesota Statutes 2024, section 245A.07, subdivision 2, is amended to read:

22.12 Subd. 2. **Temporary immediate suspension.** (a) The commissioner shall act immediately  
22.13 to temporarily suspend a license issued under this chapter if:

22.14 (1) the license holder's or controlling individual's actions or failure to comply with  
22.15 applicable law or rule, or the actions of other individuals or conditions in the program, pose  
22.16 an imminent risk of harm to the health, safety, or rights of persons served by the program;

22.17 (2) while the program continues to operate pending an appeal of an order of revocation,  
22.18 the commissioner identifies one or more subsequent violations of law or rule which may  
22.19 adversely affect the health or safety of persons served by the program; or

22.20 (3) the license holder or controlling individual is criminally charged in state or federal  
22.21 court with an offense that involves fraud or theft against a program administered by ~~the~~  
22.22 ~~commissioner~~ a state or federal agency.

22.23 (b) No state funds shall be made available or be expended by any agency or department  
22.24 of state, county, or municipal government for use by a license holder regulated under this  
22.25 chapter while a license issued under this chapter is under immediate suspension. A notice  
22.26 stating the reasons for the immediate suspension and informing the license holder of the  
22.27 right to an expedited hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to  
22.28 1400.8612, must be delivered by personal service to the address shown on the application  
22.29 or the last known address of the license holder. The license holder may appeal an order  
22.30 immediately suspending a license. The appeal of an order immediately suspending a license  
22.31 must be made in writing by certified mail, personal service, or other means expressly set  
22.32 forth in the commissioner's order. If mailed, the appeal must be postmarked and sent to the  
22.33 commissioner within five calendar days after the license holder receives notice that the  
22.34 license has been immediately suspended. If a request is made by personal service, it must

23.1 be received by the commissioner within five calendar days after the license holder received  
 23.2 the order. A license holder and any controlling individual shall discontinue operation of the  
 23.3 program upon receipt of the commissioner's order to immediately suspend the license.

23.4 (c) The commissioner may act immediately to temporarily suspend a license issued  
 23.5 under this chapter if the license holder or controlling individual is the subject of a pending  
 23.6 administrative, civil, or criminal investigation or subject to an administrative or civil action  
 23.7 related to fraud against a program administered by a state or federal agency.

23.8 Sec. 13. Minnesota Statutes 2024, section 245C.05, is amended by adding a subdivision  
 23.9 to read:

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

23.13 Sec. 14. Minnesota Statutes 2024, section 245C.08, subdivision 3, is amended to read:

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

23.18 (1) the Bureau of Criminal Apprehension;

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

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

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

23.22 ~~(5) (4) a county agency;~~

23.23 ~~(6) (5) a local chief of police~~ law enforcement agency;

23.24 ~~(7) (6) other states;~~

23.25 ~~(8) (7) the courts;~~

23.26 ~~(9) (8) the Federal Bureau of Investigation;~~

23.27 ~~(10) (9) the National Criminal Records Repository; and~~

23.28 ~~(11) (10) criminal records from other states.~~

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

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

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

24.15 Sec. 15. Minnesota Statutes 2024, section 245C.14, is amended by adding a subdivision  
24.16 to read:

24.17 Subd. 6. **Disqualification from owning, operating, or billing.** The commissioner shall  
24.18 disqualify an individual who is the subject of a background study from any position involving  
24.19 ownership, management, or control of a program or billing activities if a background study  
24.20 completed under this chapter shows a violation of section 142A.12, 245.095, or 256B.064.

24.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

24.22 Sec. 16. Minnesota Statutes 2024, section 245C.22, subdivision 5, is amended to read:

24.23 Subd. 5. **Scope of set-aside.** (a) If the commissioner sets aside a disqualification under  
24.24 this section, the disqualified individual remains disqualified, but may hold a license and  
24.25 have direct contact with or access to persons receiving services. Except as provided in  
24.26 paragraph (b), the commissioner's set-aside of a disqualification is limited solely to the  
24.27 licensed program, applicant, or agency specified in the set aside notice under section 245C.23.  
24.28 For personal care provider organizations, financial management services organizations,  
24.29 community first services and supports organizations, unlicensed home and community-based  
24.30 organizations, and consumer-directed community supports organizations, the commissioner's  
24.31 set-aside may further be limited to a specific individual who is receiving services. For new  
24.32 background studies required under section 245C.04, subdivision 1, paragraph (h), if an  
24.33 individual's disqualification was previously set aside for the license holder's program and



25.1 the new background study results in no new information that indicates the individual may  
25.2 pose a risk of harm to persons receiving services from the license holder, the previous  
25.3 set-aside shall remain in effect.

