

226.1 ~~2021, to the commissioner of commerce. Any amount transferred to the commissioner of~~
226.2 ~~commerce shall be deposited in the health care access fund in Minnesota Statutes, section~~
226.3 ~~16A.724.~~

226.4 ~~(d)~~ (c) The Minnesota Comprehensive Health Association may not spend more than
226.5 \$271,000,000 for benefit year 2018 and not more than \$271,000,000 for benefit year 2019
226.6 for the operational and administrative costs of, and reinsurance payments under, the
226.7 Minnesota premium security plan.

226.8 Sec. 11. MORATORIUM ON CONVERSION TRANSACTIONS.

226.9 (a) Notwithstanding Laws 2017, chapter 2, article 2, a nonprofit health service plan
226.10 corporation operating under Minnesota Statutes, chapter 62C, or health maintenance
226.11 organization operating under Minnesota Statutes, chapter 62D, as of January 1, 2017, may
226.12 only merge or consolidate with; or convert, or transfer all or a substantial portion of its
226.13 assets to an entity that is a corporation organized under Minnesota Statutes, chapter 317A.

226.14 (b) Paragraph (a) does not apply if the service plan corporation or health maintenance
226.15 organization files an intent to dissolve due to insolvency of the corporation in accordance
226.16 with Minnesota Statutes, chapter 317A, or insolvency proceedings are commenced under
226.17 Minnesota Statutes, chapter 60B.

226.18 (c) Nothing in this section shall be construed to authorize a health maintenance
226.19 organization or a nonprofit health service plan corporation to engage in any transaction or
226.20 activities not otherwise permitted under state law.

226.21 (d) This section expires July 1, 2019.

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

226.23 **ARTICLE 6**

226.24 **DIRECT CARE AND TREATMENT**

226.25 Section 1. Minnesota Statutes 2016, section 252.50, subdivision 5, is amended to read:

226.26 Subd. 5. **Location of programs.** (a) In determining the location of state-operated,
226.27 community-based programs, the needs of the individual client shall be paramount. The
226.28 commissioner shall also take into account:

226.29 (1) prioritization of beds in state-operated, community-based programs for individuals
226.30 with complex behavioral needs that cannot be met by private community-based providers;

227.1 (2) choices made by individuals who chose to move to a more integrated setting, and
227.2 shall coordinate with the lead agency to ensure that appropriate person-centered transition
227.3 plans are created;

227.4 (3) the personal preferences of the persons being served and their families as determined
227.5 by Minnesota Rules, parts 9525.0004 to 9525.0036;

227.6 ~~(2)~~ (4) the location of the support services established by the individual service plans of
227.7 the persons being served;

227.8 ~~(3)~~ (5) the appropriate grouping of the persons served;

227.9 ~~(4)~~ (6) the availability of qualified staff;

227.10 ~~(5)~~ (7) the need for state-operated, community-based programs in the geographical region
227.11 of the state; and

227.12 ~~(6)~~ (8) a reasonable commuting distance from a regional treatment center or the residences
227.13 of the program staff.

227.14 (b) State-operated, community-based programs must be located according to section
227.15 252.28.

227.16 Sec. 2. Minnesota Statutes 2016, section 253B.10, subdivision 1, is amended to read:

227.17 Subdivision 1. **Administrative requirements.** (a) When a person is committed, the
227.18 court shall issue a warrant or an order committing the patient to the custody of the head of
227.19 the treatment facility. The warrant or order shall state that the patient meets the statutory
227.20 criteria for civil commitment.

227.21 (b) The commissioner shall prioritize patients being admitted from jail or a correctional
227.22 institution who are:

227.23 (1) ordered confined in a state hospital for an examination under Minnesota Rules of
227.24 Criminal Procedure, rules 20.01, subdivision 4, paragraph (a), and 20.02, subdivision 2;

227.25 (2) under civil commitment for competency treatment and continuing supervision under
227.26 Minnesota Rules of Criminal Procedure, rule 20.01, subdivision 7;

227.27 (3) found not guilty by reason of mental illness under Minnesota Rules of Criminal
227.28 Procedure, rule 20.02, subdivision 8, and under civil commitment or are ordered to be
227.29 detained in a state hospital or other facility pending completion of the civil commitment
227.30 proceedings; or

228.1 (4) committed under this chapter to the commissioner after dismissal of the patient's
228.2 criminal charges.

228.3 Patients described in this paragraph must be admitted to a service operated by the
228.4 commissioner within 48 hours. The commitment must be ordered by the court as provided
228.5 in section 253B.09, subdivision 1, paragraph (c).

228.6 (c) Upon the arrival of a patient at the designated treatment facility, the head of the
228.7 facility shall retain the duplicate of the warrant and endorse receipt upon the original warrant
228.8 or acknowledge receipt of the order. The endorsed receipt or acknowledgment must be filed
228.9 in the court of commitment. After arrival, the patient shall be under the control and custody
228.10 of the head of the treatment facility.

228.11 (d) Copies of the petition for commitment, the court's findings of fact and conclusions
228.12 of law, the court order committing the patient, the report of the examiners, and the prepetition
228.13 report, and any medical and behavioral information available shall be provided promptly
228.14 at the time of admission of a patient to the designated treatment facility. This information
228.15 shall also be provided by the head of the treatment facility to treatment facility staff in a
228.16 consistent and timely manner and pursuant to all applicable laws.

228.17 Sec. 3. **REVIEW OF ALTERNATIVES TO STATE-OPERATED GROUP HOMES**
228.18 **HOUSING ONE PERSON.**

228.19 The commissioner of human services shall review the potential for, and the viability of,
228.20 alternatives to state-operated group homes housing one person. The intent is to create housing
228.21 options for individuals who do not belong in an institutionalized setting, but need additional
228.22 support before transitioning to a more independent community placement. The review shall
228.23 include an analysis of existing housing settings operated by counties and private providers,
228.24 as well as the potential for new housing settings, and determine the viability for use by
228.25 state-operated services. The commissioner shall seek input from interested stakeholders as
228.26 part of the review. An update, including alternatives identified, will be provided by the
228.27 commissioner to the members of the legislative committees having jurisdiction over human
228.28 services issues no later than January 15, 2018.

228.29 **ARTICLE 7**

228.30 **CHILDREN AND FAMILIES**

228.31 Section 1. Minnesota Statutes 2016, section 13.32, is amended by adding a subdivision
228.32 to read:

229.1 Subd. 12. Access by welfare system. County personnel in the welfare system may
229.2 request access to education data in order to coordinate services for a student or family. The
229.3 request must be submitted to the chief administrative officer of the school and must include
229.4 the basis for the request and a description of the information that is requested. The chief
229.5 administrative officer must provide a copy of the request to the parent or legal guardian of
229.6 the student who is the subject of the request, along with a form the parent or legal guardian
229.7 may execute to consent to the release of specified information to the requester. Education
229.8 data may be released under this subdivision only if the parent or legal guardian gives
229.9 informed consent to the release.

229.10 Sec. 2. Minnesota Statutes 2016, section 13.46, subdivision 1, is amended to read:

229.11 Subdivision 1. **Definitions.** As used in this section:

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

229.14 (b) "Program" includes all programs for which authority is vested in a component of the
229.15 welfare system according to statute or federal law, including, but not limited to, Native
229.16 American tribe programs that provide a service component of the welfare system, the aid
229.17 to families with dependent children program formerly codified in sections 256.72 to 256.87,
229.18 Minnesota family investment program, temporary assistance for needy families program,
229.19 medical assistance, general assistance, general assistance medical care formerly codified in
229.20 chapter 256D, child care assistance program, and child support collections.

229.21 (c) "Welfare system" includes the Department of Human Services, local social services
229.22 agencies, county welfare agencies, county public health agencies, county veteran services
229.23 agencies, county housing agencies, private licensing agencies, the public authority responsible
229.24 for child support enforcement, human services boards, community mental health center
229.25 boards, state hospitals, state nursing homes, the ombudsman for mental health and
229.26 developmental disabilities, Native American tribes to the extent a tribe provides a service
229.27 component of the welfare system, and persons, agencies, institutions, organizations, and
229.28 other entities under contract to any of the above agencies to the extent specified in the
229.29 contract.

229.30 (d) "Mental health data" means data on individual clients and patients of community
229.31 mental health centers, established under section 245.62, mental health divisions of counties
229.32 and other providers under contract to deliver mental health services, or the ombudsman for
229.33 mental health and developmental disabilities.

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

230.3 (f) "Private licensing agency" means an agency licensed by the commissioner of human
230.4 services under chapter 245A to perform the duties under section 245A.16.

230.5 Sec. 3. Minnesota Statutes 2016, section 13.46, subdivision 2, is amended to read:

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

230.8 (1) according to section 13.05;

230.9 (2) according to court order;

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

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

230.15 (5) to personnel of the welfare system who require the data to verify an individual's
230.16 identity; determine eligibility, amount of assistance, and the need to provide services to an
230.17 individual or family across programs; coordinate services for an individual or family;
230.18 evaluate the effectiveness of programs; assess parental contribution amounts; and investigate
230.19 suspected fraud;

230.20 (6) to administer federal funds or programs;

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

230.22 (8) to the Department of Revenue to assess parental contribution amounts for purposes
230.23 of section 252.27, subdivision 2a, administer and evaluate tax refund or tax credit programs
230.24 and to identify individuals who may benefit from these programs. The following information
230.25 may be disclosed under this paragraph: an individual's and their dependent's names, dates
230.26 of birth, Social Security numbers, income, addresses, and other data as required, upon
230.27 request by the Department of Revenue. Disclosures by the commissioner of revenue to the
230.28 commissioner of human services for the purposes described in this clause are governed by
230.29 section 270B.14, subdivision 1. Tax refund or tax credit programs include, but are not limited
230.30 to, the dependent care credit under section 290.067, the Minnesota working family credit
230.31 under section 290.0671, the property tax refund and rental credit under section 290A.04,
230.32 and the Minnesota education credit under section 290.0674;

231.1 (9) between the Department of Human Services, the Department of Employment and
231.2 Economic Development, and when applicable, the Department of Education, for the following
231.3 purposes:

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

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

231.8 (iii) to monitor and evaluate the Minnesota family investment program or the child care
231.9 assistance program by exchanging data on recipients and former recipients of food support,
231.10 cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter
231.11 119B, medical programs under chapter 256B or 256L, or a medical program formerly
231.12 codified under chapter 256D; and

231.13 (iv) to analyze public assistance employment services and program utilization, cost,
231.14 effectiveness, and outcomes as implemented under the authority established in Title II,
231.15 Sections 201-204 of the Ticket to Work and Work Incentives Improvement Act of 1999.
231.16 Health records governed by sections 144.291 to 144.298 and "protected health information"
231.17 as defined in Code of Federal Regulations, title 45, section 160.103, and governed by Code
231.18 of Federal Regulations, title 45, parts 160-164, including health care claims utilization
231.19 information, must not be exchanged under this clause;

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

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

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

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

232.4 (14) participant Social Security numbers and names collected by the telephone assistance
232.5 program may be disclosed to the Department of Revenue to conduct an electronic data
232.6 match with the property tax refund database to determine eligibility under section 237.70,
232.7 subdivision 4a;

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

232.11 (i) the participant:

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

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

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

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

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

232.22 (17) information obtained from food support applicant or recipient households may be
232.23 disclosed to local, state, or federal law enforcement officials, upon their written request, for
232.24 the purpose of investigating an alleged violation of the Food Stamp Act, according to Code
232.25 of Federal Regulations, title 7, section 272.1(c);

232.26 (18) the address, Social Security number, and, if available, photograph of any member
232.27 of a household receiving food support shall be made available, on request, to a local, state,
232.28 or federal law enforcement officer if the officer furnishes the agency with the name of the
232.29 member and notifies the agency that:

232.30 (i) the member:

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

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

233.2 or

233.3 (C) has information that is necessary for the officer to conduct an official duty related

233.4 to conduct described in subitem (A) or (B);

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

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

233.7 (19) the current address of a recipient of Minnesota family investment program, general

233.8 assistance, or food support may be disclosed to law enforcement officers who, in writing,

233.9 provide the name of the recipient and notify the agency that the recipient is a person required

233.10 to register under section 243.166, but is not residing at the address at which the recipient is

233.11 registered under section 243.166;

233.12 (20) certain information regarding child support obligors who are in arrears may be

233.13 made public according to section 518A.74;

233.14 (21) data on child support payments made by a child support obligor and data on the

233.15 distribution of those payments excluding identifying information on obligees may be

233.16 disclosed to all obligees to whom the obligor owes support, and data on the enforcement

233.17 actions undertaken by the public authority, the status of those actions, and data on the income

233.18 of the obligor or obligee may be disclosed to the other party;

233.19 (22) data in the work reporting system may be disclosed under section 256.998,

233.20 subdivision 7;

233.21 (23) to the Department of Education for the purpose of matching Department of Education

233.22 student data with public assistance data to determine students eligible for free and

233.23 reduced-price meals, meal supplements, and free milk according to United States Code,

233.24 title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to allocate federal and state

233.25 funds that are distributed based on income of the student's family; and to verify receipt of

233.26 energy assistance for the telephone assistance plan;

233.27 (24) the current address and telephone number of program recipients and emergency

233.28 contacts may be released to the commissioner of health or a community health board as

233.29 defined in section 145A.02, subdivision 5, when the commissioner or community health

233.30 board has reason to believe that a program recipient is a disease case, carrier, suspect case,

233.31 or at risk of illness, and the data are necessary to locate the person;

233.32 (25) to other state agencies, statewide systems, and political subdivisions of this state,

233.33 including the attorney general, and agencies of other states, interstate information networks,

234.1 federal agencies, and other entities as required by federal regulation or law for the
234.2 administration of the child support enforcement program;

234.3 (26) to personnel of public assistance programs as defined in section 256.741, for access
234.4 to the child support system database for the purpose of administration, including monitoring
234.5 and evaluation of those public assistance programs;

234.6 (27) to monitor and evaluate the Minnesota family investment program by exchanging
234.7 data between the Departments of Human Services and Education, on recipients and former
234.8 recipients of food support, cash assistance under chapter 256, 256D, 256J, or 256K, child
234.9 care assistance under chapter 119B, medical programs under chapter 256B or 256L, or a
234.10 medical program formerly codified under chapter 256D;

234.11 (28) to evaluate child support program performance and to identify and prevent fraud
234.12 in the child support program by exchanging data between the Department of Human Services,
234.13 Department of Revenue under section 270B.14, subdivision 1, paragraphs (a) and (b),
234.14 without regard to the limitation of use in paragraph (c), Department of Health, Department
234.15 of Employment and Economic Development, and other state agencies as is reasonably
234.16 necessary to perform these functions;

234.17 (29) counties operating child care assistance programs under chapter 119B may
234.18 disseminate data on program participants, applicants, and providers to the commissioner of
234.19 education;

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

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

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

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

234.31 (b) Information on persons who have been treated for drug or alcohol abuse may only
234.32 be disclosed according to the requirements of Code of Federal Regulations, title 42, sections
234.33 2.1 to 2.67.

235.1 (c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16),
235.2 (17), or (18), or paragraph (b), are investigative data and are confidential or protected
235.3 nonpublic while the investigation is active. The data are private after the investigation
235.4 becomes inactive under section 13.82, subdivision 5, paragraph (a) or (b).

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

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

235.9 Sec. 4. Minnesota Statutes 2016, section 13.84, subdivision 5, is amended to read:

235.10 Subd. 5. **Disclosure.** Private or confidential court services data shall not be disclosed
235.11 except:

235.12 (a) pursuant to section 13.05;

235.13 (b) pursuant to a statute specifically authorizing disclosure of court services data;

235.14 (c) with the written permission of the source of confidential data;

235.15 (d) to the court services department, parole or probation authority or state or local
235.16 correctional agency or facility having statutorily granted supervision over the individual
235.17 subject of the data, or to county personnel within the welfare system;

235.18 (e) pursuant to subdivision 6;

235.19 (f) pursuant to a valid court order; or

235.20 (g) pursuant to section 611A.06, subdivision 3a.

235.21 Sec. 5. Minnesota Statutes 2016, section 119B.011, subdivision 20, is amended to read:

235.22 Subd. 20. **Transition year families.** "Transition year families" means families who have
235.23 received MFIP assistance, or who were eligible to receive MFIP assistance after choosing
235.24 to discontinue receipt of the cash portion of MFIP assistance under section 256J.31,
235.25 subdivision 12, or families who have received DWP assistance under section 256J.95 for
235.26 at least three of the last six months before losing eligibility for MFIP or DWP.

235.27 Notwithstanding Minnesota Rules, parts 3400.0040, subpart 10, and 3400.0090, subpart 2,
235.28 transition year child care may be used to support employment, approved education or training
235.29 programs, or job search that meets the requirements of section 119B.10. Transition year
235.30 child care is not available to families who have been disqualified from MFIP or DWP due
235.31 to fraud.

236.1 **EFFECTIVE DATE.** This section is effective October 23, 2017.

236.2 Sec. 6. Minnesota Statutes 2016, section 119B.011, subdivision 20a, is amended to read:

236.3 Subd. 20a. **Transition year extension families.** "Transition year extension families"
236.4 means families who have completed their transition year of child care assistance under this
236.5 subdivision and who are eligible for, but on a waiting list for, services under section 119B.03.
236.6 For purposes of sections 119B.03, subdivision 3, and 119B.05, subdivision 1, clause (2),
236.7 families participating in extended transition year shall not be considered transition year
236.8 families. Notwithstanding Minnesota Rules, parts 3400.0040, subpart 10, and 3400.0090,
236.9 subpart 2, transition year extension child care may be used to support employment, approved
236.10 education or training programs, or a job search that meets the requirements of section
236.11 119B.10 for the length of time necessary for families to be moved from the basic sliding
236.12 fee waiting list into the basic sliding fee program.

236.13 **EFFECTIVE DATE.** This section is effective October 23, 2017.

236.14 Sec. 7. Minnesota Statutes 2016, section 119B.025, subdivision 1, is amended to read:

236.15 Subdivision 1. ~~Factors which must be verified~~ **Applications.** (a) The county shall
236.16 verify the following at all initial child care applications using the universal application:

- 236.17 (1) identity of adults;
- 236.18 (2) presence of the minor child in the home, if questionable;
- 236.19 (3) relationship of minor child to the parent, stepparent, legal guardian, eligible relative
236.20 caretaker, or the spouses of any of the foregoing;
- 236.21 (4) age;
- 236.22 (5) immigration status, if related to eligibility;
- 236.23 (6) Social Security number, if given;
- 236.24 (7) counted income;
- 236.25 (8) spousal support and child support payments made to persons outside the household;
- 236.26 (9) residence; and
- 236.27 (10) inconsistent information, if related to eligibility.

236.28 (b) ~~If a family did not use the universal application or child care addendum to apply for~~
236.29 ~~child care assistance, the family must complete the universal application or child care~~
236.30 ~~addendum at its next eligibility redetermination and the county must verify the factors listed~~

237.1 ~~in paragraph (a) as part of that redetermination. Once a family has completed a universal~~
237.2 ~~application or child care addendum, the county shall use the redetermination form described~~
237.3 ~~in paragraph (c) for that family's subsequent redeterminations. Eligibility must be~~
237.4 ~~redetermined at least every six months. A family is considered to have met the eligibility~~
237.5 ~~redetermination requirement if a complete redetermination form and all required verifications~~
237.6 ~~are received within 30 days after the date the form was due. When the 30th day after the~~
237.7 ~~date the form was due falls on a Saturday, Sunday, or legal holiday, the 30-day time period~~
237.8 ~~is extended to include the next succeeding day that is not a Saturday, Sunday, or legal~~
237.9 ~~holiday. Assistance shall be payable retroactively from the redetermination due date. For a~~
237.10 ~~family where at least one parent is under the age of 21, does not have a high school or~~
237.11 ~~general equivalency diploma, and is a student in a school district or another similar program~~
237.12 ~~that provides or arranges for child care, as well as parenting, social services, career and~~
237.13 ~~employment supports, and academic support to achieve high school graduation, the~~
237.14 ~~redetermination of eligibility shall be deferred beyond six months, but not to exceed 12~~
237.15 ~~months, to the end of the student's school year. If a family reports a change in an eligibility~~
237.16 ~~factor before the family's next regularly scheduled redetermination, the county must~~
237.17 ~~recalculate eligibility without requiring verification of any eligibility factor that did not~~
237.18 ~~change. Changes must be reported as required by section 256P.07. A change in income~~
237.19 ~~occurs on the day the participant received the first payment reflecting the change in income.~~
237.20 The county must mail a notice of approval or denial of assistance to the applicant within
237.21 30 calendar days after receiving the application. The county may extend the response time
237.22 by 15 calendar days if the applicant is informed of the extension.

237.23 ~~(c) The commissioner shall develop a redetermination form to redetermine eligibility~~
237.24 ~~and a change report form to report changes that minimize paperwork for the county and the~~
237.25 ~~participant.~~

237.26 **EFFECTIVE DATE.** This section is effective October 23, 2017.

237.27 Sec. 8. Minnesota Statutes 2016, section 119B.025, is amended by adding a subdivision
237.28 to read:

237.29 Subd. 3. Redeterminations. (a) Notwithstanding Minnesota Rules, part 3400.0180, item
237.30 A, the county shall conduct a redetermination according to paragraphs (b) and (c).

237.31 (b) The county shall use the redetermination form developed by the commissioner. The
237.32 county must verify the factors listed in subdivision 1, paragraph (a), as part of the
237.33 redetermination.

238.1 (c) An applicant's eligibility must be redetermined no more frequently than every 12
238.2 months. The following criteria apply:

238.3 (1) a family meets the eligibility redetermination requirements if a complete
238.4 redetermination form and all required verifications are received within 30 days after the
238.5 date the form was due;

238.6 (2) if the 30th day after the date the form was due falls on a Saturday, Sunday, or holiday,
238.7 the 30-day time period is extended to include the next day that is not a Saturday, Sunday,
238.8 or holiday. Assistance shall be payable retroactively from the redetermination due date;

238.9 (3) for a family where at least one parent is younger than 21 years of age, does not have
238.10 a high school degree or general equivalency diploma, and is a student in a school district
238.11 or another similar program that provides or arranges for child care, parenting, social services,
238.12 career and employment supports, and academic support to achieve high school graduation,
238.13 the redetermination of eligibility may be deferred beyond 12 months, to the end of the
238.14 student's school year; and

238.15 (4) a family and the family's providers must be notified that the family's redetermination
238.16 is due at least 45 days before the end of the family's 12-month eligibility period.

238.17 **EFFECTIVE DATE.** This section is effective October 23, 2017.

238.18 Sec. 9. Minnesota Statutes 2016, section 119B.025, is amended by adding a subdivision
238.19 to read:

238.20 **Subd. 4. Changes in eligibility.** (a) The county shall process a change in eligibility
238.21 factors according to paragraphs (b) to (g).

238.22 (b) A family is subject to the reporting requirements in section 256P.07.

238.23 (c) If a family reports a change or a change is known to the agency before the family's
238.24 regularly scheduled redetermination, the county must act on the change. The commissioner
238.25 shall establish standards for verifying a change.

238.26 (d) A change in income occurs on the day the participant received the first payment
238.27 reflecting the change in income.

238.28 (e) During a family's 12-month eligibility period, if the family's income increases and
238.29 remains at or below 85 percent of the state median income, adjusted for family size, there
238.30 is no change to the family's eligibility. The county shall not request verification of the
238.31 change. The co-payment fee shall not increase during the remaining portion of the family's
238.32 12-month eligibility period.

239.1 (f) During a family's 12-month eligibility period, if the family's income increases and
239.2 exceeds 85 percent of the state median income, adjusted for family size, the family is not
239.3 eligible for child care assistance. The family must be given 15 calendar days to provide
239.4 verification of the change. If the required verification is not returned or confirms ineligibility,
239.5 the family's eligibility ends following a subsequent 15-day adverse action notice.

239.6 (g) Notwithstanding Minnesota Rules, parts 3400.0040, subpart 3, and 3400.0170,
239.7 subpart 1, if an applicant or participant reports that employment ended, the agency may
239.8 accept a signed statement from the applicant or participant as verification that employment
239.9 ended.

239.10 **EFFECTIVE DATE.** Paragraphs (a) and (b) are effective the day following final
239.11 enactment. Paragraphs (c) to (g) are effective October 23, 2017.

239.12 Sec. 10. Minnesota Statutes 2016, section 119B.03, subdivision 3, is amended to read:

239.13 Subd. 3. **Eligible participants.** Families that meet the eligibility requirements under
239.14 sections ~~119B.07~~, 119B.09, and 119B.10, except MFIP participants, diversionary work
239.15 program, and transition year families are eligible for child care assistance under the basic
239.16 sliding fee program. Families enrolled in the basic sliding fee program shall be continued
239.17 until they are no longer eligible. Child care assistance provided through the child care fund
239.18 is considered assistance to the parent.

239.19 **EFFECTIVE DATE.** This section is effective December 18, 2017.

239.20 Sec. 11. Minnesota Statutes 2016, section 119B.05, subdivision 1, is amended to read:

239.21 Subdivision 1. **Eligible participants.** Families eligible for child care assistance under
239.22 the MFIP child care program are:

239.23 (1) MFIP participants who are employed or in job search and meet the requirements of
239.24 section 119B.10;

239.25 (2) persons who are members of transition year families under section 119B.011,
239.26 subdivision 20, and meet the requirements of section 119B.10;

239.27 (3) families who are participating in employment orientation or job search, or other
239.28 employment or training activities that are included in an approved employability development
239.29 plan under section 256J.95;

240.1 (4) MFIP families who are participating in work job search, job support, employment,
240.2 or training activities as required in their employment plan, or in appeals, hearings,
240.3 assessments, or orientations according to chapter 256J;

240.4 (5) MFIP families who are participating in social services activities under chapter 256J
240.5 as required in their employment plan approved according to chapter 256J;

240.6 (6) families who are participating in services or activities that are included in an approved
240.7 family stabilization plan under section 256J.575;

240.8 (7) families who are participating in programs as required in tribal contracts under section
240.9 119B.02, subdivision 2, or 256.01, subdivision 2;

240.10 (8) families who are participating in the transition year extension under section 119B.011,
240.11 subdivision 20a; and

240.12 (9) student parents as defined under section 119B.011, subdivision 19b.; and

240.13 (10) student parents who turn 21 years of age and who continue to meet the other
240.14 requirements under section 119B.011, subdivision 19b. A student parent continues to be
240.15 eligible until the student parent is approved for basic sliding fee child care assistance or
240.16 until the student parent's redetermination, whichever comes first. At the student parent's
240.17 redetermination, if the student parent was not approved for basic sliding fee child care
240.18 assistance, a student parent's eligibility ends following a 15-day adverse action notice.

240.19 **EFFECTIVE DATE.** This section is effective October 23, 2017.

240.20 Sec. 12. Minnesota Statutes 2016, section 119B.09, subdivision 1, is amended to read:

240.21 Subdivision 1. **General eligibility requirements ~~for all applicants for child care~~**
240.22 **~~assistance.~~** (a) Child care services must be available to families who need child care to find
240.23 or keep employment or to obtain the training or education necessary to find employment
240.24 and who:

240.25 (1) have household income less than or equal to 67 percent of the state median income,
240.26 adjusted for family size, at application and redetermination, and meet the requirements of
240.27 section 119B.05; receive MFIP assistance; and are participating in employment and training
240.28 services under chapter 256J; or

240.29 (2) have household income less than or equal to 47 percent of the state median income,
240.30 adjusted for family size, at ~~program entry~~ application and less than or equal to 67 percent
240.31 of the state median income, adjusted for family size, at ~~program exit~~ redetermination.

240.32 (b) Child care services must be made available as in-kind services.

241.1 (c) All applicants for child care assistance and families currently receiving child care
241.2 assistance must be assisted and required to cooperate in establishment of paternity and
241.3 enforcement of child support obligations for all children in the family at application and
241.4 redetermination as a condition of program eligibility. For purposes of this section, a family
241.5 is considered to meet the requirement for cooperation when the family complies with the
241.6 requirements of section 256.741.

241.7 (d) All applicants for child care assistance and families currently receiving child care
241.8 assistance must pay the co-payment fee under section 119B.12, subdivision 2, as a condition
241.9 of eligibility. The co-payment fee may include additional recoupment fees due to a child
241.10 care assistance program overpayment.

241.11 EFFECTIVE DATE. Paragraphs (a) and (c) are effective October 23, 2017. Paragraph
241.12 (d) is effective the day following final enactment.

241.13 Sec. 13. Minnesota Statutes 2016, section 119B.09, subdivision 4, is amended to read:

241.14 Subd. 4. **Eligibility; annual income; calculation.** (a) Annual income of the applicant
241.15 family is the current monthly income of the family multiplied by 12 or the income for the
241.16 12-month period immediately preceding the date of application, or income calculated by
241.17 the method which provides the most accurate assessment of income available to the family.

241.18 (b) Self-employment income must be calculated based on gross receipts less operating
241.19 expenses. ~~Income must be recalculated when the family's income changes, but no less often~~
241.20 ~~than every six months. For a family where at least one parent is under the age of 21, does~~
241.21 ~~not have a high school or general equivalency diploma, and is a student in a school district~~
241.22 ~~or another similar program that provides or arranges for child care, as well as parenting,~~
241.23 ~~social services, career and employment supports, and academic support to achieve high~~
241.24 ~~school graduation, income must be recalculated when the family's income changes, but~~
241.25 ~~otherwise shall be deferred beyond six months, but not to exceed 12 months, to the end of~~
241.26 ~~the student's school year.~~

241.27 (c) Income changes are processed under section 119B.025, subdivision 4. Included lump
241.28 sums counted as income under section 256P.06, subdivision 3, must be annualized over 12
241.29 months. Income must be verified with documentary evidence. If the applicant does not have
241.30 sufficient evidence of income, verification must be obtained from the source of the income.

241.31 EFFECTIVE DATE. This section is effective October 23, 2017.

242.1 Sec. 14. Minnesota Statutes 2016, section 119B.09, subdivision 9a, is amended to read:

242.2 Subd. 9a. **Child care centers; assistance.** (a) ~~For the purposes of this subdivision,~~
242.3 ~~"qualifying child" means a child who is not a child or dependent of an employee of the child~~
242.4 ~~care provider. A child care center may receive authorizations for 25 or fewer children who~~
242.5 ~~are dependents of the center's employees. If a child care center is authorized for more than~~
242.6 ~~25 children who are dependents of center employees, the county cannot authorize additional~~
242.7 ~~dependents of an employee until the number of children falls below 25.~~

242.8 (b) ~~Funds distributed under this chapter must not be paid for child care services that are~~
242.9 ~~provided for a child or dependent of an employee under paragraph (a) unless at all times at~~
242.10 ~~least 50 percent of the children for whom the child care provider is providing care are~~
242.11 ~~qualifying children under paragraph (a).~~

242.12 (c) ~~If a child care provider satisfies the requirements for payment under paragraph (b),~~
242.13 ~~but the percentage of qualifying children under paragraph (a) for whom the provider is~~
242.14 ~~providing care falls below 50 percent, the provider shall have four weeks to raise the~~
242.15 ~~percentage of qualifying children for whom the provider is providing care to at least 50~~
242.16 ~~percent before payments to the provider are discontinued for child care services provided~~
242.17 ~~for a child who is not a qualifying child.~~

242.18 (d) ~~This subdivision shall be implemented as follows:~~

242.19 (1) ~~no later than August 1, 2014, the commissioner shall issue a notice to providers who~~
242.20 ~~have been identified as ineligible for funds distributed under this chapter as described in~~
242.21 ~~paragraph (b); and~~

242.22 (2) ~~no later than January 5, 2015, payments to providers who do not comply with~~
242.23 ~~paragraph (c) will be discontinued for child care services provided for children who are not~~
242.24 ~~qualifying children.~~

242.25 (e) ~~If a child's authorization for child care assistance is terminated under this subdivision,~~
242.26 ~~the county shall send a notice of adverse action to the provider and to the child's parent or~~
242.27 ~~guardian, including information on the right to appeal, under Minnesota Rules, part~~
242.28 ~~3400.0185.~~

242.29 (f) (b) ~~Funds paid to providers during the period of time between the issuance of a notice~~
242.30 ~~under paragraph (d), clause (1), and discontinuation of payments under paragraph (d), clause~~
242.31 ~~(2), when a center is authorized for more than 25 children who are dependents of center~~
242.32 ~~employees must not be treated as overpayments under section 119B.11, subdivision 2a, due~~
242.33 ~~to noncompliance with this subdivision.~~

243.1 (g) (c) Nothing in this subdivision precludes the commissioner from conducting fraud
243.2 investigations relating to child care assistance, imposing sanctions, and obtaining monetary
243.3 recovery as otherwise provided by law.

243.4 **EFFECTIVE DATE.** This section is effective April 23, 2018.

243.5 Sec. 15. **[119B.095] CHILD CARE AUTHORIZATIONS.**

243.6 Subdivision 1. **General authorization requirements.** (a) When authorizing the amount
243.7 of child care, the county agency must consider the amount of time the parent reports on the
243.8 application or redetermination form that the child attends preschool, a Head Start program,
243.9 or school while the parent is participating in an authorized activity.

243.10 (b) Care must be authorized and scheduled with a provider based on the applicant's or
243.11 participant's verified activity schedule when:

243.12 (1) the family requests care from more than one provider per child;

243.13 (2) the family requests care from a legal nonlicensed provider; or

243.14 (3) an applicant or participant is employed by any child care center that is licensed by
243.15 the Department of Human Services or has been identified as a high-risk Medicaid-enrolled
243.16 provider.

243.17 (c) If the family remains eligible at redetermination, a new authorization with fewer
243.18 hours, the same hours, or increased hours may be determined.

243.19 Subd. 2. **Maintain steady child care authorizations.** (a) Notwithstanding Minnesota
243.20 Rules, chapter 3400, the amount of child care authorized under section 119B.10 for
243.21 employment, education, or an MFIP or DWP employment plan shall continue at the same
243.22 number of hours or more hours until redetermination, including:

243.23 (1) when the other parent moves in and is employed or has an education plan under
243.24 section 119B.10, subdivision 3, or has an MFIP or DWP employment plan; or

243.25 (2) when the participant's work hours are reduced or a participant temporarily stops
243.26 working or attending an approved education program. Temporary changes include, but are
243.27 not limited to, a medical leave, seasonal employment fluctuations, or a school break between
243.28 semesters.

243.29 (b) The county may increase the amount of child care authorized at any time if the
243.30 participant verifies the need for increased hours for authorized activities.

- 244.1 (c) The county may reduce the amount of child care authorized if a parent requests a
244.2 reduction or because of a change in:
- 244.3 (1) the child's school schedule;
244.4 (2) the custody schedule; or
244.5 (3) the provider's availability.
- 244.6 (d) The amount of child care authorized for a family subject to subdivision 1, paragraph
244.7 (b), must change when the participant's activity schedule changes. Paragraph (a) does not
244.8 apply to a family subject to subdivision 1, paragraph (b).

244.9 **EFFECTIVE DATE.** This section is effective December 18, 2017.

244.10 **Sec. 16. [119B.097] AUTHORIZATION WITH A SECONDARY PROVIDER.**

- 244.11 (a) If a child uses any combination of the following providers paid by child care
244.12 assistance, a parent must choose one primary provider and one secondary provider per child
244.13 that can be paid by child care assistance:
- 244.14 (1) an individual or child care center licensed under chapter 245A;
244.15 (2) an individual or child care center or facility holding a valid child care license issued
244.16 by another state or tribe; or
- 244.17 (3) a child care center exempt from licensing under section 245A.03.
- 244.18 (b) The amount of child care authorized with the secondary provider cannot exceed 20
244.19 hours per two-week service period, per child, and the amount of care paid to a child's
244.20 secondary provider is limited under section 119B.13, subdivision 1. The total amount of
244.21 child care authorized with both the primary and secondary provider cannot exceed the
244.22 amount of child care allowed based on the parents' eligible activity schedule, the child's
244.23 school schedule, and any other factors relevant to the family's child care needs.

244.24 **EFFECTIVE DATE.** This section is effective April 23, 2018.

244.25 **Sec. 17.** Minnesota Statutes 2016, section 119B.10, subdivision 1, is amended to read:

244.26 **Subdivision 1. Assistance for persons seeking and retaining employment.** (a) Persons
244.27 who are seeking employment and who are eligible for assistance under this section are
244.28 eligible to receive up to 240 hours of child care assistance per calendar year.

244.29 (b) At application and redetermination, employed persons who work at least an average
244.30 of 20 hours and full-time students who work at least an average of ten hours a week and

245.1 receive at least a minimum wage for all hours worked are eligible for continued child care
245.2 assistance for employment. For purposes of this section, work-study programs must be
245.3 counted as employment. An employed person with an MFIP or DWP employment plan
245.4 shall receive child care assistance as specified in the person's employment plan. Child care
245.5 assistance during employment must be authorized as provided in paragraphs (c) and (d).

245.6 (c) When the person works for an hourly wage and the hourly wage is equal to or greater
245.7 than the applicable minimum wage, child care assistance shall be provided for the actual
245.8 hours of employment, break, and mealtime during the employment and travel time up to
245.9 two hours per day.

245.10 (d) When the person does not work for an hourly wage, child care assistance must be
245.11 provided for the lesser of:

245.12 (1) the amount of child care determined by dividing gross earned income by the applicable
245.13 minimum wage, up to one hour every eight hours for meals and break time, plus up to two
245.14 hours per day for travel time; or

245.15 (2) the amount of child care equal to the actual amount of child care used during
245.16 employment, including break and mealtime during employment, and travel time up to two
245.17 hours per day.

245.18 **EFFECTIVE DATE.** This section is effective December 18, 2017.

245.19 Sec. 18. Minnesota Statutes 2016, section 119B.10, is amended by adding a subdivision
245.20 to read:

245.21 **Subd. 3. Assistance for persons attending an approved education or training**
245.22 **program.** (a) Money for an eligible person according to sections 119B.03, subdivision 3,
245.23 and 119B.05, subdivision 1, shall be used to reduce child care costs for a student. The county
245.24 shall not limit the duration of child care subsidies for a person in an employment or
245.25 educational program unless the person is ineligible for child care funds. Any other limitation
245.26 must be based on county policies included in the approved child care fund plan.

245.27 (b) To be eligible, the student must be in good standing and be making satisfactory
245.28 progress toward the degree. The maximum length of time a student is eligible for child care
245.29 assistance under the child care fund for education and training is no more than the time
245.30 necessary to complete the credit requirements for an associate's or baccalaureate degree as
245.31 determined by the educational institution. Time limitations for child care assistance do not
245.32 apply to basic or remedial educational programs needed for postsecondary education or
245.33 employment. Basic or remedial educational programs include high school, general

246.1 equivalency diploma, and English as a second language programs. A program exempt from
246.2 this time limit must not run concurrently with a postsecondary program.

246.3 (c) If a student meets the conditions of paragraphs (a) and (b), child care assistance must
246.4 be authorized for all hours of class time and credit hours, including independent study and
246.5 internships, and up to two hours of travel time per day. A postsecondary student shall receive
246.6 four hours of child care assistance per credit hour for study time and academic appointments
246.7 per service period.

246.8 (d) For an MFIP or DWP participant, child care assistance must be authorized according
246.9 to the person's approved employment plan. If an MFIP or DWP participant receiving MFIP
246.10 or DWP child care assistance under this chapter moves to another county, continues to
246.11 participate in an authorized educational or training program, and remains eligible for MFIP
246.12 or DWP child care assistance, the participant must receive continued child care assistance
246.13 from the county responsible for the person's current employment plan under section 256G.07.

246.14 (e) If a person with an approved education program under section 119B.03, subdivision
246.15 3, or 119B.05, subdivision 1, begins receiving MFIP or DWP assistance, the person continues
246.16 to receive child care assistance for the approved education program until the person's
246.17 education is included in an approved MFIP or DWP employment plan or until
246.18 redetermination, whichever occurs first.

246.19 (f) If a person's MFIP or DWP assistance ends and the approved MFIP or DWP
246.20 employment plan included education, the person continues to be eligible for child care
246.21 assistance for education under transition year child care assistance until the person's education
246.22 is included in an approved education plan or until redetermination.

246.23 **EFFECTIVE DATE.** This section is effective December 18, 2017.

246.24 Sec. 19. **[119B.105] EXTENDED ELIGIBILITY AND AUTHORIZATION.**

246.25 Subdivision 1. **Three-month extended eligibility period.** (a) A family in a situation
246.26 under paragraph (b) continues to be eligible for up to three months or until the family's
246.27 redetermination, whichever occurs first, rather than losing eligibility or having the family's
246.28 eligibility suspended. During extended eligibility, the amount of child care authorized shall
246.29 continue at the same number or more hours. The family must continue to meet all other
246.30 eligibility requirements under this chapter.

246.31 (b) The family's three-month extended eligibility period applies when:

246.32 (1) a participant's employment or education program ends permanently;

247.1 (2) the other parent moves in and does not participate in an authorized activity;

247.2 (3) a participant's MFIP assistance ends and the participant is not participating in an
247.3 authorized activity or the participant's participation in an authorized activity is unknown;

247.4 (4) a student parent under section 119B.011, subdivision 19b, stops attending school;

247.5 or

247.6 (5) a participant receiving basic sliding fee child care assistance or transition year child
247.7 care assistance applied for MFIP assistance and is not participating in an authorized activity
247.8 or the participant's participation in an authorized activity is unknown.

247.9 Subd. 2. **Extended eligibility and redetermination.** (a) If the family received three
247.10 months of extended eligibility and redetermination is not due, to continue receiving child
247.11 care assistance the participant must be employed or have an education plan that meets the
247.12 requirements of section 119B.10, subdivision 3, or have an MFIP or DWP employment
247.13 plan. If child care assistance continues, the amount of child care authorized shall continue
247.14 at the same number or more hours until redetermination, unless a condition in section
247.15 119B.095, subdivision 2, paragraph (c), applies. A family subject to section 119B.095,
247.16 subdivision 1, paragraph (b), shall have child care authorized based on a verified activity
247.17 schedule.

247.18 (b) If the family's redetermination occurs before the end of the three-month extended
247.19 eligibility period to continue receiving child care assistance, the participant must verify that
247.20 the participant meets eligibility and activity requirements for child care assistance under
247.21 this chapter. If child care assistance continues, the amount of child care authorized is based
247.22 on section 119B.10. A family subject to section 119B.095, subdivision 1, paragraph (b),
247.23 shall have child care authorized based on a verified activity schedule.

247.24 **EFFECTIVE DATE.** This section is effective December 18, 2017.

247.25 Sec. 20. Minnesota Statutes 2016, section 119B.12, subdivision 2, is amended to read:

247.26 Subd. 2. **Parent fee.** A family must be assessed a parent fee for each service period. A
247.27 family's parent fee must be a fixed percentage of its annual gross income. Parent fees must
247.28 apply to families eligible for child care assistance under sections 119B.03 and 119B.05.
247.29 Income must be as defined in section 119B.011, subdivision 15. The fixed pereent percentage
247.30 is based on the relationship of the family's annual gross income to 100 percent of the annual
247.31 state median income. Parent fees must begin at 75 percent of the poverty level. The minimum
247.32 parent fees for families between 75 percent and 100 percent of poverty level must be \$2 per
247.33 biweekly period. Parent fees must provide for graduated movement to full payment. At

248.1 initial application, the parent fee is established for the family's 12-month eligibility period.
248.2 At redetermination, if the family remains eligible, the parent fee is recalculated and is
248.3 established for the next 12-month eligibility period. A parent fee shall not increase during
248.4 the 12-month eligibility period. Payment of part or all of a family's parent fee directly to
248.5 the family's child care provider on behalf of the family by a source other than the family
248.6 shall not affect the family's eligibility for child care assistance, and the amount paid shall
248.7 be excluded from the family's income. Child care providers who accept third-party payments
248.8 must maintain family specific documentation of payment source, amount, and time period
248.9 covered by the payment.

248.10 **EFFECTIVE DATE.** This section is effective October 23, 2017.

248.11 Sec. 21. Minnesota Statutes 2016, section 119B.13, subdivision 1, is amended to read:

248.12 Subdivision 1. **Subsidy restrictions.** (a) Beginning February 3, 2014, the maximum
248.13 rate paid for child care assistance in any county or county price cluster under the child care
248.14 fund shall be the greater of the 25th percentile of the 2011 child care provider rate survey
248.15 or the maximum rate effective November 28, 2011. For a child care provider located within
248.16 the boundaries of a city located in two or more of the counties of Benton, Sherburne, and
248.17 Stearns, the maximum rate paid for child care assistance shall be equal to the maximum
248.18 rate paid in the county with the highest maximum reimbursement rates or the provider's
248.19 charge, whichever is less. The commissioner may: (1) assign a county with no reported
248.20 provider prices to a similar price cluster; and (2) consider county level access when
248.21 determining final price clusters.

248.22 (b) A rate which includes a special needs rate paid under subdivision 3 may be in excess
248.23 of the maximum rate allowed under this subdivision.

248.24 (c) The department shall monitor the effect of this paragraph on provider rates. The
248.25 county shall pay the provider's full charges for every child in care up to the maximum
248.26 established. The commissioner shall determine the maximum rate for each type of care on
248.27 an hourly, full-day, and weekly basis, including special needs and disability care.

248.28 (d) If a child uses one provider, the maximum payment to a provider for one day of care
248.29 must not exceed the daily rate. The maximum payment to a provider for one week of care
248.30 must not exceed the weekly rate.

248.31 (e) If a child uses two providers under section 119B.097, the maximum payment must
248.32 not exceed:

248.33 (1) the daily rate for one day of care;

249.1 (2) the weekly rate for one week of care by the child's primary provider; and

249.2 (3) two daily rates during two weeks of care by a child's secondary provider.

249.3 ~~(d)~~ (f) Child care providers receiving reimbursement under this chapter must not be paid
249.4 activity fees or an additional amount above the maximum rates for care provided during
249.5 nonstandard hours for families receiving assistance.

249.6 ~~(e)~~ (g) If the provider charge is greater than the maximum provider rate allowed,
249.7 the parent is responsible for payment of the difference in the rates in addition to any family
249.8 co-payment fee.

249.9 ~~(f)~~ (h) All maximum provider rates changes shall be implemented on the Monday
249.10 following the effective date of the maximum provider rate.

249.11 ~~(g)~~ (i) Notwithstanding Minnesota Rules, part 3400.0130, subpart 7, maximum
249.12 registration fees in effect on January 1, 2013, shall remain in effect.

249.13 **EFFECTIVE DATE.** Paragraph (a) is effective July 1, 2018. Paragraphs (d) to (i) are
249.14 effective April 23, 2018.

249.15 Sec. 22. Minnesota Statutes 2016, section 119B.13, subdivision 6, is amended to read:

249.16 Subd. 6. **Provider payments.** (a) The provider shall bill for services provided within
249.17 ten days of the end of the service period. ~~If bills are submitted within ten days of the end~~
249.18 ~~of the service period,~~ Payments under the child care fund shall be made within ~~30~~ 21 days
249.19 of receiving a complete bill from the provider. Counties or the state may establish policies
249.20 that make payments on a more frequent basis.

249.21 (b) If a provider has received an authorization of care and been issued a billing form for
249.22 an eligible family, the bill must be submitted within 60 days of the last date of service on
249.23 the bill. A bill submitted more than 60 days after the last date of service must be paid if the
249.24 county determines that the provider has shown good cause why the bill was not submitted
249.25 within 60 days. Good cause must be defined in the county's child care fund plan under
249.26 section 119B.08, subdivision 3, and the definition of good cause must include county error.
249.27 Any bill submitted more than a year after the last date of service on the bill must not be
249.28 paid.

249.29 (c) If a provider provided care for a time period without receiving an authorization of
249.30 care and a billing form for an eligible family, payment of child care assistance may only be
249.31 made retroactively for a maximum of six months from the date the provider is issued an
249.32 authorization of care and billing form.

250.1 (d) A county or the commissioner may refuse to issue a child care authorization to a
250.2 licensed or legal nonlicensed provider, revoke an existing child care authorization to a
250.3 licensed or legal nonlicensed provider, stop payment issued to a licensed or legal nonlicensed
250.4 provider, or refuse to pay a bill submitted by a licensed or legal nonlicensed provider if:

250.5 (1) the provider admits to intentionally giving the county materially false information
250.6 on the provider's billing forms;

250.7 (2) a county or the commissioner finds by a preponderance of the evidence that the
250.8 provider intentionally gave the county materially false information on the provider's billing
250.9 forms, or provided false attendance records to a county or the commissioner;

250.10 (3) the provider is in violation of child care assistance program rules, until the agency
250.11 determines those violations have been corrected;

250.12 (4) the provider is operating after:

250.13 (i) an order of suspension of the provider's license issued by the commissioner;

250.14 (ii) an order of revocation of the provider's license; or

250.15 (iii) a final order of conditional license issued by the commissioner for as long as the
250.16 conditional license is in effect;

250.17 (5) the provider submits false attendance reports or refuses to provide documentation
250.18 of the child's attendance upon request; or

250.19 (6) the provider gives false child care price information.

250.20 (e) For purposes of paragraph (d), clauses (3), (5), and (6), the county or the commissioner
250.21 may withhold the provider's authorization or payment for a period of time not to exceed
250.22 three months beyond the time the condition has been corrected.

250.23 (f) A county's payment policies must be included in the county's child care plan under
250.24 section 119B.08, subdivision 3. If payments are made by the state, in addition to being in
250.25 compliance with this subdivision, the payments must be made in compliance with section
250.26 16A.124.

250.27 **EFFECTIVE DATE.** This section is effective September 25, 2017.

251.1 Sec. 23. Minnesota Statutes 2016, section 245.814, is amended by adding a subdivision
251.2 to read:

251.3 Subd. 5. **Foster care parent liability insurance.** The commissioner may use federal
251.4 reimbursement money earned on an expenditure for foster care parent liability insurance
251.5 premiums to offset the costs of the premiums.

251.6 Sec. 24. Minnesota Statutes 2016, section 245A.50, subdivision 5, is amended to read:

251.7 **Subd. 5. Sudden unexpected infant death and abusive head trauma training.** (a)
251.8 License holders must document that before staff persons, caregivers, and helpers assist in
251.9 the care of infants, they are instructed on the standards in section 245A.1435 and receive
251.10 training on reducing the risk of sudden unexpected infant death. In addition, license holders
251.11 must document that before staff persons, caregivers, and helpers assist in the care of infants
251.12 and children under school age, they receive training on reducing the risk of abusive head
251.13 trauma from shaking infants and young children. The training in this subdivision may be
251.14 provided as initial training under subdivision 1 or ongoing annual training under subdivision
251.15 7.

251.16 (b) Sudden unexpected infant death reduction training required under this subdivision
251.17 must, at a minimum, address the risk factors related to sudden unexpected infant death,
251.18 means of reducing the risk of sudden unexpected infant death in child care, and license
251.19 holder communication with parents regarding reducing the risk of sudden unexpected infant
251.20 death.

251.21 (c) Abusive head trauma training required under this subdivision must, at a minimum,
251.22 address the risk factors related to shaking infants and young children, means of reducing
251.23 the risk of abusive head trauma in child care, and license holder communication with parents
251.24 regarding reducing the risk of abusive head trauma.

251.25 (d) Training for family and group family child care providers must be developed by the
251.26 commissioner in conjunction with the Minnesota Sudden Infant Death Center and approved
251.27 by the Minnesota Center for Professional Development. Sudden unexpected infant death
251.28 reduction training and abusive head trauma training may be provided in a single course of
251.29 no more than two hours in length.

251.30 (e) Sudden unexpected infant death reduction training and abusive head trauma training
251.31 required under this subdivision must be completed in person or as allowed under subdivision
251.32 10, clause (1) or (2), at least once every two years. On the years when the license holder is
251.33 not receiving training in person or as allowed under subdivision 10, clause (1) or (2), the

252.1 license holder must receive sudden unexpected infant death reduction training and abusive
252.2 head trauma training through a video of no more than one hour in length. The video must
252.3 be developed or approved by the commissioner.

252.4 (f) An individual who is related to the license holder as defined in section 245A.02,
252.5 subdivision 13, and who is involved only in the care of the license holder's own infant or
252.6 child under school age and who is not designated to be a caregiver, helper, or substitute, as
252.7 defined in Minnesota Rules, part 9502.0315, for the licensed program, is exempt from the
252.8 sudden unexpected infant death and abusive head trauma training.

252.9 Sec. 25. Minnesota Statutes 2016, section 252.27, subdivision 2a, is amended to read:

252.10 Subd. 2a. **Contribution amount.** (a) The natural or adoptive parents of a minor child,
252.11 including a child determined eligible for medical assistance without consideration of parental
252.12 income, must contribute to the cost of services used by making monthly payments on a
252.13 sliding scale based on income, unless the child is married or has been married, parental
252.14 rights have been terminated, or the child's adoption is subsidized according to chapter 259A
252.15 or through title IV-E of the Social Security Act. The parental contribution is a partial or full
252.16 payment for medical services provided for diagnostic, therapeutic, curing, treating, mitigating,
252.17 rehabilitation, maintenance, and personal care services as defined in United States Code,
252.18 title 26, section 213, needed by the child with a chronic illness or disability.

252.19 (b) For households with adjusted gross income equal to or greater than 275 percent of
252.20 federal poverty guidelines, the parental contribution shall be computed by applying the
252.21 following schedule of rates to the adjusted gross income of the natural or adoptive parents:

252.22 (1) if the adjusted gross income is equal to or greater than 275 percent of federal poverty
252.23 guidelines and less than or equal to 545 percent of federal poverty guidelines, the parental
252.24 contribution shall be determined using a sliding fee scale established by the commissioner
252.25 of human services which begins at ~~2.23~~ 1.94 percent of adjusted gross income at 275 percent
252.26 of federal poverty guidelines and increases to ~~6.08~~ 5.29 percent of adjusted gross income
252.27 for those with adjusted gross income up to 545 percent of federal poverty guidelines;

252.28 (2) if the adjusted gross income is greater than 545 percent of federal poverty guidelines
252.29 and less than 675 percent of federal poverty guidelines, the parental contribution shall be
252.30 ~~6.08~~ 5.29 percent of adjusted gross income;

252.31 (3) if the adjusted gross income is equal to or greater than 675 percent of federal poverty
252.32 guidelines and less than 975 percent of federal poverty guidelines, the parental contribution
252.33 shall be determined using a sliding fee scale established by the commissioner of human

253.1 services which begins at ~~6.08~~ 5.29 percent of adjusted gross income at 675 percent of federal
253.2 poverty guidelines and increases to ~~8.1~~ 7.05 percent of adjusted gross income for those with
253.3 adjusted gross income up to 975 percent of federal poverty guidelines; and

253.4 (4) if the adjusted gross income is equal to or greater than 975 percent of federal poverty
253.5 guidelines, the parental contribution shall be ~~10.13~~ 8.81 percent of adjusted gross income.

253.6 If the child lives with the parent, the annual adjusted gross income is reduced by \$2,400
253.7 prior to calculating the parental contribution. If the child resides in an institution specified
253.8 in section 256B.35, the parent is responsible for the personal needs allowance specified
253.9 under that section in addition to the parental contribution determined under this section.
253.10 The parental contribution is reduced by any amount required to be paid directly to the child
253.11 pursuant to a court order, but only if actually paid.

253.12 (c) The household size to be used in determining the amount of contribution under
253.13 paragraph (b) includes natural and adoptive parents and their dependents, including the
253.14 child receiving services. Adjustments in the contribution amount due to annual changes in
253.15 the federal poverty guidelines shall be implemented on the first day of July following
253.16 publication of the changes.

253.17 (d) For purposes of paragraph (b), "income" means the adjusted gross income of the
253.18 natural or adoptive parents determined according to the previous year's federal tax form,
253.19 except, effective retroactive to July 1, 2003, taxable capital gains to the extent the funds
253.20 have been used to purchase a home shall not be counted as income.

253.21 (e) The contribution shall be explained in writing to the parents at the time eligibility
253.22 for services is being determined. The contribution shall be made on a monthly basis effective
253.23 with the first month in which the child receives services. Annually upon redetermination
253.24 or at termination of eligibility, if the contribution exceeded the cost of services provided,
253.25 the local agency or the state shall reimburse that excess amount to the parents, either by
253.26 direct reimbursement if the parent is no longer required to pay a contribution, or by a
253.27 reduction in or waiver of parental fees until the excess amount is exhausted. All
253.28 reimbursements must include a notice that the amount reimbursed may be taxable income
253.29 if the parent paid for the parent's fees through an employer's health care flexible spending
253.30 account under the Internal Revenue Code, section 125, and that the parent is responsible
253.31 for paying the taxes owed on the amount reimbursed.

253.32 (f) The monthly contribution amount must be reviewed at least every 12 months; when
253.33 there is a change in household size; and when there is a loss of or gain in income from one
253.34 month to another in excess of ten percent. The local agency shall mail a written notice 30

254.1 days in advance of the effective date of a change in the contribution amount. A decrease in
254.2 the contribution amount is effective in the month that the parent verifies a reduction in
254.3 income or change in household size.

254.4 (g) Parents of a minor child who do not live with each other shall each pay the
254.5 contribution required under paragraph (a). An amount equal to the annual court-ordered
254.6 child support payment actually paid on behalf of the child receiving services shall be deducted
254.7 from the adjusted gross income of the parent making the payment prior to calculating the
254.8 parental contribution under paragraph (b).

254.9 (h) The contribution under paragraph (b) shall be increased by an additional five percent
254.10 if the local agency determines that insurance coverage is available but not obtained for the
254.11 child. For purposes of this section, "available" means the insurance is a benefit of employment
254.12 for a family member at an annual cost of no more than five percent of the family's annual
254.13 income. For purposes of this section, "insurance" means health and accident insurance
254.14 coverage, enrollment in a nonprofit health service plan, health maintenance organization,
254.15 self-insured plan, or preferred provider organization.

254.16 Parents who have more than one child receiving services shall not be required to pay
254.17 more than the amount for the child with the highest expenditures. There shall be no resource
254.18 contribution from the parents. The parent shall not be required to pay a contribution in
254.19 excess of the cost of the services provided to the child, not counting payments made to
254.20 school districts for education-related services. Notice of an increase in fee payment must
254.21 be given at least 30 days before the increased fee is due.

254.22 (i) The contribution under paragraph (b) shall be reduced by \$300 per fiscal year if, in
254.23 the 12 months prior to July 1:

254.24 (1) the parent applied for insurance for the child;

254.25 (2) the insurer denied insurance;

254.26 (3) the parents submitted a complaint or appeal, in writing to the insurer, submitted a
254.27 complaint or appeal, in writing, to the commissioner of health or the commissioner of
254.28 commerce, or litigated the complaint or appeal; and

254.29 (4) as a result of the dispute, the insurer reversed its decision and granted insurance.

254.30 For purposes of this section, "insurance" has the meaning given in paragraph (h).

254.31 A parent who has requested a reduction in the contribution amount under this paragraph
254.32 shall submit proof in the form and manner prescribed by the commissioner or county agency,
254.33 including, but not limited to, the insurer's denial of insurance, the written letter or complaint

255.1 of the parents, court documents, and the written response of the insurer approving insurance.
255.2 The determinations of the commissioner or county agency under this paragraph are not rules
255.3 subject to chapter 14.

255.4 **EFFECTIVE DATE.** This section is effective July 1, 2017.

255.5 Sec. 26. Minnesota Statutes 2016, section 256E.30, subdivision 2, is amended to read:

255.6 Subd. 2. **Allocation of money.** (a) State money appropriated and community service
255.7 block grant money allotted to the state and all money transferred to the community service
255.8 block grant from other block grants shall be allocated annually to community action agencies
255.9 and Indian reservation governments under clauses (b) and (c), and to migrant and seasonal
255.10 farmworker organizations under clause (d).

255.11 (b) The available annual money will provide base funding to all community action
255.12 agencies and the Indian reservations. Base funding amounts per agency are as follows: for
255.13 agencies with low income populations up to ~~3,999~~ 1,999, \$25,000; ~~4,000~~ 2,000 to 23,999,
255.14 \$50,000; and 24,000 or more, \$100,000.

255.15 (c) All remaining money of the annual money available after the base funding has been
255.16 determined must be allocated to each agency and reservation in proportion to the size of
255.17 the poverty level population in the agency's service area compared to the size of the poverty
255.18 level population in the state.

255.19 (d) Allocation of money to migrant and seasonal farmworker organizations must not
255.20 exceed three percent of the total annual money available. Base funding allocations must be
255.21 made for all community action agencies and Indian reservations that received money under
255.22 this subdivision, in fiscal year 1984, and for community action agencies designated under
255.23 this section with a service area population of 35,000 or greater.

255.24 Sec. 27. Minnesota Statutes 2016, section 256J.45, subdivision 2, is amended to read:

255.25 Subd. 2. **General information.** The MFIP orientation must consist of a presentation
255.26 that informs caregivers of:

255.27 (1) the necessity to obtain immediate employment;

255.28 (2) the work incentives under MFIP, including the availability of the federal earned
255.29 income tax credit and the Minnesota working family tax credit;

255.30 (3) the requirement to comply with the employment plan and other requirements of the
255.31 employment and training services component of MFIP, including a description of the range

256.1 of work and training activities that are allowable under MFIP to meet the individual needs
256.2 of participants;

256.3 (4) the consequences for failing to comply with the employment plan and other program
256.4 requirements, and that the county agency may not impose a sanction when failure to comply
256.5 is due to the unavailability of child care or other circumstances where the participant has
256.6 good cause under subdivision 3;

256.7 (5) the rights, responsibilities, and obligations of participants;

256.8 (6) the types and locations of child care services available through the county agency;

256.9 (7) the availability and the benefits of the early childhood health and developmental
256.10 screening under sections 121A.16 to 121A.19; 123B.02, subdivision 16; and 123B.10;

256.11 (8) the caregiver's eligibility for transition year child care assistance under section
256.12 119B.05;

256.13 (9) the availability of all health care programs, including transitional medical assistance;

256.14 (10) the caregiver's option to choose an employment and training provider and information
256.15 about each provider, including but not limited to, services offered, program components,
256.16 job placement rates, job placement wages, and job retention rates;

256.17 (11) the caregiver's option to request approval of an education and training plan according
256.18 to section 256J.53;

256.19 (12) the work study programs available under the higher education system; and

256.20 (13) information about the 60-month time limit exemptions under the family violence
256.21 waiver and referral information about shelters and programs for victims of family violence;
256.22 and

256.23 (14) information about the income exclusions under section 256P.06, subdivision 2.

256.24 **EFFECTIVE DATE.** This section is effective December 1, 2018.

256.25 Sec. 28. **[256N.261] SUPPORT FOR ADOPTIVE, FOSTER, AND KINSHIP**
256.26 **FAMILIES.**

256.27 **Subdivision 1. Program established.** The commissioner shall design and implement a
256.28 coordinated program to reduce the need for placement changes or out-of-home placements
256.29 of children and youth in foster care, adoptive placements, and permanent physical and legal
256.30 custody kinship placements, and to improve the functioning and stability of these families.
256.31 To the extent federal funds are available, the commissioner shall provide the following

257.1 adoption and foster care-competent services and ensure that placements are trauma-informed
257.2 and child and family-centered:

257.3 (1) a program providing information, referrals, a parent-to-parent support network, peer
257.4 support for youth, family activities, respite care, crisis services, educational support, and
257.5 mental health services for children and youth in adoption, foster care, and kinship placements
257.6 and adoptive, foster, and kinship families in Minnesota;

257.7 (2) training offered statewide in Minnesota for adoptive and kinship families, and training
257.8 for foster families, and the professionals who serve the families, on the effects of trauma,
257.9 common disabilities of adopted children and children in foster care, and kinship placements,
257.10 and challenges in adoption, foster care, and kinship placements; and

257.11 (3) periodic evaluation of these services to ensure program effectiveness in preserving
257.12 and improving the success of adoptive, foster, and kinship placements.

257.13 Subd. 2. **Definitions.** (a) The definitions in this subdivision apply to this section.

257.14 (b) "Child and family-centered" means individualized services that respond to a child's
257.15 or youth's strengths, interests, and current developmental stage, including social, cognitive,
257.16 emotional, physical, cultural, racial, and spiritual needs, and offer support to the entire
257.17 adoptive, foster, or kinship family.

