## BILL SUMMARY



Providing nonpartisan legal, research, and fiscal analysis services to the Minnesota Senate

# Chapter 127 – Tax and State Government Operations Omnibus (H.F. 5247)

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## **ARTICLE 1 – TRANSPORTATION APPROPRIATIONS**

**Section 1** (**Transportation appropriations**) states that all appropriations in this article are from the trunk highway fund (THF) unless another fund is specified. Defines certain terms.

## Section 2 (Department of Transportation (MnDOT))

#### Subdivision 1. Total MnDOT Appropriations.

#### Subdivision 2. Multimodal systems.

- (a) **Transit.** Appropriates \$3.75 million one-time in FY 25 from the active transportation account for the Mississippi Skyway Trail Bridge in Ramsey.
- (b) Passenger Rail. Appropriates \$1 million one-time in FY 25 from the general fund (GF) for insurance costs related to rail-related incidents at Union Depot in Saint Paul.

## Subdivision 3. State Roads.

- (a) Operations and Maintenance. Appropriates:
  - \$300,000 a year starting in FY 25 for rumble strips;
  - \$1 million a year starting in FY 25 for the community roadside landscape partnership program;
  - \$1 million one-time in FY 25 from the GF for the traffic safety camera pilot program; and
  - \$105,000 a year starting in FY 25 for staff costs related to placement of high voltage transmission lines along trunk highways.
- (b) Program Planning and Delivery. Appropriates:
  - \$3.8 million one-time in FY 25 for travel demand modeling, \$800,000 of which is for grants to metro planning organizations; and

- \$2 million one-time in FY 25 for Trunk Highway (TH) 55 improvements in Hennepin County.
- (c) State Road Construction. Appropriates:
  - \$8.9 million one-time in FY 25 for trunk highway bridges;
  - \$1 million one-time in FY 25 for TH 65 improvements in Blaine; and
  - \$1 million one-time in FY 25 for an interchange at US Highway 169, TH 282, and County State-Aid Highway 9 in Scott County.
- (d) Highway Debt Service. Appropriates \$468,000 in FY 25 for debt service on trunk highway bonds authorized in Article 2 of this act.

## Subdivision 4. Local Roads.

- Appropriates \$1 million one-time in FY 25 from the GF for improvements of the Minneapolis Park and Recreation Board roadway system; and
- \$200,000 one-time in FY 25 for a grant to Shorewood for creation of a transportation management organization along TH 7 corridor.

#### Subdivision 5. Agency Management.

- (a) Agency Services. Appropriates \$243,000 a year starting in FY 25 from the GF for costs of complete streets implementation training.
- (b) Buildings. Appropriates:
  - \$20.1 million one-time in FY 25 for the transportation facilities capital improvement program;
  - \$7.75 million one-time in FY 25 for truck parking improvements at rest areas; and
  - \$4.8 million one-time in FY 25 for metro truck parking safety projects.

**Section 3 (Metropolitan Council)** appropriates \$10 million one-time in FY 25 from the GF for the Blue Line light rail transit extension anti-displacement community prosperity program.

#### Section 4 (Department of Public Safety)

## Subdivision 1. Total Public Safety Appropriations.

**Subdivision 2. Driver and Vehicle Services.** Appropriates from the driver and vehicle services (DVS) operating account:

- \$2.969 million a year starting in FY 25 for additional exam station staffing;
- \$100,000 one-time in FY 25 for the special license plate review study; and
- \$172,000 one-time in FY 25 for translations of DVS materials.

#### Subdivision 3. Traffic Safety. Appropriates:

- \$1.2 million one-time in FY 25 from the DVS operating account for the Lights On grant program; and
- \$200,000 one-time in FY 25 from the motorcycle safety account for a public education campaign on motorcycle operation.

**Section 5 (Appropriation; Department of Transportation)** appropriates \$15.56 million one-time in FY 24 from the GF for trunk highway and local road projects, available through FY 2029. This amount was part of a FY 22 appropriation that is due to cancel in FY 25, and an equal amount is cancelled from that appropriation in this act, for a net zero GF impact.

#### Section 6 (Appropriations; Department of Administration) appropriates:

- (a) \$41,000 in FY 25 from the GF for the MN Advisory Council on Infrastructure, with a base of \$475,000 in FY 26 and \$471,000 in FY 27;
- (b) \$43,000 one-time in FY 25 from the GF for space costs of certain Capitol complex tenants;
- (c) \$1.35 million from the THF and \$450,000 from the GF, both one-time in FY 25, for physical security upgrades of the MnDOT building in Saint Paul; and
- (d) \$22.5 million one-time in FY 25 for a new State Patrol headquarters building.

**Section 7 (Appropriation; Department of Commerce)** appropriates \$46,000 a year starting in FY 25 from the GF for environmental review relating to placement of high voltage transmission lines along trunk highways.

#### Section 8 (Appropriation Cancellations; Department of Transportation)

- (a) Cancels \$11 million in FY 24 of a \$216.4 million FY 24 GF appropriation for federal discretionary grant match funding.
- (b) Cancels \$15.56 million in FY 24 of a \$30.93 million FY 22 GF appropriation for trunk highway and local road projects. The same amount is reappropriated in FY 24 in this act for the same purpose.

Section 9 (Transfer) transfers \$11.35 million one-time in FY 25 from the GF to the small cities assistance account, to be disbursed to small cities (population under 5,000) with July 2024 local government aid payments.

**Section 10 (Modification; Multimodal Systems)** amends use of a prior GF appropriation in FY 2022 to MnDOT for construction of an airport runway in the city of Karlstad, specifying that the appropriation is for Phase 1 of the project.