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

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

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

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

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

25.18 (c) Notwithstanding paragraph (b), clause (2), for an individual who is employed in the  
25.19 substance use disorder field, if the commissioner has previously set aside an individual's  
25.20 disqualification for one or more programs or agencies in the substance use disorder treatment  
25.21 field, and the individual is the subject of a subsequent background study for a different  
25.22 program or agency in the substance use disorder treatment field, the commissioner shall set  
25.23 aside the disqualification for the program or agency in the substance use disorder treatment  
25.24 field that initiated the subsequent background study when the criteria under paragraph (b),  
25.25 clauses (1), (3), and (4), are met and the individual is not disqualified for an offense specified  
25.26 in section 245C.15, subdivision 1. A notice of a set-aside under paragraph (d) shall be issued  
25.27 within 15 working days.

25.28 (d) When a disqualification is set aside under paragraph (b), the notice of background  
25.29 study results issued under section 245C.17, in addition to the requirements under section  
25.30 245C.17, shall state that the disqualification is set aside for the program or agency that  
25.31 initiated the subsequent background study. The notice must inform the individual that the  
25.32 individual may request reconsideration of the disqualification under section 245C.21 on the  
25.33 basis that the information used to disqualify the individual is incorrect.

26.1 Sec. 17. Minnesota Statutes 2024, section 254A.19, subdivision 4, is amended to read:

26.2 Subd. 4. **Civil commitments.** For the purposes of determining level of care, a  
26.3 comprehensive assessment does not need to be completed for an individual being committed  
26.4 as a chemically dependent person, as defined in section 253B.02, and for the duration of a  
26.5 civil commitment under section 253B.09 or 253B.095 in order for ~~a county~~ the individual  
26.6 ~~to access~~ be eligible for the behavioral health fund under section 254B.04. The ~~county~~  
26.7 commissioner must determine if the individual meets the financial eligibility requirements  
26.8 for the behavioral health fund under section 254B.04.

26.9 **EFFECTIVE DATE.** This section is effective July 1, 2025.

26.10 Sec. 18. Minnesota Statutes 2024, section 256.98, subdivision 1, is amended to read:

26.11 Subdivision 1. **Wrongfully obtaining assistance.** (a) A person who commits any of the  
26.12 following acts or omissions with intent to defeat the purposes of sections 145.891 to 145.897,  
26.13 the MFIP program formerly codified in sections 256.031 to 256.0361, the AFDC program  
26.14 formerly codified in sections 256.72 to 256.871, chapter 142G, 256B, 256D, 256I, 256K,  
26.15 or 256L, child care assistance programs, and emergency assistance programs under section  
26.16 256D.06, is guilty of theft and shall be sentenced under section 609.52, subdivision 3, clauses  
26.17 (1) to (5):

26.18 (1) obtains or attempts to obtain, or aids or abets any person to obtain by means of a  
26.19 willfully false statement or representation, by intentional concealment of any material fact,  
26.20 or by impersonation or other fraudulent device, assistance or the continued receipt of  
26.21 assistance, to include child care assistance or food benefits produced according to sections  
26.22 145.891 to 145.897 and MinnesotaCare services according to sections 256.9365, 256.94,  
26.23 and 256L.01 to 256L.15, to which the person is not entitled or assistance greater than that  
26.24 to which the person is entitled;

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

26.27 (3) obtains or attempts to obtain, alone or in collusion with others, the receipt of payments  
26.28 to which the individual is not entitled as a provider of subsidized child care, ~~or by furnishing~~  
26.29 ~~or concurring in~~ receiving or providing any prohibited payment, as defined in section  
26.30 609.542, subdivision 2, including a kickback, or by submitting or aiding or abetting the  
26.31 submission of a willfully false claim for child care assistance.