257.18 (c) "Trauma-informed" means care that acknowledges the effect trauma has on children
257.19 and the children's families; modifies services to respond to the effects of trauma; emphasizes
257.20 skill and strength-building rather than symptom management; and focuses on the physical
257.21 and psychological safety of the child and family.

257.22 Sec. 29. Minnesota Statutes 2016, section 256P.06, subdivision 2, is amended to read:

257.23 Subd. 2. **Exempted individuals.** (a) The following members of an assistance unit under
257.24 chapters 119B and 256J are exempt from having their earned income count towards the
257.25 income of an assistance unit:

257.26 (1) children under six years old;

257.27 (2) caregivers under 20 years of age enrolled at least half-time in school; and

257.28 (3) minors enrolled in school full time.

257.29 (b) The following members of an assistance unit are exempt from having their earned
257.30 and unearned income count towards the income of an assistance unit for 12 consecutive
257.31 calendar months, beginning the month following the marriage date, for benefits under chapter
257.32 256J if the household income does not exceed 275 percent of the federal poverty guideline:

- 258.1 (1) a new spouse to a caretaker in an existing assistance unit; and
258.2 (2) the spouse designated by a newly married couple, both of whom were already
258.3 members of an assistance unit under chapter 256J.
- 258.4 (c) If members identified in paragraph (b) also receive assistance under section 119B.05,
258.5 they are exempt from having their earned and unearned income count towards the income
258.6 of the assistance unit if the household income prior to the exemption does not exceed 67
258.7 percent of the state median income for recipients for 26 consecutive biweekly periods
258.8 beginning the second biweekly period after the marriage date.

258.9 **EFFECTIVE DATE.** This section is effective December 1, 2018.

258.10 Sec. 30. Minnesota Statutes 2016, section 256P.07, subdivision 3, is amended to read:

258.11 Subd. 3. **Changes that must be reported.** An assistance unit must report the changes
258.12 or anticipated changes specified in clauses (1) to (12) within ten days of the date they occur,
258.13 at the time of recertification of eligibility under section 256P.04, subdivisions 8 and 9, or
258.14 within eight calendar days of a reporting period, whichever occurs first. An assistance unit
258.15 must report other changes at the time of recertification of eligibility under section 256P.04,
258.16 subdivisions 8 and 9, or at the end of a reporting period, as applicable. When an agency
258.17 could have reduced or terminated assistance for one or more payment months if a delay in
258.18 reporting a change specified under clauses (1) to (12) had not occurred, the agency must
258.19 determine whether a timely notice could have been issued on the day that the change
258.20 occurred. When a timely notice could have been issued, each month's overpayment
258.21 subsequent to that notice must be considered a client error overpayment under section
258.22 119B.11, subdivision 2a, or 256P.08. Changes in circumstances that must be reported within
258.23 ten days must also be reported for the reporting period in which those changes occurred.
258.24 Within ten days, an assistance unit must report:

- 258.25 (1) a change in earned income of \$100 per month or greater with the exception of a
258.26 program under chapter 119B;
- 258.27 (2) a change in unearned income of \$50 per month or greater with the exception of a
258.28 program under chapter 119B;
- 258.29 (3) a change in employment status and hours with the exception of a program under
258.30 chapter 119B;
- 258.31 (4) a change in address or residence;

- 259.1 (5) a change in household composition with the exception of programs under chapter
259.2 256I;
- 259.3 (6) a receipt of a lump-sum payment with the exception of a program under chapter
259.4 119B;
- 259.5 (7) an increase in assets if over \$9,000 with the exception of programs under chapter
259.6 119B;
- 259.7 (8) a change in citizenship or immigration status;
- 259.8 (9) a change in family status with the exception of programs under chapter 256I;
- 259.9 (10) a change in disability status of a unit member, with the exception of programs under
259.10 chapter 119B;
- 259.11 (11) a new rent subsidy or a change in rent subsidy with the exception of a program
259.12 under chapter 119B; and
- 259.13 (12) a sale, purchase, or transfer of real property with the exception of a program under
259.14 chapter 119B.

259.15 **EFFECTIVE DATE.** This section is effective December 18, 2017.

259.16 Sec. 31. Minnesota Statutes 2016, section 256P.07, subdivision 6, is amended to read:

259.17 Subd. 6. **Child care assistance programs-specific reporting.** (a) In addition to
259.18 subdivision 3, an assistance unit under chapter 119B, within ten days of the change, must
259.19 report:

259.20 (1) a change in a parentally responsible individual's ~~visitation schedule or custody~~
259.21 ~~arrangement~~ schedule for any child receiving child care assistance program benefits; and

259.22 (2) a ~~change in permanent end in a parentally responsible individual's~~ authorized activity
259.23 ~~status~~; and

259.24 (3) if the unit's family's annual included income exceeds 85 percent of the state median
259.25 income, adjusted for family size.

259.26 (b) An assistance unit subject to section 119B.095, subdivision 1, paragraph (b), must
259.27 report a change in the unit's authorized activity status.

259.28 (c) An assistance unit must notify the county when the unit wants to reduce the number
259.29 of authorized hours for children in the unit.

259.30 **EFFECTIVE DATE.** This section is effective December 18, 2017.

260.1 Sec. 32. Minnesota Statutes 2016, section 260C.451, subdivision 6, is amended to read:

260.2 Subd. 6. **Reentering foster care and accessing services after 18 years of age and up**
260.3 **to 21 years of age.** (a) Upon request of an individual who had been under the guardianship
260.4 of the commissioner and who has left foster care without being adopted, the responsible
260.5 social services agency which had been the commissioner's agent for purposes of the
260.6 guardianship shall develop with the individual a plan to increase the individual's ability to
260.7 live safely and independently using the plan requirements of section 260C.212, subdivision
260.8 1, paragraph (c), clause (12), and to assist the individual to meet one or more of the eligibility
260.9 criteria in subdivision 4 if the individual wants to reenter foster care. The responsible social
260.10 services agency shall provide foster care as required to implement the plan. The responsible
260.11 social services agency shall enter into a voluntary placement agreement under section
260.12 260C.229 with the individual if the plan includes foster care.

260.13 (b) Individuals who had not been under the guardianship of the commissioner of human
260.14 services prior to 18 years of age may ask to reenter foster care after age 18 and, ~~to the extent~~
260.15 ~~funds are available,~~ the responsible social services agency that had responsibility for planning
260.16 for the individual before discharge from foster care ~~may~~ shall provide foster care or other
260.17 services to the individual for the purpose of increasing the individual's ability to live safely
260.18 and independently and to meet the eligibility criteria in subdivision 3a, if the individual:

260.19 (1) was in foster care for the six consecutive months prior to the person's 18th birthday,
260.20 or left foster care within six months prior to the person's 18th birthday, and was not
260.21 discharged home, adopted, or received into a relative's home under a transfer of permanent
260.22 legal and physical custody under section 260C.515, subdivision 4; or

260.23 (2) was discharged from foster care while on runaway status after age 15.

260.24 (c) In conjunction with a qualifying and eligible individual under paragraph (b) and
260.25 other appropriate persons, the responsible social services agency shall develop a specific
260.26 plan related to that individual's vocational, educational, social, or maturational needs and,
260.27 ~~to the extent funds are available,~~ provide foster care as required to implement the plan. The
260.28 responsible social services agency shall enter into a voluntary placement agreement with
260.29 the individual if the plan includes foster care.

260.30 (d) A child who left foster care while under guardianship of the commissioner of human
260.31 services retains eligibility for foster care for placement at any time prior to 21 years of age.

261.1 Sec. 33. MINNESOTA BIRTH TO AGE EIGHT PILOT PROJECT.

261.2 Subdivision 1. Authorization. The commissioner of human services shall award a grant
261.3 to Dakota County to develop and implement pilots that will evaluate the impact of a
261.4 coordinated systems and service delivery approach on key developmental milestones and
261.5 outcomes that ultimately lead to reading proficiency by age eight within the target population.
261.6 The pilot program is from July 1, 2017, to June 30, 2021.

261.7 Subd. 2. Pilot design and goals. The pilot will establish five key developmental milestone
261.8 markers from birth to age eight. Enrollees in the pilot will be developmentally assessed and
261.9 tracked by a technology solution that tracks developmental milestones along the established
261.10 developmental continuum. If a child's progress falls below established milestones and the
261.11 weighted scoring, the coordinated service system will focus on identified areas of concern,
261.12 mobilize appropriate supportive services, and offer services to identified children and their
261.13 families.

261.14 Subd. 3. Program participants in phase 1 target population. Pilot program participants
261.15 must:

261.16 (1) be enrolled in a Women's Infant & Children (WIC) program;

261.17 (2) be participating in a family home visiting program, or nurse family practice, or
261.18 Healthy Families America (HFA);

261.19 (3) be children and families qualifying for and participating in early language learners
261.20 (ELL) in the school district in which they reside; and

261.21 (4) opt in and provide parental consent to participate in the pilot project.

261.22 Subd. 4. Evaluation and report. The county or counties shall work with a third-party
261.23 evaluator to evaluate the effectiveness of the pilot and report to the legislative committees
261.24 with jurisdiction over human services policy and finance each year by February 1 with an
261.25 update on the progress of the pilot. The final report on the pilot is due January 1, 2022.

261.26 Sec. 34. MINNESOTA PATHWAYS TO PROSPERITY AND WELL-BEING PILOT
261.27 PROJECT.

261.28 Subdivision 1. Authorization. The commissioner of human services may develop a
261.29 pilot project that shall test an alternative financing model for the distribution of publicly
261.30 funded benefits. The commissioner may work with interested counties to develop the pilot
261.31 and determine the waivers that are necessary to implement the pilot project based on the
261.32 pilot design in subdivisions 2 and 3, and outcome measures in subdivision 4.

262.1 Subd. 2. **Pilot project goals.** The goals of the pilot project are to:

262.2 (1) reduce the historical separation among the state programs and systems affecting
262.3 families who are receiving public assistance;

262.4 (2) eliminate, where possible, funding restrictions to allow a more comprehensive
262.5 approach to the needs of the families in the pilot project; and

262.6 (3) focus on upstream, prevention-oriented supports and interventions.

262.7 Subd. 3. **Project participants.** The pilot project developed by the commissioner may
262.8 include requirements that participants:

262.9 (1) be 26 years of age or younger with a minimum of one child;

262.10 (2) voluntarily agree to participate in the pilot project;

262.11 (3) be eligible for, applying for, or receiving public benefits including but not limited
262.12 to housing assistance, education supports, employment supports, child care, transportation
262.13 supports, medical assistance, earned income tax credit, or the child care tax credit; and

262.14 (4) be enrolled in an education program that is focused on obtaining a career that will
262.15 likely result in a livable wage.

262.16 Subd. 4. **Outcomes.** The outcome measures for the pilot project must include:

262.17 (1) improvement in the affordability, safety, and permanence of suitable housing;

262.18 (2) improvement in family functioning and stability, including in the areas of behavioral
262.19 health, incarceration, involvement with the child welfare system, or equivalent indicators;

262.20 (3) improvement in education readiness and outcomes for parents and children from
262.21 early childhood through high school, including reduction in absenteeism, preschool readiness
262.22 scores, third grade reading competency, graduation, GPA, and standardized test improvement;

262.23 (4) improvement in attachment to the workforce of one or both parents, including
262.24 enhanced job stability; wage gains; career advancement; progress in career preparation; or
262.25 an equivalent combination of these or related measures; and

262.26 (5) improvement in health care access and health outcomes for parents and children.

262.27 Sec. 35. **CHILD CARE CORRECTION ORDER POSTING GUIDELINES.**

262.28 No later than November 1, 2017, the commissioner shall develop guidelines for posting
262.29 public licensing data for licensed child care programs. In developing the guidelines, the

263.1 commissioner shall consult with stakeholders, including licensed child care center providers,
263.2 family child care providers, and county agencies.

263.3 Sec. 36. REPEALER.

263.4 (a) Minnesota Statutes 2016, section 13.468, is repealed.

263.5 (b) Minnesota Statutes 2016, section 119B.07, is repealed effective December 18, 2017.

263.6 **ARTICLE 8**

263.7 **CHEMICAL AND MENTAL HEALTH SERVICES**

263.8 Section 1. Minnesota Statutes 2016, section 245.462, subdivision 9, is amended to read:

263.9 Subd. 9. **Diagnostic assessment.** (a) "Diagnostic assessment" means a written summary
263.10 of the history, diagnosis, strengths, vulnerabilities, and general service needs of an adult
263.11 with a mental illness using diagnostic, interview, and other relevant mental health techniques
263.12 provided by a mental health professional used in developing an individual treatment plan
263.13 or individual community support plan. has the meaning given in Minnesota Rules, part
263.14 9505.0370, subpart 11, and is delivered as provided in Minnesota Rules, part 9505.0372,
263.15 subpart 1, items A, B, C, and E. Diagnostic assessment includes a standard, extended, or
263.16 brief diagnostic assessment, or an adult update.

263.17 (b) A brief diagnostic assessment must include a face-to-face interview with the client
263.18 and a written evaluation of the client by a mental health professional or a clinical trainee,
263.19 as provided in Minnesota Rules, part 9505.0371, subpart 5, item C. The professional or
263.20 clinical trainee must gather initial components of a standard diagnostic assessment, including
263.21 the client's:

263.22 (1) age;

263.23 (2) description of symptoms, including reason for referral;

263.24 (3) history of mental health treatment;

263.25 (4) cultural influences and their impact on the client; and

263.26 (5) mental status examination.

263.27 (c) On the basis of the initial components, the professional or clinical trainee must draw
263.28 a provisional clinical hypothesis. The clinical hypothesis may be used to address the client's
263.29 immediate needs or presenting problem.

264.1 (d) Treatment sessions conducted under authorization of a brief assessment may be used
264.2 to gather additional information necessary to complete a standard diagnostic assessment or
264.3 an extended diagnostic assessment.

264.4 (e) Notwithstanding Minnesota Rules, part 9505.0371, subpart 2, item A, subitem (1),
264.5 unit (b), prior to completion of a client's initial diagnostic assessment, a client is eligible
264.6 for psychological testing as part of the diagnostic process.

264.7 (f) Notwithstanding Minnesota Rules, part 9505.0371, subpart 2, item A, subitem (1),
264.8 unit (c), prior to completion of a client's initial diagnostic assessment, but in conjunction
264.9 with the diagnostic assessment process, a client is eligible for up to three individual or family
264.10 psychotherapy sessions or family psychoeducation sessions or a combination of the above
264.11 sessions not to exceed three sessions.

264.12 (g) Notwithstanding Minnesota Rules, part 9505.0371, subpart 2, item B, subitem (3),
264.13 unit (a), a brief diagnostic assessment may be used for a client's family who requires a
264.14 language interpreter to participate in the assessment.

264.15 **Sec. 2. [245.4662] GRANT PROGRAM; MENTAL HEALTH INNOVATION.**

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

264.18 (b) "Community partnership" means a project involving the collaboration of two or more
264.19 eligible applicants.

264.20 (c) "Eligible applicant" means an eligible county, Indian tribe, mental health service
264.21 provider, hospital, or community partnership. Eligible applicant does not include a
264.22 state-operated direct care and treatment facility or program under chapter 246.

264.23 (d) "Intensive residential treatment services" has the meaning given in section 256B.0622,
264.24 subdivision 2.

264.25 (e) "Metropolitan area" means the seven-county metropolitan area, as defined in section
264.26 473.121, subdivision 2.

264.27 Subd. 2. Grants authorized. The commissioner of human services shall, in consultation
264.28 with stakeholders, award grants to eligible applicants to plan, establish, or operate programs
264.29 to improve accessibility and quality of community-based, outpatient mental health services
264.30 and reduce the number of clients admitted to regional treatment centers and community
264.31 behavioral health hospitals. The commissioner shall award half of all grant funds to eligible
264.32 applicants in the metropolitan area and half of all grant funds to eligible applicants outside

265.1 the metropolitan area. An applicant may apply for and the commissioner may award grants
265.2 for two-year periods. The commissioner may reallocate underspending among grantees
265.3 within the same grant period. The mental health innovation account is established under
265.4 section 246.18 for ongoing funding.

265.5 Subd. 3. Allocation of grants. (a) An application must be on a form and contain
265.6 information as specified by the commissioner but at a minimum must contain:

265.7 (1) a description of the purpose or project for which grant funds will be used;

265.8 (2) a description of the specific problem the grant funds will address;

265.9 (3) a letter of support from the local mental health authority;

265.10 (4) a description of achievable objectives, a work plan, and a timeline for implementation
265.11 and completion of processes or projects enabled by the grant; and

265.12 (5) a process for documenting and evaluating results of the grant.

265.13 (b) The commissioner shall review each application to determine whether the application
265.14 is complete and whether the applicant and the project are eligible for a grant. In evaluating
265.15 applications according to paragraph (c), the commissioner shall establish criteria including,
265.16 but not limited to: the eligibility of the project; the applicant's thoroughness and clarity in
265.17 describing the problem grant funds are intended to address; a description of the applicant's
265.18 proposed project; a description of the population demographics and service area of the
265.19 proposed project; the manner in which the applicant will demonstrate the effectiveness of
265.20 any projects undertaken; the proposed project's longevity and demonstrated financial
265.21 sustainability after the initial grant period; and evidence of efficiencies and effectiveness
265.22 gained through collaborative efforts. The commissioner may also consider other relevant
265.23 factors. In evaluating applications, the commissioner may request additional information
265.24 regarding a proposed project, including information on project cost. An applicant's failure
265.25 to provide the information requested disqualifies an applicant. The commissioner shall
265.26 determine the number of grants awarded.

265.27 (c) Eligible applicants may receive grants under this section for purposes including, but
265.28 not limited to, the following:

265.29 (1) intensive residential treatment services providing time-limited mental health services
265.30 in a residential setting;

265.31 (2) the creation of stand-alone urgent care centers for mental health and psychiatric
265.32 consultation services, crisis residential services, or collaboration between crisis teams and
265.33 critical access hospitals;

266.1 (3) establishing new community mental health services or expanding the capacity of
266.2 existing services, including supportive housing; and

266.3 (4) other innovative projects that improve options for mental health services in community
266.4 settings and reduce the number of clients who remain in regional treatment centers and
266.5 community behavioral health hospitals beyond when discharge is determined to be clinically
266.6 appropriate.

266.7 Subd. 4. **Report to legislature.** By December 1, 2019, the commissioner of human
266.8 services shall deliver a report to the chairs and ranking minority members of the legislative
266.9 committees with jurisdiction over mental health issues on the outcomes of the projects
266.10 funded under this section. The report shall, at a minimum, include the amount of funding
266.11 awarded for each project, a description of the programs and services funded, plans for the
266.12 long-term sustainability of the projects, and data on outcomes for the programs and services
266.13 funded. Grantees must provide information and data requested by the commissioner to
266.14 support the development of this report.

266.15 Sec. 3. Minnesota Statutes 2016, section 245.467, subdivision 2, is amended to read:

266.16 Subd. 2. **Diagnostic assessment.** All providers of residential, acute care hospital inpatient,
266.17 and regional treatment centers must complete a diagnostic assessment for each of their
266.18 clients within five days of admission. Providers of outpatient and day treatment services
266.19 must complete a diagnostic assessment within five days after the adult's second visit or
266.20 within 30 days after intake, whichever occurs first. In cases where a diagnostic assessment
266.21 is available and has been completed within three years preceding admission, only an adult
266.22 diagnostic assessment update is necessary. An "adult diagnostic assessment update" means
266.23 a written summary by a mental health professional of the adult's current mental health status
266.24 and service needs and includes a face-to-face interview with the adult. If the adult's mental
266.25 health status has changed markedly since the adult's most recent diagnostic assessment, a
266.26 new diagnostic assessment is required. Compliance with the provisions of this subdivision
266.27 does not ensure eligibility for medical assistance reimbursement under chapter 256B.

266.28 Sec. 4. Minnesota Statutes 2016, section 245.4871, is amended by adding a subdivision
266.29 to read:

266.30 Subd. 11a. **Diagnostic assessment.** (a) "Diagnostic assessment" has the meaning given
266.31 in Minnesota Rules, part 9505.0370, subpart 11, and is delivered as provided in Minnesota
266.32 Rules, part 9505.0372, subpart 1, items A, B, C, and E. Diagnostic assessment includes a
266.33 standard, extended, or brief diagnostic assessment, or an adult update.

267.1 (b) A brief diagnostic assessment must include a face-to-face interview with the client
267.2 and a written evaluation of the client by a mental health professional or a clinical trainee,
267.3 as provided in Minnesota Rules, part 9505.0371, subpart 5, item C. The professional or
267.4 clinical trainee must gather initial components of a standard diagnostic assessment, including
267.5 the client's:

- 267.6 (1) age;
267.7 (2) description of symptoms, including reason for referral;
267.8 (3) history of mental health treatment;
267.9 (4) cultural influences and their impact on the client; and
267.10 (5) mental status examination.

267.11 (c) On the basis of the brief components, the professional or clinical trainee must draw
267.12 a provisional clinical hypothesis. The clinical hypothesis may be used to address the client's
267.13 immediate needs or presenting problem.

267.14 (d) Treatment sessions conducted under authorization of a brief assessment may be used
267.15 to gather additional information necessary to complete a standard diagnostic assessment or
267.16 an extended diagnostic assessment.

267.17 (e) Notwithstanding Minnesota Rules, part 9505.0371, subpart 2, item A, subitem (1),
267.18 unit (b), prior to completion of a client's initial diagnostic assessment, a client is eligible
267.19 for psychological testing as part of the diagnostic process.

267.20 (f) Notwithstanding Minnesota Rules, part 9505.0371, subpart 2, item A, subitem (1),
267.21 unit (c), prior to completion of a client's initial diagnostic assessment, but in conjunction
267.22 with the diagnostic assessment process, a client is eligible for up to three individual or family
267.23 psychotherapy sessions or family psychoeducation sessions or a combination of the above
267.24 sessions not to exceed three sessions.

267.25 Sec. 5. Minnesota Statutes 2016, section 245.4871, is amended by adding a subdivision
267.26 to read:

267.27 Subd. 18a. **Functional assessment.** "Functional assessment" means an assessment by
267.28 the case manager of the child's:

- 267.29 (1) mental health symptoms as presented in the child's diagnostic assessment;
267.30 (2) mental health needs as presented in the child's diagnostic assessment;
267.31 (3) use of drugs and alcohol;

- 268.1 (4) vocational and educational functioning;
- 268.2 (5) social functioning, including the use of leisure time;
- 268.3 (6) interpersonal functioning, including relationships with the child's family;
- 268.4 (7) self-care and independent living capacity;
- 268.5 (8) medical and dental health;
- 268.6 (9) financial assistance needs;
- 268.7 (10) housing and transportation needs; and
- 268.8 (11) other needs and problems.

268.9 Sec. 6. Minnesota Statutes 2016, section 245.4876, subdivision 2, is amended to read:

268.10 Subd. 2. **Diagnostic assessment.** All residential treatment facilities and acute care
268.11 hospital inpatient treatment facilities that provide mental health services for children must
268.12 complete a diagnostic assessment for each of their child clients within five working days
268.13 of admission. Providers of ~~outpatient~~ and day treatment services for children must complete
268.14 a diagnostic assessment within five days after the child's second visit or 30 days after intake,
268.15 whichever occurs first. In cases where a diagnostic assessment is available and has been
268.16 completed within 180 days preceding admission, only updating is necessary. "Updating"
268.17 means a written summary by a mental health professional of the child's current mental health
268.18 status and service needs. If the child's mental health status has changed markedly since the
268.19 child's most recent diagnostic assessment, a new diagnostic assessment is required.
268.20 Compliance with the provisions of this subdivision does not ensure eligibility for medical
268.21 assistance reimbursement under chapter 256B.

268.22 Sec. 7. Minnesota Statutes 2016, section 245.4889, subdivision 1, is amended to read:

268.23 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to
268.24 make grants from available appropriations to assist:

- 268.25 (1) counties;
- 268.26 (2) Indian tribes;
- 268.27 (3) children's collaboratives under section 124D.23 or 245.493; or
- 268.28 (4) mental health service providers.

268.29 (b) The following services are eligible for grants under this section:

- 269.1 (1) services to children with emotional disturbances as defined in section 245.4871,
269.2 subdivision 15, and their families;
- 269.3 (2) transition services under section 245.4875, subdivision 8, for young adults under
269.4 age 21 and their families;
- 269.5 (3) respite care services for children with severe emotional disturbances who are at risk
269.6 of out-of-home placement;
- 269.7 (4) children's mental health crisis services;
- 269.8 (5) mental health services for people from cultural and ethnic minorities;
- 269.9 (6) children's mental health screening and follow-up diagnostic assessment and treatment;
- 269.10 (7) services to promote and develop the capacity of providers to use evidence-based
269.11 practices in providing children's mental health services;
- 269.12 (8) school-linked mental health services, including transportation for children receiving
269.13 school-linked mental health services when school is not in session;
- 269.14 (9) building evidence-based mental health intervention capacity for children birth to age
269.15 five;
- 269.16 (10) suicide prevention and counseling services that use text messaging statewide;
- 269.17 (11) mental health first aid training;
- 269.18 (12) training for parents, collaborative partners, and mental health providers on the
269.19 impact of adverse childhood experiences and trauma and development of an interactive
269.20 Web site to share information and strategies to promote resilience and prevent trauma;
- 269.21 (13) transition age services to develop or expand mental health treatment and supports
269.22 for adolescents and young adults 26 years of age or younger;
- 269.23 (14) early childhood mental health consultation;
- 269.24 (15) evidence-based interventions for youth at risk of developing or experiencing a first
269.25 episode of psychosis, and a public awareness campaign on the signs and symptoms of
269.26 psychosis; and
- 269.27 (16) psychiatric consultation for primary care practitioners; and
- 269.28 (17) providers to begin operations and meet program requirements when establishing a
269.29 new children's mental health program. These may be start-up grants.

270.1 (c) Services under paragraph (b) must be designed to help each child to function and
270.2 remain with the child's family in the community and delivered consistent with the child's
270.3 treatment plan. Transition services to eligible young adults under this paragraph ~~(b)~~ must
270.4 be designed to foster independent living in the community.

270.5 **EFFECTIVE DATE.** Clause (17) is effective the day following final enactment.

270.6 Sec. 8. Minnesota Statutes 2016, section 245.91, subdivision 4, is amended to read:

270.7 Subd. 4. **Facility or program.** "Facility" or "program" means a nonresidential or
270.8 residential program as defined in section 245A.02, subdivisions 10 and 14, ~~that is required~~
270.9 ~~to be licensed by the commissioner of human services, and any agency, facility, or program~~
270.10 that provides services or treatment for mental illness, developmental disabilities, chemical
270.11 dependency, or emotional disturbance that is required to be licensed, certified, or registered
270.12 by the commissioner of human services, health, or education; and an acute care inpatient
270.13 facility that provides services or treatment for mental illness, developmental disabilities,
270.14 chemical dependency, or emotional disturbance.

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

270.16 Sec. 9. Minnesota Statutes 2016, section 245.91, subdivision 6, is amended to read:

270.17 Subd. 6. **Serious injury.** "Serious injury" means:

270.18 (1) fractures;

270.19 (2) dislocations;

270.20 (3) evidence of internal injuries;

270.21 (4) head injuries with loss of consciousness or potential for a closed head injury or
270.22 concussion without loss of consciousness requiring a medical assessment by a health care
270.23 professional, whether or not further medical attention was sought;

270.24 (5) lacerations involving injuries to tendons or organs, and those for which complications
270.25 are present;

270.26 (6) extensive second-degree or third-degree burns, and other burns for which
270.27 complications are present;

270.28 (7) extensive second-degree or third-degree frostbite, and others for which complications
270.29 are present;

270.30 (8) irreversible mobility or avulsion of teeth;

- 271.1 (9) injuries to the eyeball;
- 271.2 (10) ingestion of foreign substances and objects that are harmful;
- 271.3 (11) near drowning;
- 271.4 (12) heat exhaustion or sunstroke; and
- 271.5 (13) attempted suicide; and
- 271.6 (14) all other injuries and incidents considered serious after an assessment by a physician
- 271.7 health care professional, including but not limited to self-injurious behavior, a medication
- 271.8 error requiring medical treatment, a suspected delay of medical treatment, a complication
- 271.9 of a previous injury, or a complication of medical treatment for an injury.

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

271.11 Sec. 10. Minnesota Statutes 2016, section 245.94, subdivision 1, is amended to read:

271.12 Subdivision 1. **Powers.** (a) The ombudsman may prescribe the methods by which

271.13 complaints to the office are to be made, reviewed, and acted upon. The ombudsman may

271.14 not levy a complaint fee.

271.15 (b) The ombudsman is a health oversight agency as defined in Code of Federal

271.16 Regulations, title 45, section 164.501. The ombudsman may access patient records according

271.17 to Code of Federal Regulations, title 42, section 2.53. For purposes of this paragraph,

271.18 "records" has the meaning given in Code of Federal Regulations, title 42, section

271.19 2.53(a)(1)(i).

271.20 (c) The ombudsman may mediate or advocate on behalf of a client.

271.21 (e) (d) The ombudsman may investigate the quality of services provided to clients and

271.22 determine the extent to which quality assurance mechanisms within state and county

271.23 government work to promote the health, safety, and welfare of clients, other than clients in

271.24 acute care facilities who are receiving services not paid for by public funds. The ombudsman

271.25 is a health oversight agency as defined in Code of Federal Regulations, title 45, section

271.26 164.501.

271.27 (d) (e) At the request of a client, or upon receiving a complaint or other information

271.28 affording reasonable grounds to believe that the rights of a client one or more clients who

271.29 is may not be capable of requesting assistance have been adversely affected, the ombudsman

271.30 may gather information and data about and analyze, on behalf of the client, the actions of

271.31 an agency, facility, or program.

272.1 ~~(e)~~ (f) The ombudsman may gather, on behalf of ~~a client~~ one or more clients, records of
272.2 an agency, facility, or program, or records related to clinical drug trials from the University
272.3 of Minnesota Department of Psychiatry, if the records relate to a matter that is within the
272.4 scope of the ombudsman's authority. If the records are private and the client is capable of
272.5 providing consent, the ombudsman shall first obtain the client's consent. The ombudsman
272.6 is not required to obtain consent for access to private data on clients with developmental
272.7 disabilities and individuals served by the Minnesota sex offender program. The ombudsman
272.8 may also take photographic or videographic evidence while reviewing the actions of an
272.9 agency, facility, or program, with the consent of the client. The ombudsman is not required
272.10 to obtain consent for access to private data on decedents who were receiving services for
272.11 mental illness, developmental disabilities, chemical dependency, or emotional disturbance.
272.12 All data collected, created, received, or maintained by the ombudsman are governed by
272.13 chapter 13 and other applicable law.

272.14 ~~(f)~~ (g) Notwithstanding any law to the contrary, the ombudsman may subpoena a person
272.15 to appear, give testimony, or produce documents or other evidence that the ombudsman
272.16 considers relevant to a matter under inquiry. The ombudsman may petition the appropriate
272.17 court in Ramsey County to enforce the subpoena. A witness who is at a hearing or is part
272.18 of an investigation possesses the same privileges that a witness possesses in the courts or
272.19 under the law of this state. Data obtained from a person under this paragraph are private
272.20 data as defined in section 13.02, subdivision 12.

272.21 ~~(g)~~ (h) The ombudsman may, at reasonable times in the course of conducting a review,
272.22 enter and view premises within the control of an agency, facility, or program.

272.23 ~~(h)~~ (i) The ombudsman may attend Department of Human Services Review Board and
272.24 Special Review Board proceedings; proceedings regarding the transfer of clients, as defined
272.25 in section 246.50, subdivision 4, between institutions operated by the Department of Human
272.26 Services; and, subject to the consent of the affected client, other proceedings affecting the
272.27 rights of clients. The ombudsman is not required to obtain consent to attend meetings or
272.28 proceedings and have access to private data on clients with developmental disabilities and
272.29 individuals served by the Minnesota sex offender program.

272.30 ~~(i)~~ (j) The ombudsman shall gather data of agencies, facilities, or programs classified
272.31 as private or confidential as defined in section 13.02, subdivisions 3 and 12, regarding
272.32 services provided to clients with developmental disabilities and individuals served by the
272.33 Minnesota sex offender program.

273.1 (j)(k) To avoid duplication and preserve evidence, the ombudsman shall inform relevant
273.2 licensing or regulatory officials before undertaking a review of an action of the facility or
273.3 program.

273.4 (l) The Office of Ombudsman shall provide the services of the Civil Commitment
273.5 Training and Resource Center.

273.6 (k)(m) The ombudsman shall monitor the treatment of individuals participating in a
273.7 University of Minnesota Department of Psychiatry clinical drug trial and ensure that all
273.8 protections for human subjects required by federal law and the Institutional Review Board
273.9 are provided.

273.10 (h)(n) Sections 245.91 to 245.97 are in addition to other provisions of law under which
273.11 any other remedy or right is provided.

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

273.13 Sec. 11. Minnesota Statutes 2016, section 245.97, subdivision 6, is amended to read:

273.14 Subd. 6. **Terms, compensation, and removal.** The membership terms, compensation,
273.15 and removal of members of the committee and the filling of membership vacancies are
273.16 governed by section ~~15.0575~~ 15.0597.

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

273.18 Sec. 12. Minnesota Statutes 2016, section 245A.03, subdivision 2, is amended to read:

273.19 Subd. 2. **Exclusion from licensure.** (a) This chapter does not apply to:

273.20 (1) residential or nonresidential programs that are provided to a person by an individual
273.21 who is related unless the residential program is a child foster care placement made by a
273.22 local social services agency or a licensed child-placing agency, except as provided in
273.23 subdivision 2a;

273.24 (2) nonresidential programs that are provided by an unrelated individual to persons from
273.25 a single related family;

273.26 (3) residential or nonresidential programs that are provided to adults who do not ~~abuse~~
273.27 ~~chemicals or who do not have a chemical dependency~~ misuse substances or have a substance
273.28 use disorder, a mental illness, a developmental disability, a functional impairment, or a
273.29 physical disability;

273.30 (4) sheltered workshops or work activity programs that are certified by the commissioner
273.31 of employment and economic development;

- 274.1 (5) programs operated by a public school for children 33 months or older;
- 274.2 (6) nonresidential programs primarily for children that provide care or supervision for
274.3 periods of less than three hours a day while the child's parent or legal guardian is in the
274.4 same building as the nonresidential program or present within another building that is
274.5 directly contiguous to the building in which the nonresidential program is located;
- 274.6 (7) nursing homes or hospitals licensed by the commissioner of health except as specified
274.7 under section 245A.02;
- 274.8 (8) board and lodge facilities licensed by the commissioner of health that do not provide
274.9 children's residential services under Minnesota Rules, chapter 2960, mental health or chemical
274.10 dependency treatment;
- 274.11 (9) homes providing programs for persons placed by a county or a licensed agency for
274.12 legal adoption, unless the adoption is not completed within two years;
- 274.13 (10) programs licensed by the commissioner of corrections;
- 274.14 (11) recreation programs for children or adults that are operated or approved by a park
274.15 and recreation board whose primary purpose is to provide social and recreational activities;
- 274.16 (12) programs operated by a school as defined in section 120A.22, subdivision 4; YMCA
274.17 as defined in section 315.44; YWCA as defined in section 315.44; or JCC as defined in
274.18 section 315.51, whose primary purpose is to provide child care or services to school-age
274.19 children;
- 274.20 (13) Head Start nonresidential programs which operate for less than 45 days in each
274.21 calendar year;
- 274.22 (14) noncertified boarding care homes unless they provide services for five or more
274.23 persons whose primary diagnosis is mental illness or a developmental disability;
- 274.24 (15) programs for children such as scouting, boys clubs, girls clubs, and sports and art
274.25 programs, and nonresidential programs for children provided for a cumulative total of less
274.26 than 30 days in any 12-month period;
- 274.27 (16) residential programs for persons with mental illness, that are located in hospitals;
- 274.28 (17) the religious instruction of school-age children; Sabbath or Sunday schools; or the
274.29 congregate care of children by a church, congregation, or religious society during the period
274.30 used by the church, congregation, or religious society for its regular worship;
- 274.31 (18) camps licensed by the commissioner of health under Minnesota Rules, chapter
274.32 4630;

275.1 (19) mental health outpatient services for adults with mental illness or children with
275.2 emotional disturbance;

275.3 (20) residential programs serving school-age children whose sole purpose is cultural or
275.4 educational exchange, until the commissioner adopts appropriate rules;

275.5 (21) community support services programs as defined in section 245.462, subdivision
275.6 6, and family community support services as defined in section 245.4871, subdivision 17;

275.7 (22) the placement of a child by a birth parent or legal guardian in a preadoptive home
275.8 for purposes of adoption as authorized by section 259.47;

275.9 (23) settings registered under chapter 144D which provide home care services licensed
275.10 by the commissioner of health to fewer than seven adults;

275.11 (24) ~~chemical dependency or substance abuse~~ use disorder treatment activities of licensed
275.12 professionals in private practice as defined in ~~Minnesota Rules, part 9530.6405, subpart 15,~~
275.13 ~~when the treatment activities are not paid for by the consolidated chemical dependency~~
275.14 ~~treatment fund~~ section 245G.01, subdivision 17;

275.15 (25) consumer-directed community support service funded under the Medicaid waiver
275.16 for persons with developmental disabilities when the individual who provided the service
275.17 is:

275.18 (i) the same individual who is the direct payee of these specific waiver funds or paid by
275.19 a fiscal agent, fiscal intermediary, or employer of record; and

275.20 (ii) not otherwise under the control of a residential or nonresidential program that is
275.21 required to be licensed under this chapter when providing the service;

275.22 (26) a program serving only children who are age 33 months or older, that is operated
275.23 by a nonpublic school, for no more than four hours per day per child, with no more than 20
275.24 children at any one time, and that is accredited by:

275.25 (i) an accrediting agency that is formally recognized by the commissioner of education
275.26 as a nonpublic school accrediting organization; or

275.27 (ii) an accrediting agency that requires background studies and that receives and
275.28 investigates complaints about the services provided.

275.29 A program that asserts its exemption from licensure under item (ii) shall, upon request
275.30 from the commissioner, provide the commissioner with documentation from the accrediting
275.31 agency that verifies: that the accreditation is current; that the accrediting agency investigates

276.1 complaints about services; and that the accrediting agency's standards require background
276.2 studies on all people providing direct contact services; or

276.3 (27) a program operated by a nonprofit organization incorporated in Minnesota or another
276.4 state that serves youth in kindergarten through grade 12; provides structured, supervised
276.5 youth development activities; and has learning opportunities take place before or after
276.6 school, on weekends, or during the summer or other seasonal breaks in the school calendar.
276.7 A program exempt under this clause is not eligible for child care assistance under chapter
276.8 119B. A program exempt under this clause must:

276.9 (i) have a director or supervisor on site who is responsible for overseeing written policies
276.10 relating to the management and control of the daily activities of the program, ensuring the
276.11 health and safety of program participants, and supervising staff and volunteers;

276.12 (ii) have obtained written consent from a parent or legal guardian for each youth
276.13 participating in activities at the site; and

276.14 (iii) have provided written notice to a parent or legal guardian for each youth at the site
276.15 that the program is not licensed or supervised by the state of Minnesota and is not eligible
276.16 to receive child care assistance payments;

276.17 (28) a county that is an eligible vendor under section 254B.05 to provide care coordination
276.18 and comprehensive assessment services; or

276.19 (29) a recovery community organization that is an eligible vendor under section 254B.05
276.20 to provide peer recovery support services.

276.21 (b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a
276.22 building in which a nonresidential program is located if it shares a common wall with the
276.23 building in which the nonresidential program is located or is attached to that building by
276.24 skyway, tunnel, atrium, or common roof.

276.25 (c) Except for the home and community-based services identified in section 245D.03,
276.26 subdivision 1, nothing in this chapter shall be construed to require licensure for any services
276.27 provided and funded according to an approved federal waiver plan where licensure is
276.28 specifically identified as not being a condition for the services and funding.

276.29 **EFFECTIVE DATE.** This section is effective January 1, 2018.

276.30 Sec. 13. Minnesota Statutes 2016, section 245A.191, is amended to read:

276.31 **245A.191 PROVIDER ELIGIBILITY FOR PAYMENTS FROM THE CHEMICAL**
276.32 **DEPENDENCY CONSOLIDATED TREATMENT FUND.**

277.1 (a) When a ~~chemical dependency~~ substance use disorder treatment provider licensed
277.2 under this chapter, and governed by the standards of chapter 245G or Minnesota Rules,
277.3 parts 2960.0430 to 2960.0490 ~~or 9530.6405 to 9530.6505~~, agrees to meet the applicable
277.4 requirements under section 254B.05, subdivision 5, ~~paragraphs (b), clauses (1) to (4) and~~
277.5 ~~(6), (e), and (e)~~, to be eligible for enhanced funding from the chemical dependency
277.6 consolidated treatment fund, the applicable requirements under section 254B.05 are also
277.7 licensing requirements that may be monitored for compliance through licensing investigations
277.8 and licensing inspections.

277.9 (b) Noncompliance with the requirements identified under paragraph (a) may result in:

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

277.12 (2) nonpayment of claims submitted by the license holder for public program
277.13 reimbursement;

277.14 (3) recovery of payments made for the service;

277.15 (4) disenrollment in the public payment program; or

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

277.17 **EFFECTIVE DATE.** This section is effective January 1, 2018.

277.18 Sec. 14. **[245G.01] DEFINITIONS.**

277.19 **Subdivision 1. Scope.** The terms used in this chapter have the meanings given them.

277.20 **Subd. 2. Administration of medication.** "Administration of medication" means providing
277.21 a medication to a client, and includes the following tasks, performed in the following order:

277.22 **(1) checking the client's medication record;**

277.23 **(2) preparing the medication for administration;**

277.24 **(3) administering the medication to the client;**

277.25 **(4) documenting the administration of the medication, or the reason for not administering**
277.26 **a medication as prescribed; and**

277.27 **(5) reporting information to a licensed practitioner or a nurse regarding a problem with**
277.28 **the administration of medication or the client's refusal to take the medication, if applicable.**

277.29 **Subd. 3. Adolescent.** "Adolescent" means an individual under 18 years of age.

278.1 Subd. 4. **Alcohol and drug counselor.** "Alcohol and drug counselor" has the meaning
278.2 given in section 148F.01, subdivision 5.

278.3 Subd. 5. **Applicant.** "Applicant" has the meaning given in section 245A.02, subdivision
278.4 3.

278.5 Subd. 6. **Capacity management system.** "Capacity management system" means a
278.6 database maintained by the department to compile and make information available to the
278.7 public about the waiting list status and current admission capability of each opioid treatment
278.8 program.

278.9 Subd. 7. **Central registry.** "Central registry" means a database maintained by the
278.10 department to collect identifying information from two or more programs about an individual
278.11 applying for maintenance treatment or detoxification treatment for opioid addiction to
278.12 prevent an individual's concurrent enrollment in more than one program.

278.13 Subd. 8. **Client.** "Client" means an individual accepted by a license holder for assessment
278.14 or treatment of a substance use disorder. An individual remains a client until the license
278.15 holder no longer provides or intends to provide the individual with treatment service.

278.16 Subd. 9. **Commissioner.** "Commissioner" means the commissioner of human services.

278.17 Subd. 10. **Co-occurring disorders.** "Co-occurring disorders" means a diagnosis of both
278.18 a substance use disorder and a mental health disorder.

278.19 Subd. 11. **Department.** "Department" means the Department of Human Services.

278.20 Subd. 12. **Direct contact.** "Direct contact" has the meaning given for "direct contact"
278.21 in section 245C.02, subdivision 11.

278.22 Subd. 13. **Face-to-face.** "Face-to-face" means two-way, real-time, interactive and visual
278.23 communication between a client and a treatment service provider and includes services
278.24 delivered in person or via telemedicine.

278.25 Subd. 14. **License.** "License" has the meaning given in section 245A.02, subdivision 8.

278.26 Subd. 15. **License holder.** "License holder" has the meaning given in section 245A.02,
278.27 subdivision 9.

278.28 Subd. 16. **Licensed practitioner.** "Licensed practitioner" means an individual who is
278.29 authorized to prescribe medication as defined in section 151.01, subdivision 23.

278.30 Subd. 17. **Licensed professional in private practice.** "Licensed professional in private
278.31 practice" means an individual who:

279.1 (1) is licensed under chapter 148F, or is exempt from licensure under that chapter but
279.2 is otherwise licensed to provide alcohol and drug counseling services;

279.3 (2) practices solely within the permissible scope of the individual's license as defined
279.4 in the law authorizing licensure; and

279.5 (3) does not affiliate with other licensed or unlicensed professionals to provide alcohol
279.6 and drug counseling services. Affiliation does not include conferring with another
279.7 professional or making a client referral.

279.8 Subd. 18. **Nurse.** "Nurse" means an individual licensed and currently registered to
279.9 practice professional or practical nursing as defined in section 148.171, subdivisions 14 and
279.10 15.

279.11 Subd. 19. **Opioid treatment program or OTP.** "Opioid treatment program" or "OTP"
279.12 means a program or practitioner engaged in opioid treatment of an individual that provides
279.13 dispensing of an opioid agonist treatment medication, along with a comprehensive range
279.14 of medical and rehabilitative services, when clinically necessary, to an individual to alleviate
279.15 the adverse medical, psychological, or physical effects of an opioid addiction. OTP includes
279.16 detoxification treatment, short-term detoxification treatment, long-term detoxification
279.17 treatment, maintenance treatment, comprehensive maintenance treatment, and interim
279.18 maintenance treatment.

279.19 Subd. 20. **Paraprofessional.** "Paraprofessional" means an employee, agent, or
279.20 independent contractor of the license holder who performs tasks to support treatment service.
279.21 A paraprofessional may be referred to by a variety of titles including but not limited to
279.22 technician, case aide, or counselor assistant. If currently a client of the license holder, the
279.23 client cannot be a paraprofessional for the license holder.

279.24 Subd. 21. **Student intern.** "Student intern" means an individual who is authorized by a
279.25 licensing board to provide services under supervision of a licensed professional.

279.26 Subd. 22. **Substance.** "Substance" means alcohol, solvents, controlled substances as
279.27 defined in section 152.01, subdivision 4, and other mood-altering substances.

279.28 Subd. 23. **Substance use disorder.** "Substance use disorder" has the meaning given in
279.29 the current Diagnostic and Statistical Manual of Mental Disorders.

279.30 Subd. 24. **Substance use disorder treatment.** "Substance use disorder treatment" means
279.31 treatment of a substance use disorder, including the process of assessment of a client's needs,
279.32 development of planned methods, including interventions or services to address a client's
279.33 needs, provision of services, facilitation of services provided by other service providers,

280.1 and ongoing reassessment by a qualified professional when indicated. The goal of substance
280.2 use disorder treatment is to assist or support the client's efforts to recover from a substance
280.3 use disorder.

280.4 Subd. 25. **Target population.** "Target population" means individuals with a substance
280.5 use disorder and the specified characteristics that a license holder proposes to serve.

280.6 Subd. 26. **Telemedicine.** "Telemedicine" means the delivery of a substance use disorder
280.7 treatment service while the client is at an originating site and the licensed health care provider
280.8 is at a distant site as specified in section 254B.05, subdivision 5, paragraph (f).

280.9 Subd. 27. **Treatment director.** "Treatment director" means an individual who meets
280.10 the qualifications specified in section 245G.11, subdivisions 1 and 3, and is designated by
280.11 the license holder to be responsible for all aspects of the delivery of treatment service.

280.12 **EFFECTIVE DATE.** This section is effective January 1, 2018.

280.13 Sec. 15. **[245G.02] APPLICABILITY.**

280.14 Subdivision 1. **Applicability.** Except as provided in subdivisions 2 and 3, no person,
280.15 corporation, partnership, voluntary association, controlling individual, or other organization
280.16 may provide a substance use disorder treatment service to an individual with a substance
280.17 use disorder unless licensed by the commissioner.

280.18 Subd. 2. **Exemption from license requirement.** This chapter does not apply to a county
280.19 or recovery community organization that is providing a service for which the county or
280.20 recovery community organization is an eligible vendor under section 254B.05. This chapter
280.21 does not apply to an organization whose primary functions are information, referral,
280.22 diagnosis, case management, and assessment for the purposes of client placement, education,
280.23 support group services, or self-help programs. This chapter does not apply to the activities
280.24 of a licensed professional in private practice.

280.25 Subd. 3. **Excluded hospitals.** This chapter does not apply to substance use disorder
280.26 treatment provided by a hospital licensed under chapter 62J, or under sections 144.50 to
280.27 144.56, unless the hospital accepts funds for substance use disorder treatment from the
280.28 consolidated chemical dependency treatment fund under chapter 254B, medical assistance
280.29 under chapter 256B, or MinnesotaCare or health care cost containment under chapter 256L,
280.30 or general assistance medical care formerly codified in chapter 256D.

281.1 Subd. 4. **Applicability of Minnesota Rules, chapter 2960.** A residential adolescent
281.2 substance use disorder treatment program serving an individual younger than 16 years of
281.3 age must be licensed according to Minnesota Rules, chapter 2960.

281.4 **EFFECTIVE DATE.** This section is effective January 1, 2018.

281.5 Sec. 16. **[245G.03] LICENSING REQUIREMENTS.**

281.6 Subdivision 1. **License requirements.** (a) An applicant for a license to provide substance
281.7 use disorder treatment must comply with the general requirements in chapters 245A and
281.8 245C, sections 626.556 and 626.557, and Minnesota Rules, chapter 9544.

281.9 (b) The commissioner may grant variances to the requirements in this chapter that do
281.10 not affect the client's health or safety if the conditions in section 245A.04, subdivision 9,
281.11 are met.

281.12 Subd. 2. **Application.** Before the commissioner issues a license, an applicant must
281.13 submit, on forms provided by the commissioner, any documents the commissioner requires.

281.14 Subd. 3. **Change in license terms.** (a) The commissioner must determine whether a
281.15 new license is needed when a change in clauses (1) to (4) occurs. A license holder must
281.16 notify the commissioner before a change in one of the following occurs:

- 281.17 (1) the Department of Health's licensure of the program;
281.18 (2) whether the license holder provides services specified in sections 245G.18 to 245G.22;
281.19 (3) location; or
281.20 (4) capacity if the license holder meets the requirements of section 245G.21.

281.21 (b) A license holder must notify the commissioner and must apply for a new license if
281.22 there is a change in program ownership.

281.23 **EFFECTIVE DATE.** This section is effective January 1, 2018.

281.24 Sec. 17. **[245G.04] INITIAL SERVICES PLAN.**

281.25 (a) The license holder must complete an initial services plan on the day of service
281.26 initiation. The plan must address the client's immediate health and safety concerns, identify
281.27 the needs to be addressed in the first treatment session, and make treatment suggestions for
281.28 the client during the time between intake and completion of the individual treatment plan.

281.29 (b) The initial services plan must include a determination of whether a client is a
281.30 vulnerable adult as defined in section 626.5572, subdivision 21. An adult client of a

282.1 residential program is a vulnerable adult. An individual abuse prevention plan, according
282.2 to sections 245A.65, subdivision 2, paragraph (b), and 626.557, subdivision 14, paragraph
282.3 (b), is required for a client who meets the definition of vulnerable adult.

282.4 **EFFECTIVE DATE.** This section is effective January 1, 2018.

282.5 Sec. 18. **[245G.05] COMPREHENSIVE ASSESSMENT AND ASSESSMENT**
282.6 **SUMMARY.**

282.7 Subdivision 1. **Comprehensive assessment.** (a) A comprehensive assessment of the
282.8 client's substance use disorder must be administered face-to-face by an alcohol and drug
282.9 counselor within three calendar days after service initiation for a residential program or
282.10 during the initial session for all other programs. If the comprehensive assessment is not
282.11 completed during the initial session, the client-centered reason for the delay must be
282.12 documented in the client's file and the planned completion date. If the client received a
282.13 comprehensive assessment that authorized the treatment service, an alcohol and drug
282.14 counselor must review the assessment to determine compliance with this subdivision,
282.15 including applicable timelines. If available, the alcohol and drug counselor may use current
282.16 information provided by a referring agency or other source as a supplement. Information
282.17 gathered more than 45 days before the date of admission is not considered current. The
282.18 comprehensive assessment must include sufficient information to complete the assessment
282.19 summary according to subdivision 2 and the individual treatment plan according to section
282.20 245G.06. The comprehensive assessment must include information about the client's needs
282.21 that relate to substance use and personal strengths that support recovery, including:

282.22 (1) age, sex, cultural background, sexual orientation, living situation, economic status,
282.23 and level of education;

282.24 (2) circumstances of service initiation;

282.25 (3) previous attempts at treatment for substance misuse or substance use disorder,
282.26 compulsive gambling, or mental illness;

282.27 (4) substance use history including amounts and types of substances used, frequency
282.28 and duration of use, periods of abstinence, and circumstances of relapse, if any. For each
282.29 substance used within the previous 30 days, the information must include the date of the
282.30 most recent use and previous withdrawal symptoms;

282.31 (5) specific problem behaviors exhibited by the client when under the influence of
282.32 substances;

- 283.1 (6) family status, family history, including history or presence of physical or sexual
283.2 abuse, level of family support, and substance misuse or substance use disorder of a family
283.3 member or significant other;
- 283.4 (7) physical concerns or diagnoses, the severity of the concerns, and whether the concerns
283.5 are being addressed by a health care professional;
- 283.6 (8) mental health history and psychiatric status, including symptoms, disability, current
283.7 treatment supports, and psychotropic medication needed to maintain stability; the assessment
283.8 must utilize screening tools approved by the commissioner pursuant to section 245.4863 to
283.9 identify whether the client screens positive for co-occurring disorders;
- 283.10 (9) arrests and legal interventions related to substance use;
- 283.11 (10) ability to function appropriately in work and educational settings;
- 283.12 (11) ability to understand written treatment materials, including rules and the client's
283.13 rights;
- 283.14 (12) risk-taking behavior, including behavior that puts the client at risk of exposure to
283.15 blood-borne or sexually transmitted diseases;
- 283.16 (13) social network in relation to expected support for recovery and leisure time activities
283.17 that are associated with substance use;
- 283.18 (14) whether the client is pregnant and, if so, the health of the unborn child and the
283.19 client's current involvement in prenatal care;
- 283.20 (15) whether the client recognizes problems related to substance use and is willing to
283.21 follow treatment recommendations; and
- 283.22 (16) collateral information. If the assessor gathered sufficient information from the
283.23 referral source or the client to apply the criteria in parts 9530.6620 and 9530.6622, a collateral
283.24 contact is not required.
- 283.25 (b) If the client is identified as having opioid use disorder or seeking treatment for opioid
283.26 use disorder, the program must provide educational information to the client concerning:
- 283.27 (1) risks for opioid use disorder and dependence;
- 283.28 (2) treatment options, including the use of a medication for opioid use disorder;
- 283.29 (3) the risk of and recognizing opioid overdose; and
- 283.30 (4) the use, availability, and administration of naloxone to respond to opioid overdose.

284.1 (c) The commissioner shall develop educational materials that are supported by research
284.2 and updated periodically. The license holder must use the educational materials that are
284.3 approved by the commissioner to comply with this requirement.

284.4 (d) If the comprehensive assessment is completed to authorize treatment service for the
284.5 client, at the earliest opportunity during the assessment interview the assessor shall determine
284.6 if:

284.7 (1) the client is in severe withdrawal and likely to be a danger to self or others;

284.8 (2) the client has severe medical problems that require immediate attention; or

284.9 (3) the client has severe emotional or behavioral symptoms that place the client or others
284.10 at risk of harm.

284.11 If one or more of the conditions in clauses (1) to (3) are present, the assessor must end the
284.12 assessment interview and follow the procedures in the program's medical services plan
284.13 under section 245G.08, subdivision 2, to help the client obtain the appropriate services. The
284.14 assessment interview may resume when the condition is resolved.

284.15 Subd. 2. **Assessment summary.** (a) An alcohol and drug counselor must complete an
284.16 assessment summary within three calendar days after service initiation for a residential
284.17 program and within three sessions for all other programs. If the comprehensive assessment
284.18 is used to authorize the treatment service, the alcohol and drug counselor must prepare an
284.19 assessment summary on the same date the comprehensive assessment is completed. If the
284.20 comprehensive assessment and assessment summary are to authorize treatment services,
284.21 the assessor must determine appropriate services for the client using the dimensions in
284.22 Minnesota Rules, part 9530.6622, and document the recommendations.

284.23 (b) An assessment summary must include:

284.24 (1) a risk description according to section 245G.05 for each dimension listed in paragraph

284.25 (c);

284.26 (2) a narrative summary supporting the risk descriptions; and

284.27 (3) a determination of whether the client has a substance use disorder.

284.28 (c) An assessment summary must contain information relevant to treatment service
284.29 planning and recorded in the dimensions in clauses (1) to (6). The license holder must
284.30 consider:

284.31 (1) Dimension 1, acute intoxication/withdrawal potential; the client's ability to cope with
284.32 withdrawal symptoms and current state of intoxication;

285.1 (2) Dimension 2, biomedical conditions and complications; the degree to which any
285.2 physical disorder of the client would interfere with treatment for substance use, and the
285.3 client's ability to tolerate any related discomfort. The license holder must determine the
285.4 impact of continued chemical use on the unborn child, if the client is pregnant;

285.5 (3) Dimension 3, emotional, behavioral, and cognitive conditions and complications;
285.6 the degree to which any condition or complication is likely to interfere with treatment for
285.7 substance use or with functioning in significant life areas and the likelihood of harm to self
285.8 or others;

285.9 (4) Dimension 4, readiness for change; the support necessary to keep the client involved
285.10 in treatment service;

285.11 (5) Dimension 5, relapse, continued use, and continued problem potential; the degree
285.12 to which the client recognizes relapse issues and has the skills to prevent relapse of either
285.13 substance use or mental health problems; and

285.14 (6) Dimension 6, recovery environment; whether the areas of the client's life are
285.15 supportive of or antagonistic to treatment participation and recovery.

285.16 **EFFECTIVE DATE.** This section is effective January 1, 2018.

285.17 Sec. 19. **[245G.06] INDIVIDUAL TREATMENT PLAN.**

285.18 Subdivision 1. **General.** Each client must have an individual treatment plan developed
285.19 by an alcohol and drug counselor within seven days of service initiation for a residential
285.20 program and within three sessions for all other programs. The client must have active, direct
285.21 involvement in selecting the anticipated outcomes of the treatment process and developing
285.22 the treatment plan. The individual treatment plan must be signed by the client and the alcohol
285.23 and drug counselor and document the client's involvement in the development of the plan.
285.24 The plan may be a continuation of the initial services plan required in section 245G.04.
285.25 Treatment planning must include ongoing assessment of client needs. An individual treatment
285.26 plan must be updated based on new information gathered about the client's condition and
285.27 on whether methods identified have the intended effect. A change to the plan must be signed
285.28 by the client and the alcohol and drug counselor. The plan must provide for the involvement
285.29 of the client's family and people selected by the client as important to the success of treatment
285.30 at the earliest opportunity, consistent with the client's treatment needs and written consent.

285.31 Subd. 2. **Plan contents.** An individual treatment plan must be recorded in the six
285.32 dimensions listed in section 245G.05, subdivision 2, paragraph (c), must address each issue

286.1 identified in the assessment summary, prioritized according to the client's needs and focus,
286.2 and must include:

286.3 (1) specific methods to address each identified need, including amount, frequency, and
286.4 anticipated duration of treatment service. The methods must be appropriate to the client's
286.5 language, reading skills, cultural background, and strengths;

286.6 (2) resources to refer the client to when the client's needs are to be addressed concurrently
286.7 by another provider; and

286.8 (3) goals the client must reach to complete treatment and terminate services.

286.9 Subd. 3. **Documentation of treatment services; treatment plan review.** (a) A review
286.10 of all treatment services must be documented weekly and include a review of:

286.11 (1) care coordination activities;

286.12 (2) medical and other appointments the client attended;

286.13 (3) issues related to medications that are not documented in the medication administration
286.14 record; and

286.15 (4) issues related to attendance for treatment services, including the reason for any client
286.16 absence from a treatment service.

286.17 (b) A note must be entered immediately following any significant event. A significant
286.18 event is an event that impacts the client's relationship with other clients, staff, the client's
286.19 family, or the client's treatment plan.

286.20 (c) A treatment plan review must be entered in a client's file weekly or after each treatment
286.21 service, whichever is less frequent, by the staff member providing the service. The review
286.22 must indicate the span of time covered by the review and each of the six dimensions listed
286.23 in section 245G.05, subdivision 2, paragraph (c). The review must:

286.24 (1) indicate the date, type, and amount of each treatment service provided and the client's
286.25 response to each service;

286.26 (2) address each goal in the treatment plan and whether the methods to address the goals
286.27 are effective;

286.28 (3) include monitoring of any physical and mental health problems;

286.29 (4) document the participation of others;

286.30 (5) document staff recommendations for changes in the methods identified in the treatment
286.31 plan and whether the client agrees with the change; and

287.1 (6) include a review and evaluation of the individual abuse prevention plan according
287.2 to section 245A.65.

287.3 (d) Each entry in a client's record must be accurate, legible, signed, and dated. A late
287.4 entry must be clearly labeled "late entry." A correction to an entry must be made in a way
287.5 in which the original entry can still be read.

287.6 Subd. 4. **Service discharge summary.** (a) An alcohol and drug counselor must write a
287.7 discharge summary for each client. The summary must be completed within five days of
287.8 the client's service termination or within five days from the client's or program's decision
287.9 to terminate services, whichever is earlier.

287.10 (b) The service discharge summary must be recorded in the six dimensions listed in
287.11 section 245G.05, subdivision 2, paragraph (c), and include the following information:

287.12 (1) the client's issues, strengths, and needs while participating in treatment, including
287.13 services provided;

287.14 (2) the client's progress toward achieving each goal identified in the individual treatment
287.15 plan;

287.16 (3) a risk description according to section 245G.05; and

287.17 (4) the reasons for and circumstances of service termination. If a program discharges a
287.18 client at staff request, the reason for discharge and the procedure followed for the decision
287.19 to discharge must be documented and comply with the program's policies on staff-initiated
287.20 client discharge. If a client is discharged at staff request, the program must give the client
287.21 crisis and other referrals appropriate for the client's needs and offer assistance to the client
287.22 to access the services.

287.23 (c) For a client who successfully completes treatment, the summary must also include:

287.24 (1) the client's living arrangements at service termination;

287.25 (2) continuing care recommendations, including transitions between more or less intense
287.26 services, or more frequent to less frequent services, and referrals made with specific attention
287.27 to continuity of care for mental health, as needed;

287.28 (3) service termination diagnosis; and

287.29 (4) the client's prognosis.

287.30 **EFFECTIVE DATE.** This section is effective January 1, 2018.

Sec. 20. [245G.07] TREATMENT SERVICE.

Subdivision 1. Treatment service. (a) A license holder must offer the following treatment services, unless clinically inappropriate and the justifying clinical rationale is documented:

(1) individual and group counseling to help the client identify and address needs related to substance use and develop strategies to avoid harmful substance use after discharge and to help the client obtain the services necessary to establish a lifestyle free of the harmful effects of substance use disorder;

(2) client education strategies to avoid inappropriate substance use and health problems related to substance use and the necessary lifestyle changes to regain and maintain health.

Client education must include information on tuberculosis education on a form approved by the commissioner, the human immunodeficiency virus according to section 245A.19, other sexually transmitted diseases, drug and alcohol use during pregnancy, and hepatitis.