**Section 11 (Modification; Metropolitan Transit)** reduces the FY 24 GF appropriation to the Met Council for the Blue Line light rail transit extension project, from \$50 million to \$40 million.

**Section 12 (Modification; State Patrol)** amends the use of FY 2024-25 GF appropriations from the GF for Capitol Security, allowing the use of unencumbered balances for operating costs.

Section 13 (Modification; Transfers) reduces prior transfers from the GF to the active transportation account, by \$285,000 in FY 25, \$720,000 in FY 26, and \$716,000 a year thereafter.

## **ARTICLE 2 – TRUNK HIGHWAY BONDS**

Section 1 (Bond Appropriations) lists summary trunk highway bond appropriations to MnDOT and the Department of Management and Budget (MMB).

Section 2 (Department of Transportation) appropriates to MnDOT from the bond proceeds account in the trunk highway fund:

- \$15 million for Corridors of Commerce (CoC) projects; and
- \$15 million for state road construction projects.

Up to 17% of the appropriations may be used for program delivery costs. The CoC appropriation may be used for projects under the most recent program evaluation process and for additional funds for previously selected projects.

Section 3 (Bond Sale Expenses) appropriates \$30,000 to MMB from the bond proceeds account in the THF for bond sale expenses.

**Section 4 (Bond Sale Authorization)** directs MMB to sell and issue trunk highway bonds totaling \$30.03 million to provide for the appropriations in **sections 2 and 3**.

## **ARTICLE 3 – TRANSPORTATION POLICY**

Section 1 (Traffic safety camera data) establishes a cross-reference to traffic safety camera data in the government data practices chapter of law.

Section 2 (Definitions) clarifies that a traffic safety camera system is not a specific type of automated license plate reader.

Section 3 (Limitations) prohibits using a traffic safety camera for automated license plate reader purposes.

Section 4 (Definitions) defines terms for the newly-established Minnesota Advisory Council on Infrastructure created in section 5.

Section 5 (Minnesota Advisory Council on Infrastructure) creates the Minnesota Advisory Council on Infrastructure. Provides voting and nonvoting membership. Identifies required qualifications for appointed voting members of the council. Requires appointing authority to consult with certain specified stakeholders for appointment recommendations. Provides delegation authority for appointed members. Sets officer, quorum, compensation, removal, and vacancy requirements for the council. Subjects the council to the Open Meeting Law and the Minnesota Data Practices Act.

**Section 6 (Minnesota Advisory Council on Infrastructure; responsibilities and duties)** provides for general responsibilities and non-regulatory duties of the Minnesota Advisory Council on Infrastructure. Directs the council to develop a recommended plan for a statewide asset manager program. Requires an annual legislative report on council activities.

Section 7 (Minnesota Advisory Council on Infrastructure; personnel) provides for Minnesota Advisory Council on Infrastructure staffing.

**Section 8 (Training required)** amends age-appropriate active transportation safety training provided by schools for students in kindergarten through eighth grade to include information on electric-assisted bicycle safety.

Sections 9 and 10 (Petty misdemeanors; fee assessment) prohibit the imposition of the law library fee assessment for a citation under the traffic safety camera program for civil actions and civil fee assessments.

**Section 11 (Report on dedicated fund expenditures)** modifies a report submitted by MnDOT to the legislature on dedicated fund expenditures to specify an estimate of percentage of activities performed for trunk highway purposes.

**Section 12 (Rumble strips)** requires the installation of in-road transverse rumble strips at certain locations on the trunk highway system. Sets an implementation timeline and provides for notification requirements. Exempts rumble strip placement at locations where a residence is located within 750 feet of the intersection. Effective August 1, 2024, for road construction, resurfacing, or reconditioning projects on or after that date.

**Section 13 (Gopher Gunners Memorial Bridge)** designates a bridge on Trunk Highway 55 and 62 over the Minnesota River as the "Gopher Gunners Memorial Bridge."

Section 14 (Transportation greenhouse gas emissions impact assessment) amends requirements on assessment of trunk highway projects for impacts on greenhouse gas emissions and vehicle miles traveled, including to shift to portfolio-based assessments. Creates the transportation impact assessment and mitigation account in the special revenue fund. Effective February 1, 2025.

Section 15 (Transportation impact assessment; technical advisory committee) establishes a technical advisory committee to assist and advise the transportation greenhouse gas emissions impact assessment process created in section 14. Effective May 25, 2024.

Section 16 (Reports; privatization of transportation contracts) amends the legislative report submitted by MnDOT on the privatization of transportation contracts to include additional workforce and recruitment information.

Section 17 (High voltage transmission; placement in right-of-way) authorizes establishment of high-voltage transmission lines within the trunk highway right-of-way.

**Section 18 (High voltage transmission; coordination required)** requires MnDOT to coordinate on transmission line placement and installation within the trunk highway right-of-way.

Section 19 (High voltage transmission; constructability report) requires a report to be developed by a utility in preparation for installation of transmission line that specifies terms and conditions of the building project. Provides for relocation costs under certain circumstances related to relocation.

Section 20 (High voltage transmission; relocation reimbursement prohibited) specifies restrictions of high voltage transmission line relocation reimbursement from the trunk highway fund for costs resulting from trunk highway projects and provides for cost recovery by utilities.

Section 21 (Definitions) provides a definition of "high voltage transmission line" for a statute on utility relocation costs.

Section 22 (Relocation of facilities; reimbursement) removes restriction on high voltage transmission line relocation reimbursement from the trunk highway fund.