26.32 (b) The continued receipt of assistance to which the person is not entitled or greater than  
26.33 that to which the person is entitled as a result of any of the acts, failure to act, or concealment

27.1 described in this subdivision shall be deemed to be continuing offenses from the date that  
27.2 the first act or failure to act occurred.

27.3 Sec. 19. Minnesota Statutes 2024, section 256B.064, subdivision 1a, is amended to read:

27.4 Subd. 1a. **Grounds for sanctions.** (a) The commissioner may impose sanctions against  
27.5 any individual or entity that receives payments from medical assistance or provides goods  
27.6 or services for which payment is made from medical assistance for any of the following:  
27.7 (1) fraud, theft, or abuse in connection with the provision of goods and services to recipients  
27.8 of public assistance for which payment is made from medical assistance; (2) a pattern of  
27.9 presentment of false or duplicate claims or claims for services not medically necessary; (3)  
27.10 a pattern of making false statements of material facts for the purpose of obtaining greater  
27.11 compensation than that to which the individual or entity is legally entitled; (4) suspension  
27.12 or termination as a Medicare vendor; (5) refusal to grant the state agency access during  
27.13 regular business hours to examine all records necessary to disclose the extent of services  
27.14 provided to program recipients and appropriateness of claims for payment; (6) failure to  
27.15 repay an overpayment or a fine finally established under this section; (7) failure to correct  
27.16 errors in the maintenance of health service or financial records for which a fine was imposed  
27.17 or after issuance of a warning by the commissioner; (8) soliciting or receiving any  
27.18 remuneration as defined in section 609.542, subdivision 3, or United States Code, title 42,  
27.19 section 1320a-7b(b)(1), and a criminal conviction is not required; (9) paying or offering to  
27.20 pay any remuneration as defined in section 609.542, subdivision 2, or United States Code,  
27.21 title 42, section 1320a-7b(b)(2), and a criminal conviction is not required; and ~~(8)~~ (10) any  
27.22 reason for which an individual or entity could be excluded from participation in the Medicare  
27.23 program under section 1128, 1128A, or 1866(b)(2) of the Social Security Act. For the  
27.24 purposes of this section, goods or services for which payment is made from medical  
27.25 assistance includes but is not limited to care and services identified in section 256B.0625  
27.26 or provided pursuant to any federally approved waiver.

27.27 (b) The commissioner may impose sanctions against a pharmacy provider for failure to  
27.28 respond to a cost of dispensing survey under section 256B.0625, subdivision 13e, paragraph  
27.29 (h).

27.30 Sec. 20. Minnesota Statutes 2024, section 256B.12, is amended to read:

27.31 **256B.12 LEGAL REPRESENTATION.**

27.32 The attorney general or the appropriate county attorney appearing at the direction of the  
27.33 attorney general shall be the attorney for the state agency, and the county attorney of the

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

28.6 Sec. 21. Minnesota Statutes 2024, section 256G.01, subdivision 3, is amended to read:

28.7 Subd. 3. **Program coverage.** This chapter applies to all social service programs  
28.8 administered by the commissioner of human services or the Direct Care and Treatment  
28.9 executive board in which residence is the determining factor in establishing financial  
28.10 responsibility. These include, but are not limited to: commitment proceedings, including  
28.11 voluntary admissions; emergency holds; competency proceedings under chapter 611; poor  
28.12 relief funded wholly through local agencies; social services, including title XX, IV-E and  
28.13 section 256K.10; social services programs funded wholly through the resources of county  
28.14 agencies; social services provided under the Minnesota Indian Family Preservation Act,  
28.15 sections 260.751 to 260.781; costs for delinquency confinement under section 393.07,  
28.16 subdivision 2; service responsibility for these programs; and housing support under chapter  
28.17 256I.