A licensed alcohol and drug counselor must be present during an educational group;

(3) a service to help the client integrate gains made during treatment into daily living and to reduce the client's reliance on a staff member for support;

(4) a service to address issues related to co-occurring disorders, including client education on symptoms of mental illness, the possibility of comorbidity, and the need for continued medication compliance while recovering from substance use disorder. A group must address co-occurring disorders, as needed. When treatment for mental health problems is indicated, the treatment must be integrated into the client's individual treatment plan;

(5) on July 1, 2018, or upon federal approval, whichever is later, peer recovery support services provided one-to-one by an individual in recovery. Peer support services include education, advocacy, mentoring through self-disclosure of personal recovery experiences, attending recovery and other support groups with a client, accompanying the client to appointments that support recovery, assistance accessing resources to obtain housing, employment, education, and advocacy services, and nonclinical recovery support to assist the transition from treatment into the recovery community; and

(6) on July 1, 2018, or upon federal approval, whichever is later, care coordination provided by an individual who meets the staff qualifications in section 245G.11, subdivision 7. Care coordination services include:

(i) assistance in coordination with significant others to help in the treatment planning process whenever possible;

- 289.1 (ii) assistance in coordination with and follow up for medical services as identified in
289.2 the treatment plan;
- 289.3 (iii) facilitation of referrals to substance use disorder services as indicated by a client's
289.4 medical provider, comprehensive assessment, or treatment plan;
- 289.5 (iv) facilitation of referrals to mental health services as identified by a client's
289.6 comprehensive assessment or treatment plan;
- 289.7 (v) assistance with referrals to economic assistance, social services, housing resources,
289.8 and prenatal care according to the client's needs;
- 289.9 (vi) life skills advocacy and support accessing treatment follow-up, disease management,
289.10 and education services, including referral and linkages to long-term services and supports
289.11 as needed; and
- 289.12 (vii) documentation of the provision of care coordination services in the client's file.
- 289.13 (b) A treatment service provided to a client must be provided according to the individual
289.14 treatment plan and must consider cultural differences and special needs of a client.
- 289.15 Subd. 2. Additional treatment service. A license holder may provide or arrange the
289.16 following additional treatment service as a part of the client's individual treatment plan:
- 289.17 (1) relationship counseling provided by a qualified professional to help the client identify
289.18 the impact of the client's substance use disorder on others and to help the client and persons
289.19 in the client's support structure identify and change behaviors that contribute to the client's
289.20 substance use disorder;
- 289.21 (2) therapeutic recreation to allow the client to participate in recreational activities
289.22 without the use of mood-altering chemicals and to plan and select leisure activities that do
289.23 not involve the inappropriate use of chemicals;
- 289.24 (3) stress management and physical well-being to help the client reach and maintain an
289.25 appropriate level of health, physical fitness, and well-being;
- 289.26 (4) living skills development to help the client learn basic skills necessary for independent
289.27 living;
- 289.28 (5) employment or educational services to help the client become financially independent;
- 289.29 (6) socialization skills development to help the client live and interact with others in a
289.30 positive and productive manner; and

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

290.3 Subd. 3. **Counselors.** A treatment service, including therapeutic recreation, must be
290.4 provided by an alcohol and drug counselor according to section 245G.11, unless the
290.5 individual providing the service is specifically qualified according to the accepted credential
290.6 required to provide the service. Therapeutic recreation does not include planned leisure
290.7 activities.

290.8 Subd. 4. **Location of service provision.** The license holder may provide services at any
290.9 of the license holder's licensed locations or at another suitable location including a school,
290.10 government building, medical or behavioral health facility, or social service organization,
290.11 upon notification and approval of the commissioner. If services are provided off site from
290.12 the licensed site, the reason for the provision of services remotely must be documented.

290.13 **EFFECTIVE DATE.** This section is effective January 1, 2018.

290.14 Sec. 21. **[245G.08] MEDICAL SERVICES.**

290.15 Subdivision 1. **Health care services.** An applicant or license holder must maintain a
290.16 complete description of the health care services, nursing services, dietary services, and
290.17 emergency physician services offered by the applicant or license holder.

290.18 Subd. 2. **Procedures.** The applicant or license holder must have written procedures for
290.19 obtaining a medical intervention for a client, that are approved in writing by a physician
290.20 who is licensed under chapter 147, unless:

290.21 (1) the license holder does not provide a service under section 245G.21; and

290.22 (2) a medical intervention is referred to 911, the emergency telephone number, or the
290.23 client's physician.

290.24 Subd. 3. **Standing order protocol.** A license holder that maintains a supply of naloxone
290.25 available for emergency treatment of opioid overdose must have a written standing order
290.26 protocol by a physician who is licensed under chapter 147, that permits the license holder
290.27 to maintain a supply of naloxone on site, and must require staff to undergo specific training
290.28 in administration of naloxone.

290.29 Subd. 4. **Consultation services.** The license holder must have access to and document
290.30 the availability of a licensed mental health professional to provide diagnostic assessment
290.31 and treatment planning assistance.

291.1 Subd. 5. Administration of medication and assistance with self-medication. (a) A
291.2 license holder must meet the requirements in this subdivision if a service provided includes
291.3 the administration of medication.

291.4 (b) A staff member, other than a licensed practitioner or nurse, who is delegated by a
291.5 licensed practitioner or a registered nurse the task of administration of medication or assisting
291.6 with self-medication, must:

291.7 (1) successfully complete a medication administration training program for unlicensed
291.8 personnel through an accredited Minnesota postsecondary educational institution. A staff
291.9 member's completion of the course must be documented in writing and placed in the staff
291.10 member's personnel file;

291.11 (2) be trained according to a formalized training program that is taught by a registered
291.12 nurse and offered by the license holder. The training must include the process for
291.13 administration of naloxone, if naloxone is kept on site. A staff member's completion of the
291.14 training must be documented in writing and placed in the staff member's personnel records;
291.15 or

291.16 (3) demonstrate to a registered nurse competency to perform the delegated activity. A
291.17 registered nurse must be employed or contracted to develop the policies and procedures for
291.18 administration of medication or assisting with self-administration of medication, or both.

291.19 (c) A registered nurse must provide supervision as defined in section 148.171, subdivision
291.20 23. The registered nurse's supervision must include, at a minimum, monthly on-site
291.21 supervision or more often if warranted by a client's health needs. The policies and procedures
291.22 must include:

291.23 (1) a provision that a delegation of administration of medication is limited to the
291.24 administration of a medication that is administered orally, topically, or as a suppository, an
291.25 eye drop, an ear drop, or an inhalant;

291.26 (2) a provision that each client's file must include documentation indicating whether
291.27 staff must conduct the administration of medication or the client must self-administer
291.28 medication, or both;

291.29 (3) a provision that a client may carry emergency medication such as nitroglycerin as
291.30 instructed by the client's physician;

291.31 (4) a provision for the client to self-administer medication when a client is scheduled to
291.32 be away from the facility;

292.1 (5) a provision that if a client self-administers medication when the client is present in
292.2 the facility, the client must self-administer medication under the observation of a trained
292.3 staff member;

292.4 (6) a provision that when a license holder serves a client who is a parent with a child,
292.5 the parent may only administer medication to the child under a staff member's supervision;

292.6 (7) requirements for recording the client's use of medication, including staff signatures
292.7 with date and time;

292.8 (8) guidelines for when to inform a nurse of problems with self-administration of
292.9 medication, including a client's failure to administer, refusal of a medication, adverse
292.10 reaction, or error; and

292.11 (9) procedures for acceptance, documentation, and implementation of a prescription,
292.12 whether written, verbal, telephonic, or electronic.

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

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

292.18 (2) a system which accounts for all scheduled drugs each shift;

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

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

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

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

292.27 (7) a procedure for monitoring the available supply of naloxone on site, replenishing
292.28 the naloxone supply when needed, and destroying naloxone according to clause (4).

292.29 **EFFECTIVE DATE.** This section is effective January 1, 2018.

293.1 Sec. 22. [245G.09] CLIENT RECORDS.

293.2 Subdivision 1. Client records required. (a) A license holder must maintain a file of
293.3 current and accurate client records on the premises where the treatment service is provided
293.4 or coordinated. For services provided off site, client records must be available at the program
293.5 and adhere to the same clinical and administrative policies and procedures as services
293.6 provided on site. The content and format of client records must be uniform and entries in
293.7 each record must be signed and dated by the staff member making the entry. Client records
293.8 must be protected against loss, tampering, or unauthorized disclosure according to section
293.9 254A.09, chapter 13, and Code of Federal Regulations, title 42, chapter 1, part 2, subpart
293.10 B, sections 2.1 to 2.67, and title 45, parts 160 to 164.

293.11 (b) The program must have a policy and procedure that identifies how the program will
293.12 track and record client attendance at treatment activities, including the date, duration, and
293.13 nature of each treatment service provided to the client.

293.14 Subd. 2. Record retention. The client records of a discharged client must be retained
293.15 by a license holder for seven years. A license holder that ceases to provide treatment service
293.16 must retain client records for seven years from the date of facility closure and must notify
293.17 the commissioner of the location of the client records and the name of the individual
293.18 responsible for maintaining the client's records.

293.19 Subd. 3. Contents. Client records must contain the following:

293.20 (1) documentation that the client was given information on client rights and
293.21 responsibilities, grievance procedures, tuberculosis, and HIV, and that the client was provided
293.22 an orientation to the program abuse prevention plan required under section 245A.65,
293.23 subdivision 2, paragraph (a), clause (4). If the client has an opioid use disorder, the record
293.24 must contain documentation that the client was provided educational information according
293.25 to section 245G.05, subdivision 1, paragraph (b);

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

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

293.28 (4) an assessment summary completed according to section 245G.05, subdivision 2;

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

293.31 (6) an individual treatment plan according to section 245G.06, subdivisions 1 and 2;

294.1 (7) documentation of treatment services and treatment plan review according to section
294.2 245G.06, subdivision 3; and

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

294.5 **EFFECTIVE DATE.** This section is effective January 1, 2018.

294.6 Sec. 23. **[245G.10] STAFF REQUIREMENTS.**

294.7 Subdivision 1. **Treatment director.** A license holder must have a treatment director.

294.8 Subd. 2. **Alcohol and drug counselor supervisor.** A license holder must employ an
294.9 alcohol and drug counselor supervisor who meets the requirements of section 245G.11,
294.10 subdivision 4. An individual may be simultaneously employed as a treatment director,
294.11 alcohol and drug counselor supervisor, and an alcohol and drug counselor if the individual
294.12 meets the qualifications for each position. If an alcohol and drug counselor is simultaneously
294.13 employed as an alcohol and drug counselor supervisor or treatment director, that individual
294.14 must be considered a 0.5 full-time equivalent alcohol and drug counselor for staff
294.15 requirements under subdivision 4.

294.16 Subd. 3. **Responsible staff member.** A treatment director must designate a staff member
294.17 who, when present in the facility, is responsible for the delivery of treatment service. A
294.18 license holder must have a designated staff member during all hours of operation. A license
294.19 holder providing room and board and treatment at the same site must have a responsible
294.20 staff member on duty 24 hours a day. The designated staff member must know and understand
294.21 the implications of this chapter and sections 245A.65, 626.556, 626.557, and 626.5572.

294.22 Subd. 4. **Staff requirement.** It is the responsibility of the license holder to determine
294.23 an acceptable group size based on each client's needs except that treatment services provided
294.24 in a group shall not exceed 16 clients. A counselor in an opioid treatment program must not
294.25 supervise more than 50 clients. The license holder must maintain a record that documents
294.26 compliance with this subdivision.

294.27 Subd. 5. **Medical emergency.** When a client is present, a license holder must have at
294.28 least one staff member on the premises who has a current American Red Cross standard
294.29 first aid certificate or an equivalent certificate and at least one staff member on the premises
294.30 who has a current American Red Cross community, American Heart Association, or
294.31 equivalent CPR certificate. A single staff member with both certifications satisfies this
294.32 requirement.

295.1 **EFFECTIVE DATE.** This section is effective January 1, 2018.

295.2 Sec. 24. **[245G.11] STAFF QUALIFICATIONS.**

295.3 Subdivision 1. **General qualifications.** (a) All staff members who have direct contact
295.4 must be 18 years of age or older. At the time of employment, each staff member must meet
295.5 the qualifications in this subdivision. For purposes of this subdivision, "problematic substance
295.6 use" means a behavior or incident listed by the license holder in the personnel policies and
295.7 procedures according to section 245G.13, subdivision 1, clause (5).

295.8 (b) A treatment director, supervisor, nurse, counselor, student intern, or other professional
295.9 must be free of problematic substance use for at least the two years immediately preceding
295.10 employment and must sign a statement attesting to that fact.

295.11 (c) A paraprofessional, recovery peer, or any other staff member with direct contact
295.12 must be free of problematic substance use for at least one year immediately preceding
295.13 employment and must sign a statement attesting to that fact.

295.14 Subd. 2. **Employment; prohibition on problematic substance use.** A staff member
295.15 with direct contact must be free from problematic substance use as a condition of
295.16 employment, but is not required to sign additional statements. A staff member with direct
295.17 contact who is not free from problematic substance use must be removed from any
295.18 responsibilities that include direct contact for the time period specified in subdivision 1.
295.19 The time period begins to run on the date of the last incident of problematic substance use
295.20 as described in the facility's policies and procedures according to section 245G.13,
295.21 subdivision 1, clause (5).

295.22 Subd. 3. **Treatment directors.** A treatment director must:

295.23 (1) have at least one year of work experience in direct service to an individual with
295.24 substance use disorder or one year of work experience in the management or administration
295.25 of direct service to an individual with substance use disorder;

295.26 (2) have a baccalaureate degree or three years of work experience in administration or
295.27 personnel supervision in human services; and

295.28 (3) know and understand the implications of this chapter, chapter 245A, and sections
295.29 626.556, 626.557, and 626.5572. Demonstration of the treatment director's knowledge must
295.30 be documented in the personnel record.

295.31 Subd. 4. **Alcohol and drug counselor supervisors.** An alcohol and drug counselor
295.32 supervisor must:

- 296.1 (1) meet the qualification requirements in subdivision 5;
- 296.2 (2) have three or more years of experience providing individual and group counseling
296.3 to individuals with substance use disorder; and
- 296.4 (3) know and understand the implications of this chapter and sections 245A.65, 626.556,
296.5 626.557, and 626.5572.
- 296.6 Subd. 5. **Alcohol and drug counselor qualifications.** (a) An alcohol and drug counselor
296.7 must either be licensed or exempt from licensure under chapter 148F.
- 296.8 (b) An individual who is exempt from licensure under chapter 148F, must meet one of
296.9 the following additional requirements:
- 296.10 (1) completion of at least a baccalaureate degree with a major or concentration in social
296.11 work, nursing, sociology, human services, or psychology, or licensure as a registered nurse;
296.12 successful completion of a minimum of 120 hours of classroom instruction in which each
296.13 of the core functions listed in chapter 148F is covered; and successful completion of 440
296.14 hours of supervised experience as an alcohol and drug counselor, either as a student or a
296.15 staff member;
- 296.16 (2) completion of at least 270 hours of drug counselor training in which each of the core
296.17 functions listed in chapter 148F is covered, and successful completion of 880 hours of
296.18 supervised experience as an alcohol and drug counselor, either as a student or as a staff
296.19 member;
- 296.20 (3) current certification as an alcohol and drug counselor or alcohol and drug counselor
296.21 reciprocal, through the evaluation process established by the International Certification and
296.22 Reciprocity Consortium Alcohol and Other Drug Abuse, Inc.;
- 296.23 (4) completion of a bachelor's degree including 480 hours of alcohol and drug counseling
296.24 education from an accredited school or educational program and 880 hours of alcohol and
296.25 drug counseling practicum; or
- 296.26 (5) employment in a program formerly licensed under Minnesota Rules, parts 9530.5000
296.27 to 9530.6400, and successful completion of 6,000 hours of supervised work experience in
296.28 a licensed program as an alcohol and drug counselor prior to January 1, 2005.
- 296.29 (c) An alcohol and drug counselor may not provide a treatment service that requires
296.30 professional licensure unless the individual possesses the necessary license. For the purposes
296.31 of enforcing this section, the commissioner has the authority to monitor a service provider's
296.32 compliance with the relevant standards of the service provider's profession and may issue

297.1 licensing actions against the license holder according to sections 245A.05, 245A.06, and
297.2 245A.07, based on the commissioner's determination of noncompliance.

297.3 Subd. 6. **Paraprofessionals.** A paraprofessional must have knowledge of client rights,
297.4 according to section 148F.165, and staff member responsibilities. A paraprofessional may
297.5 not admit, transfer, or discharge a client but may be responsible for the delivery of treatment
297.6 service according to section 245G.10, subdivision 3.

297.7 Subd. 7. **Care coordination provider qualifications.** (a) Care coordination must be
297.8 provided by qualified staff. An individual is qualified to provide care coordination if the
297.9 individual:

297.10 (1) is skilled in the process of identifying and assessing a wide range of client needs;

297.11 (2) is knowledgeable about local community resources and how to use those resources
297.12 for the benefit of the client;

297.13 (3) has successfully completed 30 hours of classroom instruction on care coordination
297.14 for an individual with substance use disorder;

297.15 (4) has either:

297.16 (i) a bachelor's degree in one of the behavioral sciences or related fields; or

297.17 (ii) current certification as an alcohol and drug counselor, level I, by the Upper Midwest
297.18 Indian Council on Addictive Disorders; and

297.19 (5) has at least 2,000 hours of supervised experience working with individuals with
297.20 substance use disorder.

297.21 (b) A care coordinator must receive at least one hour of supervision regarding individual
297.22 service delivery from an alcohol and drug counselor weekly.

297.23 Subd. 8. **Recovery peer qualifications.** A recovery peer must:

297.24 (1) have a high school diploma or its equivalent;

297.25 (2) have a minimum of one year in recovery from substance use disorder;

297.26 (3) hold a current credential from a certification body approved by the commissioner
297.27 that demonstrates skills and training in the domains of ethics and boundaries, advocacy,
297.28 mentoring and education, and recovery and wellness support; and

297.29 (4) receive ongoing supervision in areas specific to the domains of the recovery peer's
297.30 role by an alcohol and drug counselor or an individual with a certification approved by the
297.31 commissioner.

298.1 Subd. 9. **Volunteers.** A volunteer may provide treatment service when the volunteer is
298.2 supervised and can be seen or heard by a staff member meeting the criteria in subdivision
298.3 4 or 5, but may not practice alcohol and drug counseling unless qualified under subdivision
298.4 5.

298.5 Subd. 10. **Student interns.** A qualified staff member must supervise and be responsible
298.6 for a treatment service performed by a student intern and must review and sign each
298.7 assessment, progress note, and individual treatment plan prepared by a student intern. A
298.8 student intern must receive the orientation and training required in section 245G.13,
298.9 subdivisions 1, clause (7), and 2. No more than 50 percent of the treatment staff may be
298.10 students or licensing candidates with time documented to be directly related to the provision
298.11 of treatment services for which the staff are authorized.

298.12 Subd. 11. **Individuals with temporary permit.** An individual with a temporary permit
298.13 from the Board of Behavioral Health and Therapy may provide chemical dependency
298.14 treatment service according to this subdivision if they meet the requirements of either
298.15 paragraph (a) or (b).

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

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

298.23 **EFFECTIVE DATE.** This section is effective January 1, 2018.

298.24 Sec. 25. **[245G.12] PROVIDER POLICIES AND PROCEDURES.**

298.25 A license holder must develop a written policies and procedures manual, indexed
298.26 according to section 245A.04, subdivision 14, paragraph (c), that provides staff members
298.27 immediate access to all policies and procedures and provides a client and other authorized
298.28 parties access to all policies and procedures. The manual must contain the following
298.29 materials:

298.30 (1) assessment and treatment planning policies, including screening for mental health
298.31 concerns and treatment objectives related to the client's identified mental health concerns
298.32 in the client's treatment plan;

298.33 (2) policies and procedures regarding HIV according to section 245A.19;

- 299.1 (3) the license holder's methods and resources to provide information on tuberculosis
299.2 and tuberculosis screening to each client and to report a known tuberculosis infection
299.3 according to section 144.4804;
- 299.4 (4) personnel policies according to section 245G.13;
- 299.5 (5) policies and procedures that protect a client's rights according to section 245G.15;
- 299.6 (6) a medical services plan according to section 245G.08;
- 299.7 (7) emergency procedures according to section 245G.16;
- 299.8 (8) policies and procedures for maintaining client records according to section 245G.09;
- 299.9 (9) procedures for reporting the maltreatment of minors according to section 626.556,
299.10 and vulnerable adults according to sections 245A.65, 626.557, and 626.5572;
- 299.11 (10) a description of treatment services, including the amount and type of services
299.12 provided;
- 299.13 (11) the methods used to achieve desired client outcomes;
- 299.14 (12) the hours of operation; and
- 299.15 (13) the target population served.
- 299.16 **EFFECTIVE DATE.** This section is effective January 1, 2018.

299.17 **Sec. 26. [245G.13] PROVIDER PERSONNEL POLICIES.**

- 299.18 **Subdivision 1. Personnel policy requirements.** A license holder must have written
299.19 **personnel policies that are available to each staff member. The personnel policies must:**
- 299.20 (1) ensure that staff member retention, promotion, job assignment, or pay are not affected
299.21 by a good faith communication between a staff member and the department, the Department
299.22 of Health, the ombudsman for mental health and developmental disabilities, law enforcement,
299.23 or a local agency for the investigation of a complaint regarding a client's rights, health, or
299.24 safety;
- 299.25 (2) contain a job description for each staff member position specifying responsibilities,
299.26 degree of authority to execute job responsibilities, and qualification requirements;
- 299.27 (3) provide for a job performance evaluation based on standards of job performance
299.28 conducted on a regular and continuing basis, including a written annual review;
- 299.29 (4) describe behavior that constitutes grounds for disciplinary action, suspension, or
299.30 dismissal, including policies that address staff member problematic substance use and the

300.1 requirements of section 245G.11, subdivision 1, policies prohibiting personal involvement
300.2 with a client in violation of chapter 604, and policies prohibiting client abuse described in
300.3 sections 245A.65, 626.556, 626.557, and 626.5572;

300.4 (5) identify how the program will identify whether behaviors or incidents are problematic
300.5 substance use, including a description of how the facility must address:

300.6 (i) receiving treatment for substance use within the period specified for the position in
300.7 the staff qualification requirements, including medication-assisted treatment;

300.8 (ii) substance use that negatively impacts the staff member's job performance;

300.9 (iii) chemical use that affects the credibility of treatment services with a client, referral
300.10 source, or other member of the community;

300.11 (iv) symptoms of intoxication or withdrawal on the job; and

300.12 (v) the circumstances under which an individual who participates in monitoring by the
300.13 health professional services program for a substance use or mental health disorder is able
300.14 to provide services to the program's clients;

300.15 (6) include a chart or description of the organizational structure indicating lines of
300.16 authority and responsibilities;

300.17 (7) include orientation within 24 working hours of starting for each new staff member
300.18 based on a written plan that, at a minimum, must provide training related to the staff member's
300.19 specific job responsibilities, policies and procedures, client confidentiality, HIV minimum
300.20 standards, and client needs; and

300.21 (8) include policies outlining the license holder's response to a staff member with a
300.22 behavior problem that interferes with the provision of treatment service.

300.23 Subd. 2. **Staff development.** (a) A license holder must ensure that each staff member
300.24 has the training described in this subdivision.

300.25 (b) Each staff member must be trained every two years in:

300.26 (1) client confidentiality rules and regulations and client ethical boundaries; and

300.27 (2) emergency procedures and client rights as specified in sections 144.651, 148F.165,
300.28 and 253B.03.

300.29 (c) Annually each staff member with direct contact must be trained on mandatory
300.30 reporting as specified in sections 245A.65, 626.556, 626.5561, 626.557, and 626.5572,

301.1 including specific training covering the license holder's policies for obtaining a release of
301.2 client information.

301.3 (d) Upon employment and annually thereafter, each staff member with direct contact
301.4 must receive training on HIV minimum standards according to section 245A.19.

301.5 (e) A treatment director, supervisor, nurse, or counselor must have a minimum of 12
301.6 hours of training in co-occurring disorders that includes competencies related to philosophy,
301.7 trauma-informed care, screening, assessment, diagnosis and person-centered treatment
301.8 planning, documentation, programming, medication, collaboration, mental health
301.9 consultation, and discharge planning. A new staff member who has not obtained the training
301.10 must complete the training within six months of employment. A staff member may request,
301.11 and the license holder may grant, credit for relevant training obtained before employment,
301.12 which must be documented in the staff member's personnel file.

301.13 Subd. 3. **Personnel files.** The license holder must maintain a separate personnel file for
301.14 each staff member. At a minimum, the personnel file must conform to the requirements of
301.15 this chapter. A personnel file must contain the following:

301.16 (1) a completed application for employment signed by the staff member and containing
301.17 the staff member's qualifications for employment;

301.18 (2) documentation related to the staff member's background study data, according to
301.19 chapter 245C;

301.20 (3) for a staff member who provides psychotherapy services, employer names and
301.21 addresses for the past five years for which the staff member provided psychotherapy services,
301.22 and documentation of an inquiry required by sections 604.20 to 604.205 made to the staff
301.23 member's former employer regarding substantiated sexual contact with a client;

301.24 (4) documentation that the staff member completed orientation and training;

301.25 (5) documentation that the staff member meets the requirements in section 245G.11;

301.26 (6) documentation demonstrating the staff member's compliance with section 245G.08,
301.27 subdivision 3, for a staff member who conducts administration of medication; and

301.28 (7) documentation demonstrating the staff member's compliance with section 245G.18,
301.29 subdivision 2, for a staff member that treats an adolescent client.

301.30 **EFFECTIVE DATE.** This section is effective January 1, 2018.

Sec. 27. **[245G.14] SERVICE INITIATION AND TERMINATION POLICIES.**

Subdivision 1. Service initiation policy. A license holder must have a written service initiation policy containing service initiation preferences that comply with this section and Code of Federal Regulations, title 45, part 96.131, and specific service initiation criteria. The license holder must not initiate services for an individual who does not meet the service initiation criteria. The service initiation criteria must be either posted in the area of the facility where services for a client are initiated, or given to each interested person upon request. Titles of each staff member authorized to initiate services for a client must be listed in the services initiation and termination policies.

Subd. 2. License holder responsibilities. (a) The license holder must have and comply with a written protocol for (1) assisting a client in need of care not provided by the license holder, and (2) a client who poses a substantial likelihood of harm to the client or others, if the behavior is beyond the behavior management capabilities of the staff members.

(b) A service termination and denial of service initiation that poses an immediate threat to the health of any individual or requires immediate medical intervention must be referred to a medical facility capable of admitting the client.

(c) A service termination policy and a denial of service initiation that involves the commission of a crime against a license holder's staff member or on a license holder's premises, as provided under Code of Federal Regulations, title 42, section 2.12(c)(5), and title 45, parts 160 to 164, must be reported to a law enforcement agency with jurisdiction.

Subd. 3. Service termination policies. A license holder must have a written policy specifying the conditions when a client must be terminated from service. The service termination policy must include:

(1) procedures for a client whose services were terminated under subdivision 2;

(2) a description of client behavior that constitutes reason for a staff-requested service termination and a process for providing this information to a client;

(3) a requirement that before discharging a client from a residential setting, for not reaching treatment plan goals, the license holder must confer with other interested persons to review the issues involved in the decision. The documentation requirements for a staff-requested service termination must describe why the decision to discharge is warranted, the reasons for the discharge, and the alternatives considered or attempted before discharging the client;

303.1 (4) procedures consistent with section 253B.16, subdivision 2, that staff members must
303.2 follow when a client admitted under chapter 253B is to have services terminated;

303.3 (5) procedures a staff member must follow when a client leaves against staff or medical
303.4 advice and when the client may be dangerous to the client or others, including a policy that
303.5 requires a staff member to assist the client with assessing needs of care or other resources;

303.6 (6) procedures for communicating staff-approved service termination criteria to a client,
303.7 including the expectations in the client's individual treatment plan according to section
303.8 245G.06; and

303.9 (7) titles of each staff member authorized to terminate a client's service must be listed
303.10 in the service initiation and service termination policies.

303.11 **EFFECTIVE DATE.** This section is effective January 1, 2018.

303.12 Sec. 28. **[245G.15] CLIENT RIGHTS PROTECTION.**

303.13 Subdivision 1. **Explanation.** A client has the rights identified in sections 144.651,
303.14 148F.165, 253B.03, and 254B.02, subdivision 2, as applicable. The license holder must
303.15 give each client at service initiation a written statement of the client's rights and
303.16 responsibilities. A staff member must review the statement with a client at that time.

303.17 Subd. 2. **Grievance procedure.** At service initiation, the license holder must explain
303.18 the grievance procedure to the client or the client's representative. The grievance procedure
303.19 must be posted in a place visible to clients, and made available upon a client's or former
303.20 client's request. The grievance procedure must require that:

303.21 (1) a staff member helps the client develop and process a grievance;

303.22 (2) current telephone numbers and addresses of the Department of Human Services,
303.23 Licensing Division; the Office of Ombudsman for Mental Health and Developmental
303.24 Disabilities; the Department of Health Office of Health Facilities Complaints; and the Board
303.25 of Behavioral Health and Therapy, when applicable, be made available to a client; and

303.26 (3) a license holder responds to the client's grievance within three days of a staff member's
303.27 receipt of the grievance, and the client may bring the grievance to the highest level of
303.28 authority in the program if not resolved by another staff member.

303.29 Subd. 3. **Photographs of client.** (a) A photograph, video, or motion picture of a client
303.30 taken in the provision of treatment service is considered client records. A photograph for
303.31 identification and a recording by video or audio technology to enhance either therapy or
303.32 staff member supervision may be required of a client, but may only be available for use as

304.1 communications within a program. A client must be informed when the client's actions are
304.2 being recorded by camera or other technology, and the client must have the right to refuse
304.3 any recording or photography, except as authorized by this subdivision.

304.4 (b) A license holder must have a written policy regarding the use of any personal
304.5 electronic device that can record, transmit, or make images of another client. A license
304.6 holder must inform each client of this policy and the client's right to refuse being
304.7 photographed or recorded.

304.8 **EFFECTIVE DATE.** This section is effective January 1, 2018.

304.9 Sec. 29. **[245G.16] BEHAVIORAL EMERGENCY PROCEDURES.**

304.10 (a) A license holder or applicant must have written behavioral emergency procedures
304.11 that staff must follow when responding to a client who exhibits behavior that is threatening
304.12 to the safety of the client or others. Programs must incorporate person-centered planning
304.13 and trauma-informed care in the program's behavioral emergency procedure policies. The
304.14 procedures must include:

304.15 (1) a plan designed to prevent a client from hurting themselves or others;

304.16 (2) contact information for emergency resources that staff must consult when a client's
304.17 behavior cannot be controlled by the behavioral emergency procedures;

304.18 (3) types of procedures that may be used;

304.19 (4) circumstances under which behavioral emergency procedures may be used; and

304.20 (5) staff members authorized to implement behavioral emergency procedures.

304.21 (b) Behavioral emergency procedures must not be used to enforce facility rules or for
304.22 the convenience of staff. Behavioral emergency procedures must not be part of any client's
304.23 treatment plan, or used at any time for any reason except in response to specific current
304.24 behavior that threatens the safety of the client or others. Behavioral emergency procedures
304.25 may not include the use of seclusion or restraint.

304.26 **EFFECTIVE DATE.** This section is effective January 1, 2018.

304.27 Sec. 30. **[245G.17] EVALUATION.**

304.28 A license holder must participate in the drug and alcohol abuse normative evaluation
304.29 system by submitting information about each client to the commissioner in a manner
304.30 prescribed by the commissioner. A license holder must submit additional information

305.1 requested by the commissioner that is necessary to meet statutory or federal funding
305.2 requirements.

305.3 **EFFECTIVE DATE.** This section is effective January 1, 2018.

305.4 Sec. 31. **[245G.18] LICENSE HOLDERS SERVING ADOLESCENTS.**

305.5 Subdivision 1. **License.** A residential treatment program that serves an adolescent younger
305.6 than 16 years of age must be licensed as a residential program for a child in out-of-home
305.7 placement by the department unless the license holder is exempt under section 245A.03,
305.8 subdivision 2.

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

305.12 (1) an additional 30 hours of classroom instruction or one three-credit semester college
305.13 course in adolescent development. This training need only be completed one time; and

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

305.16 Subd. 3. **Staff ratios.** At least 25 percent of a counselor's scheduled work hours must
305.17 be allocated to indirect services, including documentation of client services, coordination
305.18 of services with others, treatment team meetings, and other duties. A counseling group
305.19 consisting entirely of adolescents must not exceed 16 adolescents. It is the responsibility of
305.20 the license holder to determine an acceptable group size based on the needs of the clients.

305.21 Subd. 4. **Academic program requirements.** A client who is required to attend school
305.22 must be enrolled and attending an educational program that was approved by the Department
305.23 of Education.

305.24 Subd. 5. **Program requirements.** In addition to the requirements specified in the client's
305.25 treatment plan under section 245G.06, programs serving an adolescent must include:

305.26 (1) coordination with the school system to address the client's academic needs;

305.27 (2) when appropriate, a plan that addresses the client's leisure activities without chemical
305.28 use; and

305.29 (3) a plan that addresses family involvement in the adolescent's treatment.

305.30 **EFFECTIVE DATE.** This section is effective January 1, 2018.

Sec. 32. [245G.19] LICENSE HOLDERS SERVING CLIENTS WITH CHILDREN.

Subdivision 1. Health license requirements. In addition to the requirements of sections 245G.01 to 245G.17, a license holder that offers supervision of a child of a client is subject to the requirements of this section. A license holder providing room and board for a client and the client's child must have an appropriate facility license from the Department of Health.

Subd. 2. Supervision of a child. "Supervision of a child" means a caregiver is within sight or hearing of an infant, toddler, or preschooler at all times so that the caregiver can intervene to protect the child's health and safety. For a school-age child it means a caregiver is available to help and care for the child to protect the child's health and safety.

Subd. 3. Policy and schedule required. A license holder must meet the following requirements:

(1) have a policy and schedule delineating the times and circumstances when the license holder is responsible for supervision of a child in the program and when the child's parents are responsible for supervision of a child. The policy must explain how the program will communicate its policy about supervision of a child responsibility to the parent; and

(2) have written procedures addressing the actions a staff member must take if a child is neglected or abused, including while the child is under the supervision of the child's parent.

Subd. 4. Additional licensing requirements. During the times the license holder is responsible for the supervision of a child, the license holder must meet the following standards:

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

(2) day care training in section 245A.50;

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

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

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

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

EFFECTIVE DATE. This section is effective January 1, 2018.

307.1 Sec. 33. [245G.20] LICENSE HOLDERS SERVING PERSONS WITH
307.2 CO-OCCURRING DISORDERS.

307.3 A license holder specializing in the treatment of a person with co-occurring disorders
307.4 must:

307.5 (1) demonstrate that staff levels are appropriate for treating a client with a co-occurring
307.6 disorder, and that there are adequate staff members with mental health training;

307.7 (2) have continuing access to a medical provider with appropriate expertise in prescribing
307.8 psychotropic medication;

307.9 (3) have a mental health professional available for staff member supervision and
307.10 consultation;

307.11 (4) determine group size, structure, and content considering the special needs of a client
307.12 with a co-occurring disorder;

307.13 (5) have documentation of active interventions to stabilize mental health symptoms
307.14 present in the individual treatment plans and progress notes;

307.15 (6) have continuing documentation of collaboration with continuing care mental health
307.16 providers, and involvement of the providers in treatment planning meetings;

307.17 (7) have available program materials adapted to a client with a mental health problem;

307.18 (8) have policies that provide flexibility for a client who may lapse in treatment or may
307.19 have difficulty adhering to established treatment rules as a result of a mental illness, with
307.20 the goal of helping a client successfully complete treatment; and

307.21 (9) have individual psychotherapy and case management available during treatment
307.22 service.

307.23 EFFECTIVE DATE. This section is effective January 1, 2018.

307.24 Sec. 34. [245G.21] REQUIREMENTS FOR LICENSED RESIDENTIAL
307.25 TREATMENT.

307.26 Subdivision 1. Applicability. A license holder who provides supervised room and board
307.27 at the licensed program site as a treatment component is defined as a residential program
307.28 according to section 245A.02, subdivision 14, and is subject to this section.

307.29 Subd. 2. Visitors. A client must be allowed to receive visitors at times prescribed by
307.30 the license holder. The license holder must set and post a notice of visiting rules and hours,
307.31 including both day and evening times. A client's right to receive visitors other than a personal

308.1 physician, religious adviser, county case manager, parole or probation officer, or attorney
308.2 may be subject to visiting hours established by the license holder for all clients. The treatment
308.3 director or designee may impose limitations as necessary for the welfare of a client provided
308.4 the limitation and the reasons for the limitation are documented in the client's file. A client
308.5 must be allowed to receive visits at all reasonable times from the client's personal physician,
308.6 religious adviser, county case manager, parole or probation officer, and attorney.

308.7 Subd. 3. **Client property management.** A license holder who provides room and board
308.8 and treatment services to a client in the same facility, and any license holder that accepts
308.9 client property must meet the requirements for handling client funds and property in section
308.10 245A.04, subdivision 13. License holders:

308.11 (1) may establish policies regarding the use of personal property to ensure that treatment
308.12 activities and the rights of other clients are not infringed upon;

308.13 (2) may take temporary custody of a client's property for violation of a facility policy;

308.14 (3) must retain the client's property for a minimum of seven days after the client's service
308.15 termination if the client does not reclaim property upon service termination, or for a minimum
308.16 of 30 days if the client does not reclaim property upon service termination and has received
308.17 room and board services from the license holder; and

308.18 (4) must return all property held in trust to the client at service termination regardless
308.19 of the client's service termination status, except that:

308.20 (i) a drug, drug paraphernalia, or drug container that is subject to forfeiture under section
308.21 609.5316, must be given to the custody of a local law enforcement agency. If giving the
308.22 property to the custody of a local law enforcement agency violates Code of Federal
308.23 Regulations, title 42, sections 2.1 to 2.67, or title 45, parts 160 to 164, a drug, drug
308.24 paraphernalia, or drug container must be destroyed by a staff member designated by the
308.25 program director; and

308.26 (ii) a weapon, explosive, and other property that can cause serious harm to the client or
308.27 others must be given to the custody of a local law enforcement agency, and the client must
308.28 be notified of the transfer and of the client's right to reclaim any lawful property transferred;
308.29 and

308.30 (iii) a medication that was determined by a physician to be harmful after examining the
308.31 client must be destroyed, except when the client's personal physician approves the medication
308.32 for continued use.

309.1 Subd. 4. **Health facility license.** A license holder who provides room and board and
309.2 treatment services in the same facility must have the appropriate license from the Department
309.3 of Health.

309.4 Subd. 5. **Facility abuse prevention plan.** A license holder must establish and enforce
309.5 an ongoing facility abuse prevention plan consistent with sections 245A.65 and 626.557,
309.6 subdivision 14.

309.7 Subd. 6. **Individual abuse prevention plan.** A license holder must prepare an individual
309.8 abuse prevention plan for each client as specified under sections 245A.65, subdivision 2,
309.9 and 626.557, subdivision 14.

309.10 Subd. 7. **Health services.** A license holder must have written procedures for assessing
309.11 and monitoring a client's health, including a standardized data collection tool for collecting
309.12 health-related information about each client. The policies and procedures must be approved
309.13 and signed by a registered nurse.

309.14 Subd. 8. **Administration of medication.** A license holder must meet the administration
309.15 of medications requirements of section 245G.08, subdivision 5, if services include medication
309.16 administration.

309.17 **EFFECTIVE DATE.** This section is effective January 1, 2018.

309.18 Sec. 35. **[245G.22] OPIOID TREATMENT PROGRAMS.**

309.19 Subdivision 1. **Additional requirements.** (a) An opioid treatment program licensed
309.20 under this chapter must also comply with the requirements of this section and Code of
309.21 Federal Regulations, title 42, part 8. When federal guidance or interpretations are issued on
309.22 federal standards or requirements also required under this section, the federal guidance or
309.23 interpretations shall apply.

309.24 (b) Where a standard in this section differs from a standard in an otherwise applicable
309.25 administrative rule or statute, the standard of this section applies.

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

309.28 (b) "Diversion" means the use of a medication for the treatment of opioid addiction being
309.29 diverted from intended use of the medication.

309.30 (c) "Guest dose" means administration of a medication used for the treatment of opioid
309.31 addiction to a person who is not a client of the program that is administering or dispensing
309.32 the medication.

310.1 (d) "Medical director" means a physician licensed to practice medicine in the jurisdiction
310.2 that the opioid treatment program is located who assumes responsibility for administering
310.3 all medical services performed by the program, either by performing the services directly
310.4 or by delegating specific responsibility to authorized program physicians and health care
310.5 professionals functioning under the medical director's direct supervision.

310.6 (e) "Medication used for the treatment of opioid use disorder" means a medication
310.7 approved by the Food and Drug Administration for the treatment of opioid use disorder.

310.8 (f) "Minnesota health care programs" has the meaning given in section 256B.0636.

310.9 (g) "Opioid treatment program" has the meaning given in Code of Federal Regulations,
310.10 title 42, section 8.12, and includes programs licensed under this chapter.

310.11 (h) "Placing authority" has the meaning given in Minnesota Rules, part 9530.6605,
310.12 subpart 21a.

310.13 (i) "Unsupervised use" means the use of a medication for the treatment of opioid use
310.14 disorder dispensed for use by a client outside of the program setting.

310.15 Subd. 3. **Medication orders.** Before the program may administer or dispense a medication
310.16 used for the treatment of opioid use disorder:

310.17 (1) a client-specific order must be received from an appropriately credentialed physician
310.18 who is enrolled as a Minnesota health care programs provider and meets all applicable
310.19 provider standards;

310.20 (2) the signed order must be documented in the client's record; and

310.21 (3) if the physician that issued the order is not able to sign the order when issued, the
310.22 unsigned order must be entered in the client record at the time it was received, and the
310.23 physician must review the documentation and sign the order in the client's record within 72
310.24 hours of the medication being ordered. The license holder must report to the commissioner
310.25 any medication error that endangers a client's health, as determined by the medical director.

310.26 Subd. 4. **High dose requirements.** A client being administered or dispensed a dose
310.27 beyond that set forth in subdivision 6, paragraph (a), clause (1), that exceeds 150 milligrams
310.28 of methadone or 24 milligrams of buprenorphine daily, and for each subsequent increase,
310.29 must meet face-to-face with a prescribing physician. The meeting must occur before the
310.30 administration or dispensing of the increased medication dose.

310.31 Subd. 5. **Drug testing.** Each client enrolled in the program must receive a minimum of
310.32 eight random drug abuse tests per 12 months of treatment. Drug abuse tests must be

311.1 reasonably disbursed over the 12-month period. A license holder may elect to conduct more
311.2 drug abuse tests.

311.3 Subd. 6. **Criteria for unsupervised use.** (a) To limit the potential for diversion of
311.4 medication used for the treatment of opioid use disorder to the illicit market, medication
311.5 dispensed to a client for unsupervised use shall be subject to the following requirements:

311.6 (1) any client in an opioid treatment program may receive a single unsupervised use
311.7 dose for a day that the clinic is closed for business, including Sundays and state and federal
311.8 holidays; and

311.9 (2) other treatment program decisions on dispensing medications used for the treatment
311.10 of opioid use disorder to a client for unsupervised use shall be determined by the medical
311.11 director.

311.12 (b) In determining whether a client may be permitted unsupervised use of medications,
311.13 a physician with authority to prescribe must consider the criteria in this paragraph. The
311.14 criteria in this paragraph must also be considered when determining whether dispensing
311.15 medication for a client's unsupervised use is appropriate to increase or to extend the amount
311.16 of time between visits to the program. The criteria are:

311.17 (1) absence of recent abuse of drugs including but not limited to opioids, non-narcotics,
311.18 and alcohol;

311.19 (2) regularity of program attendance;

311.20 (3) absence of serious behavioral problems at the program;

311.21 (4) absence of known recent criminal activity such as drug dealing;

311.22 (5) stability of the client's home environment and social relationships;

311.23 (6) length of time in comprehensive maintenance treatment;

311.24 (7) reasonable assurance that unsupervised use medication will be safely stored within
311.25 the client's home; and

311.26 (8) whether the rehabilitative benefit the client derived from decreasing the frequency
311.27 of program attendance outweighs the potential risks of diversion or unsupervised use.

311.28 (c) The determination, including the basis of the determination must be documented in
311.29 the client's medical record.

311.30 Subd. 7. **Restrictions for unsupervised use of methadone hydrochloride.** (a) If a
311.31 physician with authority to prescribe determines that a client meets the criteria in subdivision

312.1 6 and may be dispensed a medication used for the treatment of opioid addiction, the
312.2 restrictions in this subdivision must be followed when the medication to be dispensed is
312.3 methadone hydrochloride.

312.4 (b) During the first 90 days of treatment, the unsupervised use medication supply must
312.5 be limited to a maximum of a single dose each week and the client shall ingest all other
312.6 doses under direct supervision.

312.7 (c) In the second 90 days of treatment, the unsupervised use medication supply must be
312.8 limited to two doses per week.

312.9 (d) In the third 90 days of treatment, the unsupervised use medication supply must not
312.10 exceed three doses per week.

312.11 (e) In the remaining months of the first year, a client may be given a maximum six-day
312.12 unsupervised use medication supply.

312.13 (f) After one year of continuous treatment, a client may be given a maximum two-week
312.14 unsupervised use medication supply.

312.15 (g) After two years of continuous treatment, a client may be given a maximum one-month
312.16 unsupervised use medication supply, but must make monthly visits to the program.

312.17 Subd. 8. **Restriction exceptions.** When a license holder has reason to accelerate the
312.18 number of unsupervised use doses of methadone hydrochloride, the license holder must
312.19 comply with the requirements of Code of Federal Regulations, title 42, section 8.12, the
312.20 criteria for unsupervised use and must use the exception process provided by the federal
312.21 Center for Substance Abuse Treatment Division of Pharmacologic Therapies. For the
312.22 purposes of enforcement of this subdivision, the commissioner has the authority to monitor
312.23 a program for compliance with federal regulations and may issue licensing actions according
312.24 to sections 245A.05, 245A.06, and 245A.07 based on the commissioner's determination of
312.25 noncompliance.

312.26 Subd. 9. **Guest dose.** To receive a guest dose, the client must be enrolled in an opioid
312.27 treatment program elsewhere in the state or country and be receiving the medication on a
312.28 temporary basis because the client is not able to receive the medication at the program in
312.29 which the client is enrolled. Such arrangements shall not exceed 30 consecutive days in any
312.30 one program and must not be for the convenience or benefit of either program. A guest dose
312.31 may also occur when the client's primary clinic is not open and the client is not receiving
312.32 unsupervised use doses.

313.1 Subd. 10. **Capacity management and waiting list system compliance.** An opioid
313.2 treatment program must notify the department within seven days of the program reaching
313.3 both 90 and 100 percent of the program's capacity to care for clients. Each week, the program
313.4 must report its capacity, currently enrolled dosing clients, and any waiting list. A program
313.5 reporting 90 percent of capacity must also notify the department when the program's census
313.6 increases or decreases from the 90 percent level.

313.7 Subd. 11. **Waiting list.** An opioid treatment program must have a waiting list system.
313.8 If the person seeking admission cannot be admitted within 14 days of the date of application,
313.9 each person seeking admission must be placed on the waiting list, unless the person seeking
313.10 admission is assessed by the program and found ineligible for admission according to this
313.11 chapter and Code of Federal Regulations, title 42, part 1, subchapter A, section 8.12(e), and
313.12 title 45, parts 160 to 164. The waiting list must assign a unique client identifier for each
313.13 person seeking treatment while awaiting admission. A person seeking admission on a waiting
313.14 list who receives no services under section 245G.07, subdivision 1, must not be considered
313.15 a client as defined in section 245G.01, subdivision 9.

313.16 Subd. 12. **Client referral.** An opioid treatment program must consult the capacity
313.17 management system to ensure that a person on a waiting list is admitted at the earliest time
313.18 to a program providing appropriate treatment within a reasonable geographic area. If the
313.19 client was referred through a public payment system and if the program is not able to serve
313.20 the client within 14 days of the date of application for admission, the program must contact
313.21 and inform the referring agency of any available treatment capacity listed in the state capacity
313.22 management system.

313.23 Subd. 13. **Outreach.** An opioid treatment program must carry out activities to encourage
313.24 an individual in need of treatment to undergo treatment. The program's outreach model
313.25 must:

313.26 (1) select, train, and supervise outreach workers;

313.27 (2) contact, communicate, and follow up with individuals with high-risk substance
313.28 misuse, individuals with high-risk substance misuse associates, and neighborhood residents
313.29 within the constraints of federal and state confidentiality requirements;

313.30 (3) promote awareness among individuals who engage in substance misuse by injection
313.31 about the relationship between injecting substances and communicable diseases such as
313.32 HIV; and

313.33 (4) recommend steps to prevent HIV transmission.

314.1 Subd. 14. **Central registry.** (a) A license holder must comply with requirements to
314.2 submit information and necessary consents to the state central registry for each client
314.3 admitted, as specified by the commissioner. The license holder must submit data concerning
314.4 medication used for the treatment of opioid use disorder. The data must be submitted in a
314.5 method determined by the commissioner and the original information must be kept in the
314.6 client's record. The information must be submitted for each client at admission and discharge.
314.7 The program must document the date the information was submitted. The client's failure to
314.8 provide the information shall prohibit participation in an opioid treatment program. The
314.9 information submitted must include the client's:

314.10 (1) full name and all aliases;

314.11 (2) date of admission;

314.12 (3) date of birth;

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

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

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

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

314.17 (b) The requirements in paragraph (a) are effective upon the commissioner's
314.18 implementation of changes to the drug and alcohol abuse normative evaluation system or
314.19 development of an electronic system by which to submit the data.

314.20 Subd. 15. **Nonmedication treatment services; documentation.** (a) The program must
314.21 offer at least 50 consecutive minutes of individual or group therapy treatment services as
314.22 defined in section 245G.07, subdivision 1, paragraph (a), clause (1), per week, for the first
314.23 ten weeks following admission, and at least 50 consecutive minutes per month thereafter.
314.24 As clinically appropriate, the program may offer these services cumulatively and not
314.25 consecutively in increments of no less than 15 minutes over the required time period, and
314.26 for a total of 60 minutes of treatment services over the time period, and must document the
314.27 reason for providing services cumulatively in the client's record. The program may offer
314.28 additional levels of service when deemed clinically necessary.

314.29 (b) Notwithstanding the requirements of comprehensive assessments in section 245G.05,
314.30 the assessment must be completed within 21 days of service initiation.

314.31 (c) Notwithstanding the requirements of individual treatment plans set forth in section
314.32 245G.06:

315.1 (1) treatment plan contents for a maintenance client are not required to include goals
315.2 the client must reach to complete treatment and have services terminated;

315.3 (2) treatment plans for a client in a taper or detox status must include goals the client
315.4 must reach to complete treatment and have services terminated;

315.5 (3) for the initial ten weeks after admission for all new admissions, readmissions, and
315.6 transfers, progress notes must be entered in a client's file at least weekly and be recorded
315.7 in each of the six dimensions upon the development of the treatment plan and thereafter.
315.8 Subsequently, the counselor must document progress in the six dimensions at least once
315.9 monthly or, when clinical need warrants, more frequently; and

315.10 (4) upon the development of the treatment plan and thereafter, treatment plan reviews
315.11 must occur weekly, or after each treatment service, whichever is less frequent, for the first
315.12 ten weeks after the treatment plan is developed. Following the first ten weeks of treatment
315.13 plan reviews, reviews may occur monthly, unless the client's needs warrant more frequent
315.14 revisions or documentation.

315.15 Subd. 16. **Prescription monitoring program.** (a) The program must develop and
315.16 maintain a policy and procedure that requires the ongoing monitoring of the data from the
315.17 prescription monitoring program (PMP) for each client. The policy and procedure must
315.18 include how the program meets the requirements in paragraph (b).

315.19 (b) If a medication used for the treatment of substance use disorder is administered or
315.20 dispensed to a client, the license holder shall be subject to the following requirements:

315.21 (1) upon admission to a methadone clinic outpatient treatment program, a client must
315.22 be notified in writing that the commissioner of human services and the medical director
315.23 must monitor the PMP to review the prescribed controlled drugs a client received;

315.24 (2) the medical director or the medical director's delegate must review the data from the
315.25 PMP described in section 152.126 before the client is ordered any controlled substance, as
315.26 defined under section 152.126, subdivision 1, paragraph (c), including medications used
315.27 for the treatment of opioid addiction, and the medical director's or the medical director's
315.28 delegate's subsequent reviews of the PMP data must occur at least every 90 days;

315.29 (3) a copy of the PMP data reviewed must be maintained in the client's file;

315.30 (4) when the PMP data contains a recent history of multiple prescribers or multiple
315.31 prescriptions for controlled substances, the physician's review of the data and subsequent
315.32 actions must be documented in the client's file within 72 hours and must contain the medical
315.33 director's determination of whether or not the prescriptions place the client at risk of harm

316.1 and the actions to be taken in response to the PMP findings. The provider must conduct
316.2 subsequent reviews of the PMP on a monthly basis; and

316.3 (5) if at any time the medical director believes the use of the controlled substances places
316.4 the client at risk of harm, the program must seek the client's consent to discuss the client's
316.5 opioid treatment with other prescribers and must seek the client's consent for the other
316.6 prescriber to disclose to the opioid treatment program's medical director the client's condition
316.7 that formed the basis of the other prescriptions. If the information is not obtained within
316.8 seven days, the medical director must document whether or not changes to the client's
316.9 medication dose or number of unsupervised use doses are necessary until the information
316.10 is obtained.

316.11 (c) The commissioner shall collaborate with the Minnesota Board of Pharmacy to develop
316.12 and implement an electronic system for the commissioner to routinely access the PMP data
316.13 to determine whether any client enrolled in an opioid addiction treatment program licensed
316.14 according to this section was prescribed or dispensed a controlled substance in addition to
316.15 that administered or dispensed by the opioid addiction treatment program. When the
316.16 commissioner determines there have been multiple prescribers or multiple prescriptions of
316.17 controlled substances for a client, the commissioner shall:

316.18 (1) inform the medical director of the opioid treatment program only that the
316.19 commissioner determined the existence of multiple prescribers or multiple prescriptions of
316.20 controlled substances; and

316.21 (2) direct the medical director of the opioid treatment program to access the data directly,
316.22 review the effect of the multiple prescribers or multiple prescriptions, and document the
316.23 review.

316.24 (d) If determined necessary, the commissioner shall seek a federal waiver of, or exception
316.25 to, any applicable provision of Code of Federal Regulations, title 42, section 2.34(c), before
316.26 implementing this subdivision.

316.27 Subd. 17. **Policies and procedures.** (a) A license holder must develop and maintain the
316.28 policies and procedures required in this subdivision.

316.29 (b) For a program that is not open every day of the year, the license holder must maintain
316.30 a policy and procedure that permits a client to receive a single unsupervised use of medication
316.31 used for the treatment of opioid use disorder for days that the program is closed for business,
316.32 including, but not limited to, Sundays and state and federal holidays as required under
316.33 subdivision 6, paragraph (a), clause (1).

317.1 (c) The license holder must maintain a policy and procedure that includes specific
317.2 measures to reduce the possibility of diversion. The policy and procedure must:

317.3 (1) specifically identify and define the responsibilities of the medical and administrative
317.4 staff for performing diversion control measures; and

317.5 (2) include a process for contacting no less than five percent of clients who have
317.6 unsupervised use of medication, excluding clients approved solely under subdivision 6,
317.7 paragraph (a), clause (1), to require clients to physically return to the program each month.
317.8 The system must require clients to return to the program within a stipulated time frame and
317.9 turn in all unused medication containers related to opioid use disorder treatment. The license
317.10 holder must document all related contacts on a central log and the outcome of the contact
317.11 for each client in the client's record.

317.12 (d) Medication used for the treatment of opioid use disorder must be ordered,
317.13 administered, and dispensed according to applicable state and federal regulations and the
317.14 standards set by applicable accreditation entities. If a medication order requires assessment
317.15 by the person administering or dispensing the medication to determine the amount to be
317.16 administered or dispensed, the assessment must be completed by an individual whose
317.17 professional scope of practice permits an assessment. For the purposes of enforcement of
317.18 this paragraph, the commissioner has the authority to monitor the person administering or
317.19 dispensing the medication for compliance with state and federal regulations and the relevant
317.20 standards of the license holder's accreditation agency and may issue licensing actions
317.21 according to sections 245A.05, 245A.06, and 245A.07, based on the commissioner's
317.22 determination of noncompliance.

317.23 Subd. 18. **Quality improvement plan.** The license holder must develop and maintain
317.24 a quality improvement plan that:

317.25 (1) includes evaluation of the services provided to clients to identify issues that may
317.26 improve service delivery and client outcomes;

317.27 (2) includes goals for the program to accomplish based on the evaluation;

317.28 (3) is reviewed annually by the management of the program to determine whether the
317.29 goals were met and, if not, whether additional action is required;

317.30 (4) is updated at least annually to include new or continued goals based on an updated
317.31 evaluation of services; and

317.32 (5) identifies two specific goal areas, in addition to others identified by the program,
317.33 including:

318.1 (i) a goal concerning oversight and monitoring of the premises around and near the
318.2 exterior of the program to reduce the possibility of medication used for the treatment of
318.3 opioid use disorder being inappropriately used by a client, including but not limited to the
318.4 sale or transfer of the medication to others; and

318.5 (ii) a goal concerning community outreach, including but not limited to communications
318.6 with local law enforcement and county human services agencies, to increase coordination
318.7 of services and identification of areas of concern to be addressed in the plan.

318.8 Subd. 19. **Placing authorities.** A program must provide certain notification and
318.9 client-specific updates to placing authorities for a client who is enrolled in Minnesota health
318.10 care programs. At the request of the placing authority, the program must provide
318.11 client-specific updates, including but not limited to informing the placing authority of
318.12 positive drug screenings and changes in medications used for the treatment of opioid use
318.13 disorder ordered for the client.

318.14 Subd. 20. **Duty to report suspected drug diversion.** (a) To the fullest extent permitted
318.15 under Code of Federal Regulations, title 42, sections 2.1 to 2.67, a program shall report to
318.16 law enforcement any credible evidence that the program or its personnel knows, or reasonably
318.17 should know, that is directly related to a diversion crime on the premises of the program,
318.18 or a threat to commit a diversion crime.

318.19 (b) "Diversion crime," for the purposes of this section, means diverting, attempting to
318.20 divert, or conspiring to divert Schedule I, II, III, or IV drugs, as defined in section 152.02,
318.21 on the program's premises.

318.22 (c) The program must document the program's compliance with the requirement in
318.23 paragraph (a) in either a client's record or an incident report. A program's failure to comply
318.24 with paragraph (a) may result in sanctions as provided in sections 245A.06 and 245A.07.

318.25 **EFFECTIVE DATE.** This section is effective July 1, 2017.

318.26 Sec. 36. Minnesota Statutes 2016, section 246.18, subdivision 4, is amended to read:

318.27 Subd. 4. **Collections deposited in the general fund.** Except as provided in subdivisions
318.28 5, 6, and 7, all receipts from collection efforts for the regional treatment centers, state nursing
318.29 homes, and other state facilities as defined in section 246.50, subdivision 3, must be deposited
318.30 in the general fund. From that amount, receipts from collection efforts for the Anoka-Metro
318.31 Regional Treatment Center and community behavioral health hospitals must be deposited
318.32 in accordance with subdivision 4a. The commissioner shall ensure that the departmental
318.33 financial reporting systems and internal accounting procedures comply with federal standards

319.1 for reimbursement for program and administrative expenditures and fulfill the purpose of
319.2 this ~~paragraph~~ subdivision.

319.3 Sec. 37. Minnesota Statutes 2016, section 246.18, is amended by adding a subdivision to
319.4 read:

319.5 Subd. 4a. **Mental health innovation account.** The mental health innovation account is
319.6 established in the special revenue fund. Beginning in fiscal year 2018, \$1,000,000 of the
319.7 revenue generated by collection efforts from the Anoka-Metro Regional Treatment Center
319.8 and community behavioral health hospitals under section 246.54 must annually be deposited
319.9 into the mental health innovation account. Money deposited in the mental health innovation
319.10 account is appropriated to the commissioner of human services for the mental health
319.11 innovation grant program under section 245.4662.

319.12 Sec. 38. Minnesota Statutes 2016, section 254A.01, is amended to read:

319.13 **254A.01 PUBLIC POLICY.**

319.14 It is hereby declared to be the public policy of this state that scientific evidence shows
319.15 that addiction to alcohol or other drugs is a chronic brain disorder with potential for
319.16 recurrence, and as with many other chronic conditions, people with substance use disorders
319.17 can be effectively treated and can enter recovery. The interests of society are best served
319.18 by reducing the stigma of substance use disorder and providing persons who are dependent
319.19 upon alcohol or other drugs with a comprehensive range of rehabilitative and social services
319.20 that span intensity levels and are not restricted to a particular point in time. Further, it is
319.21 declared that treatment under these services shall be voluntary when possible: treatment
319.22 shall not be denied on the basis of prior treatment; treatment shall be based on an individual
319.23 treatment plan for each person undergoing treatment; treatment shall include a continuum
319.24 of services available for a person leaving a program of treatment; treatment shall include
319.25 all family members at the earliest possible phase of the treatment process.

319.26 **EFFECTIVE DATE.** This section is effective January 1, 2018.

319.27 Sec. 39. Minnesota Statutes 2016, section 254A.02, subdivision 2, is amended to read:

319.28 **Subd. 2. Approved treatment program.** "Approved treatment program" means care
319.29 and treatment services provided by any individual, organization or association to ~~drug~~
319.30 ~~dependent persons~~ with a substance use disorder, which meets the standards established by
319.31 the commissioner of human services.

319.32 **EFFECTIVE DATE.** This section is effective January 1, 2018.

320.1 Sec. 40. Minnesota Statutes 2016, section 254A.02, subdivision 3, is amended to read:

320.2 Subd. 3. **Comprehensive program.** "Comprehensive program" means the range of
320.3 services which are to be made available for the purpose of prevention, care and treatment
320.4 of ~~alcohol and drug abuse~~ substance misuse and substance use disorder.

320.5 **EFFECTIVE DATE.** This section is effective January 1, 2018.

320.6 Sec. 41. Minnesota Statutes 2016, section 254A.02, subdivision 5, is amended to read:

320.7 Subd. 5. **Drug dependent person.** "Drug dependent person" means any ~~inebriate person~~
320.8 ~~or any person~~ incapable of self-management or management of personal affairs or unable
320.9 to function physically or mentally in an effective manner because of the abuse of a drug,
320.10 including alcohol.

320.11 **EFFECTIVE DATE.** This section is effective January 1, 2018.

320.12 Sec. 42. Minnesota Statutes 2016, section 254A.02, subdivision 6, is amended to read:

320.13 Subd. 6. **Facility.** "Facility" means any treatment facility administered under an approved
320.14 treatment program ~~established under Laws 1973, chapter 572.~~

320.15 **EFFECTIVE DATE.** This section is effective January 1, 2018.

320.16 Sec. 43. Minnesota Statutes 2016, section 254A.02, is amended by adding a subdivision
320.17 to read:

320.18 Subd. 6a. **Substance misuse.** "Substance misuse" means the use of any psychoactive
320.19 or mood-altering substance, without compelling medical reason, in a manner that results in
320.20 mental, emotional, or physical impairment and causes socially dysfunctional or socially
320.21 disordering behavior and that results in psychological dependence or physiological addiction
320.22 as a function of continued use. Substance misuse has the same meaning as drug abuse or
320.23 abuse of drugs.

320.24 **EFFECTIVE DATE.** This section is effective January 1, 2018.

320.25 Sec. 44. Minnesota Statutes 2016, section 254A.02, subdivision 8, is amended to read:

320.26 Subd. 8. **Other drugs.** "Other drugs" means any psychoactive ~~chemical~~ substance other
320.27 than alcohol.

320.28 **EFFECTIVE DATE.** This section is effective January 1, 2018.

321.1 Sec. 45. Minnesota Statutes 2016, section 254A.02, subdivision 10, is amended to read:

321.2 Subd. 10. **State authority.** "State authority" is a division established within the
321.3 Department of Human Services for the purpose of relating the authority of state government
321.4 in the area of ~~alcohol and drug abuse~~ substance misuse and substance use disorder to the
321.5 ~~alcohol and drug abuse~~ substance misuse and substance use disorder-related activities within
321.6 the state.

321.7 **EFFECTIVE DATE.** This section is effective January 1, 2018.