Section 23 (Location and establishment; limitations) prohibits the county state-aid highway system from including a segment of county highway that is designated a pedestrian mall.

Section 24 (Formula for distribution to towns; purposes) adds "debt service" as an allowable use of funds distributed from the town road account, for bonds issued by the town for road projects.

**Section 25 (Location and establishment; limitations)** prohibits the municipal state-aid street system from including a segment of a city street that is designated as a pedestrian mall.

Section 26 (Use of funds) adds "debt service" as an allowable use of funds distributed to cities from the small cities assistance account, for obligations issued for construction and maintenance of roads within the city.

Section 27 (Use of funds) adds a new subdivision to the section of statute on the larger cities assistance account, specifying that funds distributed to cities from the account are for the construction and maintenance of roads within the city. The allowable uses include debt service for obligations issued for this purpose.

Section 28 (Display of temporary permit) makes technical changes to the statute governing the display and issuance of a temporary license plate.

**Section 29 (60-day temporary vehicle permit)** extends the validity period for temporary vehicle permits (placed normally where a license plate would be affixed) from 21 days to 60 days.

Section 30 (Minnesota professional sports team special plates) modifies the Minnesota professional sports team special license plate to direct certain donations to the Minnesota Loon Restoration Project, revises the name for the special plates, and provides plate design. Effective October 1, 2024.

Section 31 (Fleet vehicles; registration) provides that a deputy registrar may process certain registration activities for vehicles in a registered fleet, including issuing replacement license plates and registering new vehicles to existing fleets.

**Section 32 (Rotary International plates)** establishes a Rotary International special license plate. Effective January 1, 2025.

Section 33 (Dealers; replacement plates) requires a dealer to apply for certificate of title before receiving replacement license plates. Effective October 1, 2024.

Section 34 (Late fee) makes a conforming change to the statute governing late fees for title transfers necessitated by the change in section 36. Effective October 1, 2024.

Section 35 (Competitive bidding) requires the commissioner of public safety to conduct rulemaking for a competitive bidding process when a deputy registrar closes their office location. Effective October 1, 2025.

**Section 36 (Application for new certificate)** extends the deadline for submission of a title or title transfer application following the sale of a motor vehicle from 10 to 20 calendar days. Effective October 1, 2024.

Section 37 (Requirements upon subsequent transfer) makes a technical change to title transfer requirements. Effective October 1, 2024.

Section 38 (Notification on vehicle held for resale; service fee) requires a dealer, upon acquiring a vehicle titled and registered in Minnesota, to notify the commissioner the vehicle is held for resale and remove any license plates as prescribed by the commissioner. Effective October 1, 2024.

**Section 39 (Towing prohibited)** modifies towing requirements to prohibit a towing authority from towing a vehicle for a violation identified under a traffic safety camera system.

**Section 40 (Electric-assisted bicycle)** amends the definition of electric-assisted bicycle to add a multiple mode electric-assisted bicycle and provides when a vehicle is not an electric-assisted bicycle when it is designed, manufactured, or intended by the manufacturer or seller to not meet the electric-assisted bicycle classification requirements.

Sections 41 to 45 (Definitions) add a variety of transportation-related definitions to the chapter of statute on traffic regulations, including "multiple mode electric-assisted bicycle," "red light camera system," "speed safety camera system," "traffic safety camera system," and "vulnerable road user."

Section 46 (Local authority) provides explicit authority to the specified local units of government to perform traffic regulation through the use of a speed safety camera system or a red-light camera system under the pilot program created in section 52. The two local units are the cities of Minneapolis and Mendota Heights (*see* section 52, subd. 1, paragraph (f)).

**Section 47 (Red light camera penalty)** establishes a petty misdemeanor offense for the owner or lessee of a vehicle that is identified through a traffic safety camera as violating a traffic-control signal. Sets a fine of \$40. Sets a warning for a first offense. Provides for diversion if the violation was not in a commercial motor vehicle or by a holder of a Class A, B, or C commercial driver's license or commercial driver learner's permit. Effective between August 1, 2025, and July 31, 2029.

Section 48 (Red light camera; limitations) provides circumstances when the vehicle owner or lessee is not subject to citation for a traffic-signal violation as identified by a traffic safety camera, including for stolen, transferred, and leased vehicles. Permits a sworn statement to be submitted that the owner was not driving the vehicle at the time of violation.

Section 49 (Radar; speed-measuring device; standards of evidence) limits use of speed safety camera system evidence. Makes conforming changes.

**Section 50 (Speed safety camera; penalty)** establishes a petty misdemeanor offense for the owner or lessee of a vehicle that is identified through a speed safety camera as violating the speed limit. Sets a fine of \$40, or \$80 if the speed is 20 miles per hour or higher above the limit. Sets a warning for a first offense. Provides for diversion if the violation was not in a commercial motor vehicle or by a holder of a Class A, B, or C commercial driver's license or commercial driver learner's permit. Effective between August 1, 2025, and July 31, 2029.

Section 51 (Speed safety camera; limitations) specifies circumstances when the vehicle owner or lessee is not subject to citation for a speeding violation as identified by a speed safety camera, including for stolen, transferred, and leased vehicles. Provides that an owner may submit a sworn statement to the court or prosecuting authority that the owner was not driving at the time of violation.

Section 52 (Traffic safety camera system pilot program) authorizes implementation and sets requirements on speed and traffic-signal enforcement using traffic safety camera systems.

Subdivision 1 defines terms.