28.18 Sec. 22. Minnesota Statutes 2024, section 256G.08, subdivision 1, is amended to read:

28.19 Subdivision 1. **Commitment and competency proceedings.** In cases of voluntary  
28.20 admission ~~or~~, commitment to state or other institutions, or criminal orders for inpatient  
28.21 examination or participation in a competency attainment program under chapter 611, the  
28.22 committing county or the county from which the first criminal order for inpatient examination  
28.23 or order for participation in a competency attainment program under chapter 611 is issued  
28.24 shall initially pay for all costs. This includes the expenses of the taking into custody,  
28.25 confinement, emergency holds under sections 253B.051, subdivisions 1 and 2, and 253B.07,  
28.26 examination, commitment, conveyance to the place of detention, rehearing, and hearings  
28.27 under ~~section~~ sections 253B.092 and 611.47, including hearings held under ~~that section~~  
28.28 ~~which~~ those sections that are venued outside the county of commitment or the county of  
28.29 the chapter 611 competency proceedings order.

28.30 Sec. 23. Minnesota Statutes 2024, section 256G.08, subdivision 2, is amended to read:

28.31 Subd. 2. **Responsibility for nonresidents.** If a person committed ~~or~~, voluntarily admitted  
28.32 to a state institution, or ordered for inpatient examination or participation in a competency  
28.33 attainment program under chapter 611 has no residence in this state, financial responsibility

29.1 belongs to the county of commitment or the county from which the first criminal order for  
29.2 inpatient examination or order for participation in a competency attainment program under  
29.3 chapter 611 was issued.

29.4 Sec. 24. Minnesota Statutes 2024, section 256G.09, subdivision 1, is amended to read:

29.5 Subdivision 1. **General procedures.** If upon investigation the local agency decides that  
29.6 the application ~~or~~, commitment, or first criminal order under chapter 611 was not filed in  
29.7 the county of financial responsibility as defined by this chapter, but that the applicant is  
29.8 otherwise eligible for assistance, it shall send a copy of the application ~~or~~, commitment  
29.9 claim, or chapter 611 claim together with the record of any investigation it has made, to the  
29.10 county it believes is financially responsible. The copy and record must be sent within 60  
29.11 days of the date the application was approved or the claim was paid. The first local agency  
29.12 shall provide assistance to the applicant until financial responsibility is transferred under  
29.13 this section.

29.14 The county receiving the transmittal has 30 days to accept or reject financial  
29.15 responsibility. A failure to respond within 30 days establishes financial responsibility by  
29.16 the receiving county.

29.17 Sec. 25. Minnesota Statutes 2024, section 256G.09, subdivision 2, is amended to read:

29.18 Subd. 2. **Financial disputes.** (a) If the county receiving the transmittal does not believe  
29.19 it is financially responsible, it should provide to the commissioner of human services and  
29.20 the initially responsible county a statement of all facts and documents necessary for the  
29.21 commissioner to make the requested determination of financial responsibility. The submission  
29.22 must clearly state the program area in dispute and must state the specific basis upon which  
29.23 the submitting county is denying financial responsibility.

29.24 (b) The initially responsible county then has 15 calendar days to submit its position and  
29.25 any supporting evidence to the commissioner. The absence of a submission by the initially  
29.26 responsible county does not limit the right of the commissioner of human services or Direct  
29.27 Care and Treatment executive board to issue a binding opinion based on the evidence actually  
29.28 submitted.

29.29 (c) A case must not be submitted until the local agency taking the application ~~or~~, making  
29.30 the commitment, or residing in the county from which the first criminal order under chapter  
29.31 611 was issued has made an initial determination about eligibility and financial responsibility,  
29.32 and services have been initiated. This paragraph does not prohibit the submission of closed  
29.33 cases that otherwise meet the applicable statute of limitations.

30.1 Sec. 26. Minnesota Statutes 2024, section 480.40, subdivision 1, is amended to read:

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

30.4 (b) "Judicial official" means:

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

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

30.9 (3) employees of the Minnesota judicial branch;

30.10 (4) judicial referees and magistrate judges; and

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

30.14 (c) "Personal information" does not include publicly available information. Personal  
30.15 information means:

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

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

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

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

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

30.23 (d) "Publicly available information" means information that is lawfully made available  
30.24 through federal, state, or local government records or information that a business has a  
30.25 reasonable basis to believe is lawfully made available to the general public through widely  
30.26 distributed media, by a judicial official, or by a person to whom the judicial official has  
30.27 disclosed the information, unless the judicial official has restricted the information to a  
30.28 specific audience.