321.8 Sec. 46. Minnesota Statutes 2016, section 254A.02, is amended by adding a subdivision
321.9 to read:

321.10 Subd. 10a. **Substance use disorder.** "Substance use disorder" has the meaning given
321.11 in the current Diagnostic and Statistical Manual of Mental Disorders.

321.12 **EFFECTIVE DATE.** This section is effective January 1, 2018.

321.13 Sec. 47. Minnesota Statutes 2016, section 254A.03, is amended to read:

321.14 **254A.03 STATE AUTHORITY ON ALCOHOL AND DRUG ABUSE.**

321.15 Subdivision 1. **Alcohol and Other Drug Abuse Section.** There is hereby created an
321.16 Alcohol and Other Drug Abuse Section in the Department of Human Services. This section
321.17 shall be headed by a director. The commissioner may place the director's position in the
321.18 unclassified service if the position meets the criteria established in section 43A.08,
321.19 subdivision 1a. The section shall:

321.20 (1) conduct and foster basic research relating to the cause, prevention and methods of
321.21 diagnosis, treatment and rehabilitation of ~~alcoholic and other drug-dependent~~ persons with
321.22 substance misuse and substance use disorder;

321.23 (2) coordinate and review all activities and programs of all the various state departments
321.24 as they relate to ~~alcohol and other drug dependency and abuse~~ problems associated with
321.25 substance misuse and substance use disorder;

321.26 (3) develop, demonstrate, and disseminate new methods and techniques for the prevention,
321.27 early intervention, treatment and ~~rehabilitation of alcohol and other drug abuse and~~
321.28 ~~dependency problems~~ recovery support for substance misuse and substance use disorder;

321.29 (4) gather facts and information about ~~alcoholism and other drug dependency and abuse~~
321.30 substance misuse and substance use disorder, and about the efficiency and effectiveness of
321.31 prevention, treatment, and ~~rehabilitation~~ recovery support services from all comprehensive

322.1 programs, including programs approved or licensed by the commissioner of human services
322.2 or the commissioner of health or accredited by the Joint Commission on Accreditation of
322.3 Hospitals. The state authority is authorized to require information from comprehensive
322.4 programs which is reasonable and necessary to fulfill these duties. When required information
322.5 has been previously furnished to a state or local governmental agency, the state authority
322.6 shall collect the information from the governmental agency. The state authority shall
322.7 disseminate facts and summary information about ~~alcohol and other drug abuse dependency~~
322.8 problems associated with substance misuse and substance use disorder to public and private
322.9 agencies, local governments, local and regional planning agencies, and the courts for guidance
322.10 to and assistance in prevention, treatment and ~~rehabilitation~~ recovery support;

322.11 (5) inform and educate the general public on ~~alcohol and other drug dependency and~~
322.12 ~~abuse problems~~ substance misuse and substance use disorder;

322.13 (6) serve as the state authority concerning ~~alcohol and other drug dependency and abuse~~
322.14 substance misuse and substance use disorder by monitoring the conduct of diagnosis and
322.15 referral services, research and comprehensive programs. The state authority shall submit a
322.16 biennial report to the governor and the legislature containing a description of public services
322.17 delivery and recommendations concerning increase of coordination and quality of services,
322.18 and decrease of service duplication and cost;

322.19 (7) establish a state plan which shall set forth goals and priorities for a comprehensive
322.20 ~~alcohol and other drug dependency and abuse program~~ continuum of care for substance
322.21 misuse and substance use disorder for Minnesota. All state agencies operating ~~alcohol and~~
322.22 ~~other drug abuse or dependency~~ substance misuse or substance use disorder programs or
322.23 administering state or federal funds for such programs shall annually set their program goals
322.24 and priorities in accordance with the state plan. Each state agency shall annually submit its
322.25 plans and budgets to the state authority for review. The state authority shall certify whether
322.26 proposed services comply with the comprehensive state plan and advise each state agency
322.27 of review findings;

322.28 (8) make contracts with and grants to public and private agencies and organizations,
322.29 both profit and nonprofit, and individuals, using federal funds, and state funds as authorized
322.30 to pay for costs of state administration, including evaluation, statewide programs and services,
322.31 research and demonstration projects, and American Indian programs;

322.32 (9) receive and administer ~~monies~~ money available for ~~alcohol and drug abuse~~ substance
322.33 misuse and substance use disorder programs under the alcohol, drug abuse, and mental
322.34 health services block grant, United States Code, title 42, sections 300X to 300X-9;

323.1 (10) solicit and accept any gift of money or property for purposes of Laws 1973, chapter
323.2 572, and any grant of money, services, or property from the federal government, the state,
323.3 any political subdivision thereof, or any private source;

323.4 (11) with respect to ~~alcohol and other drug abuse~~ substance misuse and substance use
323.5 disorder programs serving the American Indian community, establish guidelines for the
323.6 employment of personnel with considerable practical experience in ~~alcohol and other drug~~
323.7 ~~abuse problems~~ substance misuse and substance use disorder, and understanding of social
323.8 and cultural problems related to ~~alcohol and other drug abuse~~ substance misuse and substance
323.9 use disorder, in the American Indian community.

323.10 Subd. 2. **American Indian programs.** There is hereby created a section of American
323.11 Indian programs, within the Alcohol and Drug Abuse Section of the Department of Human
323.12 Services, to be headed by a special assistant for American Indian programs on ~~alcoholism~~
323.13 ~~and drug abuse~~ substance misuse and substance use disorder and two assistants to that
323.14 position. The section shall be staffed with all personnel necessary to fully administer
323.15 programming for ~~alcohol and drug abuse~~ substance misuse and substance use disorder
323.16 , services for American Indians in the state. The special assistant position shall be filled by
323.17 a person with considerable practical experience in and understanding of ~~alcohol and other~~
323.18 ~~drug abuse problems~~ substance misuse and substance use disorder in the American Indian
323.19 community, who shall be responsible to the director of the Alcohol and Drug Abuse Section
323.20 created in subdivision 1 and shall be in the unclassified service. The special assistant shall
323.21 meet and consult with the American Indian Advisory Council as described in section
323.22 254A.035 and serve as a liaison to the Minnesota Indian Affairs Council and tribes to report
323.23 on the status of ~~alcohol and other drug abuse~~ substance misuse and substance use disorder
323.24 among American Indians in the state of Minnesota. The special assistant with the approval
323.25 of the director shall:

323.26 (1) administer funds appropriated for American Indian groups, organizations and
323.27 reservations within the state for American Indian ~~alcoholism and drug abuse~~ substance
323.28 misuse and substance use disorder programs;

323.29 (2) establish policies and procedures for such American Indian programs with the
323.30 assistance of the American Indian Advisory Board; and

323.31 (3) hire and supervise staff to assist in the administration of the American Indian program
323.32 section within the Alcohol and Drug Abuse Section of the Department of Human Services.

323.33 Subd. 3. **Rules for ~~chemical dependency~~ substance use disorder care.** (a) The
323.34 commissioner of human services shall establish by rule criteria to be used in determining

324.1 the appropriate level of chemical dependency care for each recipient of public assistance
324.2 seeking treatment for ~~alcohol or other drug dependency and abuse problems.~~ substance
324.3 misuse or substance use disorder. Upon federal approval of a comprehensive assessment
324.4 as a Medicaid benefit, or on July 1, 2018, whichever is later, and notwithstanding the criteria
324.5 in Minnesota Rules, parts 9530.6600 to 9530.6655, an eligible vendor of comprehensive
324.6 assessments under section 254B.05 may determine and approve the appropriate level of
324.7 substance use disorder treatment for a recipient of public assistance. The process for
324.8 determining an individual's financial eligibility for the consolidated chemical dependency
324.9 treatment fund or determining an individual's enrollment in or eligibility for a publicly
324.10 subsidized health plan is not affected by the individual's choice to access a comprehensive
324.11 assessment for placement.

324.12 (b) The commissioner shall develop and implement a utilization review process for
324.13 publicly funded treatment placements to monitor and review the clinical appropriateness
324.14 and timeliness of all publicly funded placements in treatment.

324.15 **EFFECTIVE DATE.** This section is effective January 1, 2018.

324.16 Sec. 48. Minnesota Statutes 2016, section 254A.035, subdivision 1, is amended to read:

324.17 Subdivision 1. **Establishment.** There is created an American Indian Advisory Council
324.18 to assist the state authority on ~~alcohol and drug abuse~~ substance misuse and substance use
324.19 disorder in proposal review and formulating policies and procedures relating to ~~chemical~~
324.20 ~~dependency and the abuse of alcohol and other drugs~~ substance misuse and substance use
324.21 disorder by American Indians.

324.22 **EFFECTIVE DATE.** This section is effective January 1, 2018.

324.23 Sec. 49. Minnesota Statutes 2016, section 254A.04, is amended to read:

324.24 **254A.04 CITIZENS ADVISORY COUNCIL.**

324.25 There is hereby created an Alcohol and Other Drug Abuse Advisory Council to advise
324.26 the Department of Human Services concerning the problems of ~~alcohol and other drug~~
324.27 ~~dependency and abuse~~ substance misuse and substance use disorder, composed of ten
324.28 members. Five members shall be individuals whose interests or training are in the field of
324.29 ~~alcohol dependency~~ alcohol-specific substance use disorder and ~~abuse~~ alcohol misuse; and
324.30 five members whose interests or training are in the field of ~~dependency~~ substance use
324.31 disorder and ~~abuse of drugs~~ misuse of substances other than alcohol. The terms, compensation
324.32 and removal of members shall be as provided in section 15.059. The council expires June

30, 2018. The commissioner of human services shall appoint members whose terms end in even-numbered years. The commissioner of health shall appoint members whose terms end in odd-numbered years.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 50. Minnesota Statutes 2016, section 254A.08, is amended to read:

254A.08 DETOXIFICATION CENTERS.

Subdivision 1. **Detoxification services.** Every county board shall provide detoxification services for ~~drug-dependent persons~~ any person incapable of self-management or management of personal affairs or unable to function physically or mentally in an effective manner because of the use of a drug, including alcohol. The board may utilize existing treatment programs and other agencies to meet this responsibility.

Subd. 2. **Program requirements.** For the purpose of this section, a detoxification program means a social rehabilitation program licensed by the Department of Human Services under chapter 245A, and governed by the standards of Minnesota Rules, parts 9530.6510 to 9530.6590, and established for the purpose of facilitating access into care and treatment by detoxifying and evaluating the person and providing entrance into a comprehensive program. Evaluation of the person shall include verification by a professional, after preliminary examination, that the person is intoxicated or has symptoms of chemical dependency substance misuse or substance use disorder and appears to be in imminent danger of harming self or others. A detoxification program shall have available the services of a licensed physician for medical emergencies and routine medical surveillance. A detoxification program licensed by the Department of Human Services to serve both adults and minors at the same site must provide for separate sleeping areas for adults and minors.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 51. Minnesota Statutes 2016, section 254A.09, is amended to read:

254A.09 CONFIDENTIALITY OF RECORDS.

The Department of Human Services shall assure confidentiality to individuals who are the subject of research by the state authority or are recipients of ~~alcohol or drug abuse~~ substance misuse or substance use disorder information, assessment, or treatment from a licensed or approved program. The commissioner shall withhold from all persons not connected with the conduct of the research the names or other identifying characteristics of a subject of research unless the individual gives written permission that information

relative to treatment and recovery may be released. Persons authorized to protect the privacy of subjects of research may not be compelled in any federal, state or local, civil, criminal, administrative or other proceeding to identify or disclose other confidential information about the individuals. Identifying information and other confidential information related to ~~alcohol or drug abuse~~ substance misuse or substance use disorder information, assessment, treatment, or aftercare services may be ordered to be released by the court for the purpose of civil or criminal investigations or proceedings if, after review of the records considered for disclosure, the court determines that the information is relevant to the purpose for which disclosure is requested. The court shall order disclosure of only that information which is determined relevant. In determining whether to compel disclosure, the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the treatment relationship in the program affected and in other programs similarly situated, and the actual or potential harm to the ability of programs to attract and retain patients if disclosure occurs. This section does not exempt any person from the reporting obligations under section 626.556, nor limit the use of information reported in any proceeding arising out of the abuse or neglect of a child. Identifying information and other confidential information related to ~~alcohol or drug abuse information~~ substance misuse or substance use disorder, assessment, treatment, or aftercare services may be ordered to be released by the court for the purpose of civil or criminal investigations or proceedings. No information may be released pursuant to this section that would not be released pursuant to section 595.02, subdivision 2.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 52. Minnesota Statutes 2016, section 254A.19, subdivision 3, is amended to read:

Subd. 3. **Financial conflicts of interest.** (a) Except as provided in paragraph (b) or, (c), or (d), an assessor conducting a chemical use assessment under Minnesota Rules, parts 9530.6600 to 9530.6655, may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider.

(b) A county may contract with an assessor having a conflict described in paragraph (a) if the county documents that:

(1) the assessor is employed by a culturally specific service provider or a service provider with a program designed to treat individuals of a specific age, sex, or sexual preference;

(2) the county does not employ a sufficient number of qualified assessors and the only qualified assessors available in the county have a direct or shared financial interest or a referral relationship resulting in shared financial gain with a treatment provider; or

327.1 (3) the county social service agency has an existing relationship with an assessor or
327.2 service provider and elects to enter into a contract with that assessor to provide both
327.3 assessment and treatment under circumstances specified in the county's contract, provided
327.4 the county retains responsibility for making placement decisions.

327.5 (c) The county may contract with a hospital to conduct chemical assessments if the
327.6 requirements in subdivision 1a are met.

327.7 An assessor under this paragraph may not place clients in treatment. The assessor shall
327.8 gather required information and provide it to the county along with any required
327.9 documentation. The county shall make all placement decisions for clients assessed by
327.10 assessors under this paragraph.

327.11 (d) An eligible vendor under section 254B.05 conducting a comprehensive assessment
327.12 for an individual seeking treatment shall approve the nature, intensity level, and duration
327.13 of treatment service if a need for services is indicated, but the individual assessed can access
327.14 any enrolled provider that is licensed to provide the level of service authorized, including
327.15 the provider or program that completed the assessment. If an individual is enrolled in a
327.16 prepaid health plan, the individual must comply with any provider network requirements
327.17 or limitations.

327.18 **EFFECTIVE DATE.** This section is effective January 1, 2018.

327.19 Sec. 53. Minnesota Statutes 2016, section 254B.01, subdivision 3, is amended to read:

327.20 Subd. 3. ~~Chemical dependency~~ Substance use disorder treatment services. "Chemical
327.21 ~~dependency~~ Substance use disorder treatment services" means a planned program of care
327.22 for the treatment of ~~chemical dependency~~ substance misuse or ~~chemical abuse~~ substance
327.23 use disorder to minimize or prevent further ~~chemical abuse~~ substance misuse by the person.
327.24 Diagnostic, evaluation, prevention, referral, detoxification, and aftercare services that are
327.25 not part of a program of care licensable as a residential or nonresidential ~~chemical dependency~~
327.26 substance use disorder treatment program are not ~~chemical dependency~~ substance use
327.27 disorder services for purposes of this section. For pregnant and postpartum women, ~~chemical~~
327.28 ~~dependency~~ substance use disorder services include halfway house services, aftercare
327.29 services, psychological services, and case management.

327.30 **EFFECTIVE DATE.** This section is effective January 1, 2018.

328.1 Sec. 54. Minnesota Statutes 2016, section 254B.01, is amended by adding a subdivision
328.2 to read:

328.3 Subd. 8. **Recovery community organization.** "Recovery community organization"
328.4 means an independent organization led and governed by representatives of local communities
328.5 of recovery. A recovery community organization mobilizes resources within and outside
328.6 of the recovery community to increase the prevalence and quality of long-term recovery
328.7 from alcohol and other drug addiction. Recovery community organizations provide
328.8 peer-based recovery support activities such as training of recovery peers. Recovery
328.9 community organizations provide mentorship and ongoing support to individuals dealing
328.10 with a substance use disorder and connect them with the resources that can support each
328.11 person's recovery. A recovery community organization also promotes a recovery-focused
328.12 orientation in community education and outreach programming, and organize
328.13 recovery-focused policy advocacy activities to foster healthy communities and reduce the
328.14 stigma of substance use disorder.

328.15 **EFFECTIVE DATE.** This section is effective January 1, 2018.

328.16 Sec. 55. Minnesota Statutes 2016, section 254B.03, subdivision 2, is amended to read:

328.17 Subd. 2. **Chemical dependency fund payment.** (a) Payment from the chemical
328.18 dependency fund is limited to payments for services other than detoxification licensed under
328.19 Minnesota Rules, parts 9530.6510 to 9530.6590, that, if located outside of federally
328.20 recognized tribal lands, would be required to be licensed by the commissioner as a chemical
328.21 dependency treatment or rehabilitation program under sections 245A.01 to 245A.16, and
328.22 services other than detoxification provided in another state that would be required to be
328.23 licensed as a chemical dependency program if the program were in the state. Out of state
328.24 vendors must also provide the commissioner with assurances that the program complies
328.25 substantially with state licensing requirements and possesses all licenses and certifications
328.26 required by the host state to provide chemical dependency treatment. ~~Except for chemical~~
328.27 ~~dependency transitional rehabilitation programs,~~ Vendors receiving payments from the
328.28 chemical dependency fund must not require co-payment from a recipient of benefits for
328.29 services provided under this subdivision. The vendor is prohibited from using the client's
328.30 public benefits to offset the cost of services paid under this section. The vendor shall not
328.31 require the client to use public benefits for room or board costs. This includes but is not
328.32 limited to cash assistance benefits under chapters 119B, 256D, and 256J, or SNAP benefits.
328.33 Retention of SNAP benefits is a right of a client receiving services through the consolidated
328.34 chemical dependency treatment fund or through state contracted managed care entities.

329.1 Payment from the chemical dependency fund shall be made for necessary room and board
329.2 costs provided by vendors certified according to section 254B.05, or in a community hospital
329.3 licensed by the commissioner of health according to sections 144.50 to 144.56 to a client
329.4 who is:

329.5 (1) determined to meet the criteria for placement in a residential chemical dependency
329.6 treatment program according to rules adopted under section 254A.03, subdivision 3; and

329.7 (2) concurrently receiving a chemical dependency treatment service in a program licensed
329.8 by the commissioner and reimbursed by the chemical dependency fund.

329.9 (b) A county may, from its own resources, provide chemical dependency services for
329.10 which state payments are not made. A county may elect to use the same invoice procedures
329.11 and obtain the same state payment services as are used for chemical dependency services
329.12 for which state payments are made under this section if county payments are made to the
329.13 state in advance of state payments to vendors. When a county uses the state system for
329.14 payment, the commissioner shall make monthly billings to the county using the most recent
329.15 available information to determine the anticipated services for which payments will be made
329.16 in the coming month. Adjustment of any overestimate or underestimate based on actual
329.17 expenditures shall be made by the state agency by adjusting the estimate for any succeeding
329.18 month.

329.19 (c) The commissioner shall coordinate chemical dependency services and determine
329.20 whether there is a need for any proposed expansion of chemical dependency treatment
329.21 services. The commissioner shall deny vendor certification to any provider that has not
329.22 received prior approval from the commissioner for the creation of new programs or the
329.23 expansion of existing program capacity. The commissioner shall consider the provider's
329.24 capacity to obtain clients from outside the state based on plans, agreements, and previous
329.25 utilization history, when determining the need for new treatment services.

329.26 **EFFECTIVE DATE.** This section is effective January 1, 2018.

329.27 Sec. 56. Minnesota Statutes 2016, section 254B.04, subdivision 1, is amended to read:

329.28 Subdivision 1. **Eligibility.** (a) Persons eligible for benefits under Code of Federal
329.29 Regulations, title 25, part 20, and persons eligible for medical assistance benefits under
329.30 sections 256B.055, 256B.056, and 256B.057, subdivisions 1, 5, and 6, or who meet the
329.31 income standards of section 256B.056, subdivision 4, are entitled to chemical dependency
329.32 fund services. State money appropriated for this paragraph must be placed in a separate
329.33 account established for this purpose.

330.1 Persons with dependent children who are determined to be in need of chemical
330.2 dependency treatment pursuant to an assessment under section 626.556, subdivision 10, or
330.3 a case plan under section 260C.201, subdivision 6, or 260C.212, shall be assisted by the
330.4 local agency to access needed treatment services. Treatment services must be appropriate
330.5 for the individual or family, which may include long-term care treatment or treatment in a
330.6 facility that allows the dependent children to stay in the treatment facility. The county shall
330.7 pay for out-of-home placement costs, if applicable.

330.8 ~~(b) A person not entitled to services under paragraph (a), but with family income that~~
330.9 ~~is less than 215 percent of the federal poverty guidelines for the applicable family size, shall~~
330.10 ~~be eligible to receive chemical dependency fund services within the limit of funds~~
330.11 ~~appropriated for this group for the fiscal year. If notified by the state agency of limited~~
330.12 ~~funds, a county must give preferential treatment to persons with dependent children who~~
330.13 ~~are in need of chemical dependency treatment pursuant to an assessment under section~~
330.14 ~~626.556, subdivision 10, or a case plan under section 260C.201, subdivision 6, or 260C.212.~~
330.15 ~~A county may spend money from its own sources to serve persons under this paragraph.~~
330.16 ~~State money appropriated for this paragraph must be placed in a separate account established~~
330.17 ~~for this purpose.~~

330.18 ~~(e) Persons whose income is between 215 percent and 412 percent of the federal poverty~~
330.19 ~~guidelines for the applicable family size shall be eligible for chemical dependency services~~
330.20 ~~on a sliding fee basis, within the limit of funds appropriated for this group for the fiscal~~
330.21 ~~year. Persons eligible under this paragraph must contribute to the cost of services according~~
330.22 ~~to the sliding fee scale established under subdivision 3. A county may spend money from~~
330.23 ~~its own sources to provide services to persons under this paragraph. State money appropriated~~
330.24 ~~for this paragraph must be placed in a separate account established for this purpose.~~

330.25 **EFFECTIVE DATE.** This section is effective January 1, 2018.

330.26 Sec. 57. Minnesota Statutes 2016, section 254B.04, subdivision 2b, is amended to read:

330.27 Subd. 2b. **Eligibility for placement in opioid treatment programs.** ~~(a) Notwithstanding~~
330.28 ~~provisions of Minnesota Rules, part 9530.6622, subpart 5, related to a placement authority's~~
330.29 ~~requirement to authorize services or service coordination in a program that complies with~~
330.30 ~~Minnesota Rules, part 9530.6500, or Code of Federal Regulations, title 42, part 8, and after~~
330.31 ~~taking into account an individual's preference for placement in an opioid treatment program,~~
330.32 ~~a placement authority may, but is not required to, authorize services or service coordination~~
330.33 ~~or otherwise place an individual in an opioid treatment program. Prior to making a~~

331.1 ~~determination of placement for an individual, the placing authority must consult with the~~
331.2 ~~current treatment provider, if any.~~

331.3 (b) Prior to placement of an individual who is determined by the assessor to require
331.4 treatment for opioid addiction, the assessor must provide educational information concerning
331.5 treatment options for opioid addiction, including the use of a medication for the use of
331.6 opioid addiction. The commissioner shall develop educational materials supported by
331.7 research and updated periodically that must be used by assessors to comply with this
331.8 requirement.

331.9 **EFFECTIVE DATE.** This section is effective January 1, 2018.

331.10 Sec. 58. Minnesota Statutes 2016, section 254B.05, subdivision 1, is amended to read:

331.11 Subdivision 1. **Licensure required.** (a) Programs licensed by the commissioner are
331.12 eligible vendors. Hospitals may apply for and receive licenses to be eligible vendors,
331.13 notwithstanding the provisions of section 245A.03. American Indian programs that provide
331.14 ~~chemical dependency primary~~ substance use disorder treatment, extended care, transitional
331.15 residence, or outpatient treatment services, and are licensed by tribal government are eligible
331.16 vendors.

331.17 (b) On July 1, 2018, or upon federal approval, whichever is later, a licensed professional
331.18 in private practice who meets the requirements of section 245G.11, subdivisions 1 and 4,
331.19 is an eligible vendor of a comprehensive assessment and assessment summary provided
331.20 according to section 245G.05, and treatment services provided according to sections 245G.06
331.21 and 245G.07, subdivision 1, paragraphs (a), clauses (1) to (5), and (b); and subdivision 2.

331.22 (c) On July 1, 2018, or upon federal approval, whichever is later, a county is an eligible
331.23 vendor for a comprehensive assessment and assessment summary when provided by an
331.24 individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 4, and
331.25 completed according to the requirements of section 245G.05. A county is an eligible vendor
331.26 of care coordination services when provided by an individual who meets the staffing
331.27 credentials of section 245G.11, subdivisions 1 and 7, and provided according to the
331.28 requirements of section 245G.07, subdivision 1, clause (7).

331.29 (d) On July 1, 2018, or upon federal approval, whichever is later, a recovery community
331.30 organization that meets certification requirements identified by the commissioner is an
331.31 eligible vendor of peer support services.

331.32 (e) Detoxification programs licensed under Minnesota Rules, parts 9530.6510 to
331.33 9530.6590, are not eligible vendors. Programs that are not licensed as a chemical dependency

332.1 residential or nonresidential substance use disorder treatment or withdrawal management
332.2 program by the commissioner or by tribal government or do not meet the requirements of
332.3 subdivisions 1a and 1b are not eligible vendors.

332.4 **EFFECTIVE DATE.** This section is effective January 1, 2018.

332.5 Sec. 59. Minnesota Statutes 2016, section 254B.05, subdivision 1a, is amended to read:

332.6 Subd. 1a. **Room and board provider requirements.** (a) Effective January 1, 2000,
332.7 vendors of room and board are eligible for chemical dependency fund payment if the vendor:

332.8 (1) has rules prohibiting residents bringing chemicals into the facility or using chemicals
332.9 while residing in the facility and provide consequences for infractions of those rules;

332.10 (2) is determined to meet applicable health and safety requirements;

332.11 (3) is not a jail or prison;

332.12 (4) is not concurrently receiving funds under chapter 256I for the recipient;

332.13 (5) admits individuals who are 18 years of age or older;

332.14 (6) is registered as a board and lodging or lodging establishment according to section
332.15 157.17;

332.16 (7) has awake staff on site 24 hours per day;

332.17 (8) has staff who are at least 18 years of age and meet the requirements of Minnesota
332.18 Rules, ~~part 9530.6450, subpart 1, item A~~ section 245G.11, subdivision 1, paragraph (a);

332.19 (9) has emergency behavioral procedures that meet the requirements of ~~Minnesota Rules,~~
332.20 ~~part 9530.6475~~ section 245G.16;

332.21 (10) meets the requirements of ~~Minnesota Rules, part 9530.6435, subparts 3 and 4, items~~
332.22 ~~A and B~~ section 245G.08, subdivision 5, if administering medications to clients;

332.23 (11) meets the abuse prevention requirements of section 245A.65, including a policy on
332.24 fraternization and the mandatory reporting requirements of section 626.557;

332.25 (12) documents coordination with the treatment provider to ensure compliance with
332.26 section 254B.03, subdivision 2;

332.27 (13) protects client funds and ensures freedom from exploitation by meeting the
332.28 provisions of section 245A.04, subdivision 13;

332.29 (14) has a grievance procedure that meets the requirements of ~~Minnesota Rules, part~~
332.30 ~~9530.6470, subpart 2~~ section 245G.15, subdivision 2; and

333.1 (15) has sleeping and bathroom facilities for men and women separated by a door that
333.2 is locked, has an alarm, or is supervised by awake staff.

333.3 (b) Programs licensed according to Minnesota Rules, chapter 2960, are exempt from
333.4 paragraph (a), clauses (5) to (15).

333.5 **EFFECTIVE DATE.** This section is effective January 1, 2018.

333.6 Sec. 60. Minnesota Statutes 2016, section 254B.05, subdivision 5, is amended to read:

333.7 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for chemical
333.8 ~~dependency~~ substance use disorder services and service enhancements funded under this
333.9 chapter.

333.10 (b) Eligible ~~chemical dependency~~ substance use disorder treatment services include:

333.11 (1) outpatient treatment services that are licensed according to ~~Minnesota Rules, parts~~
333.12 ~~9530.6405 to 9530.6480~~ sections 245G.01 to 245G.17, or applicable tribal license;

333.13 (2) on July 1, 2018, or upon federal approval, whichever is later, comprehensive
333.14 assessments provided according to sections 245.4863, paragraph (a), and 245G.05, and
333.15 Minnesota Rules, part 9530.6422;

333.16 (3) on July 1, 2018, or upon federal approval, whichever is later, care coordination
333.17 services provided according to section 245G.07, subdivision 1, paragraph (a), clause (6);

333.18 (4) on July 1, 2018, or upon federal approval, whichever is later, peer recovery support
333.19 services provided according to section 245G.07, subdivision 1, paragraph (a), clause (5);

333.20 (5) on July 1, 2019, or upon federal approval, whichever is later, withdrawal management
333.21 services provided according to chapter 245F;

333.22 (2) ~~(6)~~ medication-assisted therapy services that are licensed according to ~~Minnesota~~
333.23 ~~Rules, parts 9530.6405 to 9530.6480 and 9530.6500~~ section 245G.07, subdivision 1, or
333.24 applicable tribal license;

333.25 ~~(3)~~ (7) medication-assisted therapy plus enhanced treatment services that meet the
333.26 requirements of clause ~~(2)~~ (6) and provide nine hours of clinical services each week;

333.27 ~~(4)~~ (8) high, medium, and low intensity residential treatment services that are licensed
333.28 according to ~~Minnesota Rules, parts 9530.6405 to 9530.6480 and 9530.6505~~, sections
333.29 245G.01 to 245G.17 and 245G.21 or applicable tribal license which provide, respectively,
333.30 30, 15, and five hours of clinical services each week;

334.1 (5) (9) hospital-based treatment services that are licensed according to ~~Minnesota Rules,~~
334.2 ~~parts 9530.6405 to 9530.6480,~~ sections 245G.01 to 245G.17 or applicable tribal license and
334.3 licensed as a hospital under sections 144.50 to 144.56;

334.4 ~~(6)~~ (10) adolescent treatment programs that are licensed as outpatient treatment programs
334.5 according to ~~Minnesota Rules, parts 9530.6405 to 9530.6485,~~ sections 245G.01 to 245G.18
334.6 or as residential treatment programs according to Minnesota Rules, parts 2960.0010 to
334.7 2960.0220, and 2960.0430 to 2960.0490, or applicable tribal license;

334.8 ~~(7)~~ (11) high-intensity residential treatment services that are licensed according to
334.9 ~~Minnesota Rules, parts 9530.6405 to 9530.6480 and 9530.6505,~~ sections 245G.01 to 245G.17
334.10 and 245G.21 or applicable tribal license, which provide 30 hours of clinical services each
334.11 week provided by a state-operated vendor or to clients who have been civilly committed to
334.12 the commissioner, present the most complex and difficult care needs, and are a potential
334.13 threat to the community; and

334.14 ~~(8)~~ (12) room and board facilities that meet the requirements of subdivision 1a.

334.15 (c) The commissioner shall establish higher rates for programs that meet the requirements
334.16 of paragraph (b) and one of the following additional requirements:

334.17 (1) programs that serve parents with their children if the program:

334.18 (i) provides on-site child care during the hours of treatment activity that:

334.19 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
334.20 9503; or

334.21 (B) meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph
334.22 (a), clause (6), and meets the requirements under ~~Minnesota Rules, part 9530.6490, subpart~~
334.23 4 section 245G.19, subdivision 4; or

334.24 (ii) arranges for off-site child care during hours of treatment activity at a facility that is
334.25 licensed under chapter 245A as:

334.26 (A) a child care center under Minnesota Rules, chapter 9503; or

334.27 (B) a family child care home under Minnesota Rules, chapter 9502;

334.28 (2) culturally specific programs as defined in section 254B.01, subdivision 4a, or
334.29 programs or subprograms serving special populations, if the program or subprogram meets
334.30 the following requirements:

334.31 (i) is designed to address the unique needs of individuals who share a common language,
334.32 racial, ethnic, or social background;

335.1 (ii) is governed with significant input from individuals of that specific background; and
335.2 (iii) employs individuals to provide individual or group therapy, at least 50 percent of
335.3 whom are of that specific background, except when the common social background of the
335.4 individuals served is a traumatic brain injury or cognitive disability and the program employs
335.5 treatment staff who have the necessary professional training, as approved by the
335.6 commissioner, to serve clients with the specific disabilities that the program is designed to
335.7 serve;

335.8 (3) programs that offer medical services delivered by appropriately credentialed health
335.9 care staff in an amount equal to two hours per client per week if the medical needs of the
335.10 client and the nature and provision of any medical services provided are documented in the
335.11 client file; and

335.12 (4) programs that offer services to individuals with co-occurring mental health and
335.13 chemical dependency problems if:

335.14 (i) the program meets the co-occurring requirements in ~~Minnesota Rules, part 9530.6495~~
335.15 section 245G.20;

335.16 (ii) 25 percent of the counseling staff are licensed mental health professionals, as defined
335.17 in section 245.462, subdivision 18, clauses (1) to (6), or are students or licensing candidates
335.18 under the supervision of a licensed alcohol and drug counselor supervisor and licensed
335.19 mental health professional, except that no more than 50 percent of the mental health staff
335.20 may be students or licensing candidates with time documented to be directly related to
335.21 provisions of co-occurring services;

335.22 (iii) clients scoring positive on a standardized mental health screen receive a mental
335.23 health diagnostic assessment within ten days of admission;

335.24 (iv) the program has standards for multidisciplinary case review that include a monthly
335.25 review for each client that, at a minimum, includes a licensed mental health professional
335.26 and licensed alcohol and drug counselor, and their involvement in the review is documented;

335.27 (v) family education is offered that addresses mental health and substance abuse disorders
335.28 and the interaction between the two; and

335.29 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder
335.30 training annually.

335.31 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program
335.32 that provides arrangements for off-site child care must maintain current documentation at
335.33 the chemical dependency facility of the child care provider's current licensure to provide

336.1 child care services. Programs that provide child care according to paragraph (c), clause (1),
336.2 must be deemed in compliance with the licensing requirements in ~~Minnesota Rules, part~~
336.3 ~~9530.6490~~ section 245G.19.

336.4 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,
336.5 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements
336.6 in paragraph (c), clause (4), items (i) to (iv).

336.7 (f) Subject to federal approval, chemical dependency services that are otherwise covered
336.8 as direct face-to-face services may be provided via two-way interactive video. The use of
336.9 two-way interactive video must be medically appropriate to the condition and needs of the
336.10 person being served. Reimbursement shall be at the same rates and under the same conditions
336.11 that would otherwise apply to direct face-to-face services. The interactive video equipment
336.12 and connection must comply with Medicare standards in effect at the time the service is
336.13 provided.

336.14 **EFFECTIVE DATE.** This section is effective January 1, 2018.

336.15 Sec. 61. Minnesota Statutes 2016, section 254B:051, is amended to read:

336.16 **254B.051 SUBSTANCE ABUSE USE DISORDER TREATMENT**
336.17 **EFFECTIVENESS.**

336.18 In addition to the substance ~~abuse~~ use disorder treatment program performance outcome
336.19 measures that the commissioner of human services collects annually from treatment providers,
336.20 the commissioner shall request additional data from programs that receive appropriations
336.21 from the consolidated chemical dependency treatment fund. This data shall include number
336.22 of client readmissions six months after release from inpatient treatment, and the cost of
336.23 treatment per person for each program receiving consolidated chemical dependency treatment
336.24 funds. The commissioner may post this data on the department Web site.

336.25 **EFFECTIVE DATE.** This section is effective January 1, 2018.

336.26 Sec. 62. Minnesota Statutes 2016, section 254B.07, is amended to read:

336.27 **254B.07 THIRD-PARTY LIABILITY.**

336.28 The state agency provision and payment of, or liability for, ~~chemical dependency~~
336.29 substance use disorder medical care is the same as in section 256B.042.

336.30 **EFFECTIVE DATE.** This section is effective January 1, 2018.

337.1 Sec. 63. Minnesota Statutes 2016, section 254B.08, is amended to read:

337.2 **254B.08 FEDERAL WAIVERS.**

337.3 The commissioner shall apply for any federal waivers necessary to secure, to the extent
337.4 allowed by law, federal financial participation for the provision of services to persons who
337.5 need ~~chemical dependency~~ substance use disorder services. The commissioner may seek
337.6 amendments to the waivers or apply for additional waivers to contain costs. The
337.7 commissioner shall ensure that payment for the cost of providing ~~chemical dependency~~
337.8 substance use disorder services under the federal waiver plan does not exceed the cost of
337.9 ~~chemical dependency~~ substance use disorder services that would have been provided without
337.10 the waived services.

337.11 **EFFECTIVE DATE.** This section is effective January 1, 2018.

337.12 Sec. 64. Minnesota Statutes 2016, section 254B.09, is amended to read:

337.13 **254B.09 INDIAN RESERVATION ALLOCATION OF CHEMICAL**
337.14 **DEPENDENCY FUND.**

337.15 Subdivision 1. **Vendor payments.** The commissioner shall pay eligible vendors for
337.16 ~~chemical dependency~~ substance use disorder services to American Indians on the same
337.17 basis as other payments, except that no local match is required when an invoice is submitted
337.18 by the governing authority of a federally recognized American Indian tribal body or a county
337.19 if the tribal governing body has not entered into an agreement under subdivision 2 on behalf
337.20 of a current resident of the reservation under this section.

337.21 Subd. 2. **American Indian agreements.** The commissioner may enter into agreements
337.22 with federally recognized tribal units to pay for ~~chemical dependency~~ substance use disorder
337.23 treatment services provided under Laws 1986, chapter 394, sections 8 to 20. The agreements
337.24 must clarify how the governing body of the tribal unit fulfills local agency responsibilities
337.25 regarding:

337.26 (1) the form and manner of invoicing; and

337.27 (2) provide that only invoices for eligible vendors according to section 254B.05 will be
337.28 included in invoices sent to the commissioner for payment, to the extent that money allocated
337.29 under subdivisions 4 and 5 is used.

337.30 Subd. 6. **American Indian tribal placements.** After entering into an agreement under
337.31 subdivision 2, the governing authority of each reservation may submit invoices to the state
337.32 for the cost of providing ~~chemical dependency~~ substance use disorder services to residents

338.1 of the reservation according to the placement rules governing county placements, except
338.2 that local match requirements are waived. The governing body may designate an agency to
338.3 act on its behalf to provide placement services and manage invoices by written notice to
338.4 the commissioner and evidence of agreement by the agency designated.

338.5 Subd. 8. **Payments to improve services to American Indians.** The commissioner may
338.6 set rates for ~~chemical dependency~~ substance use disorder services to American Indians
338.7 according to the American Indian Health Improvement Act, Public Law 94-437, for eligible
338.8 vendors. These rates shall supersede rates set in county purchase of service agreements
338.9 when payments are made on behalf of clients eligible according to Public Law 94-437.

338.10 **EFFECTIVE DATE.** This section is effective January 1, 2018.

338.11 Sec. 65. Minnesota Statutes 2016, section 254B.12, subdivision 2, is amended to read:

338.12 Subd. 2. **Payment methodology for highly specialized vendors.** Notwithstanding
338.13 subdivision 1, the commissioner shall seek federal authority to develop separate payment
338.14 methodologies for ~~chemical dependency~~ substance use disorder treatment services provided
338.15 under the consolidated chemical dependency treatment fund: (1) by a state-operated vendor;
338.16 or (2) for persons who have been civilly committed to the commissioner, present the most
338.17 complex and difficult care needs, and are a potential threat to the community. A payment
338.18 methodology under this subdivision is effective for services provided on or after October
338.19 1, 2015, or on or after the receipt of federal approval, whichever is later.

338.20 **EFFECTIVE DATE.** This section is effective January 1, 2018.

338.21 Sec. 66. Minnesota Statutes 2016, section 254B.12, is amended by adding a subdivision
338.22 to read:

338.23 Subd. 3. **Chemical dependency provider rate increase.** For the chemical dependency
338.24 services listed in section 254B.05, subdivision 5, and provided on or after July 1, 2017,
338.25 payment rates shall be increased by one percent over the rates in effect on January 1, 2017,
338.26 for vendors who meet the requirements of section 254B.05.

338.27 Sec. 67. Minnesota Statutes 2016, section 254B.13, subdivision 2a, is amended to read:

338.28 Subd. 2a. **Eligibility for navigator pilot program.** (a) To be considered for participation
338.29 in a navigator pilot program, an individual must:

338.30 (1) be a resident of a county with an approved navigator program;

338.31 (2) be eligible for consolidated chemical dependency treatment fund services;

339.1 (3) be a voluntary participant in the navigator program;

339.2 (4) satisfy one of the following items:

339.3 (i) have at least one severity rating of three or above in dimension four, five, or six in a
339.4 comprehensive assessment under ~~Minnesota Rules, part 9530.6422~~ section 245G.05,
339.5 paragraph (c), clauses (4) to (6); or

339.6 (ii) have at least one severity rating of two or above in dimension four, five, or six in a
339.7 comprehensive assessment under ~~Minnesota Rules, part 9530.6422,~~ section 245G.05,
339.8 paragraph (c), clauses (4) to (6), and be currently participating in a Rule 31 treatment program
339.9 under ~~Minnesota Rules, parts 9530.6405 to 9530.6505,~~ chapter 245G or be within 60 days
339.10 following discharge after participation in a Rule 31 treatment program; and

339.11 (5) have had at least two treatment episodes in the past two years, not limited to episodes
339.12 reimbursed by the consolidated chemical dependency treatment funds. An admission to an
339.13 emergency room, a detoxification program, or a hospital may be substituted for one treatment
339.14 episode if it resulted from the individual's substance use disorder.

339.15 (b) New eligibility criteria may be added as mutually agreed upon by the commissioner
339.16 and participating navigator programs.

339.17 **EFFECTIVE DATE.** This section is effective January 1, 2018.

339.18 Sec. 68. Minnesota Statutes 2016, section 256B.0625, subdivision 45a, is amended to
339.19 read:

339.20 Subd. 45a. **Psychiatric residential treatment facility services for persons under 21**
339.21 **years of age.** (a) Medical assistance covers psychiatric residential treatment facility services,
339.22 according to section 256B.0941, for persons under younger than 21 years of age. Individuals
339.23 who reach age 21 at the time they are receiving services are eligible to continue receiving
339.24 services until they no longer require services or until they reach age 22, whichever occurs
339.25 first.

339.26 (b) For purposes of this subdivision, "psychiatric residential treatment facility" means
339.27 a facility other than a hospital that provides psychiatric services, as described in Code of
339.28 Federal Regulations, title 42, sections 441.151 to 441.182, to individuals under age 21 in
339.29 an inpatient setting.

339.30 (c) ~~The commissioner shall develop admissions and discharge procedures and establish~~
339.31 ~~rates consistent with guidelines from the federal Centers for Medicare and Medicaid Services.~~

340.1 (d) The commissioner shall enroll up to 150 certified psychiatric residential treatment
340.2 facility services beds at up to six sites. The commissioner shall select psychiatric residential
340.3 treatment facility services providers through a request for proposals process. Providers of
340.4 state-operated services may respond to the request for proposals.

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

340.6 Sec. 69. **[256B.0941] PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY**
340.7 **FOR PERSONS UNDER 21 YEARS OF AGE.**

340.8 Subdivision 1. **Eligibility.** (a) An individual who is eligible for mental health treatment
340.9 services in a psychiatric residential treatment facility must meet all of the following criteria:

340.10 (1) before admission, services are determined to be medically necessary by the state's
340.11 medical review agent according to Code of Federal Regulations, title 42, section 441.152;

340.12 (2) is younger than 21 years of age at the time of admission. Services may continue until
340.13 the individual meets criteria for discharge or reaches 22 years of age, whichever occurs
340.14 first;

340.15 (3) has a mental health diagnosis as defined in the most recent edition of the Diagnostic
340.16 and Statistical Manual for Mental Disorders, as well as clinical evidence of severe aggression,
340.17 or a finding that the individual is a risk to self or others;

340.18 (4) has functional impairment and a history of difficulty in functioning safely and
340.19 successfully in the community, school, home, or job; an inability to adequately care for
340.20 one's physical needs; or caregivers, guardians, or family members are unable to safely fulfill
340.21 the individual's needs;

340.22 (5) requires psychiatric residential treatment under the direction of a physician to improve
340.23 the individual's condition or prevent further regression so that services will no longer be
340.24 needed;

340.25 (6) utilized and exhausted other community-based mental health services, or clinical
340.26 evidence indicates that such services cannot provide the level of care needed; and

340.27 (7) was referred for treatment in a psychiatric residential treatment facility by a qualified
340.28 mental health professional licensed as defined in section 245.4871, subdivision 27, clauses
340.29 (1) to (6).

340.30 (b) A mental health professional making a referral shall submit documentation to the
340.31 state's medical review agent containing all information necessary to determine medical
340.32 necessity, including a standard diagnostic assessment completed within 180 days of the

341.1 individual's admission. Documentation shall include evidence of family participation in the
341.2 individual's treatment planning and signed consent for services.

341.3 Subd. 2. **Services.** Psychiatric residential treatment facility service providers must offer
341.4 and have the capacity to provide the following services:

341.5 (1) development of the individual plan of care, review of the individual plan of care
341.6 every 30 days, and discharge planning by required members of the treatment team according
341.7 to Code of Federal Regulations, title 42, sections 441.155 to 441.156;

341.8 (2) any services provided by a psychiatrist or physician for development of an individual
341.9 plan of care, conducting a review of the individual plan of care every 30 days, and discharge
341.10 planning by required members of the treatment team according to Code of Federal
341.11 Regulations, title 42, sections 441.155 to 441.156;

341.12 (3) active treatment seven days per week that may include individual, family, or group
341.13 therapy as determined by the individual care plan;

341.14 (4) individual therapy, provided a minimum of twice per week;

341.15 (5) family engagement activities, provided a minimum of once per week;

341.16 (6) consultation with other professionals, including case managers, primary care
341.17 professionals, community-based mental health providers, school staff, or other support
341.18 planners;

341.19 (7) coordination of educational services between local and resident school districts and
341.20 the facility;

341.21 (8) 24-hour nursing; and

341.22 (9) direct care and supervision, supportive services for daily living and safety, and
341.23 positive behavior management.

341.24 Subd. 3. **Per diem rate.** (a) The commissioner shall establish a statewide per diem rate
341.25 for psychiatric residential treatment facility services for individuals 21 years of age or
341.26 younger. The rate for a provider must not exceed the rate charged by that provider for the
341.27 same service to other payers. Payment must not be made to more than one entity for each
341.28 individual for services provided under this section on a given day. The commissioner shall
341.29 set rates prospectively for the annual rate period. The commissioner shall require providers
341.30 to submit annual cost reports on a uniform cost reporting form and shall use submitted cost
341.31 reports to inform the rate-setting process. The cost reporting shall be done according to
341.32 federal requirements for Medicare cost reports.

342.1 (b) The following are included in the rate:

342.2 (1) costs necessary for licensure and accreditation, meeting all staffing standards for
342.3 participation, meeting all service standards for participation, meeting all requirements for
342.4 active treatment, maintaining medical records, conducting utilization review, meeting
342.5 inspection of care, and discharge planning. The direct services costs must be determined
342.6 using the actual cost of salaries, benefits, payroll taxes, and training of direct services staff
342.7 and service-related transportation; and

342.8 (2) payment for room and board provided by facilities meeting all accreditation and
342.9 licensing requirements for participation.

342.10 (c) A facility may submit a claim for payment outside of the per diem for professional
342.11 services arranged by and provided at the facility by an appropriately licensed professional
342.12 who is enrolled as a provider with Minnesota health care programs. Arranged services must
342.13 be billed by the facility on a separate claim, and the facility shall be responsible for payment
342.14 to the provider. These services must be included in the individual plan of care and are subject
342.15 to prior authorization by the state's medical review agent.

342.16 (d) Medicaid shall reimburse for concurrent services as approved by the commissioner
342.17 to support continuity of care and successful discharge from the facility. "Concurrent services"
342.18 means services provided by another entity or provider while the individual is admitted to a
342.19 psychiatric residential treatment facility. Payment for concurrent services may be limited
342.20 and these services are subject to prior authorization by the state's medical review agent.
342.21 Concurrent services may include targeted case management, assertive community treatment,
342.22 clinical care consultation, team consultation, and treatment planning.

342.23 (e) Payment rates under this subdivision shall not include the costs of providing the
342.24 following services:

342.25 (1) educational services;

342.26 (2) acute medical care or specialty services for other medical conditions;

342.27 (3) dental services; and

342.28 (4) pharmacy drug costs.

342.29 (f) For purposes of this section, "actual cost" means costs that are allowable, allocable,
342.30 reasonable, and consistent with federal reimbursement requirements in Code of Federal
342.31 Regulations, title 48, chapter 1, part 31, relating to for-profit entities, and the Office of
342.32 Management and Budget Circular Number A-122, relating to nonprofit entities.

343.1 Subd. 4. **Leave days.** (a) Medical assistance covers therapeutic and hospital leave days,
343.2 provided the recipient was not discharged from the psychiatric residential treatment facility
343.3 and is expected to return to the psychiatric residential treatment facility. A reserved bed
343.4 must be held for a recipient on hospital leave or therapeutic leave.

343.5 (b) A therapeutic leave day to home shall be used to prepare for discharge and
343.6 reintegration and shall be included in the individual plan of care. The state shall reimburse
343.7 75 percent of the per diem rate for a reserve bed day while the recipient is on therapeutic
343.8 leave. A therapeutic leave visit may not exceed three days without prior authorization.

343.9 (c) A hospital leave day shall be a day for which a recipient has been admitted to a
343.10 hospital for medical or acute psychiatric care and is temporarily absent from the psychiatric
343.11 residential treatment facility. The state shall reimburse 50 percent of the per diem rate for
343.12 a reserve bed day while the recipient is receiving medical or psychiatric care in a hospital.

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

343.14 Sec. 70. Minnesota Statutes 2016, section 256B.0943, subdivision 13, is amended to read:

343.15 Subd. 13. **Exception to excluded services.** Notwithstanding subdivision 12, up to 15
343.16 hours of children's therapeutic services and supports provided within a six-month period to
343.17 a child with severe emotional disturbance who is residing in a hospital; ~~a group home as~~
343.18 ~~defined in Minnesota Rules, parts 2960.0130 to 2960.0220;~~ a residential treatment facility
343.19 licensed under Minnesota Rules, parts 2960.0580 to 2960.0690; a psychiatric residential
343.20 treatment facility under section 256B.0625, subdivision 45a; a regional treatment center;
343.21 or other institutional group setting or who is participating in a program of partial
343.22 hospitalization are eligible for medical assistance payment if part of the discharge plan.

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

343.24 Sec. 71. Minnesota Statutes 2016, section 256B.0945, subdivision 2, is amended to read:

343.25 Subd. 2. **Covered services.** All services must be included in a child's individualized
343.26 treatment or multiagency plan of care as defined in chapter 245.

343.27 For facilities that are not institutions for mental diseases according to federal statute and
343.28 regulation, medical assistance covers mental health-related services that are required to be
343.29 provided by a residential facility under section 245.4882 and administrative rules promulgated
343.30 thereunder, except for room and board. For residential facilities determined by the federal
343.31 Centers for Medicare and Medicaid Services to be an institution for mental diseases, medical

344.1 assistance covers medically necessary mental health services provided by the facility
344.2 according to section 256B.055, subdivision 13, except for room and board.

344.3 **EFFECTIVE DATE.** This section is effective for services provided on July 1, 2017,
344.4 through April 30, 2019, and expires May 1, 2019.

344.5 Sec. 72. Minnesota Statutes 2016, section 256B.0945, subdivision 4, is amended to read:

344.6 Subd. 4. **Payment rates.** (a) Notwithstanding sections 256B.19 and 256B.041, payments
344.7 to counties for residential services provided under this section by a residential facility shall:

344.8 (1) for services provided by a residential facility that is not an institution for mental
344.9 diseases, only be made of federal earnings for services provided ~~under this section~~, and the
344.10 nonfederal share of costs for services provided under this section shall be paid by the county
344.11 from sources other than federal funds or funds used to match other federal funds. Payment
344.12 to counties for services provided according to this section shall be a proportion of the per
344.13 day contract rate that relates to rehabilitative mental health services and shall not include
344.14 payment for costs or services that are billed to the IV-E program as room and board-; and

344.15 (2) for services provided by a residential facility that is determined to be an institution
344.16 for mental diseases, be equivalent to the federal share of the payment that would have been
344.17 made if the residential facility were not an institution for mental diseases. The portion of
344.18 the payment representing what would be the nonfederal shares shall be paid by the county.
344.19 Payment to counties for services provided according to this section shall be a proportion of
344.20 the per day contract rate that relates to rehabilitative mental health services and shall not
344.21 include payment for costs or services that are billed to the IV-E program as room and board.

344.22 (b) Per diem rates paid to providers under this section by prepaid plans shall be the
344.23 proportion of the per-day contract rate that relates to rehabilitative mental health services
344.24 and shall not include payment for group foster care costs or services that are billed to the
344.25 county of financial responsibility. Services provided in facilities located in bordering states
344.26 are eligible for reimbursement on a fee-for-service basis only as described in paragraph (a)
344.27 and are not covered under prepaid health plans.

344.28 (c) Payment for mental health rehabilitative services provided under this section by or
344.29 under contract with an American Indian tribe or tribal organization or by agencies operated
344.30 by or under contract with an American Indian tribe or tribal organization must be made
344.31 according to section 256B.0625, subdivision 34, or other relevant federally approved
344.32 rate-setting methodology.

345.1 (d) The commissioner shall set aside a portion not to exceed five percent of the federal
345.2 funds earned for county expenditures under this section to cover the state costs of
345.3 administering this section. Any unexpended funds from the set-aside shall be distributed to
345.4 the counties in proportion to their earnings under this section.

345.5 **EFFECTIVE DATE.** This section is effective for services provided on July 1, 2017,
345.6 through April 30, 2019, and expires May 1, 2019.

345.7 Sec. 73. Minnesota Statutes 2016, section 256B.763, is amended to read:

345.8 **256B.763 CRITICAL ACCESS MENTAL HEALTH RATE INCREASE.**

345.9 (a) For services defined in paragraph (b) and rendered on or after July 1, 2007, payment
345.10 rates shall be increased by 23.7 percent over the rates in effect on January 1, 2006, for:

345.11 (1) psychiatrists and advanced practice registered nurses with a psychiatric specialty;

345.12 (2) community mental health centers under section 256B.0625, subdivision 5; and

345.13 (3) mental health clinics and centers certified under Minnesota Rules, parts 9520.0750
345.14 to 9520.0870, or hospital outpatient psychiatric departments that are designated as essential
345.15 community providers under section 62Q.19.

345.16 (b) This increase applies to group skills training when provided as a component of
345.17 children's therapeutic services and support, psychotherapy, medication management,
345.18 evaluation and management, diagnostic assessment, explanation of findings, psychological
345.19 testing, neuropsychological services, direction of behavioral aides, and inpatient consultation.

345.20 (c) This increase does not apply to rates that are governed by section 256B.0625,
345.21 subdivision 30, or 256B.761, paragraph (b), other cost-based rates, rates that are negotiated
345.22 with the county, rates that are established by the federal government, or rates that increased
345.23 between January 1, 2004, and January 1, 2005.

345.24 (d) The commissioner shall adjust rates paid to prepaid health plans under contract with
345.25 the commissioner to reflect the rate increases provided in paragraphs (a), (e), and (f). The
345.26 prepaid health plan must pass this rate increase to the providers identified in paragraphs (a),
345.27 (e), (f), and (g).

345.28 (e) Payment rates shall be increased by 23.7 percent over the rates in effect on December
345.29 31, 2007, for:

345.30 (1) medication education services provided on or after January 1, 2008, by adult
345.31 rehabilitative mental health services providers certified under section 256B.0623; and

346.1 (2) mental health behavioral aide services provided on or after January 1, 2008, by
346.2 children's therapeutic services and support providers certified under section 256B.0943.

346.3 (f) For services defined in paragraph (b) and rendered on or after January 1, 2008, by
346.4 children's therapeutic services and support providers certified under section 256B.0943 and
346.5 not already included in paragraph (a), payment rates shall be increased by 23.7 percent over
346.6 the rates in effect on December 31, 2007.

346.7 (g) Payment rates shall be increased by 2.3 percent over the rates in effect on December
346.8 31, 2007, for individual and family skills training provided on or after January 1, 2008, by
346.9 children's therapeutic services and support providers certified under section 256B.0943.

346.10 (h) For services described in paragraphs (b), (e), and (g) and rendered on or after July
346.11 1, 2017, payment rates for mental health clinics and centers certified under Minnesota Rules,
346.12 parts 9520.0750 to 9520.0870, that are not designated as essential community providers
346.13 under section 62Q.19 shall be equal to payment rates for mental health clinics and centers
346.14 certified under Minnesota Rules, parts 9520.0750 to 9520.0870, that are designated as
346.15 essential community providers under section 62Q.19. In order to receive increased payment
346.16 rates under this paragraph, a provider must demonstrate a commitment to serve low-income
346.17 and underserved populations by:

346.18 (1) charging for services on a sliding-fee schedule based on current poverty income
346.19 guidelines; and

346.20 (2) not restricting access or services because of a client's financial limitation.

346.21 **Sec. 74. CHILDREN'S MENTAL HEALTH REPORT AND RECOMMENDATIONS.**

346.22 The commissioner of human services shall conduct a comprehensive analysis of
346.23 Minnesota's continuum of intensive mental health services and shall develop
346.24 recommendations for a sustainable and community-driven continuum of care for children
346.25 with serious mental health needs, including children currently being served in residential
346.26 treatment. The commissioner's analysis shall include, but not be limited to:

346.27 (1) data related to access, utilization, efficacy, and outcomes for Minnesota's current
346.28 system of residential mental health treatment for a child with a severe emotional disturbance;

346.29 (2) potential expansion of the state's psychiatric residential treatment facility (PRTF)
346.30 capacity, including increasing the number of PRTF beds and conversion of existing children's
346.31 mental health residential treatment programs into PRTFs;

347.1 (3) the capacity need for PRTF and other group settings within the state if adequate
347.2 community-based alternatives are accessible, equitable, and effective statewide;

347.3 (4) recommendations for expanding alternative community-based service models to
347.4 meet the needs of a child with a serious mental health disorder who would otherwise require
347.5 residential treatment and potential service models that could be utilized, including data
347.6 related to access, utilization, efficacy, and outcomes;

347.7 (5) models of care used in other states; and

347.8 (6) analysis and specific recommendations for the design and implementation of new
347.9 service models, including analysis to inform rate setting as necessary.

347.10 The analysis shall be supported and informed by extensive stakeholder engagement.
347.11 Stakeholders include individuals who receive services, family members of individuals who
347.12 receive services, providers, counties, health plans, advocates, and others. Stakeholder
347.13 engagement shall include interviews with key stakeholders, intentional outreach to individuals
347.14 who receive services and the individual's family members, and regional listening sessions.

347.15 The commissioner shall provide a report with specific recommendations and timelines
347.16 for implementation to the legislative committees with jurisdiction over children's mental
347.17 health policy and finance by November 15, 2018.

347.18 **Sec. 75. RESIDENTIAL TREATMENT AND PAYMENT RATE REFORM.**

347.19 The commissioner shall contract with an outside expert to identify recommendations
347.20 for the development of a substance use disorder residential treatment program model and
347.21 payment structure that is not subject to the federal institutions for mental diseases exclusion
347.22 and that is financially sustainable for providers, while incentivizing best practices and
347.23 improved treatment outcomes. The analysis must include recommendations and a timeline
347.24 for supporting providers to transition to the new models of care delivery. No later than
347.25 December 15, 2018, the commissioner shall deliver a report with recommendations to the
347.26 chairs and ranking minority members of the legislative committees with jurisdiction over
347.27 health and human services policy and finance.

347.28 **Sec. 76. REVISOR'S INSTRUCTION.**

347.29 In Minnesota Statutes and Minnesota Rules, the revisor of statutes, in consultation with
347.30 the with the Department of Human Services, shall make necessary cross-reference changes
347.31 that are needed as a result of the enactment of sections 12 to 35 and 75. The revisor shall
347.32 make any necessary technical and grammatical changes to preserve the meaning of the text.

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

348.2 Sec. 77. **REPEALER.**

348.3 (a) Minnesota Statutes 2016, sections 245A.1915; 245A.192; and 254A.02, subdivision
348.4 4, are repealed.

348.5 (b) Minnesota Rules, parts 9530.6405, subparts 1, 1a, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11,
348.6 12, 13, 14, 14a, 15, 15a, 16, 17, 17a, 17b, 17c, 18, 20, and 21; 9530.6410; 9530.6415;
348.7 9530.6420; 9530.6422; 9530.6425; 9530.6430; 9530.6435; 9530.6440; 9530.6445;
348.8 9530.6450; 9530.6455; 9530.6460; 9530.6465; 9530.6470; 9530.6475; 9530.6480;
348.9 9530.6485; 9530.6490; 9530.6495; 9530.6500; and 9530.6505, are repealed.

348.10 (c) Minnesota Statutes 2016, section 256B.7631, is repealed.

348.11 **EFFECTIVE DATE.** Paragraphs (a) and (b) are effective January 1, 2018. Paragraph
348.12 (c) is effective the day following final enactment.

348.13 **ARTICLE 9**

348.14 **OPERATIONS**

348.15 Section 1. Minnesota Statutes 2016, section 245A.02, subdivision 2b, is amended to read:

348.16 Subd. 2b. **Annual or annually.** With the exception of subdivision 2c, "annual" or
348.17 "annually" means prior to or within the same month of the subsequent calendar year.

348.18 Sec. 2. Minnesota Statutes 2016, section 245A.02, is amended by adding a subdivision to
348.19 read:

348.20 Subd. 2c. **Annual or annually; family child care training requirements.** For the
348.21 purposes of section 245A.50, subdivisions 1 to 9, "annual" or "annually" means the 12-month
348.22 period beginning on the license effective date or the annual anniversary of the effective date
348.23 and ending on the day prior to the annual anniversary of the license effective date.

348.24 Sec. 3. Minnesota Statutes 2016, section 245A.04, subdivision 4, is amended to read:

348.25 Subd. 4. **Inspections; waiver.** (a) Before issuing an initial license, the commissioner
348.26 shall conduct an inspection of the program. The inspection must include but is not limited
348.27 to:

348.28 (1) an inspection of the physical plant;

348.29 (2) an inspection of records and documents;

349.1 (3) an evaluation of the program by consumers of the program; and

349.2 (4) observation of the program in operation.

349.3 For the purposes of this subdivision, "consumer" means a person who receives the
349.4 services of a licensed program, the person's legal guardian, or the parent or individual having
349.5 legal custody of a child who receives the services of a licensed program.

349.6 (b) The evaluation required in paragraph (a), clause (3), or the observation in paragraph
349.7 (a), clause (4), is not required prior to issuing an initial license under subdivision 7. If the
349.8 commissioner issues an initial license under subdivision 7, these requirements must be
349.9 completed within one year after the issuance of an initial license.

349.10 (c) Before completing a licensing inspection in a family child care program or child care
349.11 center, the licensing agency must offer the license holder an exit interview to discuss
349.12 violations of law or rule observed during the inspection and offer technical assistance on
349.13 how to comply with applicable laws and rules. Nothing in this paragraph limits the ability
349.14 of the commissioner to issue a correction order or negative action for violations of law or
349.15 rule not discussed in an exit interview or in the event that a license holder chooses not to
349.16 participate in an exit interview.

349.17 **EFFECTIVE DATE.** This section is effective October 1, 2017.

349.18 Sec. 4. Minnesota Statutes 2016, section 245A.06, subdivision 2, is amended to read:

349.19 Subd. 2. **Reconsideration of correction orders.** (a) If the applicant or license holder
349.20 believes that the contents of the commissioner's correction order are in error, the applicant
349.21 or license holder may ask the Department of Human Services to reconsider the parts of the
349.22 correction order that are alleged to be in error. The request for reconsideration must be made
349.23 in writing and must be postmarked and sent to the commissioner within 20 calendar days
349.24 after receipt of the correction order by the applicant or license holder, and:

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

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

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

349.28 A request for reconsideration does not stay any provisions or requirements of the
349.29 correction order. The commissioner's disposition of a request for reconsideration is final
349.30 and not subject to appeal under chapter 14.