**Subdivision 2** limits implementing authorities to MnDOT and DPS as well as the cities of Minneapolis and Mendota Heights. Sets the length of the pilot program between the dates of August 1, 2025, and July 31, 2029. The commissioners of DPS and MnDOT must jointly conduct a warning-only work zone speed enforcement pilot program in a certain number of highway work zones. Minneapolis must not implement the pilot program with the assistance of the Minneapolis Police Department.

**Subdivision 3** sets forth requirements for a local authority prior to implementation of camerabased traffic enforcement.

**Subdivision 4** requires the commissioners of MnDOT and DPS to adopt traffic safety camera system standards with specified requirements.

**Subdivision 5** requires each implementing authority to conduct public engagement and notice activities on traffic safety camera systems under the pilot program.

**Subdivision 6** specifies the placement requirements for a traffic safety camera system, including the number of systems deployed per residents and authorizing an authority to move a system if the new location meets the same requirements. Paragraph (c) specifies the locations of where a traffic safety camera system may be deployed.

**Subdivision 7** specifies requirements for traffic control devices when interacting with the deployment of a traffic camera system under the pilot program.

Subdivision 8 provides for designation of traffic enforcement agents, which includes peace officers and other employees of the implementing agency.

**Subdivision 9** establishes the authority of traffic enforcement agents to issue citations to vehicle owners or lessees for either a red light violation or a speed limit violation under the pilot program. The agents can issue citations under certain conditions, including after a period of camera-based traffic enforcement, when violations meet specific criteria, and when verified images are available.

**Subdivision 10** requires the use of a uniform traffic safety camera citation. Specifies citation requirements, including design and information contained on the document.

Subdivision 11 establishes a traffic safety course covering speeding, traffic signals, and related topics, without imposing a fee on attendees authorized under the legislation.

**Subdivision 12** authorizes implementing authorities to contract with private entities for operational support, with payment not contingent on violation numbers. Requires data audits of private entities to ensure compliance with data privacy laws.

**Subdivision 13** provides the allocation of citation revenue towards implementation costs and traffic safety measures.

**Subdivision 14** provides data classification collected by a traffic safety camera system, including to classify the data and establish requirements for a private entity. Limits uses and distribution of traffic safety camera system data.

**Subdivision 15** specifies the types of data traffic safety camera systems may collect, including vehicle identification, detection of the violation, and non-personally identifiable traffic data.

Subdivision 16 specifies timelines and conditions for destruction of traffic safety camera system data.

**Subdivision 17** establishes a speed enforcement pilot project for trunk highway work zones to be jointly conducted by MnDOT and DPS. Limits MnDOT and DPS to no more than four trunk highway segments for conducting the pilot. Violations must be issued warning that include easily-understandable information about the risks of speeding in highway work zones. Limits pilot project to August 1, 2025 to July 31, 2029.

Subdivision 18 exempts the bill from rulemaking procedures.

Subdivision 19 provides the pilot project's expiration date of July 31, 2029.

Section 53 (Impeding motorcycle) prohibits a motorist from impeding a motorcycle that is operated between traffic lanes as authorized in section 61. Effective July 1, 2025.

Section 54 (Driver education; vulnerable road users) modifies driver education curriculum rulemaking requirements to address vulnerable road user considerations.

Section 55 (Manner and number riding) modifies the passenger limit statute for bicycles to specifically include electric-assisted bicycles. Makes technical changes.

Section 56 (Electric-assisted bicycle; riding rules) makes technical changes to (1) riding rules to incorporate multiple mode electric-assisted bicycles, (2) jurisdictional authority over electric bike operation on trails or at bike parks, (3) the requirement that an operator of an e-bike be at least 15 years old.

**Section 57 (Electric-assisted bicycle; equipment)** amends labeling requirements for e-bikes, including modifying labeling to accommodate multiple-mode electric-assisted bicycles. Prohibits a multiple-mode electric-assisted bicycle from being capable of exceeding 20 miles per hour on motor power alone when the throttle is engaged.

Section 58 (Headlight requirement) makes a conforming change necessitated by the modification in section 61. Effective July 1, 2025.

Section 59 (Disability parking space signs) requires the Minnesota Council on Disability to design a new uniform disability parking sign for use statewide and consistent with the Americans with Disabilities Act (ADA). The newly-designed sign must not display the word or any variation of "handicapped." The sign must be selected by August 1, 2024. Requires the Council to encourage adoption. Sets replacement requirements. Requires the new sign to be installed at newly-created parking facilities and in the regular course of replacement beginning August 1, 2025.

**Section 60 (Lights On grant program)** establishes the Lights On grant program to provide drivers with vouchers up to \$250 to replace broken or malfunctioning lighting equipment. Specifies eligibility requirements. Requires DPS to develop application materials for the grant program with specified conditions. Sets forth grant criteria with priority for applicants who provide resources and vouchers to individuals residing in geographic areas of high poverty or higher crash rates or equipment citations. Establishes reporting requirements.

**Section 61 (Driving rules)** permits motorcyclists in some certain circumstances to pass vehicles within the same traffic lane or between two parallel traffic lanes proceeding in the same direction. Effective July 1, 2025.

Section 62 (Form) exempts traffic safety camera system citations from the uniform citation statute.

Section 63 (Residence address and permanent mailing address) codifies the definition of "residence address" and "permanent mailing address" for purposes of most drivers' licenses and identification cards as the postal address of the permanent domicile within Minnesota where the individual resides, intends to reside within 30 calendar days after application, or intends to return whenever absent.

Section 64 (Temporary mailing address) defines "temporary mailing address" to mean the mailing address of any place where a person regularly or occasionally stays and may receive mail in their name other than the person's residence address.