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

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

31.1 **Sec. 27. [609.542] HUMAN SERVICES PROGRAMS CRIMES.**

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

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

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

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

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

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

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

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

31.33 (b) This section does not apply to:

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

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

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

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

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

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

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

32.20 Subd. 7. **False claims.** In addition to the penalties provided for in this section, a claim,  
32.21 as defined in section 15C.01, subdivision 2, that includes items or services resulting from  
32.22 a violation of this section constitutes a false or fraudulent claim for purposes of section  
32.23 15C.02.

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

32.26 Sec. 28. Minnesota Statutes 2024, section 611.43, is amended by adding a subdivision to  
32.27 read:

32.28 Subd. 5. **Costs related to confined treatment.** (a) When a defendant is ordered to  
32.29 participate in an examination in a treatment facility, a locked treatment facility, or a  
32.30 state-operated treatment facility under subdivision 1, paragraph (b), the facility shall bill  
32.31 the responsible health plan first. The county in which the criminal charges are filed is  
32.32 responsible to pay any charges not covered by the health plan, including co-pays and



33.1 deductibles. If the defendant has health plan coverage and is confined in a hospital, but the  
33.2 hospitalization does not meet the criteria in section 62M.07, subdivision 2, clause (1);  
33.3 62Q.53; 62Q.535, subdivision 1; or 253B.045, subdivision 6, the county in which criminal  
33.4 charges are filed is responsible for payment.

33.5 (b) The Direct Care and Treatment executive board shall determine the cost of  
33.6 confinement in a state-operated treatment facility based on the executive board's  
33.7 determination of cost of care pursuant to section 246.50, subdivision 5.

33.8 Sec. 29. Minnesota Statutes 2024, section 611.46, subdivision 1, is amended to read:

33.9 Subdivision 1. **Order to competency attainment program.** (a) If the court finds the  
33.10 defendant incompetent and the charges have not been dismissed, the court shall order the  
33.11 defendant to participate in a program to assist the defendant in attaining competency. The  
33.12 court may order participation in a competency attainment program provided outside of a  
33.13 jail, a jail-based competency attainment program, or an alternative program. The court must  
33.14 determine the least-restrictive program appropriate to meet the defendant's needs and public  
33.15 safety. In making this determination, the court must consult with the forensic navigator and  
33.16 consider any recommendations of the court examiner. The court shall not order a defendant  
33.17 to participate in a jail-based program or a state-operated treatment program if the highest  
33.18 criminal charge is a targeted misdemeanor.

33.19 (b) If the court orders the defendant to a locked treatment facility or jail-based program,  
33.20 the court must calculate the defendant's custody credit and cannot order the defendant to a  
33.21 locked treatment facility or jail-based program for a period that would cause the defendant's  
33.22 custody credit to exceed the maximum sentence for the underlying charge.

33.23 (c) The court may only order the defendant to participate in competency attainment at  
33.24 an inpatient or residential treatment program under this section if the head of the treatment  
33.25 program determines that admission to the program is clinically appropriate and consents to  
33.26 the defendant's admission. The court may only order the defendant to participate in  
33.27 competency attainment at a state-operated treatment facility under this section if the Direct  
33.28 Care and Treatment executive board or a designee determines that admission of the defendant  
33.29 is clinically appropriate and consents to the defendant's admission. The court may require  
33.30 a competency program that qualifies as a locked facility or a state-operated treatment program  
33.31 to notify the court in writing of the basis for refusing consent for admission of the defendant  
33.32 in order to ensure transparency and maintain an accurate record. The court may not require  
33.33 personal appearance of any representative of a competency program. The court shall send  
33.34 a written request for notification to the locked facility or state-operated treatment program

34.1 and the locked facility or state-operated treatment program shall provide a written response  
34.2 to the court within ten days of receipt of the court's request.