349.31 (b) This paragraph applies only to licensed family child care providers. A licensed family
349.32 child care provider who requests reconsideration of a correction order under paragraph (a)

350.1 may also request, on a form and in the manner prescribed by the commissioner, that the
350.2 commissioner expedite the review if:

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

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

350.9 Sec. 5. Minnesota Statutes 2016, section 245A.06, subdivision 8, is amended to read:

350.10 Subd. 8. **Requirement to post correction order.** (a) For licensed family child care
350.11 providers and child care centers, upon receipt of any correction order or order of conditional
350.12 license issued by the commissioner under this section, and notwithstanding a pending request
350.13 for reconsideration of the correction order or order of conditional license by the license
350.14 holder, the license holder shall post the correction order or order of conditional license in
350.15 a place that is conspicuous to the people receiving services and all visitors to the facility
350.16 for two years. When the correction order or order of conditional license is accompanied by
350.17 a maltreatment investigation memorandum prepared under section 626.556 or 626.557, the
350.18 investigation memoranda must be posted with the correction order or order of conditional
350.19 license.

350.20 (b) If the commissioner reverses or rescinds a violation in a correction order upon
350.21 reconsideration under subdivision 2, the commissioner shall issue an amended correction
350.22 order and the license holder shall post the amended order according to paragraph (a).

350.23 (c) If the correction order is rescinded or reversed in full upon reconsideration under
350.24 subdivision 2, the license holder shall remove the original correction order posted according
350.25 to paragraph (a).

350.26 Sec. 6. Minnesota Statutes 2016, section 245A.06, is amended by adding a subdivision to
350.27 read:

350.28 Subd. 9. **Child care correction order quotas prohibited.** The commissioner and county
350.29 licensing agencies shall not order, mandate, require, or suggest to any person responsible
350.30 for licensing or inspecting a licensed family child care provider or child care center a quota
350.31 for the issuance of correction orders on a daily, weekly, monthly, quarterly, or yearly basis.

351.1 Sec. 7. [245A.065] CHILD CARE FIX-IT TICKET.

351.2 (a) In lieu of a correction order under section 245A.06, the commissioner shall issue a
351.3 fix-it ticket to a family child care or child care center license holder if the commissioner
351.4 finds that:

351.5 (1) the license holder has failed to comply with a requirement in this chapter or Minnesota
351.6 Rules, chapter 9502 or 9503, that the commissioner determines to be eligible for a fix-it
351.7 ticket;

351.8 (2) the violation does not imminently endanger the health, safety, or rights of the persons
351.9 served by the program;

351.10 (3) the license holder did not receive a fix-it ticket or correction order for the violation
351.11 at the license holder's last licensing inspection;

351.12 (4) the violation can be corrected at the time of inspection or within 48 hours, excluding
351.13 Saturdays, Sundays, and holidays; and

351.14 (5) the license holder corrects the violation at the time of inspection or agrees to correct
351.15 the violation within 48 hours, excluding Saturdays, Sundays, and holidays.

351.16 (b) The fix-it ticket must state:

351.17 (1) the conditions that constitute a violation of the law or rule;

351.18 (2) the specific law or rule violated; and

351.19 (3) that the violation was corrected at the time of inspection or must be corrected within
351.20 48 hours, excluding Saturdays, Sundays, and holidays.

351.21 (c) The commissioner shall not publicly publish a fix-it ticket on the department's Web
351.22 site.

351.23 (d) Within 48 hours, excluding Saturdays, Sundays, and holidays, of receiving a fix-it
351.24 ticket, the license holder must correct the violation and within one week submit evidence
351.25 to the licensing agency that the violation was corrected.

351.26 (e) If the violation is not corrected at the time of inspection or within 48 hours, excluding
351.27 Saturdays, Sundays, and holidays, or the evidence submitted is insufficient to establish that
351.28 the license holder corrected the violation, the commissioner must issue a correction order
351.29 for the violation of Minnesota law or rule identified in the fix-it ticket according to section
351.30 245A.06.

352.1 (f) The commissioner shall, following consultation with family child care license holders,
352.2 child care center license holders, and county agencies, issue a report by October 1, 2017,
352.3 that identifies the violations of this chapter and Minnesota Rules, chapters 9502 and 9503,
352.4 that are eligible for a fix-it ticket. The commissioner shall provide the report to county
352.5 agencies and the chairs and ranking minority members of the legislative committees with
352.6 jurisdiction over child care, and shall post the report to the department's Web site.

352.7 **EFFECTIVE DATE.** This section is effective October 1, 2017.

352.8 Sec. 8. Minnesota Statutes 2016, section 245A.07, subdivision 3, is amended to read:

352.9 Subd. 3. **License suspension, revocation, or fine.** (a) The commissioner may suspend
352.10 or revoke a license, or impose a fine if:

352.11 (1) a license holder fails to comply fully with applicable laws or rules;

352.12 (2) a license holder, a controlling individual, or an individual living in the household
352.13 where the licensed services are provided or is otherwise subject to a background study has
352.14 a disqualification which has not been set aside under section 245C.22;

352.15 (3) a license holder knowingly withholds relevant information from or gives false or
352.16 misleading information to the commissioner in connection with an application for a license,
352.17 in connection with the background study status of an individual, during an investigation,
352.18 or regarding compliance with applicable laws or rules; or

352.19 (4) after July 1, 2012, and upon request by the commissioner, a license holder fails to
352.20 submit the information required of an applicant under section 245A.04, subdivision 1,
352.21 paragraph (f) or (g).

352.22 A license holder who has had a license suspended, revoked, or has been ordered to pay
352.23 a fine must be given notice of the action by certified mail or personal service. If mailed, the
352.24 notice must be mailed to the address shown on the application or the last known address of
352.25 the license holder. The notice must state the reasons the license was suspended, revoked,
352.26 or a fine was ordered.

352.27 (b) If the license was suspended or revoked, the notice must inform the license holder
352.28 of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts
352.29 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking
352.30 a license. The appeal of an order suspending or revoking a license must be made in writing
352.31 by certified mail or personal service. If mailed, the appeal must be postmarked and sent to
352.32 the commissioner within ten calendar days after the license holder receives notice that the
352.33 license has been suspended or revoked. If a request is made by personal service, it must be

353.1 received by the commissioner within ten calendar days after the license holder received the
353.2 order. Except as provided in subdivision 2a, paragraph (c), if a license holder submits a
353.3 timely appeal of an order suspending or revoking a license, the license holder may continue
353.4 to operate the program as provided in section 245A.04, subdivision 7, paragraphs (g) and
353.5 (h), until the commissioner issues a final order on the suspension or revocation.

353.6 (c)(1) If the license holder was ordered to pay a fine, the notice must inform the license
353.7 holder of the responsibility for payment of fines and the right to a contested case hearing
353.8 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an
353.9 order to pay a fine must be made in writing by certified mail or personal service. If mailed,
353.10 the appeal must be postmarked and sent to the commissioner within ten calendar days after
353.11 the license holder receives notice that the fine has been ordered. If a request is made by
353.12 personal service, it must be received by the commissioner within ten calendar days after
353.13 the license holder received the order.

353.14 (2) The license holder shall pay the fines assessed on or before the payment date specified.
353.15 If the license holder fails to fully comply with the order, the commissioner may issue a
353.16 second fine or suspend the license until the license holder complies. If the license holder
353.17 receives state funds, the state, county, or municipal agencies or departments responsible for
353.18 administering the funds shall withhold payments and recover any payments made while the
353.19 license is suspended for failure to pay a fine. A timely appeal shall stay payment of the fine
353.20 until the commissioner issues a final order.

353.21 (3) A license holder shall promptly notify the commissioner of human services, in writing,
353.22 when a violation specified in the order to forfeit a fine is corrected. If upon reinspection the
353.23 commissioner determines that a violation has not been corrected as indicated by the order
353.24 to forfeit a fine, the commissioner may issue a second fine. The commissioner shall notify
353.25 the license holder by certified mail or personal service that a second fine has been assessed.
353.26 The license holder may appeal the second fine as provided under this subdivision.

353.27 (4) Fines shall be assessed as follows:

353.28 (i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a
353.29 child under section 626.556 or the maltreatment of a vulnerable adult under section 626.557
353.30 for which the license holder is determined responsible for the maltreatment under section
353.31 626.556, subdivision 10e, paragraph (i), or 626.557, subdivision 9c, paragraph (c);

353.32 (ii) if the commissioner determines that a determination of maltreatment for which the
353.33 license holder is responsible is the result of maltreatment that meets the definition of serious

354.1 maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit
354.2 \$5,000;

354.3 (iii) for a program that operates out of the license holder's home and a program licensed
354.4 under Minnesota Rules, parts 9502.0300 to 9502.0495, the fine assessed against the license
354.5 holder shall not exceed \$1,000 for each determination of maltreatment;

354.6 (iv) the license holder shall forfeit \$200 for each occurrence of a violation of law or rule
354.7 governing matters of health, safety, or supervision, including but not limited to the provision
354.8 of adequate staff-to-child or adult ratios, and failure to comply with background study
354.9 requirements under chapter 245C; and

354.10 (v) the license holder shall forfeit \$100 for each occurrence of a violation of law or rule
354.11 other than those subject to a \$5,000, \$1,000, or \$200 fine above in items (i) to (iv).

354.12 For purposes of this section, "occurrence" means each violation identified in the
354.13 commissioner's fine order. Fines assessed against a license holder that holds a license to
354.14 provide home and community-based services, as identified in section 245D.03, subdivision
354.15 1, and a community residential setting or day services facility license under chapter 245D
354.16 where the services are provided, may be assessed against both licenses for the same
354.17 occurrence, but the combined amount of the fines shall not exceed the amount specified in
354.18 this clause for that occurrence.

354.19 (5) When a fine has been assessed, the license holder may not avoid payment by closing,
354.20 selling, or otherwise transferring the licensed program to a third party. In such an event, the
354.21 license holder will be personally liable for payment. In the case of a corporation, each
354.22 controlling individual is personally and jointly liable for payment.

354.23 (d) Except for background study violations involving the failure to comply with an order
354.24 to immediately remove an individual or an order to provide continuous, direct supervision,
354.25 the commissioner shall not issue a fine under paragraph (c) relating to a background study
354.26 violation to a license holder who self-corrects a background study violation before the
354.27 commissioner discovers the violation. A license holder who has previously exercised the
354.28 provisions of this paragraph to avoid a fine for a background study violation may not avoid
354.29 a fine for a subsequent background study violation unless at least 365 days have passed
354.30 since the license holder self-corrected the earlier background study violation.

354.31 **EFFECTIVE DATE.** This section is effective August 1, 2017.

Sec. 9. [245A.1434] INFORMATION FOR CHILD CARE LICENSE HOLDERS.

The commissioner shall inform family child care and child care center license holders on a timely basis of changes to state and federal statute, rule, regulation, and policy relating to the provision of licensed child care, the child care assistance program under chapter 119B, the quality rating and improvement system under section 124D.142, and child care licensing functions delegated to counties. Communications under this section shall include information to promote license holder compliance with identified changes. Communications under this section may be accomplished by electronic means and shall be made available to the public online.

Sec. 10. [245A.153] REPORT TO LEGISLATURE ON THE STATUS OF CHILD CARE.

Subdivision 1. Reporting requirements. Beginning on February 1, 2018, and no later than February 1 of each year thereafter, the commissioner of human services shall provide a report on the status of child care in Minnesota to the chairs and ranking minority members of the legislative committees with jurisdiction over child care.

Subd. 2. Contents of report. (a) The report must include the following:

(1) summary data on trends in child care center and family child care capacity and availability throughout the state, including the number of centers and programs that have opened and closed and the geographic locations of those centers and programs;

(2) a description of any changes to statutes, administrative rules, or agency policies and procedures that were implemented in the year preceding the report;

(3) a description of the actions the department has taken to address or implement the recommendations from the Legislative Task Force on Access to Affordable Child Care Report dated January 15, 2017, including but not limited to actions taken in the areas of:

(i) encouraging uniformity in implementing and interpreting statutes, administrative rules, and agency policies and procedures relating to child care licensing and access;

(ii) improving communication with county licensors and child care providers regarding changes to statutes, administrative rules, and agency policies and procedures, ensuring that information is directly and regularly transmitted;

(iii) providing notice to child care providers before issuing correction orders or negative actions relating to recent changes to statutes, administrative rules, and agency policies and procedures;

- 356.1 (iv) implementing confidential, anonymous communication processes for child care
356.2 providers to ask questions and receive prompt, clear answers from the department;
- 356.3 (v) streamlining processes to reduce duplication or overlap in paperwork and training
356.4 requirements for child care providers; and
- 356.5 (vi) compiling and distributing information detailing trends in the violations for which
356.6 correction orders and negative actions are issued;
- 356.7 (4) a description of the department's efforts to cooperate with counties while addressing
356.8 and implementing the task force recommendations;
- 356.9 (5) summary data on child care assistance programs including but not limited to state
356.10 funding and numbers of families served; and
- 356.11 (6) summary data on family child care correction orders, including:
- 356.12 (i) the number of licensed family child care provider appeals or requests for
356.13 reconsideration of correction orders to the Department of Human Services;
- 356.14 (ii) the number of family child care correction order appeals or requests for
356.15 reconsideration that the Department of Human Services grants; and
- 356.16 (iii) the number of family child care correction order appeals or requests for
356.17 reconsideration that the Department of Human Services denies.
- 356.18 (b) The commissioner may offer recommendations for legislative action.
- 356.19 Subd. 3. **Sunset.** This section expires February 2, 2020.
- 356.20 Sec. 11. Minnesota Statutes 2016, section 626.556, subdivision 3c, is amended to read:
- 356.21 Subd. 3c. **Local welfare agency, Department of Human Services or Department of**
356.22 **Health responsible for assessing or investigating reports of maltreatment.** (a) ~~The county~~
356.23 local welfare agency is the agency responsible for assessing or investigating allegations of
356.24 maltreatment in child foster care, family child care, legally ~~unlicensed~~ nonlicensed child
356.25 care, ~~juvenile correctional facilities licensed under section 241.021 located in the local~~
356.26 ~~welfare agency's county~~, and reports involving children served by an unlicensed personal
356.27 care provider organization under section 256B.0659. Copies of findings related to personal
356.28 care provider organizations under section 256B.0659 must be forwarded to the Department
356.29 of Human Services provider enrollment.
- 356.30 (b) The Department of Human Services is the agency responsible for assessing or
356.31 investigating allegations of maltreatment in juvenile correctional facilities listed under

357.1 section 241.021 located in the local welfare agency's county and in facilities licensed or
357.2 certified under chapters 245A and 245D, except for child foster care and family child care.

357.3 (c) The Department of Health is the agency responsible for assessing or investigating
357.4 allegations of child maltreatment in facilities licensed under sections 144.50 to 144.58 and
357.5 144A.43 to 144A.482.

357.6 **ARTICLE 10**

357.7 **HEALTH DEPARTMENT**

357.8 Section 1. Minnesota Statutes 2016, section 103I.005, subdivision 2, is amended to read:

357.9 Subd. 2. **Boring.** "Boring" means a hole or excavation that is not used to extract water
357.10 and includes exploratory borings, ~~environmental bore holes~~, bored geothermal heat
357.11 exchangers, and elevator ~~shafts~~ borings.

357.12 Sec. 2. Minnesota Statutes 2016, section 103I.005, subdivision 2a, is amended to read:

357.13 Subd. 2a. **Certified representative.** "Certified representative" means a person certified
357.14 by the commissioner to represent a well contractor, limited well/boring contractor, ~~monitoring~~
357.15 environmental well contractor, or elevator boring contractor.

357.16 Sec. 3. Minnesota Statutes 2016, section 103I.005, is amended by adding a subdivision
357.17 to read:

357.18 Subd. 8a. **Environmental well.** "Environmental well" means an excavation 15 or more
357.19 feet in depth that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed
357.20 to:

357.21 (1) conduct physical, chemical, or biological testing of groundwater, and includes a
357.22 groundwater quality monitoring or sampling well;

357.23 (2) lower a groundwater level to control or remove contamination in groundwater, and
357.24 includes a remedial well and excludes horizontal trenches; or

357.25 (3) monitor or measure physical, chemical, radiological, or biological parameters of the
357.26 earth and earth fluids, or for vapor recovery or venting systems. An environmental well
357.27 includes an excavation used to:

357.28 (i) measure groundwater levels, including a piezometer;

357.29 (ii) determine groundwater flow direction or velocity;

358.1 (iii) measure earth properties such as hydraulic conductivity, bearing capacity, or
358.2 resistance;

358.3 (iv) obtain samples of geologic materials for testing or classification; or

358.4 (v) remove or remediate pollution or contamination from groundwater or soil through
358.5 the use of a vent, vapor recovery system, or sparge point.

358.6 Sec. 4. Minnesota Statutes 2016, section 103I.005, is amended by adding a subdivision
358.7 to read:

358.8 Subd. 8b. **Environmental well contractor.** "Environmental well contractor" means a
358.9 person with an environmental well contractor's license issued by the commissioner.

358.10 Sec. 5. Minnesota Statutes 2016, section 103I.005, subdivision 12, is amended to read:

358.11 Subd. 12. **Limited well/boring contractor.** "Limited well/boring contractor" means a
358.12 person with a limited well/boring contractor's license issued by the commissioner. Limited
358.13 well/boring contractor's licenses are issued for:

358.14 (1) constructing, repairing, and sealing bored geothermal heat exchangers;

358.15 (2) installing, repairing, and modifying pitless units and pitless adaptors, well casings
358.16 above the pitless unit or pitless adaptor, well screens, or well diameters; ~~constructing,~~
358.17 ~~repairing, and sealing drive point wells or dug wells,~~ and well pumps and pumping
358.18 equipment;

358.19 (3) constructing, repairing, and sealing dewatering wells; and

358.20 (4) sealing wells; ~~and installing well pumps or pumping equipment~~ and borings.

358.21 Sec. 6. Minnesota Statutes 2016, section 103I.005, is amended by adding a subdivision
358.22 to read:

358.23 Subd. 17a. **Temporary environmental well.** "Temporary environmental well" means
358.24 an environmental well as defined in section 103I.005, subdivision 8a, that is sealed within
358.25 72 hours of the time construction on the well begins.

358.26 Sec. 7. Minnesota Statutes 2016, section 103I.005, subdivision 20a, is amended to read:

358.27 Subd. 20a. **Water supply well.** "Water supply well" means a well that is not a dewatering
358.28 well or ~~monitoring~~ environmental well and includes wells used:

358.29 (1) for potable water supply;

- 359.1 (2) for irrigation;
- 359.2 (3) for agricultural, commercial, or industrial water supply;
- 359.3 (4) for heating or cooling; and
- 359.4 (5) ~~as a remedial well; and~~
- 359.5 (6) for testing water yield for irrigation, commercial or industrial uses, residential supply,
- 359.6 or public water supply.

359.7 Sec. 8. Minnesota Statutes 2016, section 103I.005, subdivision 21, is amended to read:

359.8 Subd. 21. **Well.** "Well" means an excavation that is drilled, cored, bored, washed, driven,

359.9 dug, jetted, or otherwise constructed if the excavation is intended for the location, diversion,

359.10 artificial recharge, monitoring, testing, remediation, or acquisition of groundwater. Well

359.11 includes ~~monitoring~~ environmental wells, drive point wells, and dewatering wells. "Well"

359.12 does not include:

359.13 (1) an excavation by backhoe, or otherwise for temporary dewatering of groundwater

359.14 for nonpotable use during construction, if the depth of the excavation is 25 feet or less;

359.15 (2) an excavation made to obtain or prospect for oil, natural gas, minerals, or products

359.16 of mining or quarrying;

359.17 (3) an excavation to insert media to repressure oil or natural gas bearing formations or

359.18 to store petroleum, natural gas, or other products;

359.19 (4) an excavation for nonpotable use for wildfire suppression activities; or

359.20 (5) borings.

359.21 Sec. 9. Minnesota Statutes 2016, section 103I.101, subdivision 2, is amended to read:

359.22 Subd. 2. **Duties.** The commissioner shall:

359.23 (1) regulate the drilling, construction, modification, repair, and sealing of wells and

359.24 borings;

359.25 (2) examine and license:

359.26 (i) well contractors;

359.27 ~~(ii)~~ persons constructing, repairing, and sealing bored geothermal heat exchangers;

360.1 (iii) persons modifying or repairing well casings above the pitless unit or adaptor, well
360.2 screens, or well diameters; persons constructing, repairing, and sealing drive point wells or
360.3 dug wells, and installing well pumps or pumping equipment;

360.4 (iv) persons constructing, repairing, and sealing dewatering wells;

360.5 (v) persons sealing wells; persons installing well pumps or pumping equipment or
360.6 borings; and

360.7 (vi) persons excavating or drilling holes for the installation of elevator borings or
360.8 hydraulic cylinders;

360.9 (3) register examine and examine monitoring license environmental well contractors;

360.10 (4) license explorers engaged in exploratory boring and examine individuals who
360.11 supervise or oversee exploratory boring;

360.12 (5) after consultation with the commissioner of natural resources and the Pollution
360.13 Control Agency, establish standards for the design, location, construction, repair, and sealing
360.14 of wells and borings within the state; and

360.15 (6) issue permits for wells, groundwater thermal devices, bored geothermal heat
360.16 exchangers, and elevator borings.

360.17 Sec. 10. Minnesota Statutes 2016, section 103I.101, subdivision 5, is amended to read:

360.18 Subd. 5. **Commissioner to adopt rules.** The commissioner shall adopt rules including:

360.19 (1) issuance of licenses for:

360.20 (i) qualified well contractors, ~~persons modifying or repairing well casings, well screens,~~
360.21 ~~or well diameters;~~

360.22 ~~(ii) persons constructing, repairing, and sealing drive point wells or dug wells;~~

360.23 ~~(iii) persons constructing, repairing, and sealing dewatering wells;~~

360.24 ~~(iv) (iii) persons sealing wells or borings;~~

360.25 ~~(v) (iv) persons installing, modifying, or repairing well casings, well screens, well~~
360.26 ~~diameters, and well pumps or pumping equipment;~~

360.27 ~~(vi) (v) persons constructing, repairing, and sealing bored geothermal heat exchangers;~~
360.28 ~~and~~

360.29 ~~(vii) (vi) persons constructing, repairing, and sealing elevator borings; and~~

360.30 (vii) persons constructing, repairing, and sealing environmental wells;

- 361.1 (2) issuance of registration for monitoring well contractors;
- 361.2 (3) establishment of conditions for examination and review of applications for license
- 361.3 and registration certification;
- 361.4 (4) (3) establishment of conditions for revocation and suspension of license and
- 361.5 registration certification;
- 361.6 (5) (4) establishment of minimum standards for design, location, construction, repair,
- 361.7 and sealing of wells and borings to implement the purpose and intent of this chapter;
- 361.8 (6) (5) establishment of a system for reporting on wells and borings drilled and sealed;
- 361.9 (7) (6) establishment of standards for the construction, maintenance, sealing, and water
- 361.10 quality monitoring of wells in areas of known or suspected contamination;
- 361.11 (8) (7) establishment of wellhead protection measures for wells serving public water
- 361.12 supplies;
- 361.13 (9) (8) establishment of procedures to coordinate collection of well and boring data with
- 361.14 other state and local governmental agencies;
- 361.15 (10) (9) establishment of criteria and procedures for submission of well and boring logs,
- 361.16 formation samples or well or boring cuttings, water samples, or other special information
- 361.17 required for and water resource mapping; and
- 361.18 (11) (10) establishment of minimum standards for design, location, construction,
- 361.19 maintenance, repair, sealing, safety, and resource conservation related to borings, including
- 361.20 exploratory borings as defined in section 103I.005, subdivision 9.
- 361.21 Sec. 11. Minnesota Statutes 2016, section 103I.101, subdivision 6, is amended to read:
- 361.22 Subd. 6. **Fees for variances.** The commissioner shall charge a nonrefundable application
- 361.23 fee of ~~\$235~~ \$275 to cover the administrative cost of processing a request for a variance or
- 361.24 modification of rules adopted by the commissioner under this chapter.
- 361.25 Sec. 12. Minnesota Statutes 2016, section 103I.105, is amended to read:
- 361.26 **103I.105 ADVISORY COUNCIL ON WELLS AND BORINGS.**
- 361.27 (a) The Advisory Council on Wells and Borings is established as an advisory council
- 361.28 to the commissioner. The advisory council shall consist of 18 voting members. Of the 18
- 361.29 voting members:

- 362.1 (1) one member must be from the Department of Health, appointed by the commissioner
362.2 of health;
- 362.3 (2) one member must be from the Department of Natural Resources, appointed by the
362.4 commissioner of natural resources;
- 362.5 (3) one member must be a member of the Minnesota Geological Survey of the University
362.6 of Minnesota, appointed by the director;
- 362.7 (4) one member must be a responsible individual for a licensed explorer;
- 362.8 (5) one member must be a certified representative of a licensed elevator boring contractor;
- 362.9 (6) two members must be members of the public who are not connected with the boring
362.10 or well drilling industry;
- 362.11 (7) one member must be from the Pollution Control Agency, appointed by the
362.12 commissioner of the Pollution Control Agency;
- 362.13 (8) one member must be from the Department of Transportation, appointed by the
362.14 commissioner of transportation;
- 362.15 (9) one member must be from the Board of Water and Soil Resources appointed by its
362.16 chair;
- 362.17 (10) one member must be a certified representative of a monitoring an environmental
362.18 well contractor;
- 362.19 (11) six members must be residents of this state appointed by the commissioner, who
362.20 are certified representatives of licensed well contractors, with not more than two from the
362.21 seven-county metropolitan area and at least four from other areas of the state who represent
362.22 different geographical regions; and
- 362.23 (12) one member must be a certified representative of a licensed bored geothermal heat
362.24 exchanger contractor.
- 362.25 (b) An appointee of the well drilling industry may not serve more than two consecutive
362.26 terms.
- 362.27 (c) The appointees to the advisory council from the well drilling industry must:
- 362.28 (1) have been residents of this state for at least three years before appointment; and
- 362.29 (2) have at least five years' experience in the well drilling business.
- 362.30 (d) The terms of the appointed members and the compensation and removal of all
362.31 members are governed by section 15.059.

363.1 Sec. 13. Minnesota Statutes 2016, section 103I.111, subdivision 6, is amended to read:

363.2 Subd. 6. **Unsealed wells and borings are public health nuisances.** A well or boring
363.3 that is required to be sealed under section 103I.301 but is not sealed is a public health
363.4 nuisance. A county may abate the unsealed well or boring with the same authority of a
363.5 community health board to abate a public health nuisance under section 145A.04, subdivision
363.6 8.

363.7 Sec. 14. Minnesota Statutes 2016, section 103I.111, subdivision 8, is amended to read:

363.8 Subd. 8. **Municipal regulation of drilling.** A municipality may regulate all drilling,
363.9 except well, elevator shaft boring, and exploratory drilling that is subject to the provisions
363.10 of this chapter, above, in, through, and adjacent to subsurface areas designated for mined
363.11 underground space development and existing mined underground space. The regulations
363.12 may prohibit, restrict, control, and require permits for the drilling.

363.13 Sec. 15. Minnesota Statutes 2016, section 103I.205, subdivision 1, is amended to read:

363.14 Subdivision 1. **Notification required.** (a) Except as provided in ~~paragraphs~~ paragraph
363.15 (d) ~~and (e)~~, a person may not construct a water-supply, dewatering, or environmental well
363.16 until a notification of the proposed well on a form prescribed by the commissioner is filed
363.17 with the commissioner with the filing fee in section 103I.208, and, when applicable, the
363.18 person has met the requirements of paragraph ~~(f)~~ (e). If after filing the well notification an
363.19 attempt to construct a well is unsuccessful, a new notification is not required unless the
363.20 information relating to the successful well has substantially changed. A notification is not
363.21 required prior to construction of a temporary environmental well.

363.22 (b) The property owner, the property owner's agent, or the well licensed contractor where
363.23 a well is to be located must file the well notification with the commissioner.

363.24 (c) The well notification under this subdivision preempts local permits and notifications,
363.25 and counties or home rule charter or statutory cities may not require a permit or notification
363.26 for wells unless the commissioner has delegated the permitting or notification authority
363.27 under section 103I.111.

363.28 (d) A person who is an individual that constructs a drive point water-supply well on
363.29 property owned or leased by the individual for farming or agricultural purposes or as the
363.30 individual's place of abode must notify the commissioner of the installation and location of
363.31 the well. The person must complete the notification form prescribed by the commissioner
363.32 and mail it to the commissioner by ten days after the well is completed. A fee may not be

364.1 charged for the notification. A person who sells drive point wells at retail must provide
364.2 buyers with notification forms and informational materials including requirements regarding
364.3 wells, their location, construction, and disclosure. The commissioner must provide the
364.4 notification forms and informational materials to the sellers.

364.5 ~~(e) A person may not construct a monitoring well until a permit is issued by the~~
364.6 ~~commissioner for the construction. If after obtaining a permit an attempt to construct a well~~
364.7 ~~is unsuccessful, a new permit is not required as long as the initial permit is modified to~~
364.8 ~~indicate the location of the successful well.~~

364.9 ~~(f)~~ (e) When the operation of a well will require an appropriation permit from the
364.10 commissioner of natural resources, a person may not begin construction of the well until
364.11 the person submits the following information to the commissioner of natural resources:

364.12 (1) the location of the well;

364.13 (2) the formation or aquifer that will serve as the water source;

364.14 (3) the maximum daily, seasonal, and annual pumpage rates and volumes that will be
364.15 requested in the appropriation permit; and

364.16 (4) other information requested by the commissioner of natural resources that is necessary
364.17 to conduct the preliminary assessment required under section 103G.287, subdivision 1,
364.18 paragraph (c).

364.19 The person may begin construction after receiving preliminary approval from the
364.20 commissioner of natural resources.

364.21 Sec. 16. Minnesota Statutes 2016, section 103I.205, subdivision 2, is amended to read:

364.22 Subd. 2. **Emergency permit and notification exemptions.** The commissioner may
364.23 adopt rules that modify the procedures for filing a well notification or well or boring permit
364.24 if conditions occur that:

364.25 (1) endanger the public health and welfare or cause a need to protect the groundwater;
364.26 or

364.27 (2) require the monitoring environmental well contractor, limited well/boring contractor,
364.28 or well contractor to begin constructing a well or boring before obtaining a permit or
364.29 notification.

365.1 Sec. 17. Minnesota Statutes 2016, section 103I.205, subdivision 3, is amended to read:

365.2 Subd. 3. **Maintenance permit.** (a) Except as provided under paragraph (b), a well that
365.3 is not in use must be sealed or have a maintenance permit.

365.4 (b) If ~~a monitoring~~ an environmental well or a dewatering well is not sealed by 14 months
365.5 after completion of construction, the owner of the property on which the well is located
365.6 must obtain and annually renew a maintenance permit from the commissioner.

365.7 Sec. 18. Minnesota Statutes 2016, section 103I.205, subdivision 4, is amended to read:

365.8 Subd. 4. **License required.** (a) Except as provided in paragraph (b), (c), (d), or (e),
365.9 section 103I.401, subdivision 2, or 103I.601, subdivision 2, a person may not drill, construct,
365.10 repair, or seal a well or boring unless the person has a well contractor's license in possession.

365.11 (b) A person may construct, repair, and seal ~~a monitoring~~ an environmental well if the
365.12 person:

365.13 (1) is a professional engineer licensed under sections 326.02 to 326.15 in the branches
365.14 of civil or geological engineering;

365.15 (2) is a hydrologist or hydrogeologist certified by the American Institute of Hydrology;

365.16 (3) is a professional geoscientist licensed under sections 326.02 to 326.15;

365.17 (4) is a geologist certified by the American Institute of Professional Geologists; or

365.18 (5) meets the qualifications established by the commissioner in rule.

365.19 A person must ~~register with~~ be licensed by the commissioner as ~~a monitoring~~ an
365.20 environmental well contractor on forms provided by the commissioner.

365.21 (c) A person may do the following work with a limited well/boring contractor's license
365.22 in possession. A separate license is required for each of the ~~six~~ four activities:

365.23 (1) installing ~~or~~, repairing, and modifying well screens ~~or~~, pitless units ~~or~~ and pitless
365.24 adaptors, well pumps and pumping equipment, and well casings from the pitless adaptor or
365.25 pitless unit to the upper termination of the well casing;

365.26 (2) ~~constructing, repairing, and sealing drive point wells or dug wells;~~

365.27 (3) ~~installing well pumps or pumping equipment;~~

365.28 (4) sealing wells and borings;

365.29 (5) ~~(3)~~ constructing, repairing, or and sealing dewatering wells; or

365.30 (6) ~~(4)~~ constructing, repairing, or and sealing bored geothermal heat exchangers.

366.1 (d) A person may construct, repair, and seal an elevator boring with an elevator boring
366.2 contractor's license.

366.3 (e) Notwithstanding other provisions of this chapter requiring a license ~~or registration~~,
366.4 a license ~~or registration~~ is not required for a person who complies with the other provisions
366.5 of this chapter if the person is:

366.6 (1) an individual who constructs a water-supply well on land that is owned or leased by
366.7 the individual and is used by the individual for farming or agricultural purposes or as the
366.8 individual's place of abode;

366.9 (2) an individual who performs labor or services for a contractor licensed ~~or registered~~
366.10 under the provisions of this chapter in connection with the construction, sealing, or repair
366.11 of a well or boring at the direction and under the personal supervision of a contractor licensed
366.12 ~~or registered~~ under the provisions of this chapter; or

366.13 (3) a licensed plumber who is repairing submersible pumps or water pipes associated
366.14 with well water systems if: (i) the repair location is within an area where there is no licensed
366.15 ~~or registered~~ well contractor within 50 miles, and (ii) the licensed plumber complies with
366.16 all relevant sections of the plumbing code.

366.17 Sec. 19. Minnesota Statutes 2016, section 103I.205, subdivision 5, is amended to read:

366.18 Subd. 5. **At-grade monitoring environmental wells.** At-grade ~~monitoring~~ environmental
366.19 wells are authorized without variance and may be installed for the purpose of evaluating
366.20 groundwater conditions or for use as a leak detection device. An at-grade ~~monitoring~~
366.21 environmental well must be installed in accordance with the rules of the commissioner. The
366.22 at-grade ~~monitoring~~ environmental wells must be installed with an impermeable double
366.23 locking cap approved by the commissioner and must be labeled environmental or monitoring
366.24 wells.

366.25 Sec. 20. Minnesota Statutes 2016, section 103I.205, subdivision 6, is amended to read:

366.26 Subd. 6. **Distance requirements for sources of contamination, buildings, gas pipes,**
366.27 **liquid propane tanks, and electric lines.** (a) A person may not place, construct, or install
366.28 an actual or potential source of contamination, building, gas pipe, liquid propane tank, or
366.29 electric line any closer to a well or boring than the isolation distances prescribed by the
366.30 commissioner by rule unless a variance has been prescribed by rule.

367.1 (b) The commissioner shall establish by rule reduced isolation distances for facilities
367.2 which have safeguards in accordance with sections 18B.01, subdivision 26, and 18C.005,
367.3 subdivision 29.

367.4 Sec. 21. Minnesota Statutes 2016, section 103I.208, subdivision 1, is amended to read:

367.5 Subdivision 1. **Well notification fee.** The well notification fee to be paid by a property
367.6 owner is:

367.7 (1) for construction of a new water supply well, \$235 \$275, which includes the state
367.8 core function fee;

367.9 (2) for a well sealing, \$65 \$75 for each well, which includes the state core function fee,
367.10 except that a single fee of \$75 is required for monitoring all temporary environmental wells
367.11 constructed or recorded on the sealing notification for a single property, having depths
367.12 within a 25 foot range, and sealed within 48 72 hours of start of construction, a single fee
367.13 of \$65; and

367.14 (3) for construction of a dewatering well, \$235 \$275, which includes the state core
367.15 function fee, for each dewatering well except a dewatering project comprising five or more
367.16 dewatering wells shall be assessed a single fee of \$1,175 \$1,375 for the dewatering wells
367.17 recorded on the notification; and

367.18 (4) for construction of an environmental well, \$275, which includes the state core function
367.19 fee, except that a single fee of \$275 is required for all environmental wells recorded on the
367.20 notification that are located on a single property, and except that no fee is required for
367.21 construction of a temporary environmental well.

367.22 Sec. 22. Minnesota Statutes 2016, section 103I.208, subdivision 2, is amended to read:

367.23 Subd. 2. **Permit fee.** The permit fee to be paid by a property owner is:

367.24 (1) for a water supply well that is not in use under a maintenance permit, \$175 annually;

367.25 (2) ~~for construction of a monitoring well, \$235, which includes the state core function~~
367.26 ~~fee;~~

367.27 (3) ~~for a monitoring an environmental well that is unsealed under a maintenance permit,~~
367.28 \$175 annually except no fee is required for an environmental well owned by a federal
367.29 agency, state agency, or local unit of government that is unsealed under a maintenance
367.30 permit. "Local unit of government" means a statutory or home rule charter city, town, county,
367.31 or soil and water conservation district, watershed district, an organization formed for the

368.1 joint exercise of powers under section 471.59, a community health board, or other special
368.2 purpose district or authority with local jurisdiction in water and related land resources
368.3 management;

368.4 ~~(4) for a monitoring well owned by a federal agency, state agency, or local unit of~~
368.5 ~~government that is unsealed under a maintenance permit, \$50 annually. "Local unit of~~
368.6 ~~government" means a statutory or home rule charter city, town, county, or soil and water~~
368.7 ~~conservation district, watershed district, an organization formed for the joint exercise of~~
368.8 ~~powers under section 471.59, a community health board, or other special purpose district~~
368.9 ~~or authority with local jurisdiction in water and related land resources management;~~

368.10 ~~(5) (3) for monitoring environmental wells used as a leak detection device at a single~~
368.11 ~~motor fuel retail outlet, a single petroleum bulk storage site excluding tank farms, or a single~~
368.12 ~~agricultural chemical facility site, the construction permit fee is \$235, which includes the~~
368.13 ~~state core function fee, per site regardless of the number of wells constructed on the site,~~
368.14 ~~and the annual fee for that are unsealed under a maintenance permit for unsealed monitoring~~
368.15 ~~wells is, \$175 annually per site regardless of the number of monitoring environmental wells~~
368.16 ~~located on site;~~

368.17 ~~(6) (4) for a groundwater thermal exchange device, in addition to the notification fee~~
368.18 ~~for water supply wells, \$235 \$275, which includes the state core function fee;~~

368.19 ~~(7) (5) for a bored geothermal heat exchanger with less than ten tons of heating/cooling~~
368.20 ~~capacity, \$235 \$275;~~

368.21 ~~(8) (6) for a bored geothermal heat exchanger with ten to 50 tons of heating/cooling~~
368.22 ~~capacity, \$475 \$515;~~

368.23 ~~(9) (7) for a bored geothermal heat exchanger with greater than 50 tons of heating/cooling~~
368.24 ~~capacity, \$700 \$740;~~

368.25 ~~(10) (8) for a dewatering well that is unsealed under a maintenance permit, \$175 annually~~
368.26 ~~for each dewatering well, except a dewatering project comprising more than five dewatering~~
368.27 ~~wells shall be issued a single permit for \$875 annually for dewatering wells recorded on~~
368.28 ~~the permit; and~~

368.29 ~~(11) (9) for an elevator boring, \$235 \$275 for each boring.~~

369.1 Sec. 23. Minnesota Statutes 2016, section 103I.235, is amended by adding a subdivision
369.2 to read:

369.3 Subd. 3. **Temporary environmental well and unsuccessful well exemption.** This
369.4 section does not apply to temporary environmental wells or unsuccessful wells that have
369.5 been sealed by a licensed contractor in compliance with this chapter.

369.6 Sec. 24. Minnesota Statutes 2016, section 103I.301, subdivision 1, is amended to read:

369.7 Subdivision 1. **Wells and borings.** (a) A property owner must have a well or boring
369.8 sealed if:

369.9 (1) the well or boring is contaminated or may contribute to the spread of contamination;

369.10 (2) the well or boring was attempted to be sealed but was not sealed according to the
369.11 provisions of this chapter; or

369.12 (3) the well or boring is located, constructed, or maintained in a manner that its continued
369.13 use or existence endangers groundwater quality or is a safety or health hazard.

369.14 (b) A well or boring that is not in use must be sealed unless the property owner has a
369.15 maintenance permit for the well.

369.16 (c) The property owner must have a well or boring sealed by a registered or licensed
369.17 person authorized to seal the well or boring, consistent with provisions of this chapter.

369.18 Sec. 25. Minnesota Statutes 2016, section 103I.301, subdivision 2, is amended to read:

369.19 Subd. 2. **Monitoring Environmental wells.** The owner of the property where a
369.20 ~~monitoring an environmental~~ well is located must have the ~~monitoring environmental~~ well
369.21 sealed when the well is no longer in use. The owner must have a well contractor, limited
369.22 well/boring sealing contractor, or a ~~monitoring an environmental~~ well contractor seal the
369.23 ~~monitoring environmental~~ well.

369.24 Sec. 26. Minnesota Statutes 2016, section 103I.315, subdivision 1, is amended to read:

369.25 Subdivision 1. **Order to seal well or boring.** The commissioner may order a property
369.26 owner to seal a well or boring if:

369.27 (1) the commissioner determines that without being sealed the well or boring is an
369.28 imminent threat to public health or public safety;

369.29 (2) the well or boring is required to be sealed under section 103I.301; or

370.1 (3) a well is a ~~monitoring~~ an environmental well or dewatering well and by 14 months
370.2 after construction of the well, the owner has not obtained a maintenance permit, or after a
370.3 maintenance permit has been issued the owner has not renewed a maintenance permit.

370.4 Sec. 27. Minnesota Statutes 2016, section 103I.501, is amended to read:

370.5 **103I.501 LICENSING AND REGULATION OF WELLS AND BORINGS.**

370.6 (a) The commissioner shall regulate and license:

370.7 (1) drilling, constructing, and repair of wells;

370.8 (2) sealing of wells;

370.9 (3) installing of well pumps and pumping equipment;

370.10 (4) excavating, drilling, repairing, and sealing of elevator borings;

370.11 (5) construction, repair, and sealing of environmental ~~bore-holes~~ wells; and

370.12 (6) construction, repair, and sealing of bored geothermal heat exchangers.

370.13 (b) The commissioner shall examine and license well contractors, limited well/boring
370.14 contractors, and elevator boring contractors, and ~~examine and register monitoring~~
370.15 environmental well contractors.

370.16 (c) The commissioner shall license explorers engaged in exploratory boring and shall
370.17 examine persons who supervise or oversee exploratory boring.

370.18 Sec. 28. Minnesota Statutes 2016, section 103I.505, subdivision 1, is amended to read:

370.19 Subdivision 1. **Reciprocity authorized.** The commissioner may issue a license or register
370.20 certify a person under this chapter, without giving an examination, if the person is licensed
370.21 or ~~registered~~ certified in another state and:

370.22 (1) the requirements for licensing or ~~registration~~ certification under which the well or
370.23 boring contractor was licensed or ~~registered~~ person was certified do not conflict with this
370.24 chapter;

370.25 (2) the requirements are of a standard not lower than that specified by the rules adopted
370.26 under this chapter; and

370.27 (3) equal reciprocal privileges are granted to licensees or ~~registrants~~ certified persons
370.28 of this state.

371.1 Sec. 29. Minnesota Statutes 2016, section 103I.505, subdivision 2, is amended to read:

371.2 Subd. 2. **Fees required.** A well or boring contractor or certified person must apply for
371.3 the license or ~~registration~~ certification and pay the fees under the provisions of this chapter
371.4 to receive a license or ~~registration~~ certification under this section.

371.5 Sec. 30. Minnesota Statutes 2016, section 103I.515, is amended to read:

371.6 **103I.515 LICENSES NOT TRANSFERABLE.**

371.7 A license or ~~registration~~ certification issued under this chapter is not transferable.

371.8 Sec. 31. Minnesota Statutes 2016, section 103I.525, subdivision 1, is amended to read:

371.9 Subdivision 1. **Certification application.** (a) A person must file an application and
371.10 application fee with the commissioner to represent a well contractor.

371.11 (b) The application must state the applicant's qualifications for certification as a
371.12 representative, and other information required by the commissioner. The application must
371.13 be on forms prescribed by the commissioner.

371.14 ~~(c) A person may apply as an individual if the person:~~

371.15 ~~(1) is not representing a firm, sole proprietorship, partnership, association, corporation,~~
371.16 ~~or other entity including the United States government, any interstate body, the state, and~~
371.17 ~~an agency, department, or political subdivision of the state; and~~

371.18 ~~(2) meets the well contractor certification and license requirements under this chapter.~~

371.19 Sec. 32. Minnesota Statutes 2016, section 103I.525, subdivision 2, is amended to read:

371.20 Subd. 2. **Certification fee.** (a) The application fee for certification as a representative
371.21 of a well contractor is \$75. The commissioner may not act on an application until the
371.22 application fee is paid.

371.23 (b) The renewal fee for certification as a representative of a well contractor is \$75. The
371.24 commissioner may not renew a certification until the renewal fee is paid.

371.25 (c) A certified representative must file an application and a renewal application fee to
371.26 renew the certification by the date stated in the certification. The renewal application must
371.27 include information that the certified representative has met continuing education
371.28 requirements established by the commissioner by rule.

372.1 Sec. 33. Minnesota Statutes 2016, section 103I.525, subdivision 5, is amended to read:

372.2 Subd. 5. **Bond.** (a) As a condition of being issued a well contractor's license, the applicant;
372.3 ~~except a person applying for an individual well contractor's license,~~ must submit a corporate
372.4 surety bond for \$25,000 approved by the commissioner. The bond must be conditioned to
372.5 pay the state on performance of work in this state that is not in compliance with this chapter
372.6 or rules adopted under this chapter. The bond is in lieu of other license bonds required by
372.7 a political subdivision of the state.

372.8 (b) From proceeds of the bond, the commissioner may compensate persons injured or
372.9 suffering financial loss because of a failure of the applicant to perform work or duties in
372.10 compliance with this chapter or rules adopted under this chapter.

372.11 Sec. 34. Minnesota Statutes 2016, section 103I.525, subdivision 6, is amended to read:

372.12 Subd. 6. **License fee.** The fee for a well contractor's license is \$250, ~~except the fee for~~
372.13 ~~an individual well contractor's license is \$75.~~

372.14 Sec. 35. Minnesota Statutes 2016, section 103I.525, subdivision 8, is amended to read:

372.15 Subd. 8. **Renewal.** (a) A licensee must file an application and a renewal application fee
372.16 to renew the license by the date stated in the license.

372.17 (b) The renewal application fee for a well contractor's license is \$250, ~~except the fee for~~
372.18 ~~an individual well contractor's license is \$75.~~

372.19 (c) The renewal application must include information that the certified representative
372.20 of the applicant has met continuing education requirements established by the commissioner
372.21 by rule.

372.22 (d) At the time of the renewal, the commissioner must have on file all properly completed
372.23 well and boring construction reports, well and boring sealing reports, reports of elevator
372.24 borings, water sample analysis reports, well and boring permits, and well notifications for
372.25 work conducted by the licensee since the last license renewal.

372.26 Sec. 36. Minnesota Statutes 2016, section 103I.531, subdivision 2, is amended to read:

372.27 Subd. 2. **Certification fee.** (a) The application fee for certification as a representative
372.28 of a limited well/boring contractor is \$75. The commissioner may not act on an application
372.29 until the application fee is paid.

372.30 (b) The renewal fee for certification as a representative of a limited well/boring contractor
372.31 is \$75. The commissioner may not renew a certification until the renewal fee is paid.

373.1 (c) The fee for three or more limited well/boring contractor certifications is \$225.

373.2 (d) A certified representative must file an application and a renewal application fee to
373.3 renew the certification by the date stated in the certification. The renewal application must
373.4 include information that the certified representative has met continuing education
373.5 requirements established by the commissioner by rule.

373.6 Sec. 37. Minnesota Statutes 2016, section 103I.531, subdivision 5, is amended to read:

373.7 Subd. 5. **Bond.** (a) As a condition of being issued a limited well/boring contractor's
373.8 license for ~~constructing, repairing, and sealing drive point wells or dug wells, sealing wells~~
373.9 ~~or~~ and borings, constructing, repairing, and sealing dewatering wells, or constructing,
373.10 repairing, and sealing bored geothermal heat exchangers, the applicant must submit a
373.11 corporate surety bond for \$10,000 approved by the commissioner. As a condition of being
373.12 issued a limited well/boring contractor's license for installing ~~or~~, repairing, and modifying
373.13 well pumps and pumping equipment, well screens ~~or~~, pitless units ~~or~~ and pitless adaptors,
373.14 and well casings from the pitless adaptor or pitless unit to the upper termination of the well
373.15 casing, ~~or installing well pumps or pumping equipment~~, the applicant must submit a corporate
373.16 surety bond for \$2,000 approved by the commissioner. The bonds required in this paragraph
373.17 must be conditioned to pay the state on performance of work in this state that is not in
373.18 compliance with this chapter or rules adopted under this chapter. The bonds are in lieu of
373.19 other license bonds required by a political subdivision of the state.

373.20 (b) From proceeds of a bond required in paragraph (a), the commissioner may compensate
373.21 persons injured or suffering financial loss because of a failure of the applicant to perform
373.22 work or duties in compliance with this chapter or rules adopted under this chapter.

373.23 Sec. 38. Minnesota Statutes 2016, section 103I.535, subdivision 2, is amended to read:

373.24 Subd. 2. **Certification fee.** (a) The application fee for certification as a representative
373.25 of an elevator boring contractor is \$75. The commissioner may not act on an application
373.26 until the application fee is paid.

373.27 (b) The renewal fee for certification as a representative of an elevator boring contractor
373.28 is \$75. The commissioner may not renew a certification until the renewal fee is paid.

373.29 (c) A certified representative must file an application and a renewal application fee to
373.30 renew the certification by the date stated in the certification. The renewal application must
373.31 include information that the certified representative has met continuing education
373.32 requirements established by the commissioner by rule.

374.1 Sec. 39. Minnesota Statutes 2016, section 103I.535, subdivision 6, is amended to read:

374.2 Subd. 6. **License fee.** The fee for an elevator shaft boring contractor's license is \$75.

374.3 Sec. 40. Minnesota Statutes 2016, section 103I.541, subdivision 1, is amended to read:

374.4 Subdivision 1. **Registration Certification.** A person seeking ~~registration as a monitoring~~
374.5 certification to represent an environmental well contractor must meet examination and
374.6 experience requirements adopted by the commissioner by rule.

374.7 Sec. 41. Minnesota Statutes 2016, section 103I.541, subdivision 2, is amended to read:

374.8 Subd. 2. **Validity.** ~~A monitoring~~ An environmental well contractor's ~~registration~~
374.9 certification is valid until the date prescribed in the ~~registration~~ certification by the
374.10 commissioner.

374.11 Sec. 42. Minnesota Statutes 2016, section 103I.541, subdivision 2a, is amended to read:

374.12 Subd. 2a. **Certification application.** (a) An individual must submit an application and
374.13 application fee to the commissioner to apply for certification as a representative of a
374.14 ~~monitoring an environmental~~ well contractor.

374.15 (b) The application must be on forms prescribed by the commissioner. The application
374.16 must state the applicant's qualifications for the certification, and other information required
374.17 by the commissioner.

374.18 Sec. 43. Minnesota Statutes 2016, section 103I.541, subdivision 2b, is amended to read:

374.19 Subd. 2b. **Issuance of ~~registration~~ license.** If a person employs a certified representative,
374.20 submits the bond under subdivision 3, and pays the ~~registration~~ license fee of \$75 for a
374.21 ~~monitoring an environmental~~ well contractor ~~registration~~ license, the commissioner shall
374.22 issue ~~a monitoring an environmental~~ well contractor ~~registration~~ license to the applicant.
374.23 The fee for an individual registration is \$75. The commissioner may not act on an application
374.24 until the application fee is paid.

374.25 Sec. 44. Minnesota Statutes 2016, section 103I.541, subdivision 2c, is amended to read:

374.26 Subd. 2c. **Certification fee.** (a) The application fee for certification as a representative
374.27 of ~~a monitoring an environmental~~ well contractor is \$75. The commissioner may not act on
374.28 an application until the application fee is paid.

375.1 (b) The renewal fee for certification as a representative of a ~~monitoring an environmental~~
375.2 well contractor is \$75. The commissioner may not renew a certification until the renewal
375.3 fee is paid.

375.4 (c) A certified representative must file an application and a renewal application fee to
375.5 renew the certification by the date stated in the certification. The renewal application must
375.6 include information that the certified representative has met continuing education
375.7 requirements established by the commissioner by rule.

375.8 Sec. 45. Minnesota Statutes 2016, section 103I.541, subdivision 2e, is amended to read:

375.9 Subd. 2e. **Issuance of certification.** If the applicant meets the experience requirements
375.10 established by rule and passes the examination as determined by the commissioner, the
375.11 commissioner shall issue the applicant a certification to represent a ~~monitoring an~~
375.12 environmental well contractor.

375.13 Sec. 46. Minnesota Statutes 2016, section 103I.541, subdivision 3, is amended to read:

375.14 Subd. 3. **Bond.** (a) As a condition of being issued a ~~monitoring an environmental~~ well
375.15 contractor's ~~registration license~~, the applicant must submit a corporate surety bond for
375.16 \$10,000 approved by the commissioner. The bond must be conditioned to pay the state on
375.17 performance of work in this state that is not in compliance with this chapter or rules adopted
375.18 under this chapter. The bond is in lieu of other license bonds required by a political
375.19 subdivision of the state.

375.20 (b) From proceeds of the bond, the commissioner may compensate persons injured or
375.21 suffering financial loss because of a failure of the applicant to perform work or duties in
375.22 compliance with this chapter or rules adopted under this chapter.

375.23 Sec. 47. Minnesota Statutes 2016, section 103I.541, subdivision 4, is amended to read:

375.24 Subd. 4. **License renewal.** (a) A person must file an application and a renewal application
375.25 fee to renew the ~~registration license~~ by the date stated in the ~~registration license~~.

375.26 (b) The renewal application fee for a ~~monitoring an environmental~~ well contractor's
375.27 ~~registration license~~ is \$75.

375.28 (c) The renewal application must include information that the certified representative
375.29 of the applicant has met continuing education requirements established by the commissioner
375.30 by rule.

376.1 (d) At the time of the renewal, the commissioner must have on file all well and boring
376.2 construction reports, well and boring sealing reports, well permits, and notifications for
376.3 work conducted by the ~~registered~~ licensed person since the last ~~registration~~ license renewal.

376.4 Sec. 48. Minnesota Statutes 2016, section 103I.541, subdivision 5, is amended to read:

376.5 Subd. 5. **Incomplete or late renewal.** If a ~~registered~~ licensed person submits a renewal
376.6 application after the required renewal date:

376.7 (1) the ~~registered~~ licensed person must include a late fee of \$75; and

376.8 (2) the ~~registered~~ licensed person may not conduct activities authorized by the ~~monitoring~~
376.9 environmental well contractor's ~~registration~~ license until the renewal application, renewal
376.10 application fee, late fee, and all other information required in subdivision 4 are submitted.

376.11 Sec. 49. Minnesota Statutes 2016, section 103I.545, is amended to read:

376.12 **103I.545 REGISTRATION OF DRILLING MACHINES AND HOISTS**
376.13 **REQUIRED.**

376.14 Subdivision 1. **Drilling machine.** (a) A person may not use a drilling machine such as
376.15 a cable tool, rotary tool, hollow rod tool, or auger for a drilling activity requiring a license
376.16 ~~or registration~~ under this chapter unless the drilling machine is registered with the
376.17 commissioner.

376.18 (b) A person must apply for the registration on forms prescribed by the commissioner
376.19 and submit a \$75 registration fee.

376.20 (c) A registration is valid for one year.

376.21 Subd. 2. **Hoist.** (a) A person may not use a machine such as a hoist for an activity
376.22 requiring a license ~~or registration~~ under this chapter to repair wells or borings, seal wells
376.23 or borings, or install pumps unless the machine is registered with the commissioner.

376.24 (b) A person must apply for the registration on forms prescribed by the commissioner
376.25 and submit a \$75 registration fee.

376.26 (c) A registration is valid for one year.

376.27 Sec. 50. **[103I.550] LIMITED PUMP, PITLESS, OR DUG WELL/DRIVE POINT**
376.28 **CONTRACTOR.**

376.29 Subdivision 1. **Limited pump or pitless license or certification.** A person with a limited
376.30 well/boring contractor's license or certification to install well pumps and pumping equipment;

377.1 or a person with a limited well/boring contractor's license or certification to install, repair,
377.2 and modify pitless units and pitless adapters, well casings above the pitless unit or pitless
377.3 adapter, and well screens and well diameters, will be issued a combined license or
377.4 certification to: (1) install well pumps and pumping equipment; and (2) install, repair, and
377.5 modify pitless units and pitless adapters, well casings above the pitless unit or pitless adapter,
377.6 well screens, and well diameters.

377.7 Subd. 2. **Limited dug well/drive point license or certification.** A person with a limited
377.8 well/boring contractor's license or certification to construct, repair, and seal drive point
377.9 wells and dug wells will be issued a well contractor's license or certification.

377.10 Sec. 51. Minnesota Statutes 2016, section 103I.601, subdivision 2, is amended to read:

377.11 Subd. 2. **License required to make borings.** (a) Except as provided in paragraph (d),
377.12 a person must not make an exploratory boring without an explorer's license. The fee for an
377.13 explorer's license is \$75. The explorer's license is valid until the date prescribed in the license
377.14 by the commissioner.

377.15 (b) A person must file an application and renewal application fee to renew the explorer's
377.16 license by the date stated in the license. The renewal application fee is \$75.

377.17 (c) If the licensee submits an application fee after the required renewal date, the licensee:

377.18 (1) must include a late fee of \$75; and

377.19 (2) may not conduct activities authorized by an explorer's license until the renewal
377.20 application, renewal application fee, late fee, and sealing reports required in subdivision 9
377.21 are submitted.

377.22 (d) An explorer must designate a responsible individual to supervise and oversee the
377.23 making of exploratory borings.

377.24 (1) Before an individual supervises or oversees an exploratory boring, the individual
377.25 must file an application and application fee of \$75 to qualify as a certified responsible
377.26 individual.

377.27 (2) The individual must take and pass an examination relating to construction, location,
377.28 and sealing of exploratory borings. A professional engineer or geoscientist licensed under
377.29 sections 326.02 to 326.15 or a professional geologist certified by the American Institute of
377.30 Professional Geologists is not required to take the examination required in this subdivision,
377.31 but must be certified as a responsible individual to supervise an exploratory boring.

378.1 (3) The individual must file an application and a renewal fee of \$75 to renew the
378.2 responsible individual's certification by the date stated in the certification. If the certified
378.3 responsible individual submits an application fee after the renewal date, the certified
378.4 responsible individual must include a late fee of \$75 and may not supervise or oversee
378.5 exploratory borings until the renewal application, application fee, and late fee are submitted.

378.6 Sec. 52. Minnesota Statutes 2016, section 103I.601, subdivision 4, is amended to read:

378.7 Subd. 4. **Notification and map of borings.** (a) By ten days before beginning exploratory
378.8 boring, an explorer must submit to the commissioner of health a notification of the proposed
378.9 boring on a form prescribed by the commissioner, and a fee of \$275 for each exploratory
378.10 boring.

378.11 (b) By ten days before beginning exploratory boring, an explorer must submit to the
378.12 commissioners of health and natural resources a county road map having a scale of one-half
378.13 inch equal to one mile, as prepared by the Department of Transportation, or a 7.5 minute
378.14 series topographic map (1:24,000 scale), as prepared by the United States Geological Survey,
378.15 showing the location of each proposed exploratory boring to the nearest estimated 40 acre
378.16 parcel. Exploratory boring that is proposed on the map may not be commenced later than
378.17 180 days after submission of the map, unless a new map is submitted.

378.18 Sec. 53. Minnesota Statutes 2016, section 103I.711, subdivision 1, is amended to read:

378.19 Subdivision 1. **Impoundment.** The commissioner may apply to district court for a
378.20 warrant authorizing seizure and impoundment of all drilling machines or hoists owned or
378.21 used by a person. The court shall issue an impoundment order upon the commissioner's
378.22 showing that a person is constructing, repairing, or sealing wells or borings or installing
378.23 pumps or pumping equipment or excavating holes for installing elevator shafts borings
378.24 without a license or registration as required under this chapter. A sheriff on receipt of the
378.25 warrant must seize and impound all drilling machines and hoists owned or used by the
378.26 person. A person from whom equipment is seized under this subdivision may file an action
378.27 in district court for the purpose of establishing that the equipment was wrongfully seized.

378.28 Sec. 54. Minnesota Statutes 2016, section 103I.715, subdivision 2, is amended to read:

378.29 Subd. 2. **Gross misdemeanors.** A person is guilty of a gross misdemeanor who:

378.30 (1) willfully violates a provision of this chapter or order of the commissioner;

379.1 (2) engages in the business of drilling or making wells, sealing wells, installing pumps
379.2 or pumping equipment, or constructing elevator shafts borings without a license required
379.3 by this chapter; or

379.4 (3) engages in the business of exploratory boring without an exploratory borer's license
379.5 under this chapter.

379.6 Sec. 55. [137.67] MINNESOTA BIOMEDICINE AND BIOETHICS INNOVATION
379.7 GRANTS.

379.8 Subdivision 1. Grants. (a) The steering committee of the University of Minnesota and
379.9 Mayo Foundation partnership shall award grants to entities that apply for a grant under this
379.10 subdivision to fund innovations and research in biomedicine and bioethics. Grant funds
379.11 must be used to fund biomedical and bioethical research, and related clinical translation
379.12 and commercialization activities in this state. Entities must apply for a grant in a form and
379.13 manner specified by the steering committee. The steering committee shall use the following
379.14 criteria to award grants under this subdivision:

379.15 (1) the likelihood that the research will lead to a new discovery;

379.16 (2) the prospects for commercialization of the research;

379.17 (3) the likelihood that the research will strengthen Minnesota's economy through the
379.18 creation of new businesses, increased public or private funding for research in Minnesota,
379.19 or attracting additional clinicians and researchers to Minnesota; and

379.20 (4) whether the proposed research includes a bioethics research plan to ensure the research
379.21 is conducted using ethical research practices.

379.22 (b) Projects that include the acquisition or use of human fetal tissue are not eligible for
379.23 grants under this subdivision. For purposes of this paragraph, "human fetal tissue" has the
379.24 meaning given in United States Code, title 42, section 289g-1(f).

379.25 Subd. 2. Consultation. In awarding grants under subdivision 1, the steering committee
379.26 may consult with interested parties who are able to provide technical information, advice,
379.27 and recommendations on grant projects and awards. Interested parties with whom the steering
379.28 committee may consult include but are not limited to representatives of private industries
379.29 with expertise in biomedical research, bioethical research, clinical translation,
379.30 commercialization, and medical venture financing.

380.1 Sec. 56. [144.0572] CRIMINAL HISTORY BACKGROUND CHECKS ON
380.2 APPLICANTS, LICENSEES, AND OTHER OCCUPATIONS REGULATED BY
380.3 COMMISSIONER OF HEALTH.

380.4 Subdivision 1. Criminal history background check requirements. (a) Beginning
380.5 January 1, 2018, an applicant for initial licensure, temporary licensure, or relicensure after
380.6 a lapse in licensure as an audiologist or speech-language pathologist, or an applicant for
380.7 initial certification as a hearing instrument dispenser, must submit to a criminal history
380.8 records check of state data completed by the Bureau of Criminal Apprehension (BCA) and
380.9 a national criminal history records check, including a search of the records of the Federal
380.10 Bureau of Investigation (FBI).

380.11 (b) Beginning January 1, 2020, an applicant for a renewal license or certificate as an
380.12 audiologist, speech-language pathologist, or hearing instrument dispenser who was licensed
380.13 or obtained a certificate before January 1, 2018, must submit to a criminal history records
380.14 check of state data completed by the BCA and a national criminal history records check,
380.15 including a search of the records of the FBI.