Section 65 (Contents of application; other information) amends the contents of a driver's license or identification card application to allow an applicant to designate a temporary mailing address for delivery of the driver's license or identification card.

Section 66 (Information for applicants) specifies what information the commissioner must include on the department's website regarding the temporary mailing address process and how it compares to other methods of mailing.

Section 67 (Open bidding) requires the commissioner of public safety to allow a competitive bidding process when a driver's license agent permanently closes their approved office. Requires the commissioner not give any preference in the open bidding process to any previous partner, owner, manager, or employee of the closed location.

**Section 68 (Driver's manual; vulnerable road users)** requires the driver's manual published by DVS to include information on vulnerable road users.

**Section 69 (Driving record; traffic camera safety system)** prohibits DPS from recording a speeding or traffic-signal violation citation identified through a traffic safety camera on a person's driving record, except if the violation occurs in a commercial motor vehicle or the violation is committed by the holder of a Class A, B, or C commercial driver's license or commercial driver's learning permit.

**Section 70 (Online driver's license knowledge test)** authorizes third-party proctors to administer fourth or subsequent examinations for a driver's license applicant, rather than the requirement under existing law that only DVS may administer fourth or subsequent knowledge examinations. Effective August 1, 2025.

**Section 71 (Failure to provide fine)** prohibits driver's license suspension for failure to pay a fine for a speeding or traffic signal violation identified through a traffic safety camera.

Section 72 (Fees prohibited; reintegration driver's license) prohibits the assessment of a reinstatement fee for a reintegration driver's license.

Section 73 (Issuance of regular driver's license; reintegration license) makes a conforming change to require the commissioner to include a reinstatement fee among the fees not assessed upon successful completion of a reintegration license and subsequent application for a driver's license.

Section 74 (Tribal worksite training program) directs MnDOT to establish a Tribal worksite training program. Sets condition that trunk highway funds may not be used for the training program.

Sections 75 to 78 (Pavement life-cycle cost analysis) amend the process for a life-cycle cost analysis performed for pavement selection on some highway projects. Effective July 1, 2025.

Section 79 (Safe routes to school accounts) makes a technical correction to the safe route to school account in the special revenue fund.

**Section 80 (Metropolitan counties; use of funds)** adds "debt service" as an allowable use of funds distributed to metropolitan counties from the transportation advancement account.

Section 81 (Passenger rail account; transfers; appropriation) makes conforming changes to an account related to passenger rail operations and requires an annual legislative report on funds in the passenger rail account and the commissioner's fee and revenue plan for passenger rail service.

Section 82 (Fee and revenue collection authorized) allows MnDOT to collect certain fees and revenue related to passenger rail services, with specified limits on annual increases. Revenue is deposited in the passenger rail account. Effective May 25, 2024.

Section 83 (Definitions; vulnerable road user) defines a term in the complete streets statute for MnDOT.

Section 84 (Implementation; vulnerable road user) requires additional vulnerable road user elements for MnDOT to incorporate into its complete streets policy.

**Section 85 (Implementation guidance; complete streets)** directs and sets forth analysis criteria for MnDOT to maintain guidance on the department's complete streets policy

**Section 86 (Policy; high voltage transmission lines)** modifies a legislative policy and purpose statement to on electric power facility locations to explicitly identify high voltage transmission lines. Effective May 25, 2024.

Section 87 (Railroad company assessment; account; appropriation) makes a conforming change to amend uses of funds in the state rail safety account necessitated by the changes in section 90.

Section 88 (Yardmaster hours of service) requires Class I, Class II, and Class III railroads and rail carriers to implement limitations on the hours of service a yardmaster must remain or go on duty.

Section 89 (Motor carrier of railroad employees) amends insurance coverage requirements for motor carriers of railroad employees to require a minimum of \$2,000,000 in uninsured and underinsured coverage from the statutory requirement of \$1,000,000. Effective August 1, 2024.

Section 90 (Inspection and investigation authority) directs the commissioner of transportation to investigate complaints received for violations of section 89. Provides civil penalty for failure to permit MnDOT/State Patrol complaint investigation. Effective August 1, 2024.

Section 91 (Civil penalty) provides civil penalties for a railroad or motor carrier of railroad employees who violates sections 89 and 90.

Section 92 (Motor vehicle lease sales tax revenue) changes the deposit account for the 13 percent of motor vehicle leasing sales tax revenues that is dedicated for local bridges, from the state transportation fund to the newly created local bridge program account in the special revenue fund. Money in the account is appropriated to MnDOT for the local bridge program.

Section 93 (Uses reporting) modifies contents of the legislative report required from counties that impose the county transportation sales and use tax, to include categorized lists of projects funded by the tax revenues. Specifies that the report is to be submitted to the chairs and ranking minority members of legislative transportation committees.

Section 94 (Responsibilities; Capitol Area) directs Capitol Security to provide emergency assistance and security escorts at locations within the Capitol Area when requested by a state constitutional officer from May 25, 2024, until July 1, 2026.

Section 95 (Sale of electric-assisted bicycles and powered cycles) creates new regulations for the sale and advertising of electric-assisted bicycles. Provides that a seller of a motorized bicycle or motorcycle equipped with an electric motor for propulsion may not hold their product out for sale as an electric-assisted bicycle. Requires additional commercial disclosure requirements of a motorized bicycle or motorcycle equipped with an electric motor for propulsion.

Section 96 (Surcharges on criminal and traffic offenders) prohibits the imposition of a court surcharge for a citation issued from a traffic safety camera system.

Section 97 (Definitions) defines "city," "city council," and "system of streets, parks, and parkways" in the municipal finance chapter of law.