34.3 (d) If the defendant is confined in jail and has not received competency attainment  
34.4 services within 30 days of the finding of incompetency, the court shall review the case with  
34.5 input from the prosecutor and defense counsel and may:

34.6 (1) order the defendant to participate in an appropriate competency attainment program  
34.7 that takes place outside of a jail;

34.8 (2) order a conditional release of the defendant with conditions that include but are not  
34.9 limited to a requirement that the defendant participate in a competency attainment program  
34.10 when one becomes available and accessible;

34.11 (3) make a determination as to whether the defendant is likely to attain competency in  
34.12 the reasonably foreseeable future and proceed under section 611.49; or

34.13 (4) upon a motion, dismiss the charges in the interest of justice.

34.14 (e) The court may order any hospital, treatment facility, or correctional facility that has  
34.15 provided care or supervision to a defendant in the previous two years to provide copies of  
34.16 the defendant's medical records to the competency attainment program or alternative program  
34.17 in which the defendant was ordered to participate. This information shall be provided in a  
34.18 consistent and timely manner and pursuant to all applicable laws.

34.19 (f) If at any time the defendant refuses to participate in a competency attainment program  
34.20 or an alternative program, the head of the program shall notify the court and any entity  
34.21 responsible for supervision of the defendant.

34.22 (g) At any time, the head of the program may discharge the defendant from the program  
34.23 or facility. The head of the program must notify the court, prosecutor, defense counsel, and  
34.24 any entity responsible for the supervision of the defendant prior to any planned discharge.  
34.25 Absent emergency circumstances, this notification shall be made five days prior to the  
34.26 discharge if the defendant is not being discharged to jail or a correctional facility. Upon the  
34.27 receipt of notification of discharge or upon the request of either party in response to  
34.28 notification of discharge, the court may order that a defendant who is subject to bail or  
34.29 unmet conditions of release be returned to jail upon being discharged from the program or  
34.30 facility. If the court orders a defendant returned to jail, the court shall notify the parties and  
34.31 head of the program at least one day before the defendant's planned discharge, except in  
34.32 the event of an emergency discharge where one day notice is not possible. The court must

35.1 hold a review hearing within seven days of the defendant's return to jail. The forensic  
35.2 navigator must be given notice of the hearing and be allowed to participate.

35.3 (h) If the defendant is discharged from the program or facility under emergency  
35.4 circumstances, notification of emergency discharge shall include a description of the  
35.5 emergency circumstances and may include a request for emergency transportation. The  
35.6 court shall make a determination on a request for emergency transportation within 24 hours.  
35.7 Nothing in this section prohibits a law enforcement agency from transporting a defendant  
35.8 pursuant to any other authority.

35.9 (i) If the defendant is ordered to participate in an inpatient or residential competency  
35.10 attainment or alternative program, the program or facility must notify the court, prosecutor,  
35.11 defense counsel, and any entity responsible for the supervision of the defendant if the  
35.12 defendant is placed on a leave or elopement status from the program and if the defendant  
35.13 returns to the program from a leave or elopement status.

35.14 (j) Defense counsel and prosecutors must have access to information relevant to a  
35.15 defendant's participation and treatment in a competency attainment program or alternative  
35.16 program, including but not limited to discharge planning.

35.17 Sec. 30. Minnesota Statutes 2024, section 611.55, is amended by adding a subdivision to  
35.18 read:

35.19 Subd. 5. **Data access.** Forensic navigators must have access to all data collected, created,  
35.20 or maintained by a competency attainment program or an alternative program regarding a  
35.21 defendant in order for navigators to carry out their duties under this section. A competency  
35.22 attainment program or alternative program may request a copy of the court order appointing  
35.23 the forensic navigator before disclosing any private information about a defendant.

35.24 Sec. 31. Laws 2023, chapter 70, article 7, section 34, the effective date, is amended to  
35.25 read:

35.26 **EFFECTIVE DATE.** This section is effective ~~for background studies requested on or~~  
35.27 ~~after August 1, 2024~~ the day following final enactment.