380.16 (c) An applicant must submit to a background study under chapter 245C.

380.17 (d) The criminal history records check must be structured so that any new crimes that
380.18 an applicant or licensee or certificate holder commits after the initial background check are
380.19 flagged in the BCA's or FBI's database and reported back to the commissioner of human
380.20 services.

380.21 Subd. 2. Procedures. (a) The commissioner shall contract with the Department of Human
380.22 Services to process the criminal history background check requirements through NETStudy
380.23 2.0, as defined in section 245C.02.

380.24 (b) The Department of Human Services shall conduct the criminal history background
380.25 checks according to section 144.057, except that:

380.26 (1) all applicants must submit to a fingerprint-based criminal history records check of
380.27 state data completed by the BCA and a national criminal history records check, including
380.28 a search of the records of the FBI;

380.29 (2) the Department of Human Services shall complete the check and the study and notify
380.30 the commissioner of health if the applicant, licensee, or certificate holder has a criminal
380.31 history as defined in section 245C.15; and

380.32 (3) the Department of Human Services shall simultaneously conduct a background study
380.33 on each applicant according to chapter 245C.

381.1 (c) When making a determination whether to issue a license, deny a license, or issue a
381.2 conditional license or other credential to practice an occupation regulated by the Department
381.3 of Health, the commissioner or the commissioner's designee shall evaluate a criminal
381.4 conviction, guilty plea, Alford plea, judicial determination, or preponderance of evidence
381.5 to determine an applicant's risk of harm using the criteria in section 364.03.

381.6 (d) Before taking disciplinary action against an applicant or a licensee based on a criminal
381.7 conviction, judicial determination, admission in court, Alford plea, or preponderance of
381.8 evidence, the commissioner of health shall provide the applicant or licensee an opportunity
381.9 to complete or challenge the accuracy of the criminal history information. The applicant or
381.10 licensee shall have 30 calendar days following notice from the commissioner of the intent
381.11 to deny licensure or take disciplinary action to request an opportunity to correct or complete
381.12 the record prior to the commissioner taking disciplinary action. The commissioner shall
381.13 provide the applicant up to 180 days to challenge the accuracy or completeness of the report
381.14 with the agency responsible for the record. This subdivision does not affect the right of the
381.15 subject of the data to contest the accuracy or completeness under section 13.04, subdivision
381.16 4.

381.17 (e) The checks and studies must be structured so that any new crimes that an applicant
381.18 or licensee commits after the initial background check are flagged in the BCA's or FBI's
381.19 database and reported back to the commissioner of human services.

381.20 Subd. 3. **Applicant, licensee, or other regulated individual's responsibilities.** (a)
381.21 Applicants, licensees, and individuals seeking a credential to practice one of the public
381.22 health occupations listed in subdivision 1 must submit a complete criminal history records
381.23 check consent form, a complete background study consent form, and a full set of fingerprints
381.24 as required by the Department of Human Services in section 245C.05.

381.25 (b) The applicant or license holder is responsible for paying to the Department of Human
381.26 Services all fees associated with the preparation of the fingerprints, the criminal records
381.27 check consent form, and the criminal background check.

381.28 Sec. 57. **[144.059] PALLIATIVE CARE ADVISORY COUNCIL.**

381.29 Subdivision 1. **Membership.** The Palliative Care Advisory Council shall consist of 18
381.30 public members.

381.31 Subd. 2. **Public members.** (a) The commissioner shall appoint, in the manner provided
381.32 in section 15.0597, 18 public members, including the following:

- 382.1 (1) two physicians, of which one is certified by the American Board of Hospice and
382.2 Palliative Medicine;
- 382.3 (2) two registered nurses or advanced practice registered nurses, of which one is certified
382.4 by the National Board for Certification of Hospice and Palliative Nurses;
- 382.5 (3) one care coordinator experienced in working with people with serious or chronic
382.6 illness and their families;
- 382.7 (4) one spiritual counselor experienced in working with people with serious or chronic
382.8 illness and their families;
- 382.9 (5) three licensed health professionals, such as complementary and alternative health
382.10 care practitioners, dietitians or nutritionists, pharmacists, or physical therapists, who are
382.11 neither physicians nor nurses, but who have experience as members of a palliative care
382.12 interdisciplinary team working with people with serious or chronic illness and their families;
- 382.13 (6) one licensed social worker experienced in working with people with serious or chronic
382.14 illness and their families;
- 382.15 (7) four patients or personal caregivers experienced with serious or chronic illness;
- 382.16 (8) one representative of a health plan company;
- 382.17 (9) one physician assistant that is a member of the American Academy of Hospice and
382.18 Palliative Medicine; and
- 382.19 (10) two members from any of the categories described in clauses (1) to (9).
- 382.20 (b) Council membership must include, where possible, representation that is racially,
382.21 culturally, linguistically, geographically, and economically diverse.
- 382.22 (c) The council must include at least six members who reside outside Anoka, Carver,
382.23 Chisago, Dakota, Hennepin, Isanti, Mille Lacs, Ramsey, Scott, Sherburne, Sibley, Stearns,
382.24 Washington, or Wright Counties.
- 382.25 (d) To the extent possible, council membership must include persons who have experience
382.26 in palliative care research, palliative care instruction in a medical or nursing school setting,
382.27 palliative care services for veterans as a provider or recipient, or pediatric care.
- 382.28 (e) Council membership must include health professionals who have palliative care work
382.29 experience or expertise in palliative care delivery models in a variety of inpatient, outpatient,
382.30 and community settings, including acute care, long-term care, or hospice, with a variety of
382.31 populations, including pediatric, youth, and adult patients.

383.1 Subd. 3. **Term.** Members of the council shall serve for a term of three years and may
383.2 be reappointed. Members shall serve until their successors have been appointed.

383.3 Subd. 4. **Administration.** The commissioner or the commissioner's designee shall
383.4 provide meeting space and administrative services for the council.

383.5 Subd. 5. **Chairs.** At the council's first meeting, and biannually thereafter, the members
383.6 shall elect a chair and a vice-chair whose duties shall be established by the council.

383.7 Subd. 6. **Meeting.** The council shall meet at least twice yearly.

383.8 Subd. 7. **No compensation.** Public members of the council serve without compensation
383.9 or reimbursement for expenses.

383.10 Subd. 8. **Duties.** (a) The council shall consult with and advise the commissioner on
383.11 matters related to the establishment, maintenance, operation, and outcomes evaluation of
383.12 palliative care initiatives in the state.

383.13 (b) By February 15 of each year, the council shall submit to the chairs and ranking
383.14 minority members of the committees of the senate and the house of representatives with
383.15 primary jurisdiction over health care a report containing:

383.16 (1) the advisory council's assessment of the availability of palliative care in the state;

383.17 (2) the advisory council's analysis of barriers to greater access to palliative care; and

383.18 (3) recommendations for legislative action, with draft legislation to implement the
383.19 recommendations.

383.20 (c) The Department of Health shall publish the report each year on the department's Web
383.21 site.

383.22 Subd. 9. **Open meetings.** The council is subject to the requirements of chapter 13D.

383.23 Subd. 10. **Sunset.** The council shall sunset January 1, 2025.

383.24 Sec. 58. [144.1215] **AUTHORIZATION TO USE HANDHELD DENTAL X-RAY**
383.25 **EQUIPMENT.**

383.26 Subdivision 1. **Definition; handheld dental x-ray equipment.** For purposes of this
383.27 section, "handheld dental x-ray equipment" means x-ray equipment that is used to take
383.28 dental radiographs, is designed to be handheld during operation, and is operated by an
383.29 individual authorized to take dental radiographs under chapter 150A.

384.1 Subd. 2. Use authorized. (a) Handheld dental x-ray equipment may be used if the
384.2 equipment:

384.3 (1) has been approved for human use by the United States Food and Drug Administration
384.4 and is being used in a manner consistent with that approval; and

384.5 (2) utilizes a backscatter shield that:

384.6 (i) is composed of a leaded polymer or a substance with a substantially equivalent
384.7 protective capacity;

384.8 (ii) has at least 0.25 millimeters of lead or lead-shielding equivalent; and

384.9 (iii) is permanently affixed to the handheld dental x-ray equipment.

384.10 (b) The use of handheld dental x-ray equipment is prohibited if the equipment's
384.11 backscatter shield is broken or not permanently affixed to the system.

384.12 (c) The use of handheld dental x-ray equipment shall not be limited to situations in which
384.13 it is impractical to transfer the patient to a stationary x-ray system.

384.14 (d) Handheld dental x-ray equipment must be stored when not in use, by being secured
384.15 in a restricted, locked area of the facility.

384.16 (e) Handheld dental x-ray equipment must be calibrated initially and at intervals that
384.17 must not exceed 24 months. Calibration must include the test specified in Minnesota Rules,
384.18 part 4732.1100, subpart 11.

384.19 (f) Notwithstanding Minnesota Rules, part 4732.0880, subpart 2, item C, the tube housing
384.20 and the position-indicating device of handheld dental x-ray equipment may be handheld
384.21 during an exposure.

384.22 Subd. 3. Exemptions from certain shielding requirements. Handheld dental x-ray
384.23 equipment used according to this section and according to manufacturer instructions is
384.24 exempt from the following requirements for the equipment:

384.25 (1) shielding requirements in Minnesota Rules, part 4732.0365, item B; and

384.26 (2) requirements for the location of the x-ray control console or utilization of a protective
384.27 barrier in Minnesota Rules, part 4732.0800, subpart 2, item B, subitems (2) and (3), provided
384.28 the equipment utilizes a backscatter shield that satisfies the requirements in subdivision 2,
384.29 paragraph (a), clause (2).

384.30 Subd. 4. Compliance with rules. A registrant using handheld dental x-ray equipment
384.31 shall otherwise comply with Minnesota Rules, chapter 4732.

385.1 Sec. 59. Minnesota Statutes 2016, section 144.122, is amended to read:

385.2 **144.122 LICENSE, PERMIT, AND SURVEY FEES.**

385.3 (a) The state commissioner of health, by rule, may prescribe procedures and fees for
385.4 filing with the commissioner as prescribed by statute and for the issuance of original and
385.5 renewal permits, licenses, registrations, and certifications issued under authority of the
385.6 commissioner. The expiration dates of the various licenses, permits, registrations, and
385.7 certifications as prescribed by the rules shall be plainly marked thereon. Fees may include
385.8 application and examination fees and a penalty fee for renewal applications submitted after
385.9 the expiration date of the previously issued permit, license, registration, and certification.
385.10 The commissioner may also prescribe, by rule, reduced fees for permits, licenses,
385.11 registrations, and certifications when the application therefor is submitted during the last
385.12 three months of the permit, license, registration, or certification period. Fees proposed to
385.13 be prescribed in the rules shall be first approved by the Department of Management and
385.14 Budget. All fees proposed to be prescribed in rules shall be reasonable. The fees shall be
385.15 in an amount so that the total fees collected by the commissioner will, where practical,
385.16 approximate the cost to the commissioner in administering the program. All fees collected
385.17 shall be deposited in the state treasury and credited to the state government special revenue
385.18 fund unless otherwise specifically appropriated by law for specific purposes.

385.19 (b) The commissioner may charge a fee for voluntary certification of medical laboratories
385.20 and environmental laboratories, and for environmental and medical laboratory services
385.21 provided by the department, without complying with paragraph (a) or chapter 14. Fees
385.22 charged for environment and medical laboratory services provided by the department must
385.23 be approximately equal to the costs of providing the services.

385.24 (c) The commissioner may develop a schedule of fees for diagnostic evaluations
385.25 conducted at clinics held by the services for children with disabilities program. All receipts
385.26 generated by the program are annually appropriated to the commissioner for use in the
385.27 maternal and child health program.

385.28 (d) The commissioner shall set license fees for hospitals and nursing homes that are not
385.29 boarding care homes at the following levels:

385.30	Joint Commission on Accreditation of	\$7,655 plus \$16 per bed
385.31	Healthcare Organizations (JCAHO) and	
385.32	American Osteopathic Association (AOA)	
385.33	hospitals	
385.34	Non-JCAHO and non-AOA hospitals	\$5,280 plus \$250 per bed
385.35	Nursing home	\$183 plus \$91 per bed until June 30, 2018.
385.36		<u>\$183 plus \$100 per bed between July 1, 2018,</u>

386.1 and June 30, 2020. \$183 plus \$105 per bed
386.2 beginning July 1, 2020.

386.3 The commissioner shall set license fees for outpatient surgical centers, boarding care
386.4 homes, and supervised living facilities at the following levels:

386.5	Outpatient surgical centers	\$3,712
386.6	Boarding care homes	\$183 plus \$91 per bed
386.7	Supervised living facilities	\$183 plus \$91 per bed.

386.8 Fees collected under this paragraph are nonrefundable. The fees are nonrefundable even if
386.9 received before July 1, 2017, for licenses or registrations being issued effective July 1, 2017,
386.10 or later.

386.11 (e) Unless prohibited by federal law, the commissioner of health shall charge applicants
386.12 the following fees to cover the cost of any initial certification surveys required to determine
386.13 a provider's eligibility to participate in the Medicare or Medicaid program:

386.14	Prospective payment surveys for hospitals	\$	900
386.15	Swing bed surveys for nursing homes	\$	1,200
386.16	Psychiatric hospitals	\$	1,400
386.17	Rural health facilities	\$	1,100
386.18	Portable x-ray providers	\$	500
386.19	Home health agencies	\$	1,800
386.20	Outpatient therapy agencies	\$	800
386.21	End stage renal dialysis providers	\$	2,100
386.22	Independent therapists	\$	800
386.23	Comprehensive rehabilitation outpatient facilities	\$	1,200
386.24	Hospice providers	\$	1,700
386.25	Ambulatory surgical providers	\$	1,800
386.26	Hospitals	\$	4,200
386.27	Other provider categories or additional	Actual surveyor costs: average surveyor cost x number of hours for the survey process.	
386.28	resurveys required to complete initial		
386.29	certification		

386.30 These fees shall be submitted at the time of the application for federal certification and
386.31 shall not be refunded. All fees collected after the date that the imposition of fees is not
386.32 prohibited by federal law shall be deposited in the state treasury and credited to the state
386.33 government special revenue fund.

387.1 Sec. 60. Minnesota Statutes 2016, section 144.1501, subdivision 2, is amended to read:

387.2 Subd. 2. **Creation of account.** (a) A health professional education loan forgiveness
387.3 program account is established. The commissioner of health shall use money from the
387.4 account to establish a loan forgiveness program:

387.5 (1) for medical residents and mental health professionals agreeing to practice in designated
387.6 rural areas or underserved urban communities or specializing in the area of pediatric
387.7 psychiatry;

387.8 (2) for midlevel practitioners agreeing to practice in designated rural areas or to teach
387.9 at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program
387.10 at the undergraduate level or the equivalent at the graduate level;

387.11 (3) for nurses who agree to practice in a Minnesota nursing home; an intermediate care
387.12 facility for persons with developmental disability; ~~or a hospital if the hospital owns and~~
387.13 operates a Minnesota nursing home and a minimum of 50 percent of the hours worked by
387.14 the nurse is in the nursing home; a housing with services establishment as defined in section
387.15 144D.01, subdivision 4; or for a home care provider as defined in section 144A.43,
387.16 subdivision 4; or agree to teach at least 12 credit hours, or 720 hours per year in the nursing
387.17 field in a postsecondary program at the undergraduate level or the equivalent at the graduate
387.18 level;

387.19 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720
387.20 hours per year in their designated field in a postsecondary program at the undergraduate
387.21 level or the equivalent at the graduate level. The commissioner, in consultation with the
387.22 Healthcare Education-Industry Partnership, shall determine the health care fields where the
387.23 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory
387.24 technology, radiologic technology, and surgical technology;

387.25 (5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses
387.26 who agree to practice in designated rural areas; and

387.27 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient
387.28 encounters to state public program enrollees or patients receiving sliding fee schedule
387.29 discounts through a formal sliding fee schedule meeting the standards established by the
387.30 United States Department of Health and Human Services under Code of Federal Regulations,
387.31 title 42, section 51, chapter 303.

387.32 (b) Appropriations made to the account do not cancel and are available until expended,
387.33 except that at the end of each biennium, any remaining balance in the account that is not

388.1 committed by contract and not needed to fulfill existing commitments shall cancel to the
388.2 fund.

388.3 Sec. 61. [144.1505] HEALTH PROFESSIONALS CLINICAL TRAINING
388.4 EXPANSION GRANT PROGRAM.

388.5 Subdivision 1. Definitions. For purposes of this section, the following definitions apply:

388.6 (1) "eligible advanced practice registered nurse program" means a program that is located
388.7 in Minnesota and is currently accredited as a master's, doctoral, or postgraduate level
388.8 advanced practice registered nurse program by the Commission on Collegiate Nursing
388.9 Education or by the Accreditation Commission for Education in Nursing, or is a candidate
388.10 for accreditation;

388.11 (2) "eligible dental therapy program" means a dental therapy education program or
388.12 advanced dental therapy education program that is located in Minnesota and is either:

388.13 (i) approved by the Board of Dentistry; or

388.14 (ii) currently accredited by the Commission on Dental Accreditation;

388.15 (3) "eligible mental health professional program" means a program that is located in
388.16 Minnesota and is listed as a mental health professional program by the appropriate accrediting
388.17 body for clinical social work, psychology, marriage and family therapy, or licensed
388.18 professional clinical counseling, or is a candidate for accreditation;

388.19 (4) "eligible pharmacy program" means a program that is located in Minnesota and is
388.20 currently accredited as a doctor of pharmacy program by the Accreditation Council on
388.21 Pharmacy Education;

388.22 (5) "eligible physician assistant program" means a program that is located in Minnesota
388.23 and is currently accredited as a physician assistant program by the Accreditation Review
388.24 Commission on Education for the Physician Assistant, or is a candidate for accreditation;

388.25 (6) "mental health professional" means an individual providing clinical services in the
388.26 treatment of mental illness who meets one of the qualifications under section 245.462,
388.27 subdivision 18; and

388.28 (7) "project" means a project to establish or expand clinical training for physician
388.29 assistants, advanced practice registered nurses, pharmacists, dental therapists, advanced
388.30 dental therapists, or mental health professionals in Minnesota.

388.31 Subd. 2. Program. (a) The commissioner of health shall award health professional
388.32 training site grants to eligible physician assistant, advanced practice registered nurse,

389.1 pharmacy, dental therapy, and mental health professional programs to plan and implement
389.2 expanded clinical training. A planning grant shall not exceed \$75,000, and a training grant
389.3 shall not exceed \$150,000 for the first year, \$100,000 for the second year, and \$50,000 for
389.4 the third year per program.

389.5 (b) Funds may be used for:

389.6 (1) establishing or expanding clinical training for physician assistants, advanced practice
389.7 registered nurses, pharmacists, dental therapists, advanced dental therapists, and mental
389.8 health professionals in Minnesota;

389.9 (2) recruitment, training, and retention of students and faculty;

389.10 (3) connecting students with appropriate clinical training sites, internships, practicums,
389.11 or externship activities;

389.12 (4) travel and lodging for students;

389.13 (5) faculty, student, and preceptor salaries, incentives, or other financial support;

389.14 (6) development and implementation of cultural competency training;

389.15 (7) evaluations;

389.16 (8) training site improvements, fees, equipment, and supplies required to establish,
389.17 maintain, or expand a physician assistant, advanced practice registered nurse, pharmacy,
389.18 dental therapy, or mental health professional training program; and

389.19 (9) supporting clinical education in which trainees are part of a primary care team model.

389.20 Subd. 3. **Applications.** Eligible physician assistant, advanced practice registered nurse,
389.21 pharmacy, dental therapy, and mental health professional programs seeking a grant shall
389.22 apply to the commissioner. Applications must include a description of the number of
389.23 additional students who will be trained using grant funds; attestation that funding will be
389.24 used to support an increase in the number of clinical training slots; a description of the
389.25 problem that the proposed project will address; a description of the project, including all
389.26 costs associated with the project, sources of funds for the project, detailed uses of all funds
389.27 for the project, and the results expected; and a plan to maintain or operate any component
389.28 included in the project after the grant period. The applicant must describe achievable
389.29 objectives, a timetable, and roles and capabilities of responsible individuals in the
389.30 organization.

389.31 Subd. 4. **Consideration of applications.** The commissioner shall review each application
389.32 to determine whether or not the application is complete and whether the program and the

390.1 project are eligible for a grant. In evaluating applications, the commissioner shall score each
390.2 application based on factors including, but not limited to, the applicant's clarity and
390.3 thoroughness in describing the project and the problems to be addressed, the extent to which
390.4 the applicant has demonstrated that the applicant has made adequate provisions to ensure
390.5 proper and efficient operation of the training program once the grant project is completed,
390.6 the extent to which the proposed project is consistent with the goal of increasing access to
390.7 primary care and mental health services for rural and underserved urban communities, the
390.8 extent to which the proposed project incorporates team-based primary care, and project
390.9 costs and use of funds.

390.10 Subd. 5. **Program oversight.** The commissioner shall determine the amount of a grant
390.11 to be given to an eligible program based on the relative score of each eligible program's
390.12 application, other relevant factors discussed during the review, and the funds available to
390.13 the commissioner. Appropriations made to the program do not cancel and are available until
390.14 expended. During the grant period, the commissioner may require and collect from programs
390.15 receiving grants any information necessary to evaluate the program.

390.16 Sec. 62. **[144.4199] PUBLIC HEALTH RESPONSE CONTINGENCY ACCOUNT.**

390.17 Subdivision 1. **Public health response contingency account.** A public health response
390.18 contingency account is created in the special revenue fund in the state treasury. Money in
390.19 the public health response contingency account does not cancel and is appropriated to the
390.20 commissioner of health for the purposes specified in subdivision 4 when the determination
390.21 criteria in subdivision 3 and the requirements in subdivisions 5, paragraph (a), and 7, are
390.22 satisfied.

390.23 Subd. 2. **Definition.** For purposes of this section, "public health response" means
390.24 immediate public health activities required to protect the health and safety of the public due
390.25 to pandemic influenza or an outbreak of a communicable or infectious disease.

390.26 Subd. 3. **Determination criteria.** The commissioner may make expenditures from the
390.27 public health response contingency account only if:

390.28 (1) the commissioner determines the pandemic influenza or outbreak of a communicable
390.29 or infectious disease requires a public health response;

390.30 (2) the commissioner determines that the public health response is reasonably expected
390.31 to require supplies, equipment, personnel, and other resources in excess of the resources
390.32 available for public health response and preparedness activities in the affected jurisdictions;
390.33 and

- 391.1 (3) the commissioner has notified the relevant federal agency that the pandemic influenza
391.2 or communicable or infectious disease:
- 391.3 (i) is reasonably expected to require the evacuation of the impacted population, relocation
391.4 of seriously ill or injured persons to temporary care facilities, or the provision of replacement
391.5 essential community services;
- 391.6 (ii) poses a probability of a large number of deaths, serious injuries, or long-term
391.7 disabilities in the affected population;
- 391.8 (iii) involves widespread exposure to an infectious agent that poses a significant risk of
391.9 substantial future harm to a large number of people in the affected area; or
- 391.10 (iv) poses a significant risk of harm to a large number of people or a high rate of morbidity
391.11 or mortality in the affected population.
- 391.12 Subd. 4. **Uses of funds.** (a) When the determination criteria in subdivision 3 are satisfied
391.13 and the commissioner has complied with subdivisions 5, paragraph (a), and 7, the
391.14 commissioner may make expenditures from the public health response contingency account
391.15 for the following purposes attributable to a public health response:
- 391.16 (1) staffing;
- 391.17 (2) information technology;
- 391.18 (3) supplies, equipment, and services to protect people in the affected area or population,
391.19 health care providers, and public safety workers;
- 391.20 (4) training for and coordination with local public health departments and health care
391.21 providers;
- 391.22 (5) communication with and outreach to affected areas or populations;
- 391.23 (6) to provide a state match for federal assistance obtained for the public health response;
- 391.24 (7) laboratory testing, including enhancements to laboratory capacity necessary to conduct
391.25 testing related to the event, and supplies, equipment, shipping, and security;
- 391.26 (8) the purchase of vaccines, antibiotics, antivirals, and other medical resources to prevent
391.27 the spread of the pandemic influenza or communicable or infectious disease or to treat
391.28 related medical conditions;
- 391.29 (9) reimbursement to community health boards or other local units of government for
391.30 incurred costs for the goods and services listed in clauses (1) to (8) that are attributable to
391.31 the public health response;

392.1 (10) reimbursement to health care organizations and health care providers for incurred
392.2 costs that are attributable to the public health response; and

392.3 (11) funding to support other state agencies for costs incurred by those agencies that are
392.4 attributable to the public health response.

392.5 (b) Money in the account must not be used to increase the total number of full-time
392.6 equivalent permanent employees at the Department of Health, unless expressly authorized
392.7 by law. Money in the account shall be used only for public health response activities to
392.8 protect the health and safety of the public.

392.9 Subd. 5. **Assistance from other sources.** (a) As a condition of making expenditures
392.10 from the public health response contingency account, the commissioner must seek any
392.11 appropriate assistance from other available sources, including the federal government, to
392.12 assist with costs attributable to the public health response.

392.13 (b) If the commissioner recovers eligible costs for the public health response from a
392.14 nonstate source after making expenditures from the public health response contingency
392.15 account, the commissioner shall reimburse the public health response contingency account
392.16 for those costs, up to the amount recovered for eligible costs from the nonstate source.

392.17 Subd. 6. **Emergency management authority.** Nothing in this section shall be construed
392.18 to limit the emergency management authority of the governor or any local or county
392.19 organization for emergency management under chapter 12 or other law.

392.20 Subd. 7. **Notice and expenditure review.** (a) For pandemic influenza or an outbreak of
392.21 a communicable or infectious disease that begins on or after July 1, 2017, if the commissioner
392.22 determines that a public health response to pandemic influenza or an outbreak of a
392.23 communicable or infectious disease may require the diversion of Department of Health staff
392.24 or resources, the commissioner shall provide written notice to the chairs and ranking minority
392.25 members of the legislative committees with jurisdiction over health and human services
392.26 policy and finance with information on the event requiring the public health response, the
392.27 public health response that may be required, and estimates of the staff hours and resources
392.28 that the commissioner may need to divert to provide the public health response. For pandemic
392.29 influenza or an outbreak of a communicable or infectious disease that begins prior to July
392.30 1, 2017, the commissioner must provide the notice required by this paragraph no later than
392.31 July 10, 2017.

392.32 (b) Prior to authorizing expenditures from the public health response contingency account,
392.33 the commissioner shall seek review and recommendation from the Legislative Advisory
392.34 Commission according to the procedures in section 3.3005, subdivision 5, that would

393.1 otherwise apply if the funds were federal funds. The commissioner is prohibited from seeking
393.2 review and recommendation for any expenditures for public health response activities that
393.3 were made before the commissioner provided the notice required in paragraph (a).

393.4 Subd. 8. **Report.** By January 15 of each year, the commissioner shall submit a report to
393.5 the chairs and ranking minority members of the house of representatives Ways and Means
393.6 Committee, the senate Finance Committee, and the house of representatives and senate
393.7 committees with jurisdiction over health and human services finance, detailing expenditures
393.8 made in the previous calendar year from the public health response contingency account.

393.9 Sec. 63. Minnesota Statutes 2016, section 144.4961, subdivision 3, is amended to read:

393.10 Subd. 3. **Rulemaking.** The commissioner of health shall adopt rules establishing licensure
393.11 requirements and work standards relating to indoor radon in dwellings and other buildings,
393.12 with the exception of newly constructed Minnesota homes according to section 326B.106,
393.13 subdivision 6. The commissioner shall coordinate, oversee, and implement all state functions
393.14 in matters concerning the presence, effects, measurement, and mitigation of risks of radon
393.15 in dwellings and other buildings. Rules adopted by the commissioner under this subdivision
393.16 are effective beginning January 1, 2019.

393.17 Sec. 64. Minnesota Statutes 2016, section 144.4961, subdivision 4, is amended to read:

393.18 Subd. 4. **System tag.** All radon mitigation systems installed in Minnesota on or after
393.19 January 1, ~~2018~~ 2019, must have a radon mitigation system tag provided by the
393.20 commissioner. A radon mitigation professional must attach the tag to the radon mitigation
393.21 system in a visible location.

393.22 Sec. 65. Minnesota Statutes 2016, section 144.4961, subdivision 5, is amended to read:

393.23 Subd. 5. **License required annually.** Effective January 1, ~~2018~~ 2019, a license is required
393.24 annually for every person, firm, or corporation that performs a service for compensation to
393.25 detect the presence of radon in the indoor atmosphere, performs laboratory analysis, or
393.26 performs a service to mitigate radon in the indoor atmosphere.

393.27 Sec. 66. Minnesota Statutes 2016, section 144.551, subdivision 1, is amended to read:

393.28 Subdivision 1. **Restricted construction or modification.** (a) The following construction
393.29 or modification may not be commenced:

393.30 (1) any erection, building, alteration, reconstruction, modernization, improvement,
393.31 extension, lease, or other acquisition by or on behalf of a hospital that increases the bed

394.1 capacity of a hospital, relocates hospital beds from one physical facility, complex, or site
394.2 to another, or otherwise results in an increase or redistribution of hospital beds within the
394.3 state; and

394.4 (2) the establishment of a new hospital.

394.5 (b) This section does not apply to:

394.6 (1) construction or relocation within a county by a hospital, clinic, or other health care
394.7 facility that is a national referral center engaged in substantial programs of patient care,
394.8 medical research, and medical education meeting state and national needs that receives more
394.9 than 40 percent of its patients from outside the state of Minnesota;

394.10 (2) a project for construction or modification for which a health care facility held an
394.11 approved certificate of need on May 1, 1984, regardless of the date of expiration of the
394.12 certificate;

394.13 (3) a project for which a certificate of need was denied before July 1, 1990, if a timely
394.14 appeal results in an order reversing the denial;

394.15 (4) a project exempted from certificate of need requirements by Laws 1981, chapter 200,
394.16 section 2;

394.17 (5) a project involving consolidation of pediatric specialty hospital services within the
394.18 Minneapolis-St. Paul metropolitan area that would not result in a net increase in the number
394.19 of pediatric specialty hospital beds among the hospitals being consolidated;

394.20 (6) a project involving the temporary relocation of pediatric-orthopedic hospital beds to
394.21 an existing licensed hospital that will allow for the reconstruction of a new philanthropic,
394.22 pediatric-orthopedic hospital on an existing site and that will not result in a net increase in
394.23 the number of hospital beds. Upon completion of the reconstruction, the licenses of both
394.24 hospitals must be reinstated at the capacity that existed on each site before the relocation;

394.25 (7) the relocation or redistribution of hospital beds within a hospital building or
394.26 identifiable complex of buildings provided the relocation or redistribution does not result
394.27 in: (i) an increase in the overall bed capacity at that site; (ii) relocation of hospital beds from
394.28 one physical site or complex to another; or (iii) redistribution of hospital beds within the
394.29 state or a region of the state;

394.30 (8) relocation or redistribution of hospital beds within a hospital corporate system that
394.31 involves the transfer of beds from a closed facility site or complex to an existing site or
394.32 complex provided that: (i) no more than 50 percent of the capacity of the closed facility is
394.33 transferred; (ii) the capacity of the site or complex to which the beds are transferred does

395.1 not increase by more than 50 percent; (iii) the beds are not transferred outside of a federal
395.2 health systems agency boundary in place on July 1, 1983; and (iv) the relocation or
395.3 redistribution does not involve the construction of a new hospital building;

395.4 (9) a construction project involving up to 35 new beds in a psychiatric hospital in Rice
395.5 County that primarily serves adolescents and that receives more than 70 percent of its
395.6 patients from outside the state of Minnesota;

395.7 (10) a project to replace a hospital or hospitals with a combined licensed capacity of
395.8 130 beds or less if: (i) the new hospital site is located within five miles of the current site;
395.9 and (ii) the total licensed capacity of the replacement hospital, either at the time of
395.10 construction of the initial building or as the result of future expansion, will not exceed 70
395.11 licensed hospital beds, or the combined licensed capacity of the hospitals, whichever is less;

395.12 (11) the relocation of licensed hospital beds from an existing state facility operated by
395.13 the commissioner of human services to a new or existing facility, building, or complex
395.14 operated by the commissioner of human services; from one regional treatment center site
395.15 to another; or from one building or site to a new or existing building or site on the same
395.16 campus;

395.17 (12) the construction or relocation of hospital beds operated by a hospital having a
395.18 statutory obligation to provide hospital and medical services for the indigent that does not
395.19 result in a net increase in the number of hospital beds, notwithstanding section 144.552, 27
395.20 beds, of which 12 serve mental health needs, may be transferred from Hennepin County
395.21 Medical Center to Regions Hospital under this clause;

395.22 (13) a construction project involving the addition of up to 31 new beds in an existing
395.23 nonfederal hospital in Beltrami County;

395.24 (14) a construction project involving the addition of up to eight new beds in an existing
395.25 nonfederal hospital in Otter Tail County with 100 licensed acute care beds;

395.26 (15) a construction project involving the addition of 20 new hospital beds used for
395.27 rehabilitation services in an existing hospital in Carver County serving the southwest
395.28 suburban metropolitan area. Beds constructed under this clause shall not be eligible for
395.29 reimbursement under medical assistance or MinnesotaCare;

395.30 (16) a project for the construction or relocation of up to 20 hospital beds for the operation
395.31 of up to two psychiatric facilities or units for children provided that the operation of the
395.32 facilities or units have received the approval of the commissioner of human services;

396.1 (17) a project involving the addition of 14 new hospital beds to be used for rehabilitation
396.2 services in an existing hospital in Itasca County;

396.3 (18) a project to add 20 licensed beds in existing space at a hospital in Hennepin County
396.4 that closed 20 rehabilitation beds in 2002, provided that the beds are used only for
396.5 rehabilitation in the hospital's current rehabilitation building. If the beds are used for another
396.6 purpose or moved to another location, the hospital's licensed capacity is reduced by 20 beds;

396.7 (19) a critical access hospital established under section 144.1483, clause (9), and section
396.8 1820 of the federal Social Security Act, United States Code, title 42, section 1395i-4, that
396.9 delicensed beds since enactment of the Balanced Budget Act of 1997, Public Law 105-33,
396.10 to the extent that the critical access hospital does not seek to exceed the maximum number
396.11 of beds permitted such hospital under federal law;

396.12 (20) notwithstanding section 144.552, a project for the construction of a new hospital
396.13 in the city of Maple Grove with a licensed capacity of up to 300 beds provided that:

396.14 (i) the project, including each hospital or health system that will own or control the entity
396.15 that will hold the new hospital license, is approved by a resolution of the Maple Grove City
396.16 Council as of March 1, 2006;

396.17 (ii) the entity that will hold the new hospital license will be owned or controlled by one
396.18 or more not-for-profit hospitals or health systems that have previously submitted a plan or
396.19 plans for a project in Maple Grove as required under section 144.552, and the plan or plans
396.20 have been found to be in the public interest by the commissioner of health as of April 1,
396.21 2005;

396.22 (iii) the new hospital's initial inpatient services must include, but are not limited to,
396.23 medical and surgical services, obstetrical and gynecological services, intensive care services,
396.24 orthopedic services, pediatric services, noninvasive cardiac diagnostics, behavioral health
396.25 services, and emergency room services;

396.26 (iv) the new hospital:

396.27 (A) will have the ability to provide and staff sufficient new beds to meet the growing
396.28 needs of the Maple Grove service area and the surrounding communities currently being
396.29 served by the hospital or health system that will own or control the entity that will hold the
396.30 new hospital license;

396.31 (B) will provide uncompensated care;

396.32 (C) will provide mental health services, including inpatient beds;

397.1 (D) will be a site for workforce development for a broad spectrum of health-care-related
397.2 occupations and have a commitment to providing clinical training programs for physicians
397.3 and other health care providers;

397.4 (E) will demonstrate a commitment to quality care and patient safety;

397.5 (F) will have an electronic medical records system, including physician order entry;

397.6 (G) will provide a broad range of senior services;

397.7 (H) will provide emergency medical services that will coordinate care with regional
397.8 providers of trauma services and licensed emergency ambulance services in order to enhance
397.9 the continuity of care for emergency medical patients; and

397.10 (I) will be completed by December 31, 2009, unless delayed by circumstances beyond
397.11 the control of the entity holding the new hospital license; and

397.12 (v) as of 30 days following submission of a written plan, the commissioner of health
397.13 has not determined that the hospitals or health systems that will own or control the entity
397.14 that will hold the new hospital license are unable to meet the criteria of this clause;

397.15 (21) a project approved under section 144.553;

397.16 (22) a project for the construction of a hospital with up to 25 beds in Cass County within
397.17 a 20-mile radius of the state Ah-Gwah-Ching facility, provided the hospital's license holder
397.18 is approved by the Cass County Board;

397.19 (23) a project for an acute care hospital in Fergus Falls that will increase the bed capacity
397.20 from 108 to 110 beds by increasing the rehabilitation bed capacity from 14 to 16 and closing
397.21 a separately licensed 13-bed skilled nursing facility;

397.22 (24) notwithstanding section 144.552, a project for the construction and expansion of a
397.23 specialty psychiatric hospital in Hennepin County for up to 50 beds, exclusively for patients
397.24 who are under 21 years of age on the date of admission. The commissioner conducted a
397.25 public interest review of the mental health needs of Minnesota and the Twin Cities
397.26 metropolitan area in 2008. No further public interest review shall be conducted for the
397.27 construction or expansion project under this clause;

397.28 (25) a project for a 16-bed psychiatric hospital in the city of Thief River Falls, if the
397.29 commissioner finds the project is in the public interest after the public interest review
397.30 conducted under section 144.552 is complete; or

397.31 (26)(i) a project for a 20-bed psychiatric hospital, within an existing facility in the city
397.32 of Maple Grove, exclusively for patients who are under 21 years of age on the date of

admission, if the commissioner finds the project is in the public interest after the public interest review conducted under section 144.552 is complete;

(ii) this project shall serve patients in the continuing care benefit program under section 256.9693. The project may also serve patients not in the continuing care benefit program; and

(iii) if the project ceases to participate in the continuing care benefit program, the commissioner must complete a subsequent public interest review under section 144.552. If the project is found not to be in the public interest, the license must be terminated six months from the date of that finding. If the commissioner of human services terminates the contract without cause or reduces per diem payment rates for patients under the continuing care benefit program below the rates in effect for services provided on December 31, 2015, the project may cease to participate in the continuing care benefit program and continue to operate without a subsequent public interest review; or

(27) a project involving the addition of 21 new beds in an existing psychiatric hospital in Hennepin County that is exclusively for patients who are under 21 years of age on the date of admission.

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

Sec. 67. Minnesota Statutes 2016, section 144.99, subdivision 1, is amended to read:

Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and sections 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14), and (15); 144.1201 to 144.1204; 144.121; 144.1215; 144.1222; 144.35; 144.381 to 144.385; 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9512; 144.97 to 144.98; 144.992; 326.70 to 326.785; 327.10 to 327.131; and 327.14 to 327.28 and all rules, orders, stipulation agreements, settlements, compliance agreements, licenses, registrations, certificates, and permits adopted or issued by the department or under any other law now in force or later enacted for the preservation of public health may, in addition to provisions in other statutes, be enforced under this section.

Sec. 68. Minnesota Statutes 2016, section 144A.472, subdivision 7, is amended to read:

Subd. 7. **Fees; application, change of ownership, and renewal.** (a) An initial applicant seeking temporary home care licensure must submit the following application fee to the commissioner along with a completed application:

(1) for a basic home care provider, \$2,100; or

399.1 (2) for a comprehensive home care provider, \$4,200.

399.2 (b) A home care provider who is filing a change of ownership as required under
399.3 subdivision 5 must submit the following application fee to the commissioner, along with
399.4 the documentation required for the change of ownership:

399.5 (1) for a basic home care provider, \$2,100; or

399.6 (2) for a comprehensive home care provider, \$4,200.

399.7 (c) For the period ending June 30, 2018, a home care provider who is seeking to renew
399.8 the provider's license shall pay a fee to the commissioner based on revenues derived from
399.9 the provision of home care services during the calendar year prior to the year in which the
399.10 application is submitted, according to the following schedule:

399.11 License Renewal Fee

399.12 Provider Annual Revenue	Fee
399.13 greater than \$1,500,000	\$6,625
399.14 greater than \$1,275,000 and no more than	
399.15 \$1,500,000	\$5,797
399.16 greater than \$1,100,000 and no more than	
399.17 \$1,275,000	\$4,969
399.18 greater than \$950,000 and no more than	
399.19 \$1,100,000	\$4,141
399.20 greater than \$850,000 and no more than \$950,000	\$3,727
399.21 greater than \$750,000 and no more than \$850,000	\$3,313
399.22 greater than \$650,000 and no more than \$750,000	\$2,898
399.23 greater than \$550,000 and no more than \$650,000	\$2,485
399.24 greater than \$450,000 and no more than \$550,000	\$2,070
399.25 greater than \$350,000 and no more than \$450,000	\$1,656
399.26 greater than \$250,000 and no more than \$350,000	\$1,242
399.27 greater than \$100,000 and no more than \$250,000	\$828
399.28 greater than \$50,000 and no more than \$100,000	\$500
399.29 greater than \$25,000 and no more than \$50,000	\$400
399.30 no more than \$25,000	\$200

399.31 (d) For the period between July 1, 2018, and June 30, 2020, a home care provider who
399.32 is seeking to renew the provider's license shall pay a fee to the commissioner in an amount
399.33 that is ten percent higher than the applicable fee in paragraph (c). A home care provider's
399.34 fee shall be based on revenues derived from the provision of home care services during the
399.35 calendar year prior to the year in which the application is submitted.

(e) Beginning July 1, 2020, a home care provider who is seeking to renew the provider's license shall pay a fee to the commissioner based on revenues derived from the provision of home care services during the calendar year prior to the year in which the application is submitted, according to the following schedule:

License Renewal Fee

<u>Provider Annual Revenue</u>	<u>Fee</u>
<u>greater than \$1,500,000</u>	<u>\$7,651</u>
<u>greater than \$1,275,000 and no more than \$1,500,000</u>	<u>\$6,695</u>
<u>greater than \$1,100,000 and no more than \$1,275,000</u>	<u>\$5,739</u>
<u>greater than \$950,000 and no more than \$1,100,000</u>	<u>\$4,783</u>
<u>greater than \$850,000 and no more than \$950,000</u>	<u>\$4,304</u>
<u>greater than \$750,000 and no more than \$850,000</u>	<u>\$3,826</u>
<u>greater than \$650,000 and no more than \$750,000</u>	<u>\$3,347</u>
<u>greater than \$550,000 and no more than \$650,000</u>	<u>\$2,870</u>
<u>greater than \$450,000 and no more than \$550,000</u>	<u>\$2,391</u>
<u>greater than \$350,000 and no more than \$450,000</u>	<u>\$1,913</u>
<u>greater than \$250,000 and no more than \$350,000</u>	<u>\$1,434</u>
<u>greater than \$100,000 and no more than \$250,000</u>	<u>\$957</u>
<u>greater than \$50,000 and no more than \$100,000</u>	<u>\$577</u>
<u>greater than \$25,000 and no more than \$50,000</u>	<u>\$462</u>
<u>no more than \$25,000</u>	<u>\$231</u>

(d) (f) If requested, the home care provider shall provide the commissioner information to verify the provider's annual revenues or other information as needed, including copies of documents submitted to the Department of Revenue.

(e) (g) At each annual renewal, a home care provider may elect to pay the highest renewal fee for its license category, and not provide annual revenue information to the commissioner.

(f) (h) A temporary license or license applicant, or temporary licensee or licensee that knowingly provides the commissioner incorrect revenue amounts for the purpose of paying a lower license fee, shall be subject to a civil penalty in the amount of double the fee the provider should have paid.

(g) (i) Fees and penalties collected under this section shall be deposited in the state treasury and credited to the state government special revenue fund. All fees are nonrefundable. Fees collected under paragraphs (c), (d), and (e) are nonrefundable even if

401.1 received before July 1, 2017, for temporary licenses or licenses being issued effective July
401.2 1, 2017, or later.

401.3 ~~(h) The license renewal fee schedule in this subdivision is effective July 1, 2016.~~

401.4 Sec. 69. Minnesota Statutes 2016, section 144A.474, subdivision 11, is amended to read:

401.5 Subd. 11. **Fines.** (a) Fines and enforcement actions under this subdivision may be assessed
401.6 based on the level and scope of the violations described in paragraph (c) as follows:

401.7 (1) Level 1, no fines or enforcement;

401.8 (2) Level 2, fines ranging from \$0 to \$500, in addition to any of the enforcement
401.9 mechanisms authorized in section 144A.475 for widespread violations;

401.10 (3) Level 3, fines ranging from \$500 to \$1,000, in addition to any of the enforcement
401.11 mechanisms authorized in section 144A.475; and

401.12 (4) Level 4, fines ranging from \$1,000 to \$5,000, in addition to any of the enforcement
401.13 mechanisms authorized in section 144A.475.

401.14 (b) Correction orders for violations are categorized by both level and scope and fines
401.15 shall be assessed as follows:

401.16 (1) level of violation:

401.17 (i) Level 1 is a violation that has no potential to cause more than a minimal impact on
401.18 the client and does not affect health or safety;

401.19 (ii) Level 2 is a violation that did not harm a client's health or safety but had the potential
401.20 to have harmed a client's health or safety, but was not likely to cause serious injury,
401.21 impairment, or death;

401.22 (iii) Level 3 is a violation that harmed a client's health or safety, not including serious
401.23 injury, impairment, or death, or a violation that has the potential to lead to serious injury,
401.24 impairment, or death; and

401.25 (iv) Level 4 is a violation that results in serious injury, impairment, or death.

401.26 (2) scope of violation:

401.27 (i) isolated, when one or a limited number of clients are affected or one or a limited
401.28 number of staff are involved or the situation has occurred only occasionally;

402.1 (ii) pattern, when more than a limited number of clients are affected, more than a limited
402.2 number of staff are involved, or the situation has occurred repeatedly but is not found to be
402.3 pervasive; and

402.4 (iii) widespread, when problems are pervasive or represent a systemic failure that has
402.5 affected or has the potential to affect a large portion or all of the clients.

402.6 (c) If the commissioner finds that the applicant or a home care provider required to be
402.7 licensed under sections 144A.43 to 144A.482 has not corrected violations by the date
402.8 specified in the correction order or conditional license resulting from a survey or complaint
402.9 investigation, the commissioner may impose a fine. A notice of noncompliance with a
402.10 correction order must be mailed to the applicant's or provider's last known address. The
402.11 noncompliance notice must list the violations not corrected.

402.12 (d) The license holder must pay the fines assessed on or before the payment date specified.
402.13 If the license holder fails to fully comply with the order, the commissioner may issue a
402.14 second fine or suspend the license until the license holder complies by paying the fine. A
402.15 timely appeal shall stay payment of the fine until the commissioner issues a final order.

402.16 (e) A license holder shall promptly notify the commissioner in writing when a violation
402.17 specified in the order is corrected. If upon reinspection the commissioner determines that
402.18 a violation has not been corrected as indicated by the order, the commissioner may issue a
402.19 second fine. The commissioner shall notify the license holder by mail to the last known
402.20 address in the licensing record that a second fine has been assessed. The license holder may
402.21 appeal the second fine as provided under this subdivision.

402.22 (f) A home care provider that has been assessed a fine under this subdivision has a right
402.23 to a reconsideration or a hearing under this section and chapter 14.

402.24 (g) When a fine has been assessed, the license holder may not avoid payment by closing,
402.25 selling, or otherwise transferring the licensed program to a third party. In such an event, the
402.26 license holder shall be liable for payment of the fine.

402.27 (h) In addition to any fine imposed under this section, the commissioner may assess
402.28 costs related to an investigation that results in a final order assessing a fine or other
402.29 enforcement action authorized by this chapter.

402.30 (i) Fines collected under this subdivision shall be deposited in the state government
402.31 special revenue fund and credited to an account separate from the revenue collected under
402.32 section 144A.472. Subject to an appropriation by the legislature, the revenue from the fines

403.1 collected ~~may~~ must be used by the commissioner for special projects to improve home care
403.2 in Minnesota as recommended by the advisory council established in section 144A.4799.

403.3 Sec. 70. Minnesota Statutes 2016, section 144A.4799, subdivision 3, is amended to read:

403.4 Subd. 3. **Duties.** (a) At the commissioner's request, the advisory council shall provide
403.5 advice regarding regulations of Department of Health licensed home care providers in this
403.6 chapter, including advice on the following:

403.7 (1) community standards for home care practices;

403.8 (2) enforcement of licensing standards and whether certain disciplinary actions are
403.9 appropriate;

403.10 (3) ways of distributing information to licensees and consumers of home care;

403.11 (4) training standards;

403.12 (5) identifying emerging issues and opportunities in the home care field, including the
403.13 use of technology in home and telehealth capabilities;

403.14 (6) allowable home care licensing modifications and exemptions, including a method
403.15 for an integrated license with an existing license for rural licensed nursing homes to provide
403.16 limited home care services in an adjacent independent living apartment building owned by
403.17 the licensed nursing home; and

403.18 (7) recommendations for studies using the data in section 62U.04, subdivision 4, including
403.19 but not limited to studies concerning costs related to dementia and chronic disease among
403.20 an elderly population over 60 and additional long-term care costs, as described in section
403.21 62U.10, subdivision 6.

403.22 (b) The advisory council shall perform other duties as directed by the commissioner.

403.23 (c) The advisory council shall annually review the balance of the account in the state
403.24 government special revenue fund described in section 144A.474, subdivision 11, paragraph
403.25 (i), and make annual recommendations by January 15 directly to the chairs and ranking
403.26 minority members of the legislative committees with jurisdiction over health and human
403.27 services regarding appropriations to the commissioner for the purposes in section 144A.474,
403.28 subdivision 11, paragraph (i).

404.1 Sec. 71. Minnesota Statutes 2016, section 144A.70, is amended by adding a subdivision
404.2 to read:

404.3 Subd. 4a. **Nurse.** "Nurse" means a licensed practical nurse as defined in section 148.171,
404.4 subdivision 8, or a registered nurse as defined in section 148.171, subdivision 20.

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

404.6 Sec. 72. Minnesota Statutes 2016, section 144A.70, subdivision 6, is amended to read:

404.7 Subd. 6. **Supplemental nursing services agency.** "Supplemental nursing services
404.8 agency" means a person, firm, corporation, partnership, or association engaged for hire in
404.9 the business of providing or procuring temporary employment in health care facilities for
404.10 nurses, nursing assistants, nurse aides, and orderlies, ~~and other licensed health professionals.~~
404.11 Supplemental nursing services agency does not include an individual who only engages in
404.12 providing the individual's services on a temporary basis to health care facilities. Supplemental
404.13 nursing services agency does not include a professional home care agency licensed under
404.14 section 144A.471 that only provides staff to other home care providers.

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

404.16 Sec. 73. Minnesota Statutes 2016, section 144D.04, subdivision 2, is amended to read:

404.17 Subd. 2. **Contents of contract.** A housing with services contract, which need not be
404.18 entitled as such to comply with this section, shall include at least the following elements in
404.19 itself or through supporting documents or attachments:

404.20 (1) the name, street address, and mailing address of the establishment;

404.21 (2) the name and mailing address of the owner or owners of the establishment and, if
404.22 the owner or owners is not a natural person, identification of the type of business entity of
404.23 the owner or owners;

404.24 (3) the name and mailing address of the managing agent, through management agreement
404.25 or lease agreement, of the establishment, if different from the owner or owners;

404.26 (4) the name and address of at least one natural person who is authorized to accept service
404.27 of process on behalf of the owner or owners and managing agent;

404.28 (5) a statement describing the registration and licensure status of the establishment and
404.29 any provider providing health-related or supportive services under an arrangement with the
404.30 establishment;

404.31 (6) the term of the contract;

405.1 (7) a description of the services to be provided to the resident in the base rate to be paid
405.2 by resident, including a delineation of the portion of the base rate that constitutes rent and
405.3 a delineation of charges for each service included in the base rate;

405.4 (8) a description of any additional services, including home care services, available for
405.5 an additional fee from the establishment directly or through arrangements with the
405.6 establishment, and a schedule of fees charged for these services;

405.7 (9) a ~~description~~ conspicuous notice informing the tenant of the policy concerning the
405.8 conditions under which and the process through which the contract may be modified,
405.9 amended, or terminated, including whether a move to a different room or sharing a room
405.10 would be required in the event that the tenant can no longer pay the current rent;

405.11 (10) a description of the establishment's complaint resolution process available to residents
405.12 including the toll-free complaint line for the Office of Ombudsman for Long-Term Care;

405.13 (11) the resident's designated representative, if any;

405.14 (12) the establishment's referral procedures if the contract is terminated;

405.15 (13) requirements of residency used by the establishment to determine who may reside
405.16 or continue to reside in the housing with services establishment;

405.17 (14) billing and payment procedures and requirements;

405.18 (15) a statement regarding the ability of residents to receive services from service
405.19 providers with whom the establishment does not have an arrangement;

405.20 (16) a statement regarding the availability of public funds for payment for residence or
405.21 services in the establishment; and

405.22 (17) a statement regarding the availability of and contact information for long-term care
405.23 consultation services under section 256B.0911 in the county in which the establishment is
405.24 located.

405.25 Sec. 74. Minnesota Statutes 2016, section 144D.06, is amended to read:

405.26 **144D.06 OTHER LAWS.**

405.27 In addition to registration under this chapter, a housing with services establishment must
405.28 comply with chapter 504B and the provisions of section 325F.72, and shall obtain and
405.29 maintain all other licenses, permits, registrations, or other governmental approvals required
405.30 of it in addition to registration under this chapter. A housing with services establishment is

406.1 subject to the provisions of section 325F.72 and chapter 504B not required to obtain a
406.2 lodging license under chapter 157 and related rules.

406.3 **EFFECTIVE DATE.** This section is effective August 1, 2017.

406.4 Sec. 75. **[144H.01] DEFINITIONS.**

406.5 **Subdivision 1. Application.** The terms defined in this section apply to this chapter.

406.6 **Subd. 2. Basic services.** "Basic services" includes but is not limited to:

406.7 (1) the development, implementation, and monitoring of a comprehensive protocol of
406.8 care that is developed in conjunction with the parent or guardian of a medically complex
406.9 or technologically dependent child and that specifies the medical, nursing, psychosocial,
406.10 and developmental therapies required by the medically complex or technologically dependent
406.11 child; and

406.12 (2) the caregiver training needs of the child's parent or guardian.

406.13 **Subd. 3. Commissioner.** "Commissioner" means the commissioner of health.

406.14 **Subd. 4. Licensee.** "Licensee" means an owner of a prescribed pediatric extended care
406.15 (PPEC) center licensed under this chapter.

406.16 **Subd. 5. Medically complex or technologically dependent child.** "Medically complex
406.17 or technologically dependent child" means a child under 21 years of age who, because of
406.18 a medical condition, requires continuous therapeutic interventions or skilled nursing
406.19 supervision which must be prescribed by a licensed physician and administered by, or under
406.20 the direct supervision of, a licensed registered nurse.

406.21 **Subd. 6. Owner.** "Owner" means an individual whose ownership interest provides
406.22 sufficient authority or control to affect or change decisions regarding the operation of the
406.23 PPEC center. An owner includes a sole proprietor, a general partner, or any other individual
406.24 whose ownership interest has the ability to affect the management and direction of the PPEC
406.25 center's policies.

406.26 **Subd. 7. Prescribed pediatric extended care center, PPEC center, or center.**
406.27 "Prescribed pediatric extended care center," "PPEC center," or "center" means any facility
406.28 that provides nonresidential basic services to three or more medically complex or
406.29 technologically dependent children who require such services and who are not related to
406.30 the owner by blood, marriage, or adoption.

407.1 Subd. 8. Supportive services or contracted services. "Supportive services or contracted
407.2 services" include but are not limited to speech therapy, occupational therapy, physical
407.3 therapy, social work services, developmental services, child life services, and psychology
407.4 services.

407.5 Sec. 76. [144H.02] LICENSURE REQUIRED.

407.6 A person may not own or operate a prescribed pediatric extended care center in this state
407.7 unless the person holds a temporary or current license issued under this chapter. A separate
407.8 license must be obtained for each PPEC center maintained on separate premises, even if
407.9 the same management operates the PPEC centers. Separate licenses are not required for
407.10 separate buildings on the same grounds. A center shall not be operated on the same grounds
407.11 as a child care center licensed under Minnesota Rules, chapter 9503.

407.12 Sec. 77. [144H.03] EXEMPTIONS.

407.13 This chapter does not apply to:

407.14 (1) a facility operated by the United States government or a federal agency; or

407.15 (2) a health care facility licensed under chapter 144 or 144A.

407.16 Sec. 78. [144H.04] LICENSE APPLICATION AND RENEWAL.

407.17 Subdivision 1. Licenses. A person seeking licensure for a PPEC center must submit a
407.18 completed application for licensure to the commissioner, in a form and manner determined
407.19 by the commissioner. The applicant must also submit the application fee, in the amount
407.20 specified in section 144H.05, subdivision 1. Effective January 1, 2018, the commissioner
407.21 shall issue a license for a PPEC center if the commissioner determines that the applicant
407.22 and center meet the requirements of this chapter and rules that apply to PPEC centers. A
407.23 license issued under this subdivision is valid for two years.

407.24 Subd. 2. License renewal. A license issued under subdivision 1 may be renewed for a
407.25 period of two years if the licensee:

407.26 (1) submits an application for renewal in a form and manner determined by the
407.27 commissioner, at least 30 days before the license expires. An application for renewal
407.28 submitted after the renewal deadline date must be accompanied by a late fee in the amount
407.29 specified in section 144H.05, subdivision 3;

407.30 (2) submits the renewal fee in the amount specified in section 144H.05, subdivision 2;

408.1 (3) demonstrates that the licensee has provided basic services at the PPEC center within
408.2 the past two years;

408.3 (4) provides evidence that the applicant meets the requirements for licensure; and

408.4 (5) provides other information required by the commissioner.

408.5 Subd. 3. **License not transferable.** A PPEC center license issued under this section is
408.6 not transferable to another party. Before acquiring ownership of a PPEC center, a prospective
408.7 applicant must apply to the commissioner for a new license.

408.8 Sec. 79. **[144H.05] FEES.**

408.9 Subdivision 1. **Initial application fee.** The initial application fee for PPEC center
408.10 licensure is \$3,820.

408.11 Subd. 2. **License renewal.** The fee for renewal of a PPEC center license is \$1,800.

408.12 Subd. 3. **Late fee.** The fee for late submission of an application to renew a PPEC center
408.13 license is \$25.

408.14 Subd. 4. **Change of ownership.** The fee for change of ownership of a PPEC center is
408.15 \$4,200.

408.16 Subd. 5. **Nonrefundable; state government special revenue fund.** All fees collected
408.17 under this chapter are nonrefundable and must be deposited in the state treasury and credited
408.18 to the state government special revenue fund.

408.19 Sec. 80. **[144H.06] APPLICATION OF RULES FOR HOSPICE SERVICES AND**
408.20 **RESIDENTIAL HOSPICE FACILITIES.**

408.21 Minnesota Rules, chapter 4664, shall apply to PPEC centers licensed under this chapter,
408.22 except that the following parts, subparts, items, and subitems do not apply:

408.23 (1) Minnesota Rules, part 4664.0003, subparts 2, 6, 7, 11, 12, 13, 14, and 38;

408.24 (2) Minnesota Rules, part 4664.0008;

408.25 (3) Minnesota Rules, part 4664.0010, subparts 3; 4, items A, subitem (6), and B; and 8;

408.26 (4) Minnesota Rules, part 4664.0020, subpart 13;

408.27 (5) Minnesota Rules, part 4664.0370, subpart 1;

408.28 (6) Minnesota Rules, part 4664.0390, subpart 1, items A, C, and E;

408.29 (7) Minnesota Rules, part 4664.0420;

- 409.1 (8) Minnesota Rules, part 4664.0425, subparts 3, item A; 4; and 6;
- 409.2 (9) Minnesota Rules, part 4664.0430, subparts 3, 4, 5, 7, 8, 9, 10, 11, and 12;
- 409.3 (10) Minnesota Rules, part 4664.0490; and
- 409.4 (11) Minnesota Rules, part 4664.0520.

409.5 Sec. 81. **[144H.07] SERVICES; LIMITATIONS.**

409.6 Subdivision 1. **Services.** A PPEC center must provide basic services to medically complex

409.7 or technologically dependent children, based on a protocol of care established for each child.

409.8 A PPEC center may provide services up to 14 hours a day and up to six days a week.

409.9 Subd. 2. **Limitations.** A PPEC center must comply with the following standards related

409.10 to services:

409.11 (1) a child is prohibited from attending a PPEC center for more than 14 hours within a

409.12 24-hour period;

409.13 (2) a PPEC center is prohibited from providing services other than those provided to

409.14 medically complex or technologically dependent children; and

409.15 (3) the maximum capacity for medically complex or technologically dependent children

409.16 at a center shall not exceed 45 children.

409.17 Sec. 82. **[144H.08] ADMINISTRATION AND MANAGEMENT.**

409.18 Subdivision 1. **Duties of owner.** (a) The owner of a PPEC center shall have full legal

409.19 authority and responsibility for the operation of the center. A PPEC center must be organized

409.20 according to a written table of organization, describing the lines of authority and

409.21 communication to the child care level. The organizational structure must be designed to

409.22 ensure an integrated continuum of services for the children served.

409.23 (b) The owner must designate one person as a center administrator, who is responsible

409.24 and accountable for overall management of the center.

409.25 Subd. 2. **Duties of administrator.** The center administrator is responsible and accountable

409.26 for overall management of the center. The administrator must:

409.27 (1) designate in writing a person to be responsible for the center when the administrator

409.28 is absent from the center for more than 24 hours;

409.29 (2) maintain the following written records, in a place and form and using a system that

409.30 allows for inspection of the records by the commissioner during normal business hours:

- 410.1 (i) a daily census record, which indicates the number of children currently receiving
410.2 services at the center;
- 410.3 (ii) a record of all accidents or unusual incidents involving any child or staff member
410.4 that caused, or had the potential to cause, injury or harm to a person at the center or to center
410.5 property;
- 410.6 (iii) copies of all current agreements with providers of supportive services or contracted
410.7 services;
- 410.8 (iv) copies of all current agreements with consultants employed by the center,
410.9 documentation of each consultant's visits, and written, dated reports; and
- 410.10 (v) a personnel record for each employee, which must include an application for
410.11 employment, references, employment history for the preceding five years, and copies of all
410.12 performance evaluations;
- 410.13 (3) develop and maintain a current job description for each employee;
- 410.14 (4) provide necessary qualified personnel and ancillary services to ensure the health,
410.15 safety, and proper care for each child; and
- 410.16 (5) develop and implement infection control policies that comply with rules adopted by
410.17 the commissioner regarding infection control.
- 410.18 **Sec. 83. [144H.09] ADMISSION, TRANSFER, AND DISCHARGE POLICIES;**
410.19 **CONSENT FORM.**
- 410.20 Subdivision 1. **Written policies.** A PPEC center must have written policies and
410.21 procedures governing the admission, transfer, and discharge of children.
- 410.22 Subd. 2. **Notice of discharge.** At least ten days prior to a child's discharge from a PPEC
410.23 center, the PPEC center shall provide notice of the discharge to the child's parent or guardian.
- 410.24 Subd. 3. **Consent form.** A parent or guardian must sign a consent form outlining the
410.25 purpose of a PPEC center, specifying family responsibilities, authorizing treatment and
410.26 services, providing appropriate liability releases, and specifying emergency disposition
410.27 plans, before the child's admission to the center. The center must provide the child's parents
410.28 or guardians with a copy of the consent form and must maintain the consent form in the
410.29 child's medical record.

411.1 Sec. 84. [144H.10] MEDICAL DIRECTOR.

411.2 A PPEC center must have a medical director who is a physician licensed in Minnesota
411.3 and certified by the American Board of Pediatrics.