Section 98 (Parking lots; pedestrian malls and uses) authorizes a local city council to designate a pedestrian mall on any property within the city right-of-way.

Section 99 (Legislative findings) expands legislative findings relating to pedestrian malls to apply to all cities and strikes language referencing central business districts.

Section 100 (Statement of policy) applies the provision to all cities and strikes language referencing central business districts.

Section 101 (Pedestrian mall ordinances authorized) authorizes a city to designate, by ordinance, a pedestrian mall on property within city right-of-way under specified circumstances. Sets conditions and limitations on pedestrian mall locations.

Sections 102 to 104 (Condemnation proceeding mail notice; limitation of action; bonded debt) expand two provisions in current law for the establishment of pedestrian malls to all cities.

**Section 105 (Transportation finance review)** requires the Metropolitan Council to submit an annual transportation financial review to the legislature, containing details about revenues and expenditures for the previous four fiscal years and comparing budgeted to actual amounts. Effective May 25, 2024.

Section 106 (Zero-emission and electric transit vehicles) amends zero-emission and electric bus transition plan requirements for the Metropolitan Council. Effective May 25, 2024.

Section 107 (Light rail construction; council authority; staff assistance; project manager qualifications) broadens the requirement of MnDOT to advise and assist the Metropolitan Council on light rail transit construction projects. Limits source of funds that can be used by the council for capital construction costs of light rail transit projects. Effective May 25, 2024.

Section 108 (Buss rapid transit project scope; infrastructure) institutes specific infrastructure requirements for bus rapid transit projects including sidewalk curb ramps, pedestrian signals, and transit priority infrastructure aimed at enhancing accessibility and efficiency of transit service. Effective for BRT projects that first commence construction on or after May 25, 2024.

**Section 109 (Standards established)** make technical changes to the statutory requirement that Metropolitan Council adopt cleaning and repair standards for transit property and vehicles.

Section 110 (Cleaning and repair standards report) modifies the legislative report required by the Metropolitan Council regarding cleaning and repair activities.

Section 111 (Use of funds; Metropolitan counties; reporting) requires each metropolitan county to submit an annual legislative report in even-numbered years on the use of regional transportation sales and use tax revenue in the county.

**Section 112 (Transit operating reserves)** modifies the required annual report from the Metropolitan Council on operating reserve fund balances of the council and replacement transit service providers by changing the due date and the reporting period from calendar to fiscal years.

**Section 113 (Uniform collections policies and procedures)** exempts a single violation arising from a traffic camera safety system pilot program citation.

Section 114 (Additional deputy registrar; Hmong Village) authorizes driver's license agent services at or near the Hmong Village shopping center in St. Paul, converting the location into a full-service office.

**Section 115 (Legislative report; speed safety cameras)** modifies requirements for a 2023 legislative report to extend the due date, include additional information and considerations for the speed camera pilot program, and reference the pilot project established in **section 52.** Effective May 25, 2024.

Section 116 (Traffic safety camera systems; evaluation and reporting) provides for an independent evaluation of traffic safety cameras and the pilot program instituted in section 52. Specifies aspects of the evaluation. Requires a legislative report.

Section 117 (Report; work zone safety pilot project results) requires a legislative report on the work zone safety pilot project mandated in section 52, subdivision 17.

Section 118 (Antidisplacement community prosperity program; Board) establishes the Antidisplacement Community Prosperity Program Board to implement the requirements of section 119. Specifies duties, membership, requirements for bylaws, administrative provisions, and expiration date. Effective May 25, 2024.

**Section 119 (Antidisplacement community prosperity program)** establishes the antidisplacement community prosperity program to be administered by the Antidisplacement Community Prosperity Program Board. Programming must support:

- Affordable housing initiatives to support existing residents and develop safe and affordable housing.
- Small business support to incentivize property ownership, improve business climates, and facilitate existing business retention.
- Community ownership and commercial development to preserve corridor culture and measure community ownership levels.
- Public realm enhancement to improve infrastructure and community connections.
- Job training and placement to increase corridor residents' participation in the project and related initiatives.

**Section 120 (Community roadside landscape partnership)** modifies program considerations for the expansion of MnDOT's community roadside landscape partnership program.

Section 121 (Minnesota Advisory Council on Infrastructure; implementation activities) establishes initial activity and appointment procedure for the Minnesota Advisory Council on Infrastructure.

Section 122 (Public education campaign; motorcycle operations) requires the commissioner of public safety to conduct a public education campaign on how motorcycles may safely pass a vehicle within the same lane or between parallel lanes when traffic is slowed.

**Section 123 (DVS materials in language other than English requirement)** requires the Division of Driver and Vehicle Services (DVS) to produce materials in a language other than English if a substantial portion of the total number of yearly transactions are conducted in a language other than English. Effective October 1, 2024.

**Section 124 (Study; dynamic transportation options; Greater Minnesota Transit Plan; report)** directs MnDOT to conduct a study on access to various flexible transportation services in rural areas. Specifies analysis elements, requires stakeholder consultation, requires a proposal for a pilot program, and mandates a legislative report. Requires collaboration with stakeholders representing various organizations and sectors, such as disability advocacy groups, transportation companies, local government authorities, and community organizations. Effective May 25, 2024.

Section 125 (Study; Metro Mobility enhancement; report) directs MnDOT to study improvements to the Metro Mobility program, including the Metro Move program, the expanded hours of service pilot program enacted in 2023, and certain elements of the Office of the Legislative Auditor's 2024 Evaluation Report of Metro Mobility transportation services.

Section 126 (Study; highway designation review committee) directs MnDOT to study the potential establishment of a standing committee responsible for reviewing and approving proposals for memorial highway and bridge designations. Effective May 25, 2024.

**Section 127 (Study; electric-assisted bicycle youth operation)** requires a joint MnDOT-DPS study, in consultation with the Active Transportation Advisory Committee, the Advisory Council on Traffic Safety, and a variety of interested stakeholders, on the operation of e-bikes by persons under the age of 18. Study must include (1) barriers for safe operation; (2) evaluate legal authority to address e-bike modifications that increase their speed; (3) any recommendations to improve safety where e-bikes are used most frequently; (4) propose educational and public awareness campaigns on e-bike safety. Study must be submitted to the legislature by February 1, 2026.

Section 128 (Study; competitive bidding) requires a study to be completed by the Department of Public Safety to analyze and make recommendations on the appointment process for a replacement deputy registrar or driver's license agent when an appointed deputy registrar or driver's license agent closes an approved office location.

Section 129 (Study; wayside detectors) directs MnDOT to study wayside detector systems and other forms of monitoring equipment that detects and regulates passing trains and freight for equipment defects. Effective May 25, 2024.

Section 130 (Study; commercial driver workforce) requires a collaborative study between the commissioners of public safety and transportation addressing commercial driver shortages in Minnesota's transportation and transit sectors. Study must include an evaluation of test access, workforce development, driver compensation and retention, and training and certification provided by postsecondary institutions. Requires collaboration with a variety of interested stakeholders in commercial driver training, certification, licensing, and education, including state agencies.

**Section 131 (Study; special plate review committee)** requires DPS and DVS to study the establishment of a standing committee within the Division of Driver and Vehicle Services responsible for reviewing and approving proposals for special license plates in Minnesota. The study must assess potential enhancements to the current statutory and legislative processes for approving specialty license plates and evaluate whether to remove or delegate legislative authority to approve new special license plates.

Section 132 (Revisor's Instruction) is a minor technical instruction to the Revisor of Statutes.

Section 133 (Repealer) repeals a special plate provision related to the Rotary International special plate established in section 32.

## **ARTICLE 4 – LABOR APPROPRIATIONS**

Provides appropriations and modifies appropriations for the Department of Labor and Industry and the Bureau of Mediation Services. See spreadsheet for details.

## **ARTICLE 5 – COMBATIVE SPORTS**

**Section 1 (Rules)** incorporates by reference the Unified Rules of Muay Thai as part of the chapter governing combative sports (Ch. 341). Specifies that if a promoter seeks to hold a kickboxing event by a different set of rules, the promoter must send the proposed rules to the commissioner 45 days before the event. Allows the DLI commissioner to approve or deny the use of alternative rules.

Section 2 (Regulatory authority; martial arts and amateur boxing) provides a cross reference to the exception for regulatory authority over youth competitions.

Section 3 (<u>Regulatory authority; youth competition</u>) specifies that combative sports or martial arts contests between individuals under the age of 18 are exempt from the requirements of the chapter and do not require officials licensed under the chapter at events. Requires youth competitions to be regulated by a recognized organization or by a local government.

**Section 4 (Jurisdiction of Commissioner)** removes "convenience or necessity" from the reasons the DLI commissioner must issue a combative sport license authorized under Ch. 341.

Section 5 (Prelicensure requirements) provides additional requirements necessary prior to issuance of amateur and professional combatant licenses by the DLI commissioner including information on bout history, training, and other proof of qualifications.

Section 6 (Fee schedule) makes adjustments to the fee schedule for events and timing of fee payments.

**Section 7 (Medical records)** allows the DLI commissioner to provide combatant medical information to the physician conducting a prebout exam, the ringside physician, or physicians assigned to the combatant's combative sports contest in order to protect the health of the combatant.

**Section 8 (Data privacy)** specifies that health records collected, created, or maintained in connection with the regulation of combative sports are private data on individuals.

Section 9 (Civil penalties) adds penalty authority for the DLI commissioner for violations of the requirements for youth competitions.

## **ARTICLE 6 – CONSTRUCTION CODES AND LICENSING**

**Section 1 (Adoption of code)** requires the DLI commissioner to adopt each new published edition of the International Energy Conservation Code, beginning in 2026. Requires the 2038 residential energy code to achieve a 70 percent reduction in annual net energy consumption reduction using the 2006 International Energy Conservation Code State Level Residential Codes Energy Use Index for Minnesota as a baseline. Requires annual reporting by the DLI commissioner to the legislature on progress towards these goals.

Section 2 (Payment limitations) increases the amount that may be paid to an owner or lessee from the contractor recovery fund from \$75,000 to \$100,000 per licensee. Effective July 1, 2024.

## **ARTICLE 7 – BUREAU OF MEDIATION SERVICES**

**Section 1 (Training)** specifies that training required for individuals appointed to the arbitrator roster for peace officer grievance arbitrations must be paid for by BMS instead of by the individual. Removes obsolete language.