411.4 Sec. 85. [144H.11] NURSING SERVICES.

411.5 Subdivision 1. Nursing director. A PPEC center must have a nursing director who is
411.6 a registered nurse licensed in Minnesota, holds a current certification in cardiopulmonary
411.7 resuscitation, and has at least four years of general pediatric nursing experience, at least
411.8 one year of which must have been spent caring for medically fragile infants or children in
411.9 a pediatric intensive care, neonatal intensive care, PPEC center, or home care setting during
411.10 the previous five years. The nursing director is responsible for the daily operation of the
411.11 PPEC center.

411.12 Subd. 2. Registered nurses. A registered nurse employed by a PPEC center must be a
411.13 registered nurse licensed in Minnesota, hold a current certification in cardiopulmonary
411.14 resuscitation, and have experience in the previous 24 months in being responsible for the
411.15 care of acutely ill or chronically ill children.

411.16 Subd. 3. Licensed practical nurses. A licensed practical nurse employed by a PPEC
411.17 center must be supervised by a registered nurse and must be a licensed practical nurse
411.18 licensed in Minnesota, have at least two years of experience in pediatrics, and hold a current
411.19 certification in cardiopulmonary resuscitation.

411.20 Subd. 4. Other direct care personnel. (a) Direct care personnel governed by this
411.21 subdivision include nursing assistants and individuals with training and experience in the
411.22 field of education, social services, or child care.

411.23 (b) All direct care personnel employed by a PPEC center must work under the supervision
411.24 of a registered nurse and are responsible for providing direct care to children at the center.
411.25 Direct care personnel must have extensive, documented education and skills training in
411.26 providing care to infants and toddlers, provide employment references documenting skill
411.27 in the care of infants and children, and hold a current certification in cardiopulmonary
411.28 resuscitation.

412.1 Sec. 86. [144H.12] TOTAL STAFFING FOR NURSING SERVICES AND DIRECT
412.2 CARE PERSONNEL.

412.3 A PPEC center must provide total staffing for nursing services and direct care personnel
412.4 at a ratio of one staff person for every three children at the center. The staffing ratio required
412.5 in this section is the minimum staffing permitted.

412.6 Sec. 87. [144H.13] MEDICAL RECORD; PROTOCOL OF CARE.

412.7 A medical record and an individualized nursing protocol of care must be developed for
412.8 each child admitted to a PPEC center, must be maintained for each child, and must be signed
412.9 by authorized personnel.

412.10 Sec. 88. [144H.14] QUALITY ASSURANCE PROGRAM.

412.11 A PPEC center must have a quality assurance program, in which quarterly reviews are
412.12 conducted of the PPEC center's medical records and protocols of care for at least half of
412.13 the children served by the PPEC center. The quarterly review sample must be randomly
412.14 selected so each child at the center has an equal opportunity to be included in the review.
412.15 The committee conducting quality assurance reviews must include the medical director,
412.16 administrator, nursing director, and three other committee members determined by the PPEC
412.17 center.

412.18 Sec. 89. [144H.15] INSPECTIONS.

412.19 (a) The commissioner may inspect a PPEC center, including records held at the center,
412.20 at reasonable times as necessary to ensure compliance with this chapter and the rules that
412.21 apply to PPEC centers. During an inspection, a center must provide the commissioner with
412.22 access to all center records.

412.23 (b) The commissioner must inspect a PPEC center before issuing or renewing a license
412.24 under this chapter.

412.25 Sec. 90. [144H.16] COMPLIANCE WITH OTHER LAWS.

412.26 Subdivision 1. Reporting of maltreatment of minors. A PPEC center must develop
412.27 policies and procedures for reporting suspected child maltreatment that fulfill the
412.28 requirements of section 626.556. The policies and procedures must include the telephone
412.29 numbers of the local county child protection agency for reporting suspected maltreatment.
412.30 The policies and procedures specified in this subdivision must be provided to the parents

413.1 or guardians of all children at the time of admission to the PPEC center and must be available
413.2 upon request.

413.3 Subd. 2. **Crib safety requirements.** A PPEC center must comply with the crib safety
413.4 requirements in section 245A.146, to the extent they are applicable.

413.5 Sec. 91. **[144H.17] DENIAL, SUSPENSION, REVOCATION, REFUSAL TO RENEW**
413.6 **A LICENSE.**

413.7 (a) The commissioner may deny, suspend, revoke, or refuse to renew a license issued
413.8 under this chapter for:

413.9 (1) a violation of this chapter or rules adopted that apply to PPEC centers; or

413.10 (2) an intentional or negligent act by an employee or contractor at the center that
413.11 detrimentally affects the health or safety of children at the PPEC center.

413.12 (b) Prior to any suspension, revocation, or refusal to renew a license, a licensee shall be
413.13 entitled to a hearing and review as provided in sections 14.57 to 14.69.

413.14 Sec. 92. **[144H.18] FINES; CORRECTIVE ACTION PLANS.**

413.15 Subdivision 1. **Corrective action plans.** If the commissioner determines that a PPEC
413.16 center is not in compliance with this chapter or rules that apply to PPEC centers, the
413.17 commissioner may require the center to submit a corrective action plan that demonstrates
413.18 a good-faith effort to remedy each violation by a specific date, subject to approval by the
413.19 commissioner.

413.20 Subd. 2. **Fines.** The commissioner may issue a fine to a PPEC center, employee, or
413.21 contractor if the commissioner determines the center, employee, or contractor violated this
413.22 chapter or rules that apply to PPEC centers. The fine amount shall not exceed an amount
413.23 for each violation and an aggregate amount established by the commissioner. The failure
413.24 to correct a violation by the date set by the commissioner, or a failure to comply with an
413.25 approved corrective action plan, constitutes a separate violation for each day the failure
413.26 continues, unless the commissioner approves an extension to a specific date. In determining
413.27 if a fine is to be imposed and establishing the amount of the fine, the commissioner shall
413.28 consider:

413.29 (1) the gravity of the violation, including the probability that death or serious physical
413.30 or emotional harm to a child will result or has resulted, the severity of the actual or potential
413.31 harm, and the extent to which the applicable laws were violated;

- 414.1 (2) actions taken by the owner or administrator to correct violations;
414.2 (3) any previous violations; and
414.3 (4) the financial benefit to the PPEC center of committing or continuing the violation.

414.4 Subd. 3. **Fines for violations of other statutes.** The commissioner shall impose a fine
414.5 of \$250 on a PPEC center, employee, or contractor for each violation by that PPEC center,
414.6 employee, or contractor of section 144H.16, subdivision 2, or 626.556.

414.7 Sec. 93. **[144H.19] CLOSING A PPEC CENTER.**

414.8 When a PPEC center voluntarily closes, it must, at least 30 days before closure, inform
414.9 each child's parents or guardians of the closure and when the closure will occur.

414.10 Sec. 94. **[144H.20] PHYSICAL ENVIRONMENT.**

414.11 Subdivision 1. **General requirements.** A PPEC center shall conform with or exceed
414.12 the physical environment requirements in this section and the physical environment
414.13 requirements for day care facilities in Minnesota Rules, part 9502.0425. If the physical
414.14 environment requirements in this section differ from the physical environment requirements
414.15 for day care facilities in Minnesota Rules, part 9502.0425, the requirements in this section
414.16 shall prevail. A PPEC center must have sufficient indoor and outdoor space to accommodate
414.17 at least six medically complex or technologically dependent children.

414.18 Subd. 2. **Specific requirements.** (a) The entrance to a PPEC center must be barrier-free,
414.19 have a wheelchair ramp, provide for traffic flow with a driveway area for entering and
414.20 exiting, and have storage space for supplies from home.

414.21 (b) A PPEC center must have a treatment room with a medication preparation area. The
414.22 medication preparation area must contain a work counter, refrigerator, sink with hot and
414.23 cold running water, and locked storage for biologicals and prescription drugs.

414.24 (c) A PPEC center must develop isolation procedures to prevent cross-infections and
414.25 must have an isolation room with at least one glass area for observation of a child in the
414.26 isolation room. The isolation room must be at least 100 square feet in size.

414.27 (d) A PPEC center must have:

414.28 (1) an outdoor play space adjacent to the center of at least 35 square feet per child in
414.29 attendance at the center, for regular use; or

414.30 (2) a park, playground, or play space within 1,500 feet of the center.

415.1 (e) A PPEC center must have at least 50 square feet of usable indoor space per child in
415.2 attendance at the center.

415.3 (f) Notwithstanding the Minnesota State Building Code and the Minnesota State Fire
415.4 Code, a new construction PPEC center or an existing building converted into a PPEC center
415.5 must meet the requirements of the International Building Code in Minnesota Rules, chapter
415.6 1305, for:

415.7 (1) Group R, Division 4 occupancy, if serving 12 or fewer children; or

415.8 (2) Group E, Division 4 occupancy or Group I, Division 4 occupancy, if serving 13 or
415.9 more children.

415.10 Sec. 95. Minnesota Statutes 2016, section 145.4131, subdivision 1, is amended to read:

415.11 Subdivision 1. **Forms.** (a) Within 90 days of July 1, 1998, the commissioner shall prepare
415.12 a reporting form for use by physicians or facilities performing abortions. A copy of this
415.13 section shall be attached to the form. A physician or facility performing an abortion shall
415.14 obtain a form from the commissioner.

415.15 (b) The form shall require the following information:

415.16 (1) the number of abortions performed by the physician in the previous calendar year,
415.17 reported by month;

415.18 (2) the method used for each abortion;

415.19 (3) the approximate gestational age expressed in one of the following increments:

415.20 (i) less than nine weeks;

415.21 (ii) nine to ten weeks;

415.22 (iii) 11 to 12 weeks;

415.23 (iv) 13 to 15 weeks;

415.24 (v) 16 to 20 weeks;

415.25 (vi) 21 to 24 weeks;

415.26 (vii) 25 to 30 weeks;

415.27 (viii) 31 to 36 weeks; or

415.28 (ix) 37 weeks to term;

415.29 (4) the age of the woman at the time the abortion was performed;

- 416.1 (5) the specific reason for the abortion, including, but not limited to, the following:
- 416.2 (i) the pregnancy was a result of rape;
- 416.3 (ii) the pregnancy was a result of incest;
- 416.4 (iii) economic reasons;
- 416.5 (iv) the woman does not want children at this time;
- 416.6 (v) the woman's emotional health is at stake;
- 416.7 (vi) the woman's physical health is at stake;
- 416.8 (vii) the woman will suffer substantial and irreversible impairment of a major bodily
- 416.9 function if the pregnancy continues;
- 416.10 (viii) the pregnancy resulted in fetal anomalies; or
- 416.11 (ix) unknown or the woman refused to answer;
- 416.12 (6) the number of prior induced abortions;
- 416.13 (7) the number of prior spontaneous abortions;
- 416.14 (8) whether the abortion was paid for by:
- 416.15 (i) private coverage;
- 416.16 (ii) public assistance health coverage; or
- 416.17 (iii) self-pay;
- 416.18 (9) whether coverage was under:
- 416.19 (i) a fee-for-service plan;
- 416.20 (ii) a capitated private plan; or
- 416.21 (iii) other;
- 416.22 (10) complications, if any, for each abortion and for the aftermath of each abortion.
- 416.23 Space for a description of any complications shall be available on the form;
- 416.24 (11) the medical specialty of the physician performing the abortion; and
- 416.25 (12) if the abortion was performed via telemedicine, the facility code for the patient and
- 416.26 the facility code for the physician; and
- 416.27 (12) (13) whether the abortion resulted in a born alive infant, as defined in section
- 416.28 145.423, subdivision 4, and:

- 417.1 (i) any medical actions taken to preserve the life of the born alive infant;
417.2 (ii) whether the born alive infant survived; and
417.3 (iii) the status of the born alive infant, should the infant survive, if known.

417.4 **EFFECTIVE DATE.** This section is effective January 1, 2018.

417.5 Sec. 96. Minnesota Statutes 2016, section 145.4716, subdivision 2, is amended to read:

417.6 Subd. 2. **Duties of director.** The director of child sex trafficking prevention is responsible
417.7 for the following:

417.8 (1) developing and providing comprehensive training on sexual exploitation of youth
417.9 for social service professionals, medical professionals, public health workers, and criminal
417.10 justice professionals;

417.11 (2) collecting, organizing, maintaining, and disseminating information on sexual
417.12 exploitation and services across the state, including maintaining a list of resources on the
417.13 Department of Health Web site;

417.14 (3) monitoring and applying for federal funding for antitrafficking efforts that may
417.15 benefit victims in the state;

417.16 (4) managing grant programs established under sections 145.4716 to 145.4718, ~~and~~
417.17 609.3241, paragraph (c), clause (3); and 609.5315, subdivision 5c, clause (3);

417.18 (5) managing the request for proposals for grants for comprehensive services, including
417.19 trauma-informed, culturally specific services;

417.20 (6) identifying best practices in serving sexually exploited youth, as defined in section
417.21 260C.007, subdivision 31;

417.22 (7) providing oversight of and technical support to regional navigators pursuant to section
417.23 145.4717;

417.24 (8) conducting a comprehensive evaluation of the statewide program for safe harbor of
417.25 sexually exploited youth; and

417.26 (9) developing a policy consistent with the requirements of chapter 13 for sharing data
417.27 related to sexually exploited youth, as defined in section 260C.007, subdivision 31, among
417.28 regional navigators and community-based advocates.

418.1 Sec. 97. Minnesota Statutes 2016, section 145.928, subdivision 13, is amended to read:

418.2 Subd. 13. **Reports.** (a) The commissioner shall submit a biennial report to the legislature
418.3 on the local community projects, tribal government, and community health board prevention
418.4 activities funded under this section. These reports must include information on grant
418.5 recipients, activities that were conducted using grant funds, evaluation data, and outcome
418.6 measures, if available. These reports are due by January 15 of every other year, beginning
418.7 in the year 2003.

418.8 (b) The commissioner shall release an annual report to the public and submit an the
418.9 annual report to the chairs and ranking minority members of the house of representatives
418.10 and senate committees with jurisdiction over public health on grants made under subdivision
418.11 7 to decrease racial and ethnic disparities in infant mortality rates. The report must provide
418.12 specific information on the amount of each grant awarded to each agency or organization,
418.13 an itemized list submitted to the commissioner by each agency or organization awarded a
418.14 grant specifying all uses of grant funds and the amount expended for each use, the population
418.15 served by each agency or organization, outcomes of the programs funded by each grant,
418.16 and the amount of the appropriation retained by the commissioner for administrative and
418.17 associated expenses. The commissioner shall issue a report each January 15 for the previous
418.18 fiscal year beginning January 15, 2016.

418.19 Sec. 98. Minnesota Statutes 2016, section 145.986, subdivision 1a, is amended to read:

418.20 Subd. 1a. **Grants to local communities.** (a) Beginning July 1, 2009, the commissioner
418.21 of health shall award competitive grants to community health boards and tribal governments
418.22 to convene, coordinate, and implement evidence-based strategies targeted at reducing the
418.23 percentage of Minnesotans who are obese or overweight and to reduce the use of tobacco.
418.24 Grants shall be awarded to all community health boards and tribal governments whose
418.25 proposals demonstrate the ability to implement programs designed to achieve the purposes
418.26 in subdivision 1 and other requirements of this section.

418.27 (b) Grantee activities shall:

418.28 (1) be based on scientific evidence;

418.29 (2) be based on community input;

418.30 (3) address behavior change at the individual, community, and systems levels;

418.31 (4) occur in community, school, work site, and health care settings;

419.1 (5) be focused on policy, systems, and environmental changes that support healthy
419.2 behaviors; and

419.3 (6) address the health disparities and inequities that exist in the grantee's community.

419.4 (c) To receive a grant under this section, community health boards and tribal governments
419.5 must submit proposals to the commissioner. A local match of ten percent of the total funding
419.6 allocation is required. This local match may include funds donated by community partners.

419.7 (d) In order to receive a grant, community health boards and tribal governments must
419.8 submit a health improvement plan to the commissioner of health for approval. The
419.9 commissioner may require the plan to identify a community leadership team, community
419.10 partners, and a community action plan that includes an assessment of area strengths and
419.11 needs, proposed action strategies, technical assistance needs, and a staffing plan.

419.12 (e) The grant recipient must implement the health improvement plan, evaluate the
419.13 effectiveness of the strategies, and modify or discontinue strategies found to be ineffective.

419.14 (f) Grant recipients shall report their activities and their progress toward the outcomes
419.15 established under subdivision 2 to the commissioner in a format and at a time specified by
419.16 the commissioner.

419.17 (g) All grant recipients shall be held accountable for making progress toward the
419.18 measurable outcomes established in subdivision 2. The commissioner shall require a
419.19 corrective action plan and may reduce the funding level of grant recipients that do not make
419.20 adequate progress toward the measurable outcomes.

419.21 (h) Beginning November 1, 2015, the commissioner shall offer grant recipients the
419.22 option of using a grant awarded under this subdivision to implement health improvement
419.23 strategies that improve the health status, delay the expression of dementia, or slow the
419.24 progression of dementia, for a targeted population at risk for dementia and shall award at
419.25 least two of the grants awarded on November 1, 2015, for these purposes. The grants must
419.26 meet all other requirements of this section. The commissioner shall coordinate grant planning
419.27 activities with the commissioner of human services, the Minnesota Board on Aging, and
419.28 community-based organizations with a focus on dementia. Each grant must include selected
419.29 outcomes and evaluation measures related to the incidence or progression of dementia
419.30 among the targeted population using the procedure described in subdivision 2.

419.31 (i) Beginning July 1, 2017, the commissioner shall offer grant recipients the option of
419.32 using a grant awarded under this subdivision to confront the opioid addiction and overdose
419.33 epidemic, and shall award at least two of the grants awarded on or after July 1, 2017, for

420.1 these purposes. The grants awarded under this paragraph must meet all other requirements
420.2 of this section. The commissioner shall coordinate grant planning activities with the
420.3 commissioner of human services. Each grant shall include selected outcomes and evaluation
420.4 measures related to addressing the opioid epidemic.

420.5 Sec. 99. Minnesota Statutes 2016, section 146B.02, subdivision 2, is amended to read:

420.6 Subd. 2. **Requirements and term of license.** (a) Each application for an initial mobile
420.7 or fixed-site establishment license and for renewal must be submitted to the commissioner
420.8 on a form provided by the commissioner accompanied with the applicable fee required
420.9 under section 146B.10. The application must contain:

- 420.10 (1) the name(s) of the owner(s) and operator(s) of the establishment;
420.11 (2) the location of the establishment;
420.12 (3) verification of compliance with all applicable local and state codes;
420.13 (4) a description of the general nature of the business; and
420.14 (5) any other relevant information deemed necessary by the commissioner.

420.15 (b) If the information submitted is complete and complies with the requirements of this
420.16 chapter, the commissioner shall issue a provisional establishment license. The provisional
420.17 license is effective until the commissioner determines, after inspection, that the applicant
420.18 has met the requirements of this chapter. Upon approval, the commissioner shall issue a
420.19 body art establishment license effective for three years.

420.20 (c) An establishment license must be renewed every two years.

420.21 Sec. 100. Minnesota Statutes 2016, section 146B.02, subdivision 3, is amended to read:

420.22 Subd. 3. **Inspection.** (a) ~~Within the period of the provisional establishment license, and~~
420.23 The commissioner must inspect an establishment issued a provisional license within one
420.24 year of the date the license was issued. Thereafter at least one time during each three-year
420.25 two-year licensure period, the commissioner shall conduct an inspection of the body art
420.26 establishment and a review of any records necessary to ensure that the standards required
420.27 under this chapter are met.

420.28 (b) The commissioner shall have the authority to enter a premises to make an inspection.
420.29 Refusal to permit an inspection constitutes valid grounds for licensure denial or revocation.

420.30 (c) If the establishment seeking licensure is new construction or if a licensed establishment
420.31 is remodeling, the establishment must meet all local building and zoning codes.

421.1 Sec. 101. Minnesota Statutes 2016, section 146B.02, subdivision 5, is amended to read:

421.2 Subd. 5. **Transfer of ownership, relocation, and display of license.** (a) A body art
421.3 establishment license must be issued to a specific person and location and is not transferable.
421.4 A license must be prominently displayed in a public area of the establishment.

421.5 (b) An owner who has purchased a body art establishment licensed under the previous
421.6 owner must submit an application to license the establishment within two weeks of the date
421.7 of sale. Notwithstanding subdivision 1, the new owner may continue to operate for 60 days
421.8 after the sale while waiting for a new license to be issued.

421.9 (c) An owner of a licensed body art establishment who is relocating the establishment
421.10 must submit an application for the new location. The owner may request that the new
421.11 application become effective at a specified date in the future. If the relocation is not
421.12 accomplished by the date expected, and the license at the existing location expires, the
421.13 owner may apply for a temporary event permit to continue to operate at the old location.
421.14 The owner may apply for no more than four temporary event permits to continue operating
421.15 at the old location.

421.16 Sec. 102. Minnesota Statutes 2016, section 146B.02, is amended by adding a subdivision
421.17 to read:

421.18 Subd. 7a. **Supervisors.** (a) Only a technician who has been licensed as a body artist for
421.19 at least two years in Minnesota or in a jurisdiction with which Minnesota has reciprocity
421.20 may supervise a temporary technician.

421.21 (b) Any technician who agrees to supervise more than two temporary technicians during
421.22 the same time period must provide to the commissioner a supervisory plan that describes
421.23 how the technician will provide supervision to each temporary technician in accordance
421.24 with section 146B.01, subdivision 28.

421.25 (c) The commissioner may refuse to approve as a supervisor a technician who has been
421.26 disciplined in Minnesota or in another jurisdiction after considering the criteria described
421.27 in subdivision 10, paragraph (b).

421.28 Sec. 103. Minnesota Statutes 2016, section 146B.02, subdivision 8, is amended to read:

421.29 Subd. 8. **Temporary events event permit.** (a) ~~An owner or operator of a~~ applicant for
421.30 a permit to hold a temporary body art establishment event shall submit an application ~~for a~~
421.31 ~~temporary events permit~~ to the commissioner. The application must be received at least 14
421.32 days before the start of the event. The application must include the specific days and hours

422.1 of operation. ~~The owner or operator~~ An applicant issued a temporary event permit shall
422.2 comply with the requirements of this chapter.

422.3 (b) Applications received less than 14 days prior to the start of the event may be processed
422.4 if the commissioner determines it is possible to conduct ~~the~~ all required work, including an
422.5 inspection.

422.6 (c) The temporary events event permit must be prominently displayed in a public area
422.7 at the location.

422.8 (d) The temporary events event permit, if approved, is valid for the specified dates and
422.9 hours listed on the application. No temporary events permit shall be issued for longer than
422.10 a 21-day period, and may not be extended.

422.11 (e) No individual who does not hold a current body art establishment license may be
422.12 issued a temporary event permit more than four times within the same calendar year.

422.13 (f) No individual who has been disciplined for a serious violation of this chapter within
422.14 three years preceding the intended start date of a temporary event may be issued a license
422.15 for a temporary event. Violations that preclude issuance of a temporary event permit include
422.16 unlicensed practice; practice in an unlicensed location; any of the conditions listed in section
422.17 146B.05, clauses (1) to (8), (12), or (13); 146B.08, subdivision 3, clauses (4), (5), and (10)
422.18 to (12); or any other violation that places the health or safety of a client at risk.

422.19 Sec. 104. Minnesota Statutes 2016, section 146B.02, is amended by adding a subdivision
422.20 to read:

422.21 Subd. 10. **Licensure precluded.** (a) The commissioner may choose to deny a body art
422.22 establishment license to an applicant who has been disciplined for a serious violation under
422.23 this chapter. Violations that constitute grounds for denial of license are any of the conditions
422.24 listed in section 146B.05, subdivision 1, clauses (1) to (8), (12), or (13); 146B.08, subdivision
422.25 3, clauses (4), (5), or (10) to (12); or any other violation that places the health or safety of
422.26 a client at risk.

422.27 (b) In considering whether to grant a license to an applicant who has been disciplined
422.28 for a violation described in this subdivision, the commissioner shall consider evidence of
422.29 rehabilitation, including the nature and seriousness of the violation, circumstances relative
422.30 to the violation, the length of time elapsed since the violation, and evidence that demonstrates
422.31 that the applicant has maintained safe, ethical, and responsible body art practice since the
422.32 time of the most recent violation.

423.1 Sec. 105. Minnesota Statutes 2016, section 146B.02, is amended by adding a subdivision
423.2 to read:

423.3 Subd. 11. **Penalties.** Any person who violates the provisions of subdivision 1 or who
423.4 performs body art in an unlicensed location is guilty of a gross misdemeanor.

423.5 Sec. 106. Minnesota Statutes 2016, section 146B.03, subdivision 6, is amended to read:

423.6 Subd. 6. **Licensure term; renewal.** (a) A technician's license is valid for two years from
423.7 the date of issuance and may be renewed upon payment of the renewal fee established under
423.8 section 146B.10.

423.9 (b) At renewal, a licensee must submit proof of continuing education approved by the
423.10 commissioner in the areas identified in subdivision 4.

423.11 (c) The commissioner shall notify the technician of the pending expiration of a technician
423.12 license at least 60 days prior to license expiration.

423.13 (d) A technician previously licensed in Minnesota whose license has lapsed for less than
423.14 six years may apply to renew. A technician previously licensed in Minnesota whose license
423.15 has lapsed for less than ten years and who was licensed in another jurisdiction or jurisdictions
423.16 during the entire time of lapse may apply to renew, but must submit proof of licensure in
423.17 good standing in all other jurisdictions in which the technician was licensed as a body artist
423.18 during the time of lapse. A technician previously licensed in Minnesota whose license has
423.19 lapsed for more than six years and who was not continuously licensed in another jurisdiction
423.20 during the period of Minnesota lapse must reapply for licensure under subdivision 4.

423.21 Sec. 107. Minnesota Statutes 2016, section 146B.03, subdivision 7, as amended by Laws
423.22 2017, chapter 40, article 1, section 34, is amended to read:

423.23 Subd. 7. **Temporary licensure.** (a) The commissioner may issue a temporary license
423.24 to an applicant who submits to the commissioner on a form provided by the commissioner:

423.25 (1) proof that the applicant is over the age of 18;

423.26 (2) all fees required under section 146B.10; and

423.27 (3) a letter from a licensed technician who has agreed to provide the supervision to meet
423.28 the supervised experience requirement under subdivision 4.

423.29 (b) Upon completion of the required supervised experience, the temporary licensee shall
423.30 submit documentation of satisfactorily completing the requirements under subdivision 4,

424.1 and the applicable fee under section 146B.10. The commissioner shall issue a new license
424.2 in accordance with subdivision 4.

424.3 (c) A temporary license issued under this subdivision is valid for one year and may be
424.4 renewed ~~for one additional year~~ twice.

424.5 Sec. 108. Minnesota Statutes 2016, section 146B.07, subdivision 2, is amended to read:

424.6 Subd. 2. **Parent or legal guardian consent; prohibitions.** (a) A technician may perform
424.7 body piercings on an individual under the age of 18 if:

424.8 (1) the individual's parent or legal guardian is present;

424.9 (2) the individual's parent or legal guardian provides personal identification by using
424.10 one of the methods described in subdivision 1, paragraph (a), clauses (1) to (5), and provides
424.11 documentation that reasonably establishes that the individual is the parent or legal guardian
424.12 of the individual who is seeking the body piercing;

424.13 (3) the individual seeking the body piercing provides proof of identification by using
424.14 one of the methods described in subdivision 1, paragraph (a), clauses (1) to (5), a current
424.15 student identification, or another official source that includes the name and a photograph
424.16 of the individual;

424.17 (4) a consent form and the authorization form under subdivision 1, paragraph (b) is
424.18 signed by the parent or legal guardian in the presence of the technician; and

424.19 (5) the piercing is not prohibited under paragraph (c).

424.20 (b) ~~No technician shall tattoo any~~ Tattooing an individual under the age of 18 is a gross
424.21 misdemeanor, regardless of parental or guardian consent.

424.22 (c) No nipple or genital piercing, branding, scarification, suspension, subdermal
424.23 implantation, microdermal, or tongue bifurcation shall be performed by any technician on
424.24 any individual under the age of 18 regardless of parental or guardian consent.

424.25 (d) No technician shall perform body art procedures on any individual who appears to
424.26 be under the influence of alcohol, controlled substances as defined in section 152.01,
424.27 subdivision 4, or hazardous substances as defined in rules adopted under chapter 182.

424.28 (e) No technician shall perform body art procedures while under the influence of alcohol,
424.29 controlled substances as defined under section 152.01, subdivision 4, or hazardous substances
424.30 as defined in the rules adopted under chapter 182.

424.31 (f) No technician shall administer anesthetic injections or other medications.

425.1 Sec. 109. Minnesota Statutes 2016, section 146B.10, subdivision 1, is amended to read:

425.2 Subdivision 1. **Licensing fees.** (a) The fee for the initial technician licensure and biennial
425.3 licensure renewal is ~~\$100~~ \$420.

425.4 (b) The fee for temporary technician licensure is ~~\$100~~ \$240.

425.5 (c) The fee for the temporary guest artist license is ~~\$50~~ \$140.

425.6 (d) The fee for a dual body art technician license is ~~\$100~~ \$420.

425.7 (e) The fee for a provisional establishment license is ~~\$1,000~~ \$1,500.

425.8 (f) The fee for an initial establishment license and the ~~three-year~~ two-year license renewal
425.9 period required in section 146B.02, subdivision 2, paragraph (b), is ~~\$1,000~~ \$1,500.

425.10 (g) The fee for a temporary body art establishment event permit is ~~\$75~~ \$200.

425.11 (h) The commissioner shall prorate the initial two-year technician license fee and the
425.12 ~~initial three-year body art establishment license fee~~ based on the number of months in the
425.13 initial licensure period. The commissioner shall prorate the first renewal fee for the
425.14 establishment license based on the number of months from issuance of the provisional
425.15 license to the first renewal.

425.16 (i) The fee for verification of licensure to other states is \$25.

425.17 (j) The fee to reissue a provisional establishment license that relocates prior to inspection
425.18 and removal of provisional status is \$350. The expiration date of the provisional license
425.19 does not change.

425.20 (k) The fee to change an establishment name or establishment type, such as tattoo,
425.21 piercing, or dual, is \$50.

425.22 Sec. 110. Minnesota Statutes 2016, section 146B.10, subdivision 2, is amended to read:

425.23 Subd. 2. **Penalty for Late renewals renewal fee.** (a) The penalty fee for late submission
425.24 ~~for of a technician renewal applications~~ application is ~~\$75~~ \$150.

425.25 (b) The fee for late submission of an establishment renewal application is \$300.

425.26 Sec. 111. Minnesota Statutes 2016, section 146B.10, is amended by adding a subdivision
425.27 to read:

425.28 Subd. 2a. **Technical violation fee for practice after lapse.** (a) The technical violation
425.29 fee for practicing body art after a body art license has expired and before it is renewed is

426.1 \$200 for any part of the first month, plus \$200 for any part of any subsequent month up to
426.2 one year. Continued practice or operation after one year becomes a disciplinary violation.

426.3 (b) The technical violation fee for practicing body art after a temporary body art license
426.4 has expired and before it is renewed is \$100 for any part of the first month, plus \$100 for
426.5 any part of any subsequent month up to six months. Continued practice or operation after
426.6 six months becomes a disciplinary violation.

426.7 (c) The technical violation fee for operating a body art establishment after the license
426.8 has expired and before it is renewed is \$300 for any part of the first month, plus \$300 for
426.9 any part of any subsequent month up to six months. Continued practice or operation after
426.10 six months becomes a disciplinary violation.

426.11 Sec. 112. Minnesota Statutes 2016, section 148.514, subdivision 1, is amended to read:

426.12 Subdivision 1. **General licensure procedures.** An applicant for licensure must:

426.13 (1) submit an application as required under section 148.519, subdivision 1; and

426.14 (2) submit all fees required under section 148.5194.; and

426.15 (3) consent to a fingerprint-based background check as required under section 148.519.

426.16 Sec. 113. Minnesota Statutes 2016, section 148.519, subdivision 1, is amended to read:

426.17 Subdivision 1. **Applications for licensure.** (a) An applicant for licensure must:

426.18 (1) submit a completed application for licensure on forms provided by the commissioner.
426.19 The application must include the applicant's name, certification number under chapter 153A,
426.20 if applicable, business address and telephone number, or home address and telephone number
426.21 if the applicant practices speech-language pathology or audiology out of the home, and a
426.22 description of the applicant's education, training, and experience, including previous work
426.23 history for the five years immediately preceding the date of application. The commissioner
426.24 may ask the applicant to provide additional information necessary to clarify information
426.25 submitted in the application; and

426.26 (2) submit documentation of the certificate of clinical competence issued by the American
426.27 Speech-Language-Hearing Association, board certification by the American Board of
426.28 Audiology, or satisfy the following requirements:

426.29 (i) submit a transcript showing the completion of a master's or doctoral degree or its
426.30 equivalent meeting the requirements of section 148.515, subdivision 2;

426.31 (ii) submit documentation of the required hours of supervised clinical training;

427.1 (iii) submit documentation of the postgraduate clinical or doctoral clinical experience
427.2 meeting the requirements of section 148.515, subdivision 4; and

427.3 (iv) submit documentation of receiving a qualifying score on an examination meeting
427.4 the requirements of section 148.515, subdivision 6.

427.5 (b) In addition, an applicant must:

427.6 (1) sign a statement that the information in the application is true and correct to the best
427.7 of the applicant's knowledge and belief;

427.8 (2) submit with the application all fees required by section 148.5194; and

427.9 (3) sign a waiver authorizing the commissioner to obtain access to the applicant's records
427.10 in this or any other state in which the applicant has engaged in the practice of speech-language
427.11 pathology or audiology; and

427.12 (4) consent to a fingerprint-based criminal history background check as required under
427.13 section 144.0572, pay all required fees, and cooperate with all requests for information. An
427.14 applicant must complete a new criminal history background check if more than one year
427.15 has elapsed since the applicant last applied for a license.

427.16 Sec. 114. Minnesota Statutes 2016, section 148.519, subdivision 2, is amended to read:

427.17 Subd. 2. **Action on applications for licensure.** (a) The commissioner shall act on an
427.18 application for licensure according to paragraphs (b) to ~~(d)~~ (e).

427.19 (b) The commissioner shall determine if the applicant meets the requirements for
427.20 licensure. The commissioner or advisory council may investigate information provided by
427.21 an applicant to determine whether the information is accurate and complete.

427.22 (c) The commissioner shall not issue a license to an applicant who refuses to consent to
427.23 a background study within 90 days after submission of an application or fails to submit
427.24 fingerprints to the Department of Human Services. Any fees paid by the applicant to the
427.25 Department of Health shall be forfeited if the applicant refuses to consent to the background
427.26 study.

427.27 ~~(e)~~ (d) The commissioner shall notify an applicant, via certified mail, of action taken on
427.28 the application and of the grounds for denying licensure if licensure is denied.

427.29 ~~(d)~~ (e) An applicant denied licensure may make a written request to the commissioner,
427.30 within 30 days of the date of notification to the applicant, for reconsideration of the denial.
427.31 Individuals requesting reconsideration may submit information that the applicant wants
427.32 considered in the reconsideration. After reconsideration of the commissioner's determination

428.1 to deny licensure, the commissioner shall determine whether the original determination
428.2 should be affirmed or modified. An applicant may make only one request in any one biennial
428.3 license period for reconsideration of the commissioner's determination to deny licensure.

428.4 Sec. 115. Minnesota Statutes 2016, section 148.5194, subdivision 2, is amended to read:

428.5 Subd. 2. **Speech-language pathologist biennial licensure fee fees.** (a) The fee for initial
428.6 licensure ~~and biennial licensure, clinical fellowship licensure, temporary licensure, or~~
428.7 ~~renewal~~ for a speech-language pathologist is \$200 \$210.50.

428.8 (b) The fee for clinical fellowship licensure, doctoral externship, temporary license, or
428.9 renewal for a speech-language pathologist is \$200.

428.10 Sec. 116. Minnesota Statutes 2016, section 148.5194, subdivision 3, is amended to read:

428.11 Subd. 3. **Biennial Licensure fee fees for dual licensure as a speech-language**
428.12 **pathologist and audiologist.** (a) The fee for initial dual licensure and biennial licensure,
428.13 clinical fellowship licensure, doctoral externship, temporary license, or renewal as a
428.14 speech-language pathologist and audiologist is \$435 \$523.

428.15 (b) The fee for clinical fellowship licensure, doctoral externship, temporary license, or
428.16 renewal for dual licensure as a speech-language pathologist and audiologist is \$510.

428.17 Sec. 117. Minnesota Statutes 2016, section 148.5194, subdivision 4, is amended to read:

428.18 Subd. 4. **Penalty fee for late renewals.** The penalty fee for late submission of a renewal
428.19 application is \$45 \$60.

428.20 Sec. 118. Minnesota Statutes 2016, section 148.5194, subdivision 7, is amended to read:

428.21 Subd. 7. **Audiologist biennial licensure fee.** (a) The licensure fee for initial applicants
428.22 is \$523. The biennial licensure fee for audiologists for clinical fellowship, doctoral externship,
428.23 temporary, ~~initial applicants, and renewal licensees~~ licenses is \$435 \$510.

428.24 (b) ~~The audiologist fee is for practical examination costs greater than audiologist exam~~
428.25 ~~fee receipts and for complaint investigation, enforcement action, and consumer information~~
428.26 ~~and assistance expenditures related to hearing instrument dispensing.~~

429.1 Sec. 119. Minnesota Statutes 2016, section 148.5194, is amended by adding a subdivision
429.2 to read:

429.3 Subd. 7a. **Surcharge.** Speech-language pathologists who were licensed prior to January
429.4 1, 2018, shall pay a onetime surcharge of \$10.50 to renew when their license first expires
429.5 after January 1, 2020. Audiologists who were licensed before January 1, 2018, shall pay a
429.6 onetime surcharge of \$13 to renew when their license first expires after January 1, 2020.
429.7 The surcharge shall cover the commissioner's costs associated with criminal background
429.8 checks.

429.9 Sec. 120. Minnesota Statutes 2016, section 148.5195, subdivision 2, is amended to read:

429.10 Subd. 2. **Rights of applicants and licensees.** The rights of an applicant denied licensure
429.11 are stated in section 148.519, subdivision 2, paragraph ~~(d)~~ (e). A licensee shall not be
429.12 subjected to disciplinary action under this section without first having an opportunity for a
429.13 contested case hearing under chapter 14.

429.14 Sec. 121. Minnesota Statutes 2016, section 148.997, subdivision 1, is amended to read:

429.15 Subdivision 1. **Fees.** (a) The application fee is ~~\$130~~ \$185.

429.16 (b) The criminal background check fee is ~~\$6~~ \$15.

429.17 Sec. 122. Minnesota Statutes 2016, section 152.25, subdivision 1, is amended to read:

429.18 Subdivision 1. **Medical cannabis manufacturer registration.** (a) The commissioner
429.19 shall register two in-state manufacturers for the production of all medical cannabis within
429.20 the state ~~by December 1, 2014, unless the commissioner obtains an adequate supply of~~
429.21 ~~federally sourced medical cannabis by August 1, 2014.~~ The commissioner shall register
429.22 new manufacturers or reregister the existing manufacturers by December 1 every two years,
429.23 using the factors described in ~~paragraph (e)~~ this subdivision. The commissioner shall continue
429.24 ~~to accept applications after December 1, 2014, if two manufacturers that meet the~~
429.25 ~~qualifications set forth in this subdivision do not apply before December 1, 2014 if one of~~
429.26 the manufacturers registered before December 1, 2014, ceases to be registered as a
429.27 manufacturer. The commissioner's determination that no manufacturer exists to fulfill the
429.28 duties under sections 152.22 to 152.37 is subject to judicial review in Ramsey County
429.29 District Court. Data submitted during the application process are private data on individuals
429.30 or nonpublic data as defined in section 13.02 until the manufacturer is registered under this
429.31 section. Data on a manufacturer that is registered are public data, unless the data are trade
429.32 secret or security information under section 13.37.

- 430.1 (b) As a condition for registration, a manufacturer must agree to:
- 430.2 (1) begin supplying medical cannabis to patients by July 1, 2015; and
- 430.3 (2) comply with all requirements under sections 152.22 to 152.37.
- 430.4 (c) The commissioner shall consider the following factors when determining which
- 430.5 manufacturer to register:
- 430.6 (1) the technical expertise of the manufacturer in cultivating medical cannabis and
- 430.7 converting the medical cannabis into an acceptable delivery method under section 152.22,
- 430.8 subdivision 6;
- 430.9 (2) the qualifications of the manufacturer's employees;
- 430.10 (3) the long-term financial stability of the manufacturer;
- 430.11 (4) the ability to provide appropriate security measures on the premises of the
- 430.12 manufacturer;
- 430.13 (5) whether the manufacturer has demonstrated an ability to meet the medical cannabis
- 430.14 production needs required by sections 152.22 to 152.37; and
- 430.15 (6) the manufacturer's projection and ongoing assessment of fees on patients with a
- 430.16 qualifying medical condition.
- 430.17 (d) If an officer, director, or controlling person of the manufacturer pleads or is found
- 430.18 guilty of intentionally diverting medical cannabis to a person other than allowed by law
- 430.19 under section 152.33, subdivision 1, the commissioner may decide not to renew the
- 430.20 registration of the manufacturer, provided the violation occurred while the person was an
- 430.21 officer, director, or controlling person of the manufacturer.
- 430.22 ~~(d)~~ (e) The commissioner shall require each medical cannabis manufacturer to contract
- 430.23 with an independent laboratory to test medical cannabis produced by the manufacturer. The
- 430.24 commissioner shall approve the laboratory chosen by each manufacturer and require that
- 430.25 the laboratory report testing results to the manufacturer in a manner determined by the
- 430.26 commissioner.
- 430.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 430.28 Sec. 123. Minnesota Statutes 2016, section 152.25, is amended by adding a subdivision
- 430.29 to read:
- 430.30 **Subd. 1a. Revocation, nonrenewal, or denial of consent to transfer a medical cannabis**
- 430.31 **manufacturer registration.** If the commissioner intends to revoke, not renew, or deny

431.1 consent to transfer a registration issued under this section, the commissioner must first notify
431.2 in writing the manufacturer against whom the action is to be taken and provide the
431.3 manufacturer with an opportunity to request a hearing under the contested case provisions
431.4 of chapter 14. If the manufacturer does not request a hearing by notifying the commissioner
431.5 in writing within 20 days after receipt of the notice of proposed action, the commissioner
431.6 may proceed with the action without a hearing. For revocations, the registration of a
431.7 manufacturer is considered revoked on the date specified in the commissioner's written
431.8 notice of revocation.

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

431.10 Sec. 124. Minnesota Statutes 2016, section 152.25, is amended by adding a subdivision
431.11 to read:

431.12 **Subd. 1b. Temporary suspension proceedings.** The commissioner may institute
431.13 proceedings to temporarily suspend the registration of a medical cannabis manufacturer for
431.14 a period of up to 90 days by notifying the manufacturer in writing if any action by an
431.15 employee, agent, officer, director, or controlling person of the manufacturer:

431.16 (1) violates any of the requirements of sections 152.21 to 152.37 or the rules adopted
431.17 thereunder;

431.18 (2) permits, aids, or abets the commission of any violation of state law at the
431.19 manufacturer's location for cultivation, harvesting, manufacturing, packaging, and processing
431.20 or at any site for distribution of medical cannabis;

431.21 (3) performs any act contrary to the welfare of a registered patient or registered designated
431.22 caregiver; or

431.23 (4) obtains, or attempts to obtain, a registration by fraudulent means or misrepresentation.

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

431.25 Sec. 125. Minnesota Statutes 2016, section 152.25, is amended by adding a subdivision
431.26 to read:

431.27 **Subd. 1c. Notice to patients.** Upon the revocation or nonrenewal of a manufacturer's
431.28 registration under subdivision 1a or implementation of an enforcement action under
431.29 subdivision 1b that may affect the ability of a registered patient, registered designated
431.30 caregiver, or a registered patient's parent or legal guardian to obtain medical cannabis from
431.31 the manufacturer subject to the enforcement action, the commissioner shall notify in writing
431.32 each registered patient and the patient's registered designated caregiver or registered patient's

432.1 parent or legal guardian about the outcome of the proceeding and information regarding
432.2 alternative registered manufacturers. This notice must be provided two or more business
432.3 days prior to the effective date of the revocation, nonrenewal, or other enforcement action.

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

432.5 Sec. 126. Minnesota Statutes 2016, section 152.28, is amended by adding a subdivision
432.6 to read:

432.7 **Subd. 3. Advertising restrictions.** (a) A health care practitioner shall not publish or
432.8 cause to be published any advertisement that:

432.9 (1) contains false or misleading statements about medical cannabis or about the medical
432.10 cannabis registry program;

432.11 (2) uses colloquial terms to refer to medical cannabis, such as pot, weed, or grass;

432.12 (3) states or implies the health care practitioner is endorsed by the Department of Health
432.13 or by the medical cannabis registry program;

432.14 (4) includes images of cannabis in its plant or leaf form or of cannabis-smoking
432.15 paraphernalia; or

432.16 (5) contains medical symbols that could reasonably be confused with symbols of
432.17 established medical associations or groups.

432.18 (b) A health care practitioner found by the commissioner to have violated this subdivision
432.19 is prohibited from certifying that patients have a qualifying medical condition for purposes
432.20 of patient participation in the registry program. The commissioner's decision that a health
432.21 care practitioner has violated this subdivision is a final decision of the commissioner and
432.22 is not subject to the contested case procedures in chapter 14.

432.23 Sec. 127. Minnesota Statutes 2016, section 152.33, is amended by adding a subdivision
432.24 to read:

432.25 **Subd. 1a. Intentional diversion outside the state; penalties.** (a) In addition to any other
432.26 applicable penalty in law, the commissioner may levy a fine of \$250,000 against a
432.27 manufacturer and may immediately initiate proceedings to revoke the manufacturer's
432.28 registration, using the procedure in section 152.25, if:

432.29 (1) an officer, director, or controlling person of the manufacturer pleads or is found
432.30 guilty under subdivision 1 of intentionally transferring medical cannabis, while the person

433.1 was an officer, director, or controlling person of the manufacturer, to a person other than
433.2 allowed by law; and

433.3 (2) in intentionally transferring medical cannabis to a person other than allowed by law,
433.4 the officer, director, or controlling person transported or directed the transport of medical
433.5 cannabis outside of Minnesota.

433.6 (b) All fines collected under this subdivision shall be deposited in the state government
433.7 special revenue fund.

433.8 **EFFECTIVE DATE.** This section is effective the day following final enactment, and
433.9 applies to crimes committed on or after that date.

433.10 Sec. 128. Minnesota Statutes 2016, section 153A.14, subdivision 1, is amended to read:

433.11 Subdivision 1. **Application for certificate.** An applicant must:

433.12 (1) be 21 years of age or older;

433.13 (2) apply to the commissioner for a certificate to dispense hearing instruments on
433.14 application forms provided by the commissioner;

433.15 (3) at a minimum, provide the applicant's name, Social Security number, business address
433.16 and phone number, employer, and information about the applicant's education, training,
433.17 and experience in testing human hearing and fitting hearing instruments;

433.18 (4) include with the application a statement that the statements in the application are
433.19 true and correct to the best of the applicant's knowledge and belief;

433.20 (5) include with the application a written and signed authorization that authorizes the
433.21 commissioner to make inquiries to appropriate regulatory agencies in this or any other state
433.22 where the applicant has sold hearing instruments;

433.23 (6) submit certification to the commissioner that the applicant's audiometric equipment
433.24 has been calibrated to meet current ANSI standards within 12 months of the date of the
433.25 application;

433.26 (7) submit evidence of continuing education credits, if required; and

433.27 (8) submit all fees as required under section 153A.17; and

433.28 (9) consent to a fingerprint-based criminal history records check required under section
433.29 144.0572, pay all required fees, and cooperate with all requests for information. An applicant
433.30 must complete a new criminal background check if more than one year has elapsed since
433.31 the applicant last applied for a license.

434.1 Sec. 129. Minnesota Statutes 2016, section 153A.14, subdivision 2, is amended to read:

434.2 Subd. 2. **Issuance of certificate.** (a) The commissioner shall issue a certificate to each
434.3 dispenser of hearing instruments who applies under subdivision 1 if the commissioner
434.4 determines that the applicant is in compliance with this chapter, has passed an examination
434.5 administered by the commissioner, has met the continuing education requirements, if
434.6 required, and has paid the fee set by the commissioner. The commissioner may reject or
434.7 deny an application for a certificate if there is evidence of a violation or failure to comply
434.8 with this chapter.

434.9 (b) The commissioner shall not issue a certificate to an applicant who refuses to consent
434.10 to a criminal history background check as required by section 144.0572 within 90 days after
434.11 submission of an application or fails to submit fingerprints to the Department of Human
434.12 Services. Any fees paid by the applicant to the Department of Health shall be forfeited if
434.13 the applicant refuses to consent to the background study.

434.14 Sec. 130. Minnesota Statutes 2016, section 153A.17, is amended to read:

434.15 **153A.17 EXPENSES; FEES.**

434.16 (a) The expenses for administering the certification requirements, including the complaint
434.17 handling system for hearing aid dispensers in sections 153A.14 and 153A.15, and the
434.18 Consumer Information Center under section 153A.18, must be paid from initial application
434.19 and examination fees, renewal fees, penalties, and fines. The commissioner shall only use
434.20 fees collected under this section for the purposes of administering this chapter. The legislature
434.21 must not transfer money generated by these fees from the state government special revenue
434.22 fund to the general fund. Surcharges collected by the commissioner of health under section
434.23 16E.22 are not subject to this paragraph.

434.24 (b) The fees are as follows:

434.25 (1) ~~the initial and annual renewal certification application fee is \$600~~ \$772.50;

434.26 (2) ~~the initial examination fee for the written portion is \$500, and for each time it is~~
434.27 ~~taken, thereafter~~ the annual renewal certification application fee is \$750;

434.28 (3) the initial examination fee for the practical portion is \$1,200, and \$600 for each time
434.29 it is taken, thereafter; for individuals meeting the requirements of section 148.515, subdivision
434.30 2, the fee for the practical portion of the hearing instrument dispensing examination is ~~\$250~~
434.31 \$600 each time it is taken;

434.32 (4) the trainee application fee is ~~\$200~~ \$230;

435.1 (5) the penalty fee for late submission of a renewal application is ~~\$200~~ \$260; and

435.2 (6) the fee for verification of certification to other jurisdictions or entities is \$25.

435.3 (c) The commissioner may prorate the certification fee for new applicants based on the
435.4 number of quarters remaining in the annual certification period.

435.5 (d) All fees are nonrefundable. All fees, penalties, and fines received must be deposited
435.6 in the state government special revenue fund.

435.7 (e) ~~Beginning July 1, 2009, until June 30, 2016, a surcharge of \$100 shall be paid at the~~
435.8 ~~time of initial certification application or renewal to recover the commissioner's accumulated~~
435.9 ~~direct expenditures for administering the requirements of this chapter. Hearing instrument~~
435.10 ~~dispensers who were certified before January 1, 2018, shall pay a onetime surcharge of~~
435.11 ~~\$22.50 to renew their certification when it expires after October 31, 2020. The surcharge~~
435.12 ~~shall cover the commissioner's costs associated with criminal background checks.~~

435.13 Sec. 131. Minnesota Statutes 2016, section 157.16, subdivision 1, is amended to read:

435.14 Subdivision 1. **License required annually.** A license is required annually for every
435.15 person, firm, or corporation engaged in the business of conducting a food and beverage
435.16 service establishment, youth camp, hotel, motel, lodging establishment, public pool, or
435.17 resort. Any person wishing to operate a place of business licensed in this section shall first
435.18 make application, pay the required fee specified in this section, and receive approval for
435.19 operation, including plan review approval. Special event food stands are not required to
435.20 submit plans. Nonprofit organizations operating a special event food stand with multiple
435.21 locations at an annual one-day event shall be issued only one license. Application shall be
435.22 made on forms provided by the commissioner and shall require the applicant to state the
435.23 full name and address of the owner of the building, structure, or enclosure, the lessee and
435.24 manager of the food and beverage service establishment, hotel, motel, lodging establishment,
435.25 public pool, or resort; the name under which the business is to be conducted; and any other
435.26 information as may be required by the commissioner to complete the application for license.
435.27 All fees collected under this section shall be deposited in the state government special
435.28 revenue fund.

435.29 Sec. 132. Minnesota Statutes 2016, section 157.16, subdivision 3, is amended to read:

435.30 Subd. 3. **Establishment fees; definitions.** (a) The following fees are required for food
435.31 and beverage service establishments, youth camps, hotels, motels, lodging establishments,
435.32 public pools, and resorts licensed under this chapter. Food and beverage service

436.1 establishments must pay the highest applicable fee under paragraph (d), clause (1), (2), (3),
436.2 or (4), and establishments serving alcohol must pay the highest applicable fee under paragraph
436.3 (d), clause (6) or (7). The license fee for new operators previously licensed under this chapter
436.4 for the same calendar year is one-half of the appropriate annual license fee, plus any penalty
436.5 that may be required. The license fee for operators opening on or after October 1 is one-half
436.6 of the appropriate annual license fee, plus any penalty that may be required.

436.7 (b) All food and beverage service establishments, except special event food stands, and
436.8 all hotels, motels, lodging establishments, public pools, and resorts shall pay an annual base
436.9 fee of ~~\$150~~ \$165.

436.10 (c) A special event food stand shall pay a flat fee of ~~\$50~~ \$55 annually. "Special event
436.11 food stand" means a fee category where food is prepared or served in conjunction with
436.12 celebrations, county fairs, or special events from a special event food stand as defined in
436.13 section 157.15.

436.14 (d) In addition to the base fee in paragraph (b), each food and beverage service
436.15 establishment, other than a special event food stand and a school concession stand, and each
436.16 hotel, motel, lodging establishment, public pool, and resort shall pay an additional annual
436.17 fee for each fee category, additional food service, or required additional inspection specified
436.18 in this paragraph:

436.19 (1) ~~Limited food menu selection, \$60. "Limited food menu selection" Category 1~~
436.20 establishment, \$110. "Category 1 establishment" means a fee category that provides one or
436.21 more of the following items or is one of the listed establishments or facilities:

436.22 (i) serves prepackaged food that receives heat treatment and is served in the package;

436.23 (ii) frozen pizza that is heated and served;

436.24 (iii) serves a continental breakfast such as rolls, coffee, juice, milk, and cold cereal;

436.25 (iv) serves soft drinks, coffee, or nonalcoholic beverages; or

436.26 (v) provides cleaning for eating, drinking, or cooking utensils, when the only food
436.27 served is prepared off site;

436.28 (v) a food establishment where the method of food preparation meets the definition of
436.29 a low-risk establishment in section 157.20; or

436.30 (vi) operates as a child care facility licensed under section 245A.03 and Minnesota Rules,
436.31 chapter 9503.

437.1 (2) ~~Small establishment, including boarding establishments, \$120. "Small establishment"~~
437.2 ~~means a fee category that has no salad bar and meets one or more of the following:~~

437.3 ~~(i) possesses food service equipment that consists of no more than a deep fat fryer, a~~
437.4 ~~grill, two hot holding containers, and one or more microwave ovens;~~

437.5 ~~(ii) serves dipped ice cream or soft serve frozen desserts;~~

437.6 ~~(iii) serves breakfast in an owner-occupied bed and breakfast establishment;~~

437.7 ~~(iv) is a boarding establishment; or~~

437.8 ~~(v) meets the equipment criteria in clause (3), item (i) or (ii), and has a maximum patron~~
437.9 ~~seating capacity of not more than 50.~~

437.10 (3) ~~Medium establishment, \$310. "Medium establishment"~~ (2) Category 2 establishment,
437.11 \$245. "Category 2 establishment" means a fee category that meets one or more of the
437.12 following an establishment that is not a Category 1 establishment and is either:

437.13 ~~(i) possesses food service equipment that includes a range, oven, steam table, salad bar,~~
437.14 ~~or salad preparation area; a food establishment where the method of food preparation meets~~
437.15 the definition of a medium-risk establishment in section 157.20; or

437.16 ~~(ii) possesses food service equipment that includes more than one deep fat fryer, one~~
437.17 ~~grill, or two hot holding containers; or an elementary or secondary school as defined in~~
437.18 section 120A.05.

437.19 ~~(iii) is an establishment where food is prepared at one location and served at one or more~~
437.20 separate locations.

437.21 ~~Establishments meeting criteria in clause (2), item (v), are not included in this fee~~
437.22 category.

437.23 (4) ~~Large establishment, \$540. "Large establishment"~~ (3) Category 3 establishment,
437.24 \$385. "Category 3 establishment" means an establishment that is not a Category 1 or Category
437.25 2 establishment and is either:

437.26 ~~(i) a fee category that (A) meets the criteria in clause (3), items (i) or (ii), for a medium~~
437.27 ~~establishment, (B) seats more than 175 people, and (C) offers the full menu selection an~~
437.28 ~~average of five or more days a week during the weeks of operation a food establishment~~
437.29 where the method of food preparation meets the definition of a high-risk establishment in
437.30 section 157.20; or

438.1 (ii) a fee category that (A) meets the criteria in clause (3), item (iii), for a medium
438.2 establishment, and (B) prepares and serves 500 or more meals per day. an establishment
438.3 where 500 or more meals are prepared per day and served at one or more separate locations.

438.4 ~~(5)~~ (4) Other food and beverage service, including food carts, mobile food units, seasonal
438.5 temporary food stands, and seasonal permanent food stands, \$60 \$85.

438.6 ~~(6) Beer or wine table service, \$60. "Beer or wine table service" means a fee category~~
438.7 ~~where the only alcoholic beverage service is beer or wine, served to customers seated at~~
438.8 ~~tables.~~

438.9 ~~(7) Alcoholic beverage service, other than beer or wine table service, \$165.~~

438.10 ~~"Alcohol beverage service, other than beer or wine table service" means a fee category~~
438.11 ~~where alcoholic mixed drinks are served or where beer or wine are served from a bar.~~

438.12 ~~(8)~~ (5) Lodging per sleeping accommodation unit, \$10 \$11, including hotels, motels,
438.13 lodging establishments, and resorts, up to a maximum of \$1,000 \$1,100. "Lodging per
438.14 sleeping accommodation unit" means a fee category including the number of guest rooms,
438.15 cottages, or other rental units of a hotel, motel, lodging establishment, or resort; or the
438.16 number of beds in a dormitory.

438.17 ~~(9)~~ (6) First public pool, \$325 \$355; each additional public pool, \$175 \$200. "Public
438.18 pool" means a fee category that has the meaning given in section 144.1222, subdivision 4.

438.19 ~~(10)~~ (7) First spa, \$175 \$200; each additional spa, \$100 \$110. "Spa pool" means a fee
438.20 category that has the meaning given in Minnesota Rules, part 4717.0250, subpart 9.

438.21 ~~(11)~~ (8) Private sewer or water, \$60. "Individual private water" means a fee category
438.22 with a water supply other than a community public water supply as defined in Minnesota
438.23 Rules, chapter 4720. "Individual private sewer" means a fee category with an individual
438.24 sewage treatment system which uses subsurface treatment and disposal.

438.25 ~~(12)~~ (9) Additional food service, \$150 \$175. "Additional food service" means a location
438.26 at a food service establishment, other than the primary food preparation and service area,
438.27 used to prepare or serve beverages or food to the public. Additional food service does not
438.28 apply to school concession stands.

438.29 ~~(13)~~ (10) Additional inspection fee, \$360 \$250. "Additional inspection fee" means a fee
438.30 to conduct the second inspection each year for elementary and secondary education facility
438.31 school lunch programs when required by the Richard B. Russell National School Lunch
438.32 Act.

439.1 (11) HACCP verification, \$175. "HACCP verification" means an annual fee category
439.2 for a business that performs one or more specialized process that requires an HACCP plan
439.3 as required in chapter 31 and Minnesota Rules, chapter 4626.

439.4 (e) A fee for review of construction plans must accompany the initial license application
439.5 for restaurants, hotels, motels, lodging establishments, resorts, seasonal food stands, and
439.6 mobile food units. A fee for review of an HACCP plan for specialized processing must be
439.7 submitted and approved prior to preparing and serving the specialized processed food for
439.8 human consumption. The fee fees for this construction plan review is reviews and HACCP
439.9 plan reviews are as follows:

439.10	Service Area	Type	Fee
439.11	Food	limited food menu	\$275
439.12		small <u>category 1</u> establishment	\$400
439.13		medium <u>category 2</u> establishment	\$450
439.14		large <u>category 3</u> food establishment	\$500
439.15			\$150
439.16		additional food service	<u>\$250</u>
439.17		<u>HACCP Plan Review</u>	<u>\$500</u>
439.18	Transient food service	food cart	\$250
439.19		seasonal permanent food stand	\$250
439.20		seasonal temporary food stand	\$250
439.21		mobile food unit	\$350
439.22	Alcohol	beer or wine table service	\$150
439.23		alcohol service from bar	\$250
439.24	Lodging	less than 25 rooms	\$375
439.25		25 to less than 100 rooms	\$400
439.26		100 rooms or more	\$500
439.27		less than five cabins	\$350
439.28		five to less than ten cabins	\$400
439.29		ten cabins or more	\$450

439.30 (f) When existing food and beverage service establishments, hotels, motels, lodging
439.31 establishments, resorts, seasonal food stands, and mobile food units are extensively
439.32 remodeled, a fee must be submitted with the remodeling plans. The fee for this construction
439.33 plan review is as follows:

439.34	Service Area	Type	Fee
439.35	Food	limited food menu	\$250
439.36		small <u>category 1</u> establishment	\$300

440.1		medium <u>category 2</u> establishment	\$350
440.2		large food <u>category 3</u> establishment	\$400
440.3			\$150
440.4		additional food service	<u>\$250</u>
440.5	Transient food service	food cart	\$250
440.6		seasonal permanent food stand	\$250
440.7		seasonal temporary food stand	\$250
440.8		mobile food unit	\$250
440.9	Alcohol	beer or wine table service	\$150
440.10		alcohol service from bar	\$250
440.11	Lodging	less than 25 rooms	\$250
440.12		25 to less than 100 rooms	\$300
440.13		100 rooms or more	\$450
440.14		less than five cabins	\$250
440.15		five to less than ten cabins	\$350
440.16		ten cabins or more	\$400

440.17 (g) Special event food stands are not required to submit construction or remodeling plans
440.18 for review.

440.19 (h) Youth camps shall pay an annual single fee for food and lodging as follows:

- 440.20 (1) camps with up to 99 campers, \$325;
- 440.21 (2) camps with 100 to 199 campers, \$550; and
- 440.22 (3) camps with 200 or more campers, \$750.

440.23 (i) A youth camp which pays fees under paragraph (d) is not required to pay fees under
440.24 paragraph (h).

440.25 Sec. 133. Minnesota Statutes 2016, section 157.16, subdivision 3a, is amended to read:

440.26 Subd. 3a. **Statewide hospitality fee.** Every person, firm, or corporation that operates a
440.27 licensed boarding establishment, food and beverage service establishment, seasonal temporary
440.28 or permanent food stand, special event food stand, mobile food unit, food cart, resort, hotel,
440.29 motel, or lodging establishment in Minnesota must submit to the commissioner a ~~\$35~~ \$40
440.30 annual statewide hospitality fee for each licensed activity. The fee for establishments licensed
440.31 by the Department of Health is required at the same time the licensure fee is due. For
440.32 establishments licensed by local governments, the fee is due by July 1 of each year.

441.1 Sec. 134. Minnesota Statutes 2016, section 245C.10, is amended by adding a subdivision
441.2 to read:

441.3 Subd. 2a. **Occupations regulated by commissioner of health.** The commissioner shall
441.4 set fees to recover the cost of combined background studies and criminal background checks
441.5 initiated by applicants, licensees, and certified practitioners regulated under sections 148.511
441.6 to 148.5198 and chapter 153A. The fees collected under this subdivision shall be deposited
441.7 in the special revenue fund and are appropriated to the commissioner for the purpose of
441.8 conducting background studies and criminal background checks.

441.9 Sec. 135. Minnesota Statutes 2016, section 327.15, subdivision 3, is amended to read:

441.10 Subd. 3. **Fees, manufactured home parks and recreational camping areas.** (a) The
441.11 following fees are required for manufactured home parks and recreational camping areas
441.12 licensed under this chapter. Fees collected under this section shall be deposited in the state
441.13 government special revenue fund. Recreational camping areas and manufactured home
441.14 parks shall pay the highest applicable base fee under paragraph (b). The license fee for new
441.15 operators of a manufactured home park or recreational camping area previously licensed
441.16 under this chapter for the same calendar year is one-half of the appropriate annual license
441.17 fee, plus any penalty that may be required. The license fee for operators opening on or after
441.18 October 1 is one-half of the appropriate annual license fee, plus any penalty that may be
441.19 required.

441.20 (b) All manufactured home parks and recreational camping areas shall pay the following
441.21 annual base fee:

441.22 (1) a manufactured home park, ~~\$150~~ \$165; and

441.23 (2) a recreational camping area with:

441.24 (i) 24 or less sites, ~~\$50~~ \$55;

441.25 (ii) 25 to 99 sites, ~~\$212~~ \$230; and

441.26 (iii) 100 or more sites, ~~\$300~~ \$330.

441.27 In addition to the base fee, manufactured home parks and recreational camping areas shall
441.28 pay ~~\$4~~ \$5 for each licensed site. This paragraph does not apply to special event recreational
441.29 camping areas. Operators of a manufactured home park or a recreational camping area also
441.30 licensed under section 157.16 for the same location shall pay only one base fee, whichever
441.31 is the highest of the base fees found in this section or section 157.16.

442.1 (c) In addition to the fee in paragraph (b), each manufactured home park or recreational
442.2 camping area shall pay an additional annual fee for each fee category specified in this
442.3 paragraph:

442.4 (1) Manufactured home parks and recreational camping areas with public swimming
442.5 pools and spas shall pay the appropriate fees specified in section 157.16.

442.6 (2) Individual private sewer or water, \$60. "Individual private water" means a fee category
442.7 with a water supply other than a community public water supply as defined in Minnesota
442.8 Rules, chapter 4720. "Individual private sewer" means a fee category with a subsurface
442.9 sewage treatment system which uses subsurface treatment and disposal.

442.10 (d) The following fees must accompany a plan review application for initial construction
442.11 of a manufactured home park or recreational camping area:

442.12 (1) for initial construction of less than 25 sites, \$375;

442.13 (2) for initial construction of 25 to 99 sites, \$400; and

442.14 (3) for initial construction of 100 or more sites, \$500.

442.15 (e) The following fees must accompany a plan review application when an existing
442.16 manufactured home park or recreational camping area is expanded:

442.17 (1) for expansion of less than 25 sites, \$250;

442.18 (2) for expansion of 25 to 99 sites, \$300; and

442.19 (3) for expansion of 100 or more sites, \$450.

442.20 Sec. 136. Minnesota Statutes 2016, section 364.09, is amended to read:

442.21 **364.09 EXCEPTIONS.**

442.22 (a) This chapter does not apply to the licensing process for peace officers; to law
442.23 enforcement agencies as defined in section 626.84, subdivision 1, paragraph (f); to fire
442.24 protection agencies; to eligibility for a private detective or protective agent license; to the
442.25 licensing and background study process under chapters 245A and 245C; to the licensing
442.26 and background investigation process under chapter 240; to eligibility for school bus driver
442.27 endorsements; to eligibility for special transportation service endorsements; to eligibility
442.28 for a commercial driver training instructor license, which is governed by section 171.35
442.29 and rules adopted under that section; to emergency medical services personnel, or to the
442.30 licensing by political subdivisions of taxicab drivers, if the applicant for the license has

443.1 been discharged from sentence for a conviction within the ten years immediately preceding
443.2 application of a violation of any of the following:

443.3 (1) sections 609.185 to 609.2114, 609.221 to 609.223, 609.342 to 609.3451, or 617.23,
443.4 subdivision 2 or 3; or Minnesota Statutes 2012, section 609.21;

443.5 (2) any provision of chapter 152 that is punishable by a maximum sentence of 15 years
443.6 or more; or

443.7 (3) a violation of chapter 169 or 169A involving driving under the influence, leaving
443.8 the scene of an accident, or reckless or careless driving.

443.9 This chapter also shall not apply to eligibility for juvenile corrections employment, where
443.10 the offense involved child physical or sexual abuse or criminal sexual conduct.

443.11 (b) This chapter does not apply to a school district or to eligibility for a license issued
443.12 or renewed by the Board of Teaching or the commissioner of education.

443.13 (c) Nothing in this section precludes the Minnesota Police and Peace Officers Training
443.14 Board or the state fire marshal from recommending policies set forth in this chapter to the
443.15 attorney general for adoption in the attorney general's discretion to apply to law enforcement
443.16 or fire protection agencies.

443.17 (d) This chapter does not apply to a license to practice medicine that has been denied or
443.18 revoked by the Board of Medical Practice pursuant to section 147.091, subdivision 1a.

443.19 (e) This chapter does not apply to any person who has been denied a license to practice
443.20 chiropractic or whose license to practice chiropractic has been revoked by the board in
443.21 accordance with section 148.10, subdivision 7.

443.22 (f) This chapter does not apply to any license, registration, or permit that has been denied
443.23 or revoked by the Board of Nursing in accordance with section 148.261, subdivision 1a.

443.24 (g) This chapter does not apply to any license, registration, permit, or certificate that has
443.25 been denied or revoked by the commissioner of health according to section 148.5195,
443.26 subdivision 5; or 153A.15, subdivision 2.

443.27 ~~(g)~~ (h) This chapter does not supersede a requirement under law to conduct a criminal
443.28 history background investigation or consider criminal history records in hiring for particular
443.29 types of employment.

444.1 Sec. 137. Minnesota Statutes 2016, section 609.5315, subdivision 5c, is amended to read:

444.2 Subd. 5c. **Disposition of money; prostitution.** Money forfeited under section 609.5312,
444.3 subdivision 1, paragraph (b), must be distributed as follows:

444.4 (1) 40 percent must be forwarded to the appropriate agency for deposit as a supplement
444.5 to the agency's operating fund or similar fund for use in law enforcement;

444.6 (2) 20 percent must be forwarded to the prosecuting authority that handled the forfeiture
444.7 for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes;
444.8 and

444.9 (3) the remaining 40 percent must be forwarded to the commissioner of ~~public safety~~
444.10 health to be deposited in the safe harbor for youth account in the special revenue fund and
444.11 is appropriated to the commissioner for distribution to crime victims services organizations
444.12 that provide services to sexually exploited youth, as defined in section 260C.007, subdivision
444.13 31.

444.14 Sec. 138. Minnesota Statutes 2016, section 626.556, subdivision 2, is amended to read:

444.15 Subd. 2. **Definitions.** As used in this section, the following terms have the meanings
444.16 given them unless the specific content indicates otherwise:

444.17 (a) "Accidental" means a sudden, not reasonably foreseeable, and unexpected occurrence
444.18 or event which:

444.19 (1) is not likely to occur and could not have been prevented by exercise of due care; and

444.20 (2) if occurring while a child is receiving services from a facility, happens when the
444.21 facility and the employee or person providing services in the facility are in compliance with
444.22 the laws and rules relevant to the occurrence or event.

444.23 (b) "Commissioner" means the commissioner of human services.

444.24 (c) "Facility" means:

444.25 (1) a licensed or unlicensed day care facility, residential facility, agency, hospital,
444.26 sanitarium, or other facility or institution required to be licensed under sections 144.50 to
444.27 144.58, 241.021, or 245A.01 to 245A.16, or chapter 144H ~~or~~ 245D;

444.28 (2) a school as defined in section 120A.05, subdivisions 9, 11, and 13; and chapter 124E;
444.29 or

444.30 (3) a nonlicensed personal care provider organization as defined in section 256B.0625,
444.31 subdivision 19a.

445.1 (d) "Family assessment" means a comprehensive assessment of child safety, risk of
445.2 subsequent child maltreatment, and family strengths and needs that is applied to a child
445.3 maltreatment report that does not allege sexual abuse or substantial child endangerment.
445.4 Family assessment does not include a determination as to whether child maltreatment
445.5 occurred but does determine the need for services to address the safety of family members
445.6 and the risk of subsequent maltreatment.

445.7 (e) "Investigation" means fact gathering related to the current safety of a child and the
445.8 risk of subsequent maltreatment that determines whether child maltreatment occurred and
445.9 whether child protective services are needed. An investigation must be used when reports
445.10 involve sexual abuse or substantial child endangerment, and for reports of maltreatment in
445.11 facilities required to be licensed under chapter 245A or 245D; under sections 144.50 to
445.12 144.58 and 241.021; in a school as defined in section 120A.05, subdivisions 9, 11, and 13,
445.13 and chapter 124E; or in a nonlicensed personal care provider association as defined in section
445.14 256B.0625, subdivision 19a.

445.15 (f) "Mental injury" means an injury to the psychological capacity or emotional stability
445.16 of a child as evidenced by an observable or substantial impairment in the child's ability to
445.17 function within a normal range of performance and behavior with due regard to the child's
445.18 culture.

445.19 (g) "Neglect" means the commission or omission of any of the acts specified under
445.20 clauses (1) to (9), other than by accidental means:

445.21 (1) failure by a person responsible for a child's care to supply a child with necessary
445.22 food, clothing, shelter, health, medical, or other care required for the child's physical or
445.23 mental health when reasonably able to do so;

445.24 (2) failure to protect a child from conditions or actions that seriously endanger the child's
445.25 physical or mental health when reasonably able to do so, including a growth delay, which
445.26 may be referred to as a failure to thrive, that has been diagnosed by a physician and is due
445.27 to parental neglect;

445.28 (3) failure to provide for necessary supervision or child care arrangements appropriate
445.29 for a child after considering factors as the child's age, mental ability, physical condition,
445.30 length of absence, or environment, when the child is unable to care for the child's own basic
445.31 needs or safety, or the basic needs or safety of another child in their care;

445.32 (4) failure to ensure that the child is educated as defined in sections 120A.22 and
445.33 260C.163, subdivision 11, which does not include a parent's refusal to provide the parent's

446.1 child with sympathomimetic medications, consistent with section 125A.091, subdivision
446.2 5;

446.3 (5) nothing in this section shall be construed to mean that a child is neglected solely
446.4 because the child's parent, guardian, or other person responsible for the child's care in good
446.5 faith selects and depends upon spiritual means or prayer for treatment or care of disease or
446.6 remedial care of the child in lieu of medical care; except that a parent, guardian, or caretaker,
446.7 or a person mandated to report pursuant to subdivision 3, has a duty to report if a lack of
446.8 medical care may cause serious danger to the child's health. This section does not impose
446.9 upon persons, not otherwise legally responsible for providing a child with necessary food,
446.10 clothing, shelter, education, or medical care, a duty to provide that care;

446.11 (6) prenatal exposure to a controlled substance, as defined in section 253B.02, subdivision
446.12 2, used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in
446.13 the child at birth, results of a toxicology test performed on the mother at delivery or the
446.14 child at birth, medical effects or developmental delays during the child's first year of life
446.15 that medically indicate prenatal exposure to a controlled substance, or the presence of a
446.16 fetal alcohol spectrum disorder;

446.17 (7) "medical neglect" as defined in section 260C.007, subdivision 6, clause (5);

446.18 (8) chronic and severe use of alcohol or a controlled substance by a parent or person
446.19 responsible for the care of the child that adversely affects the child's basic needs and safety;
446.20 or

446.21 (9) emotional harm from a pattern of behavior which contributes to impaired emotional
446.22 functioning of the child which may be demonstrated by a substantial and observable effect
446.23 in the child's behavior, emotional response, or cognition that is not within the normal range
446.24 for the child's age and stage of development, with due regard to the child's culture.

446.25 (h) "Nonmaltreatment mistake" means:

446.26 (1) at the time of the incident, the individual was performing duties identified in the
446.27 center's child care program plan required under Minnesota Rules, part 9503.0045;

446.28 (2) the individual has not been determined responsible for a similar incident that resulted
446.29 in a finding of maltreatment for at least seven years;

446.30 (3) the individual has not been determined to have committed a similar nonmaltreatment
446.31 mistake under this paragraph for at least four years;

447.1 (4) any injury to a child resulting from the incident, if treated, is treated only with
447.2 remedies that are available over the counter, whether ordered by a medical professional or
447.3 not; and

447.4 (5) except for the period when the incident occurred, the facility and the individual
447.5 providing services were both in compliance with all licensing requirements relevant to the
447.6 incident.

447.7 This definition only applies to child care centers licensed under Minnesota Rules, chapter
447.8 9503. If clauses (1) to (5) apply, rather than making a determination of substantiated
447.9 maltreatment by the individual, the commissioner of human services shall determine that a
447.10 nonmaltreatment mistake was made by the individual.

447.11 (i) "Operator" means an operator or agency as defined in section 245A.02.

447.12 (j) "Person responsible for the child's care" means (1) an individual functioning within
447.13 the family unit and having responsibilities for the care of the child such as a parent, guardian,
447.14 or other person having similar care responsibilities, or (2) an individual functioning outside
447.15 the family unit and having responsibilities for the care of the child such as a teacher, school
447.16 administrator, other school employees or agents, or other lawful custodian of a child having
447.17 either full-time or short-term care responsibilities including, but not limited to, day care,
447.18 babysitting whether paid or unpaid, counseling, teaching, and coaching.

447.19 (k) "Physical abuse" means any physical injury, mental injury, or threatened injury,
447.20 inflicted by a person responsible for the child's care on a child other than by accidental
447.21 means, or any physical or mental injury that cannot reasonably be explained by the child's
447.22 history of injuries, or any aversive or deprivation procedures, or regulated interventions,
447.23 that have not been authorized under section 125A.0942 or 245.825.

447.24 Abuse does not include reasonable and moderate physical discipline of a child
447.25 administered by a parent or legal guardian which does not result in an injury. Abuse does
447.26 not include the use of reasonable force by a teacher, principal, or school employee as allowed
447.27 by section 121A.582. Actions which are not reasonable and moderate include, but are not
447.28 limited to, any of the following:

447.29 (1) throwing, kicking, burning, biting, or cutting a child;

447.30 (2) striking a child with a closed fist;

447.31 (3) shaking a child under age three;

447.32 (4) striking or other actions which result in any nonaccidental injury to a child under 18
447.33 months of age;

- 448.1 (5) unreasonable interference with a child's breathing;
- 448.2 (6) threatening a child with a weapon, as defined in section 609.02, subdivision 6;
- 448.3 (7) striking a child under age one on the face or head;
- 448.4 (8) striking a child who is at least age one but under age four on the face or head, which
448.5 results in an injury;
- 448.6 (9) purposely giving a child poison, alcohol, or dangerous, harmful, or controlled
448.7 substances which were not prescribed for the child by a practitioner, in order to control or
448.8 punish the child; or other substances that substantially affect the child's behavior, motor
448.9 coordination, or judgment or that results in sickness or internal injury, or subjects the child
448.10 to medical procedures that would be unnecessary if the child were not exposed to the
448.11 substances;
- 448.12 (10) unreasonable physical confinement or restraint not permitted under section 609.379,
448.13 including but not limited to tying, caging, or chaining; or
- 448.14 (11) in a school facility or school zone, an act by a person responsible for the child's
448.15 care that is a violation under section 121A.58.
- 448.16 (l) "Practice of social services," for the purposes of subdivision 3, includes but is not
448.17 limited to employee assistance counseling and the provision of guardian ad litem and
448.18 parenting time expeditor services.
- 448.19 (m) "Report" means any communication received by the local welfare agency, police
448.20 department, county sheriff, or agency responsible for child protection pursuant to this section
448.21 that describes neglect or physical or sexual abuse of a child and contains sufficient content
448.22 to identify the child and any person believed to be responsible for the neglect or abuse, if
448.23 known.
- 448.24 (n) "Sexual abuse" means the subjection of a child by a person responsible for the child's
448.25 care, by a person who has a significant relationship to the child, as defined in section 609.341,
448.26 or by a person in a position of authority, as defined in section 609.341, subdivision 10, to
448.27 any act which constitutes a violation of section 609.342 (criminal sexual conduct in the first
448.28 degree), 609.343 (criminal sexual conduct in the second degree), 609.344 (criminal sexual
448.29 conduct in the third degree), 609.345 (criminal sexual conduct in the fourth degree), or
448.30 609.3451 (criminal sexual conduct in the fifth degree). Sexual abuse also includes any act
448.31 which involves a minor which constitutes a violation of prostitution offenses under sections
448.32 609.321 to 609.324 or 617.246. Effective May 29, 2017, sexual abuse includes all reports
448.33 of known or suspected child sex trafficking involving a child who is identified as a victim

449.1 of sex trafficking. Sexual abuse includes child sex trafficking as defined in section 609.321,
449.2 subdivisions 7a and 7b. Sexual abuse includes threatened sexual abuse which includes the
449.3 status of a parent or household member who has committed a violation which requires
449.4 registration as an offender under section 243.166, subdivision 1b, paragraph (a) or (b), or
449.5 required registration under section 243.166, subdivision 1b, paragraph (a) or (b).

449.6 (o) "Substantial child endangerment" means a person responsible for a child's care, by
449.7 act or omission, commits or attempts to commit an act against a child under their care that
449.8 constitutes any of the following:

449.9 (1) egregious harm as defined in section 260C.007, subdivision 14;

449.10 (2) abandonment under section 260C.301, subdivision 2;

449.11 (3) neglect as defined in paragraph (g), clause (2), that substantially endangers the child's
449.12 physical or mental health, including a growth delay, which may be referred to as failure to
449.13 thrive, that has been diagnosed by a physician and is due to parental neglect;

449.14 (4) murder in the first, second, or third degree under section 609.185, 609.19, or 609.195;

449.15 (5) manslaughter in the first or second degree under section 609.20 or 609.205;

449.16 (6) assault in the first, second, or third degree under section 609.221, 609.222, or 609.223;

449.17 (7) solicitation, inducement, and promotion of prostitution under section 609.322;

449.18 (8) criminal sexual conduct under sections 609.342 to 609.3451;

449.19 (9) solicitation of children to engage in sexual conduct under section 609.352;

449.20 (10) malicious punishment or neglect or endangerment of a child under section 609.377
449.21 or 609.378;

449.22 (11) use of a minor in sexual performance under section 617.246; or

449.23 (12) parental behavior, status, or condition which mandates that the county attorney file
449.24 a termination of parental rights petition under section 260C.503, subdivision 2.

449.25 (p) "Threatened injury" means a statement, overt act, condition, or status that represents
449.26 a substantial risk of physical or sexual abuse or mental injury. Threatened injury includes,
449.27 but is not limited to, exposing a child to a person responsible for the child's care, as defined
449.28 in paragraph (j), clause (1), who has:

449.29 (1) subjected a child to, or failed to protect a child from, an overt act or condition that
449.30 constitutes egregious harm, as defined in section 260C.007, subdivision 14, or a similar law
449.31 of another jurisdiction;

450.1 (2) been found to be palpably unfit under section 260C.301, subdivision 1, paragraph
450.2 (b), clause (4), or a similar law of another jurisdiction;

450.3 (3) committed an act that has resulted in an involuntary termination of parental rights
450.4 under section 260C.301, or a similar law of another jurisdiction; or

450.5 (4) committed an act that has resulted in the involuntary transfer of permanent legal and
450.6 physical custody of a child to a relative under Minnesota Statutes 2010, section 260C.201,
450.7 subdivision 11, paragraph (d), clause (1), section 260C.515, subdivision 4, or a similar law
450.8 of another jurisdiction.

450.9 A child is the subject of a report of threatened injury when the responsible social services
450.10 agency receives birth match data under paragraph (q) from the Department of Human
450.11 Services.

450.12 (q) Upon receiving data under section 144.225, subdivision 2b, contained in a birth
450.13 record or recognition of parentage identifying a child who is subject to threatened injury
450.14 under paragraph (p), the Department of Human Services shall send the data to the responsible
450.15 social services agency. The data is known as "birth match" data. Unless the responsible
450.16 social services agency has already begun an investigation or assessment of the report due
450.17 to the birth of the child or execution of the recognition of parentage and the parent's previous
450.18 history with child protection, the agency shall accept the birth match data as a report under
450.19 this section. The agency may use either a family assessment or investigation to determine
450.20 whether the child is safe. All of the provisions of this section apply. If the child is determined
450.21 to be safe, the agency shall consult with the county attorney to determine the appropriateness
450.22 of filing a petition alleging the child is in need of protection or services under section
450.23 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is
450.24 determined not to be safe, the agency and the county attorney shall take appropriate action
450.25 as required under section 260C.503, subdivision 2.

450.26 (r) Persons who conduct assessments or investigations under this section shall take into
450.27 account accepted child-rearing practices of the culture in which a child participates and
450.28 accepted teacher discipline practices, which are not injurious to the child's health, welfare,
450.29 and safety.

450.30 Sec. 139. Minnesota Statutes 2016, section 626.556, subdivision 3, is amended to read:

450.31 Subd. 3. **Persons mandated to report; persons voluntarily reporting.** (a) A person
450.32 who knows or has reason to believe a child is being neglected or physically or sexually
450.33 abused, as defined in subdivision 2, or has been neglected or physically or sexually abused

451.1 within the preceding three years, shall immediately report the information to the local welfare
451.2 agency, agency responsible for assessing or investigating the report, police department,
451.3 county sheriff, tribal social services agency, or tribal police department if the person is:

451.4 (1) a professional or professional's delegate who is engaged in the practice of the healing
451.5 arts, social services, hospital administration, psychological or psychiatric treatment, child
451.6 care, education, correctional supervision, probation and correctional services, or law
451.7 enforcement; or

451.8 (2) employed as a member of the clergy and received the information while engaged in
451.9 ministerial duties, provided that a member of the clergy is not required by this subdivision
451.10 to report information that is otherwise privileged under section 595.02, subdivision 1,
451.11 paragraph (c).

451.12 (b) Any person may voluntarily report to the local welfare agency, agency responsible
451.13 for assessing or investigating the report, police department, county sheriff, tribal social
451.14 services agency, or tribal police department if the person knows, has reason to believe, or
451.15 suspects a child is being or has been neglected or subjected to physical or sexual abuse.

451.16 (c) A person mandated to report physical or sexual child abuse or neglect occurring
451.17 within a licensed facility shall report the information to the agency responsible for licensing
451.18 the facility under sections 144.50 to 144.58; 241.021; 245A.01 to 245A.16; or chapter 144H
451.19 or 245D; or a nonlicensed personal care provider organization as defined in section
451.20 256B.0625, subdivision ~~19~~ 19a. A health or corrections agency receiving a report may
451.21 request the local welfare agency to provide assistance pursuant to subdivisions 10, 10a, and
451.22 10b. A board or other entity whose licensees perform work within a school facility, upon
451.23 receiving a complaint of alleged maltreatment, shall provide information about the
451.24 circumstances of the alleged maltreatment to the commissioner of education. Section 13.03,
451.25 subdivision 4, applies to data received by the commissioner of education from a licensing
451.26 entity.

451.27 (d) Notification requirements under subdivision 10 apply to all reports received under
451.28 this section.

451.29 (e) For purposes of this section, "immediately" means as soon as possible but in no event
451.30 longer than 24 hours.

451.31 Sec. 140. Minnesota Statutes 2016, section 626.556, subdivision 3c, is amended to read:

451.32 Subd. 3c. **Local welfare agency, Department of Human Services or Department of**
451.33 **Health responsible for assessing or investigating reports of maltreatment.** (a) The county

452.1 local welfare agency is the agency responsible for assessing or investigating allegations of
452.2 maltreatment in child foster care, family child care, legally unlicensed child care, juvenile
452.3 correctional facilities licensed under section 241.021 located in the local welfare agency's
452.4 county, and reports involving children served by an unlicensed personal care provider
452.5 organization under section 256B.0659. Copies of findings related to personal care provider
452.6 organizations under section 256B.0659 must be forwarded to the Department of Human
452.7 Services provider enrollment.

452.8 (b) The Department of Human Services is the agency responsible for assessing or
452.9 investigating allegations of maltreatment in facilities licensed under chapters 245A and
452.10 245D, except for child foster care and family child care.

452.11 (c) The Department of Health is the agency responsible for assessing or investigating
452.12 allegations of child maltreatment in facilities licensed under sections 144.50 to 144.58 and
452.13 144A.43 to 144A.482 or chapter 144H.

452.14 Sec. 141. Minnesota Statutes 2016, section 626.556, subdivision 10d, is amended to read:

452.15 Subd. 10d. **Notification of neglect or abuse in facility.** (a) When a report is received
452.16 that alleges neglect, physical abuse, sexual abuse, or maltreatment of a child while in the
452.17 care of a licensed or unlicensed day care facility, residential facility, agency, hospital,
452.18 sanitarium, or other facility or institution required to be licensed according to sections 144.50
452.19 to 144.58; 241.021; or 245A.01 to 245A.16; or chapter 144H ~~or~~ 245D, or a school as defined
452.20 in section 120A.05, subdivisions 9, 11, and 13; and chapter 124E; or a nonlicensed personal
452.21 care provider organization as defined in section 256B.0625, subdivision 19a, the
452.22 commissioner of the agency responsible for assessing or investigating the report or local
452.23 welfare agency investigating the report shall provide the following information to the parent,
452.24 guardian, or legal custodian of a child alleged to have been neglected, physically abused,
452.25 sexually abused, or the victim of maltreatment of a child in the facility: the name of the
452.26 facility; the fact that a report alleging neglect, physical abuse, sexual abuse, or maltreatment
452.27 of a child in the facility has been received; the nature of the alleged neglect, physical abuse,
452.28 sexual abuse, or maltreatment of a child in the facility; that the agency is conducting an
452.29 assessment or investigation; any protective or corrective measures being taken pending the
452.30 outcome of the investigation; and that a written memorandum will be provided when the
452.31 investigation is completed.

452.32 (b) The commissioner of the agency responsible for assessing or investigating the report
452.33 or local welfare agency may also provide the information in paragraph (a) to the parent,
452.34 guardian, or legal custodian of any other child in the facility if the investigative agency

453.1 knows or has reason to believe the alleged neglect, physical abuse, sexual abuse, or
453.2 maltreatment of a child in the facility has occurred. In determining whether to exercise this
453.3 authority, the commissioner of the agency responsible for assessing or investigating the
453.4 report or local welfare agency shall consider the seriousness of the alleged neglect, physical
453.5 abuse, sexual abuse, or maltreatment of a child in the facility; the number of children
453.6 allegedly neglected, physically abused, sexually abused, or victims of maltreatment of a
453.7 child in the facility; the number of alleged perpetrators; and the length of the investigation.
453.8 The facility shall be notified whenever this discretion is exercised.

453.9 (c) When the commissioner of the agency responsible for assessing or investigating the
453.10 report or local welfare agency has completed its investigation, every parent, guardian, or
453.11 legal custodian previously notified of the investigation by the commissioner or local welfare
453.12 agency shall be provided with the following information in a written memorandum: the
453.13 name of the facility investigated; the nature of the alleged neglect, physical abuse, sexual
453.14 abuse, or maltreatment of a child in the facility; the investigator's name; a summary of the
453.15 investigation findings; a statement whether maltreatment was found; and the protective or
453.16 corrective measures that are being or will be taken. The memorandum shall be written in a
453.17 manner that protects the identity of the reporter and the child and shall not contain the name,
453.18 or to the extent possible, reveal the identity of the alleged perpetrator or of those interviewed
453.19 during the investigation. If maltreatment is determined to exist, the commissioner or local
453.20 welfare agency shall also provide the written memorandum to the parent, guardian, or legal
453.21 custodian of each child in the facility who had contact with the individual responsible for
453.22 the maltreatment. When the facility is the responsible party for maltreatment, the
453.23 commissioner or local welfare agency shall also provide the written memorandum to the
453.24 parent, guardian, or legal custodian of each child who received services in the population
453.25 of the facility where the maltreatment occurred. This notification must be provided to the
453.26 parent, guardian, or legal custodian of each child receiving services from the time the
453.27 maltreatment occurred until either the individual responsible for maltreatment is no longer
453.28 in contact with a child or children in the facility or the conclusion of the investigation. In
453.29 the case of maltreatment within a school facility, as defined in section 120A.05, subdivisions
453.30 9, 11, and 13, and chapter 124E, the commissioner of education need not provide notification
453.31 to parents, guardians, or legal custodians of each child in the facility, but shall, within ten
453.32 days after the investigation is completed, provide written notification to the parent, guardian,
453.33 or legal custodian of any student alleged to have been maltreated. The commissioner of
453.34 education may notify the parent, guardian, or legal custodian of any student involved as a
453.35 witness to alleged maltreatment.

454.1 Sec. 142. RECOMMENDATIONS FOR SAFETY AND QUALITY IMPROVEMENT
454.2 PRACTICES FOR LONG-TERM CARE SERVICES AND SUPPORTS.

454.3 The commissioner of health shall consult with interested stakeholders to consider:

454.4 (1) systems improvements in processes used by the Office of Health Facility Complaints
454.5 to investigate reports of maltreatment of vulnerable adults received by the office and
454.6 processes used to report maltreatment to the office; and

454.7 (2) options for implementing prevention strategies, alternative reporting approaches,
454.8 and proven patient safety and quality improvement practices and infrastructure for long-term
454.9 care services and supports.

454.10 Sec. 143. STUDY AND REPORT ON HOME CARE NURSING WORKFORCE
454.11 SHORTAGE.

454.12 (a) The chair and ranking minority member of the senate Human Services Reform
454.13 Finance and Policy Committee and the chair and ranking minority member of the house of
454.14 representatives Health and Human Services Finance Committee shall convene a working
454.15 group to study and report on the shortage of registered nurses and licensed practical nurses
454.16 available to provide low-complexity regular home care services to clients in need of such
454.17 services, especially clients covered by medical assistance, and to provide recommendations
454.18 for ways to address the workforce shortage. The working group shall consist of 14 members
454.19 appointed as follows:

454.20 (1) the chair of the senate Human Services Reform Finance and Policy Committee or a
454.21 designee;

454.22 (2) the ranking minority member of the senate Human Services Reform Finance and
454.23 Policy Committee or a designee;

454.24 (3) the chair of the house of representatives Health and Human Services Finance
454.25 Committee or a designee;

454.26 (4) the ranking minority member of the house of representatives Health and Human
454.27 Services Finance Committee or a designee;

454.28 (5) the commissioner of human services or a designee;

454.29 (6) the commissioner of health or a designee;

454.30 (7) one representative appointed by the Professional Home Care Coalition;

454.31 (8) one representative appointed by the Minnesota Home Care Association;

- 455.1 (9) one representative appointed by the Minnesota Board of Nursing;
- 455.2 (10) one representative appointed by the Minnesota Nurses Association;
- 455.3 (11) one representative appointed by the Minnesota Licensed Practical Nurses
- 455.4 Association;
- 455.5 (12) one representative appointed by the Minnesota Society of Medical Assistants;
- 455.6 (13) one client who receives regular home care nursing services and is covered by medical
- 455.7 assistance appointed by the commissioner of human services after consulting with the
- 455.8 appointing authorities identified in clauses (7) to (12); and
- 455.9 (14) one assessor appointed by the commissioner of human services. The assessor must
- 455.10 be certified under Minnesota Statutes, section 256B.0911, and must be a registered nurse.
- 455.11 (b) The appointing authorities must appoint members by August 1, 2017.
- 455.12 (c) The convening authorities shall convene the first meeting of the working group no
- 455.13 later than August 15, 2017, and caucus staff shall provide support and meeting space for
- 455.14 the working group. The Department of Health and the Department of Human Services shall
- 455.15 provide technical assistance to the working group by providing existing data and analysis
- 455.16 documenting the current and projected workforce shortages in the area of regular home care
- 455.17 nursing. The home care and assisted living program advisory council established under
- 455.18 Minnesota Statutes, section 144A.4799, shall provide advice and recommendations to the
- 455.19 working group. Working group members shall serve without compensation and shall not
- 455.20 be reimbursed for expenses.
- 455.21 (d) The working group shall:
- 455.22 (1) quantify the number of low-complexity regular home care nursing hours that are
- 455.23 authorized but not provided to clients covered by medical assistance, due to the shortage
- 455.24 of registered nurses and licensed practical nurses available to provide these home care
- 455.25 services;
- 455.26 (2) quantify the current and projected workforce shortages of registered nurses and
- 455.27 licensed practical nurses available to provide low-complexity regular home care nursing
- 455.28 services to clients, especially clients covered by medical assistance;
- 455.29 (3) develop recommendations for actions to take in the next two years to address the
- 455.30 regular home care nursing workforce shortage, including identifying other health care
- 455.31 professionals who may be able to provide low-complexity regular home care nursing services

- 456.1 with additional training; what additional training may be necessary for these health care
456.2 professionals; and how to address scope of practice and licensing issues;
- 456.3 (4) compile reimbursement rates for regular home care nursing from other states and
456.4 determine Minnesota's national ranking with respect to reimbursement for regular home
456.5 care nursing;
- 456.6 (5) determine whether reimbursement rates for regular home care nursing fully reimburse
456.7 providers for the cost of providing the service and whether the discrepancy, if any, between
456.8 rates and costs contributes to lack of access to regular home care nursing; and
- 456.9 (6) by January 15, 2018, report on the findings and recommendations of the working
456.10 group to the chairs and ranking minority members of the legislative committees with
456.11 jurisdiction over health and human services policy and finance. The working group's report
456.12 shall include draft legislation.
- 456.13 (e) The working group shall elect a chair from among its members at its first meeting.
- 456.14 (f) The meetings of the working group shall be open to the public.
- 456.15 (g) This section expires January 16, 2018, or the day after submitting the report required
456.16 by this section, whichever is earlier.
- 456.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 456.18 **Sec. 144. OPIOID ABUSE PREVENTION PILOT PROJECTS.**
- 456.19 (a) The commissioner of health shall establish opioid abuse prevention pilot projects in
456.20 geographic areas throughout the state based on the most recently available data on opioid
456.21 overdose and abuse rates, to reduce opioid abuse through the use of controlled substance
456.22 care teams and community-wide coordination of abuse-prevention initiatives. The
456.23 commissioner shall award grants to health care providers, health plan companies, local units
456.24 of government, tribal governments, or other entities to establish pilot projects.
- 456.25 (b) Each pilot project must:
- 456.26 (1) be designed to reduce emergency room and other health care provider visits resulting
456.27 from opioid use or abuse, and reduce rates of opioid addiction in the community;
- 456.28 (2) establish multidisciplinary controlled substance care teams, that may consist of
456.29 physicians, pharmacists, social workers, nurse care coordinators, and mental health
456.30 professionals;

457.1 (3) deliver health care services and care coordination, through controlled substance care
457.2 teams, to reduce the inappropriate use of opioids by patients and rates of opioid addiction;

457.3 (4) address any unmet social service needs that create barriers to managing pain
457.4 effectively and obtaining optimal health outcomes;

457.5 (5) provide prescriber and dispenser education and assistance to reduce the inappropriate
457.6 prescribing and dispensing of opioids;

457.7 (6) promote the adoption of best practices related to opioid disposal and reducing
457.8 opportunities for illegal access to opioids; and

457.9 (7) engage partners outside of the health care system, including schools, law enforcement,
457.10 and social services, to address root causes of opioid abuse and addiction at the community
457.11 level.

457.12 (c) The commissioner shall contract with an accountable community for health that
457.13 operates an opioid abuse prevention project, and can document success in reducing opioid
457.14 use through the use of controlled substance care teams, to assist the commissioner in
457.15 administering this section, and to provide technical assistance to the commissioner and to
457.16 entities selected to operate a pilot project.

457.17 (d) The contract under paragraph (c) shall require the accountable community for health
457.18 to evaluate the extent to which the pilot projects were successful in reducing the inappropriate
457.19 use of opioids. The evaluation must analyze changes in the number of opioid prescriptions,
457.20 the number of emergency room visits related to opioid use, and other relevant measures.
457.21 The accountable community for health shall report evaluation results to the chairs and
457.22 ranking minority members of the legislative committees with jurisdiction over health and
457.23 human services policy and finance and public safety by December 15, 2019.

457.24 (e) The commissioner may award one grant that, in addition to the other requirements
457.25 of this section, allows a root cause approach to reduce opioid abuse in an American Indian
457.26 community.

457.27 Sec. 145. **SAFE HARBOR FOR ALL; STATEWIDE SEX TRAFFICKING VICTIMS**
457.28 **STRATEGIC PLAN.**

457.29 (a) By October 1, 2018, the commissioner of health, in consultation with the
457.30 commissioners of public safety and human services, shall adopt a comprehensive strategic
457.31 plan to address the needs of sex trafficking victims statewide.

458.1 **(b) The commissioner of health shall issue a request for proposals to select an organization**
458.2 **to develop the comprehensive strategic plan. The selected organization shall seek**
458.3 **recommendations from professionals, community members, and stakeholders from across**
458.4 **the state, with an emphasis on the communities most impacted by sex trafficking. At a**
458.5 **minimum, the selected organization must seek input from the following groups: sex**
458.6 **trafficking survivors and their family members, statewide crime victim services coalitions,**
458.7 **victim services providers, nonprofit organizations, task forces, prosecutors, public defenders,**
458.8 **tribal governments, public safety and corrections professionals, public health professionals,**
458.9 **human services professionals, and impacted community members. The strategic plan shall**
458.10 **include recommendations regarding the expansion of Minnesota's Safe Harbor Law to adult**
458.11 **victims of sex trafficking.**

458.12 **(c) By January 15, 2019, the commissioner of health shall report to the chairs and ranking**
458.13 **minority members of the legislative committees with jurisdiction over health and human**
458.14 **services and criminal justice finance and policy on developing the statewide strategic plan,**
458.15 **including recommendations for additional legislation and funding.**

458.16 **(d) As used in this section, "sex trafficking victim" has the meaning given in Minnesota**
458.17 **Statutes, section 609.321, subdivision 7b.**

458.18 **Sec. 146. DIRECTION TO THE COMMISSIONER OF HEALTH.**

458.19 **The commissioner of health shall work with interested stakeholders to evaluate whether**
458.20 **existing laws, including laws governing housing with services establishments, board and**
458.21 **lodging establishments with special services, assisted living designations, and home care**
458.22 **providers, as well as building code requirements and landlord tenancy laws, sufficiently**
458.23 **protect the health and safety of persons diagnosed with Alzheimer's disease or a related**
458.24 **dementia.**

458.25 **Sec. 147. PALLIATIVE CARE ADVISORY COUNCIL.**

458.26 **The appointing authorities shall appoint the first members of the Palliative Care Advisory**
458.27 **Council under Minnesota Statutes, section 144.059, by October 1, 2017. The commissioner**
458.28 **of health shall convene the first meeting by November 15, 2017, and the commissioner or**
458.29 **the commissioner's designee shall act as chair until the council elects a chair at its first**
458.30 **meeting.**

459.1 Sec. 148. **REPEALER.**

459.2 Minnesota Statutes 2016, sections 103I.005, subdivisions 8, 14, and 15; 103I.451; and
459.3 144.0571, are repealed.

459.4 **ARTICLE 11**

459.5 **HEALTH LICENSING BOARDS**

459.6 Section 1. Minnesota Statutes 2016, section 147.01, subdivision 7, is amended to read:

459.7 Subd. 7. **Physician application fee and license fees.** (a) The board may charge a the
459.8 following nonrefundable application and license fees processed pursuant to sections 147.02,
459.9 147.03, 147.037, 147.0375, and 147.38:

459.10 (1) physician application fee of, \$200;

459.11 (2) physician annual registration renewal fee, \$192;

459.12 (3) physician endorsement to other states, \$40;

459.13 (4) physician emeritus license, \$50;

459.14 (5) physician temporary licenses, \$60;

459.15 (6) physician late fee, \$60;

459.16 (7) duplicate license fee, \$20;

459.17 (8) certification letter fee, \$25;

459.18 (9) education or training program approval fee, \$100;

459.19 (10) report creation and generation fee, \$60;

459.20 (11) examination administration fee (half day), \$50;

459.21 (12) examination administration fee (full day), \$80; and

459.22 (13) fees developed by the Interstate Commission for determining physician qualification
459.23 to register and participate in the interstate medical licensure compact, as established in rules
459.24 authorized in and pursuant to section 147.38, not to exceed \$1,000.

459.25 (b) The board may prorate the initial annual license fee. All licensees are required to
459.26 pay the full fee upon license renewal. The revenue generated from the fee must be deposited
459.27 in an account in the state government special revenue fund.

460.1 Sec. 2. Minnesota Statutes 2016, section 147.02, subdivision 1, is amended to read:

460.2 Subdivision 1. **United States or Canadian medical school graduates.** The board shall
460.3 issue a license to practice medicine to a person not currently licensed in another state or
460.4 Canada and who meets the requirements in paragraphs (a) to (i).

460.5 (a) An applicant for a license shall file a written application on forms provided by the
460.6 board, showing to the board's satisfaction that the applicant is of good moral character and
460.7 satisfies the requirements of this section.

460.8 (b) The applicant shall present evidence satisfactory to the board of being a graduate of
460.9 a medical or osteopathic medical school located in the United States, its territories or Canada,
460.10 and approved by the board based upon its faculty, curriculum, facilities, accreditation by a
460.11 recognized national accrediting organization approved by the board, and other relevant data,
460.12 or is currently enrolled in the final year of study at the school.

460.13 (c) The applicant must have passed an examination as described in clause (1) or (2).

460.14 (1) The applicant must have passed a comprehensive examination for initial licensure
460.15 prepared and graded by the National Board of Medical Examiners, the Federation of State
460.16 Medical Boards, the Medical Council of Canada, the National Board of Osteopathic
460.17 Examiners, or the appropriate state board that the board determines acceptable. The board
460.18 shall by rule determine what constitutes a passing score in the examination.

460.19 (2) The applicant taking the United States Medical Licensing Examination (USMLE)
460.20 or Comprehensive Osteopathic Medical Licensing Examination (COMLEX-USA) must
460.21 have passed steps or levels one, two, and three. Step or level three must be passed within
460.22 five years of passing step or level two, or before the end of residency training. The applicant
460.23 must pass each of steps or levels one, two, and three with passing scores as recommended
460.24 by the USMLE program or National Board of Osteopathic Medical Examiners within three
460.25 attempts. The applicant taking combinations of Federation of State Medical Boards, National
460.26 Board of Medical Examiners, and USMLE may be accepted only if the combination is
460.27 approved by the board as comparable to existing comparable examination sequences and
460.28 all examinations are completed prior to the year 2000.

460.29 (d) The applicant shall present evidence satisfactory to the board of the completion of
460.30 one year of graduate, clinical medical training in a program accredited by a national
460.31 accrediting organization approved by the board or other graduate training approved in
460.32 advance by the board as meeting standards similar to those of a national accrediting
460.33 organization.

461.1 (e) The applicant may make arrangements with the executive director to appear in person
461.2 before the board or its designated representative to show that the applicant satisfies the
461.3 requirements of this section. The board may establish as internal operating procedures the
461.4 procedures or requirements for the applicant's personal presentation.

461.5 (f) The applicant shall pay a nonrefundable fee established by the board ~~by rule~~. The
461.6 ~~fee may not be refunded~~. Upon application or notice of license renewal, the board must
461.7 provide notice to the applicant and to the person whose license is scheduled to be issued or
461.8 renewed of any additional fees, surcharges, or other costs which the person is obligated to
461.9 pay as a condition of licensure. The notice must:

461.10 (1) state the dollar amount of the additional costs; and

461.11 (2) clearly identify to the applicant the payment schedule of additional costs.

461.12 (g) The applicant must not be under license suspension or revocation by the licensing
461.13 board of the state or jurisdiction in which the conduct that caused the suspension or revocation
461.14 occurred.

461.15 (h) The applicant must not have engaged in conduct warranting disciplinary action
461.16 against a licensee, or have been subject to disciplinary action other than as specified in
461.17 paragraph (g). If the applicant does not satisfy the requirements stated in this paragraph,
461.18 the board may issue a license only on the applicant's showing that the public will be protected
461.19 through issuance of a license with conditions and limitations the board considers appropriate.

461.20 (i) If the examination in paragraph (c) was passed more than ten years ago, the applicant
461.21 must either:

461.22 (1) pass the special purpose examination of the Federation of State Medical Boards with
461.23 a score of 75 or better within three attempts; or

461.24 (2) have a current certification by a specialty board of the American Board of Medical
461.25 Specialties, of the American Osteopathic Association, the Royal College of Physicians and
461.26 Surgeons of Canada, or of the College of Family Physicians of Canada.

461.27 Sec. 3. Minnesota Statutes 2016, section 147.03, subdivision 1, is amended to read:

461.28 Subdivision 1. **Endorsement; reciprocity.** (a) The board may issue a license to practice
461.29 medicine to any person who satisfies the requirements in paragraphs (b) to ~~(f)~~(e).

461.30 (b) The applicant shall satisfy all the requirements established in section 147.02,
461.31 subdivision 1, paragraphs (a), (b), (d), (e), and (f).

461.32 (c) The applicant shall:

462.1 (1) have passed an examination prepared and graded by the Federation of State Medical
462.2 Boards, the National Board of Medical Examiners, or the United States Medical Licensing
462.3 Examination (USMLE) program in accordance with section 147.02, subdivision 1, paragraph
462.4 (c), clause (2); the National Board of Osteopathic Medical Examiners; or the Medical Council
462.5 of Canada; and

462.6 (2) have a current license from the equivalent licensing agency in another state or Canada
462.7 and, if the examination in clause (1) was passed more than ten years ago, either:

462.8 (i) pass the Special Purpose Examination of the Federation of State Medical Boards with
462.9 a score of 75 or better within three attempts; or

462.10 (ii) have a current certification by a specialty board of the American Board of Medical
462.11 Specialties, of the American Osteopathic Association, the Royal College of Physicians and
462.12 Surgeons of Canada, or of the College of Family Physicians of Canada; or

462.13 (3) if the applicant fails to meet the requirement established in section 147.02, subdivision
462.14 1, paragraph (c), clause (2), because the applicant failed to pass each of steps one, two, and
462.15 three of the USMLE within the required three attempts, the applicant may be granted a
462.16 license provided the applicant:

462.17 (i) has passed each of steps one, two, and three with passing scores as recommended by
462.18 the USMLE program within no more than four attempts for any of the three steps;

462.19 (ii) is currently licensed in another state; and

462.20 (iii) has current certification by a specialty board of the American Board of Medical
462.21 Specialties, the American Osteopathic Association Bureau of Professional Education, the
462.22 Royal College of Physicians and Surgeons of Canada, or the College of Family Physicians
462.23 of Canada.

462.24 ~~(d) The applicant shall pay a fee established by the board by rule. The fee may not be~~
462.25 ~~refunded.~~

462.26 ~~(e)~~ (d) The applicant must not be under license suspension or revocation by the licensing
462.27 board of the state or jurisdiction in which the conduct that caused the suspension or revocation
462.28 occurred.

462.29 ~~(f)~~ (e) The applicant must not have engaged in conduct warranting disciplinary action
462.30 against a licensee, or have been subject to disciplinary action other than as specified in
462.31 paragraph ~~(e)~~ (d). If an applicant does not satisfy the requirements stated in this paragraph,
462.32 the board may issue a license only on the applicant's showing that the public will be protected
462.33 through issuance of a license with conditions or limitations the board considers appropriate.

463.1 ~~(g)~~ (f) Upon the request of an applicant, the board may conduct the final interview of
463.2 the applicant by teleconference.

463.3 **Sec. 4. [147A.28] PHYSICIAN ASSISTANT APPLICATION AND LICENSE FEES.**

463.4 (a) The board may charge the following nonrefundable fees:

463.5 (1) physician assistant application fee, \$120;

463.6 (2) physician assistant annual registration renewal fee (prescribing authority), \$135;

463.7 (3) physician assistant annual registration renewal fee (no prescribing authority), \$115;

463.8 (4) physician assistant temporary registration, \$115;

463.9 (5) physician assistant temporary permit, \$60;

463.10 (6) physician assistant locum tenens permit, \$25;

463.11 (7) physician assistant late fee, \$50;

463.12 (8) duplicate license fee, \$20;

463.13 (9) certification letter fee, \$25;

463.14 (10) education or training program approval fee, \$100; and

463.15 (11) report creation and generation fee, \$60.

463.16 (b) The board may prorate the initial annual license fee. All licensees are required to
463.17 pay the full fee upon license renewal. The revenue generated from the fees must be deposited
463.18 in an account in the state government special revenue fund.

463.19 **Sec. 5. Minnesota Statutes 2016, section 147B.08, is amended by adding a subdivision to**
463.20 **read:**

463.21 **Subd. 4. Acupuncturist application and license fees.** (a) The board may charge the
463.22 following nonrefundable fees:

463.23 (1) acupuncturist application fee, \$150;

463.24 (2) acupuncturist annual registration renewal fee, \$150;

463.25 (3) acupuncturist temporary registration fee, \$60;

463.26 (4) acupuncturist inactive status fee, \$50;

463.27 (5) acupuncturist late fee, \$50;

463.28 (6) duplicate license fee, \$20;

464.1 (7) certification letter fee, \$25;

464.2 (8) education or training program approval fee, \$100; and

464.3 (9) report creation and generation fee, \$60.

464.4 (b) The board may prorate the initial annual license fee. All licensees are required to

464.5 pay the full fee upon license renewal. The revenue generated from the fees must be deposited

464.6 in an account in the state government special revenue fund.

464.7 Sec. 6. Minnesota Statutes 2016, section 147C.40, is amended by adding a subdivision to

464.8 read:

464.9 Subd. 5. **Respiratory therapist application and license fees.** (a) The board may charge

464.10 the following nonrefundable fees:

464.11 (1) respiratory therapist application fee, \$100;

464.12 (2) respiratory therapist annual registration renewal fee, \$90;

464.13 (3) respiratory therapist inactive status fee, \$50;

464.14 (4) respiratory therapist temporary registration fee, \$90;

464.15 (5) respiratory therapist temporary permit, \$60;

464.16 (6) respiratory therapist late fee, \$50;

464.17 (7) duplicate license fee, \$20;

464.18 (8) certification letter fee, \$25;

464.19 (9) education or training program approval fee, \$100; and

464.20 (10) report creation and generation fee, \$60.

464.21 (b) The board may prorate the initial annual license fee. All licensees are required to

464.22 pay the full fee upon license renewal. The revenue generated from the fees must be deposited

464.23 in an account in the state government special revenue fund.

464.24 Sec. 7. Minnesota Statutes 2016, section 148.6402, subdivision 4, is amended to read:

464.25 Subd. 4. ~~Commissioner Board.~~ "Commissioner Board" means the commissioner of

464.26 ~~health or a designee~~ Board of Occupational Therapy Practice established in section 148.6449.

464.27 **EFFECTIVE DATE.** This section is effective January 1, 2018.

465.1 Sec. 8. Minnesota Statutes 2016, section 148.6405, is amended to read:

465.2 **148.6405 LICENSURE APPLICATION REQUIREMENTS: PROCEDURES AND**
465.3 **QUALIFICATIONS.**

465.4 (a) An applicant for licensure must comply with the application requirements in section
465.5 148.6420. To qualify for licensure, an applicant must satisfy one of the requirements in
465.6 paragraphs (b) to (f) and not be subject to denial of licensure under section 148.6448.

465.7 (b) A person who applies for licensure as an occupational therapist and who has not
465.8 been credentialed by the National Board for Certification in Occupational Therapy or another
465.9 jurisdiction must meet the requirements in section 148.6408.

465.10 (c) A person who applies for licensure as an occupational therapy assistant and who has
465.11 not been credentialed by the National Board for Certification in Occupational Therapy or
465.12 another jurisdiction must meet the requirements in section 148.6410.

465.13 (d) A person who is certified by the National Board for Certification in Occupational
465.14 Therapy may apply for licensure by equivalency and must meet the requirements in section
465.15 148.6412.

465.16 (e) A person who is credentialed in another jurisdiction may apply for licensure by
465.17 reciprocity and must meet the requirements in section 148.6415.

465.18 (f) A person who applies for temporary licensure must meet the requirements in section
465.19 148.6418.

465.20 (g) A person who applies for licensure under paragraph (b), (c), or (f) more than two
465.21 and less than four years after meeting the requirements in section 148.6408 or 148.6410
465.22 must submit the following:

465.23 (1) a completed and signed application for licensure on forms provided by the
465.24 ~~commissioner~~ board;

465.25 (2) the license application fee required under section 148.6445;

465.26 (3) if applying for occupational therapist licensure, proof of having met a minimum of
465.27 24 contact hours of continuing education in the two years preceding licensure application,
465.28 or if applying for occupational therapy assistant licensure, proof of having met a minimum
465.29 of 18 contact hours of continuing education in the two years preceding licensure application;

465.30 (4) verified documentation of successful completion of 160 hours of supervised practice
465.31 approved by the ~~commissioner~~ board under a limited license specified in section 148.6425,
465.32 subdivision 3, paragraph (c); and

466.1 (5) additional information as requested by the ~~commissioner~~ board to clarify information
466.2 in the application, including information to determine whether the individual has engaged
466.3 in conduct warranting disciplinary action under section 148.6448. The information must be
466.4 submitted within 30 days after the ~~commissioner's~~ board's request.

466.5 (h) A person who applied for licensure under paragraph (b), (c), or (f) four years or more
466.6 after meeting the requirements in section 148.6408 or 148.6410 must meet all the
466.7 requirements in paragraph (g) except clauses (3) and (4), submit documentation of having
466.8 retaken and passed the credentialing examination for occupational therapist or occupational
466.9 therapy assistant, or of having completed an occupational therapy refresher program that
466.10 contains both a theoretical and clinical component approved by the ~~commissioner~~ board,
466.11 and verified documentation of successful completion of 480 hours of supervised practice
466.12 approved by the ~~commissioner~~ board under a limited license specified in section 148.6425,
466.13 subdivision 3, paragraph (c). The 480 hours of supervised practice must be completed in
466.14 six months and may be completed at the applicant's place of work. Only refresher courses
466.15 completed within one year prior to the date of application qualify for approval.

466.16 **EFFECTIVE DATE.** This section is effective January 1, 2018.

466.17 Sec. 9. Minnesota Statutes 2016, section 148.6408, subdivision 2, is amended to read:

466.18 Subd. 2. **Qualifying examination score required.** (a) An applicant must achieve a
466.19 qualifying score on the credentialing examination for occupational therapist.

466.20 (b) The ~~commissioner~~ board shall determine the qualifying score for the credentialing
466.21 examination for occupational therapist. In determining the qualifying score, the ~~commissioner~~
466.22 board shall consider the cut score recommended by the National Board for Certification in
466.23 Occupational Therapy, or other national credentialing organization approved by the
466.24 ~~commissioner~~ board, using the modified Angoff method for determining cut score or another
466.25 method for determining cut score that is recognized as appropriate and acceptable by industry
466.26 standards.

466.27 (c) The applicant is responsible for:

466.28 (1) making arrangements to take the credentialing examination for occupational therapist;

466.29 (2) bearing all expenses associated with taking the examination; and

466.30 (3) having the examination scores sent directly to the ~~commissioner~~ board from the
466.31 testing service that administers the examination.

466.32 **EFFECTIVE DATE.** This section is effective January 1, 2018.

467.1 Sec. 10. Minnesota Statutes 2016, section 148.6410, subdivision 2, is amended to read:

467.2 Subd. 2. **Qualifying examination score required.** (a) An applicant for licensure must
467.3 achieve a qualifying score on the credentialing examination for occupational therapy
467.4 assistants.

467.5 (b) The ~~commissioner~~ board shall determine the qualifying score for the credentialing
467.6 examination for occupational therapy assistants. In determining the qualifying score, the
467.7 ~~commissioner~~ board shall consider the cut score recommended by the National Board for
467.8 Certification in Occupational Therapy, or other national credentialing organization approved
467.9 by the ~~commissioner~~ board, using the modified Angoff method for determining cut score
467.10 or another method for determining cut score that is recognized as appropriate and acceptable
467.11 by industry standards.

467.12 (c) The applicant is responsible for:

467.13 (1) making all arrangements to take the credentialing examination for occupational
467.14 therapy assistants;

467.15 (2) bearing all expense associated with taking the examination; and

467.16 (3) having the examination scores sent directly to the ~~commissioner~~ board from the
467.17 testing service that administers the examination.

467.18 **EFFECTIVE DATE.** This section is effective January 1, 2018.

467.19 Sec. 11. Minnesota Statutes 2016, section 148.6412, subdivision 2, is amended to read:

467.20 Subd. 2. **Persons certified by National Board for Certification in Occupational**
467.21 **Therapy after June 17, 1996.** The ~~commissioner~~ board may license any person certified
467.22 by the National Board for Certification in Occupational Therapy as an occupational therapist
467.23 after June 17, 1996, if the ~~commissioner~~ board determines the requirements for certification
467.24 are equivalent to or exceed the requirements for licensure as an occupational therapist under
467.25 section 148.6408. The ~~commissioner~~ board may license any person certified by the National
467.26 Board for Certification in Occupational Therapy as an occupational therapy assistant after
467.27 June 17, 1996, if the ~~commissioner~~ board determines the requirements for certification are
467.28 equivalent to or exceed the requirements for licensure as an occupational therapy assistant
467.29 under section 148.6410. Nothing in this section limits the ~~commissioner's~~ board's authority
467.30 to deny licensure based upon the grounds for discipline in sections 148.6401 to 148.6450
467.31 148.6449.

467.32 **EFFECTIVE DATE.** This section is effective January 1, 2018.

468.1 Sec. 12. Minnesota Statutes 2016, section 148.6415, is amended to read:

468.2 **148.6415 LICENSURE BY RECIPROCITY.**

468.3 A person who holds a current credential as an occupational therapist in the District of
468.4 Columbia or a state or territory of the United States whose standards for credentialing are
468.5 determined by the ~~commissioner~~ board to be equivalent to or exceed the requirements for
468.6 licensure under section 148.6408 may be eligible for licensure by reciprocity as an
468.7 occupational therapist. A person who holds a current credential as an occupational therapy
468.8 assistant in the District of Columbia or a state or territory of the United States whose
468.9 standards for credentialing are determined by the ~~commissioner~~ board to be equivalent to
468.10 or exceed the requirements for licensure under section 148.6410 may be eligible for licensure
468.11 by reciprocity as an occupational therapy assistant. Nothing in this section limits the
468.12 ~~commissioner's board's~~ authority to deny licensure based upon the grounds for discipline
468.13 in sections 148.6401 to ~~148.6450~~ 148.6449. An applicant must provide:

468.14 (1) the application materials as required by section 148.6420, subdivisions 1, 3, and 4;

468.15 (2) the fees required by section 148.6445;

468.16 (3) a copy of a current and unrestricted credential for the practice of occupational therapy
468.17 as either an occupational therapist or occupational therapy assistant;

468.18 (4) a letter from the jurisdiction that issued the credential describing the applicant's
468.19 qualifications that entitled the applicant to receive the credential; and

468.20 (5) other information necessary to determine whether the credentialing standards of the
468.21 jurisdiction that issued the credential are equivalent to or exceed the requirements for
468.22 licensure under sections 148.6401 to ~~148.6450~~ 148.6449.

468.23 **EFFECTIVE DATE.** This section is effective January 1, 2018.

468.24 Sec. 13. Minnesota Statutes 2016, section 148.6418, subdivision 1, is amended to read:

468.25 Subdivision 1. **Application.** The ~~commissioner~~ board shall issue temporary licensure
468.26 as an occupational therapist or occupational therapy assistant to applicants who are not the
468.27 subject of a disciplinary action or past disciplinary action, nor disqualified on the basis of
468.28 items listed in section 148.6448, subdivision 1.

468.29 **EFFECTIVE DATE.** This section is effective January 1, 2018.

469.1 Sec. 14. Minnesota Statutes 2016, section 148.6418, subdivision 2, is amended to read:

469.2 Subd. 2. **Procedures.** To be eligible for temporary licensure, an applicant must submit
469.3 a completed application for temporary licensure on forms provided by the commissioner
469.4 board, the fees required by section 148.6445, and one of the following:

469.5 (1) evidence of successful completion of the requirements in section 148.6408,
469.6 subdivision 1, or 148.6410, subdivision 1;

469.7 (2) a copy of a current and unrestricted credential for the practice of occupational therapy
469.8 as either an occupational therapist or occupational therapy assistant in another jurisdiction;
469.9 or

469.10 (3) a copy of a current and unrestricted certificate from the National Board for
469.11 Certification in Occupational Therapy stating that the applicant is certified as an occupational
469.12 therapist or occupational therapy assistant.

469.13 **EFFECTIVE DATE.** This section is effective January 1, 2018.

469.14 Sec. 15. Minnesota Statutes 2016, section 148.6418, subdivision 4, is amended to read:

469.15 Subd. 4. **Supervision required.** An applicant who has graduated from an accredited
469.16 occupational therapy program, as required by section 148.6408, subdivision 1, or 148.6410,
469.17 subdivision 1, and who has not passed the examination required by section 148.6408,
469.18 subdivision 2, or 148.6410, subdivision 2, must practice under the supervision of a licensed
469.19 occupational therapist. The supervising therapist must, at a minimum, supervise the person
469.20 working under temporary licensure in the performance of the initial evaluation, determination
469.21 of the appropriate treatment plan, and periodic review and modification of the treatment
469.22 plan. The supervising therapist must observe the person working under temporary licensure
469.23 in order to assure service competency in carrying out evaluation, treatment planning, and
469.24 treatment implementation. The frequency of face-to-face collaboration between the person
469.25 working under temporary licensure and the supervising therapist must be based on the
469.26 condition of each patient or client, the complexity of treatment and evaluation procedures,
469.27 and the proficiencies of the person practicing under temporary licensure. The occupational
469.28 therapist or occupational therapy assistant working under temporary licensure must provide
469.29 verification of supervision on the application form provided by the commissioner board.

469.30 **EFFECTIVE DATE.** This section is effective January 1, 2018.

470.1 Sec. 16. Minnesota Statutes 2016, section 148.6418, subdivision 5, is amended to read:

470.2 Subd. 5. **Expiration of temporary licensure.** A temporary license issued to a person
470.3 pursuant to subdivision 2, clause (1), expires six months from the date of issuance for
470.4 occupational therapists and occupational therapy assistants or on the date the ~~commissioner~~
470.5 board grants or denies licensure, whichever occurs first. A temporary license issued to a
470.6 person pursuant to subdivision 2, clause (2) or (3), expires 90 days after it is issued. Upon
470.7 application for renewal, a temporary license shall be renewed once to persons who have
470.8 not met the examination requirement under section 148.6408, subdivision 2, or 148.6410,
470.9 subdivision 2, within the initial temporary licensure period and who are not the subject of
470.10 a disciplinary action nor disqualified on the basis of items in section 148.6448, subdivision
470.11 1. Upon application for renewal, a temporary license shall be renewed once to persons who
470.12 are able to demonstrate good cause for failure to meet the requirements for licensure under
470.13 section 148.6412 or 148.6415 within the initial temporary licensure period and who are not
470.14 the subject of a disciplinary action nor disqualified on the basis of items in section 148.6448,
470.15 subdivision 1.

470.16 **EFFECTIVE DATE.** This section is effective January 1, 2018.

470.17 Sec. 17. Minnesota Statutes 2016, section 148.6420, subdivision 1, is amended to read:

470.18 Subdivision 1. **Applications for licensure.** An applicant for licensure must:

470.19 (1) submit a completed application for licensure on forms provided by the ~~commissioner~~
470.20 board and must supply the information requested on the application, including:

470.21 (i) the applicant's name, business address and business telephone number, business
470.22 setting, and daytime telephone number;

470.23 (ii) the name and location of the occupational therapy program the applicant completed;

470.24 (iii) a description of the applicant's education and training, including a list of degrees
470.25 received from educational institutions;

470.26 (iv) the applicant's work history for the six years preceding the application, including
470.27 the number of hours worked;

470.28 (v) a list of all credentials currently and previously held in Minnesota and other
470.29 jurisdictions;

470.30 (vi) a description of any jurisdiction's refusal to credential the applicant;

470.31 (vii) a description of all professional disciplinary actions initiated against the applicant
470.32 in any jurisdiction;