**Section 2 (Repealer)** repeals the following sections of statute related to the area labor-management committee grant program:

- 179.81 (definitions)
- 179.82 (grant program created)
- 179.83, subdivision 1 (grant applications)
- 179.84, subdivision 1 (grant requirements)
- 179.85 (grant funding limitations)

Repeals the following rules or subparts related to the Minnesota Area Labor-Management Committee Grant Program:

- 5520.0100 (application)
- 5520.0110 (policy)
- 5520.0120 (definitions)
- 5520.0200 (grant applications)
- 5520.0250 (grant restrictions)
- 5520.0300 (grant period and amount)
- 5520.0500 (application review procedures)
- 5520.0520 (work plan)
- 5520.0540 (budget adjustments)
- 5520.0560 (quarterly reports)
- 5520.0600 (accounting system)
- 5520.0620 (audits)
- 5520.0700 (initial payments)
- 5520.0710 (subsequent payments)
- 5520.0800 (termination of grants)

## ARTICLE 8 – PUBLIC EMPLOYEE LABOR RELATIONS (PELRA)

Section 1 (Access to labor organizations, Bureau of Mediation Services, Public Employment Relations Board; 13.43, subd. 6) specifies that personnel data must be disseminated to specified entities, notwithstanding other provisions in the Public Employee Labor Relations Act.

Section 2 (Public employee or employee; 179A.03, subd. 14) eliminates from the definition of "employee" in PELRA employees working for a Minnesota school district or charter school in a position for which no license by the Professional Educator Licensing Standards Board. Additionally, amends the definition of "public employee" by eliminating an exception for these two categories of student employees employed by the Board of Regents of the University of Minnesota:

- an employee whose position is temporary or seasonal and is for not more than 100 working days in a calendar year and is under the age of 22, a full-time student enrolled in a nonprofit or public education institution before being hired and has indicated an intention to continue as a student during or after their temporary employment; and
- a full-time undergraduate student employed by the school the student attends under a

work-study program or in connection with the receipt of financial aid.

This section also specifies that the following people are employees for purposes of PELRA:

- an instructor at the University of Minnesota; and
- a person who is paid by the University of Minnesota for work performed at the direction of the university or its employees or contractors and who it enrolled in three or more university classes for credit or in one semester as a full-time student or post-doctoral fellow during the fiscal year in which the work is performed. Paid work for the university includes work required as a condition of receiving a stipend or tuition benefit. A person who performs supervisory functions for this person is not a supervisory employee for purposes of a right to organize.

**Section 3 (Teacher; 179A.03, subd. 18)** amends the definition of "teacher" for purposes of PELRA. Under current law, "teacher" includes a position creating and delivering instruction in certain prekindergarten settings, with the exception that an employee in a bargaining unit that was certified before January 1, 2023, may remain in the bargaining unit that does not include teachers unless an exclusive representative files a petition for unit clarification or to transfer exclusive representative status. This section eliminates transferring exclusive representative status as a basis for the exclusive representative to petition to preclude these employees from staying in a unit that does not include teachers.

Section 4 (Alternate members; 179A.041, subd. 2) allows appointment of an alternate member to the Public Employment Relations Board (PERB) to serve if a member is unavailable for a meeting.

Section 5 (Open Meeting law; exceptions; 179A.041, subd. 10) makes nonsubstantive technical changes.

Section 6 (Payroll deduction, authorization, and remittance; 179A.06, subd. 6) makes nonsubstantive technical changes.

Section 7 (Bargaining unit information; 179A.07, subd. 8) requires a public employer to include the reason for separation or transfer when an employer notifies the employee's exclusive representative that the employee is separated from employment. Makes nonsubstantive technical changes.

Section 8 (Access; 179A.07, subd. 9) provides for an exclusive representative to designate an agent to meet with a new public employee. Specifies that a meeting between an exclusive representative and a new employee who does not receive employer orientation must be arranged by the employer in coordination with the exclusive representative or agent during the new employee's regular working hours. Eliminates "the public employer" as an allowed attendee at orientation and meetings between the exclusive representative or agent and a new employee. Makes nonsubstantive technical changes.

Section 9 (Unit mergers; 179A.09, subd. 4) requires the commissioner to designate a single unit from two bargaining units on request of an exclusive representative, subject to certain designation requirements.

Section 10 (Position classifications; 179A.09, subd. 5) requires that a determination of whether a new employment position should be included in an existing bargaining unit, be made based on analysis of assigned duties and without regard to title or telework status.

Section 11 (State employees; 179A.10, subd. 2) makes nonsubstantive technical changes.

Section 12 (Majority verification procedure; 179A.12, subd. 2a) eliminates a requirement that an organization's claim of majority status, in support of a petition for certification as an exclusive representative, be supported by dated representative authorization signatures. Eliminates a requirement that the commissioner investigate a petition asserting that a majority wishes to be represented by the petitioner. The investigation requirement is moved to Minnesota Statutes, section 179A.12, subdivision 5, in the next section of the bill. Makes nonsubstantive technical changes.

Section 13 (Commissioner to investigate; 179A.12, subd. 5) adds majority verification petitions to requests for elections, as conditions that precipitate a requirement for the commissioner to investigate sufficiency of evidence for a question of representation and to hold hearings to determine an appropriate unit and on related matters.

Section 14 (Authorization signatures; section 179A.12, subd. 6) makes nonsubstantive technical changes.

Section 15 (Unfair labor practices; section 179A.12, subd. 11) makes nonsubstantive technical changes.

Section 16 (Actions; 179A.13, subd. 1) changes the deadline for the board to hold a hearing on a complaint of an unfair labor practice. Under current law, the hearing must be held not less than five days and not more than 20 days after the complaint is served. This section changes that to not more than 30 days after serving the complaint unless the parties mutually agree to a later hearing.

Section 17 (Employers; 179A.13, subd. 2) adds to list of practices that constitute an unfair labor practice by a public employer. Makes it an unfair labor practice for a public employer to fail or refuse to provide information relevant to enforcement or negotiation of a contract within a reasonable time after receiving a request by an exclusive representative and specifies reasonable timing. Makes it an unfair labor practice for a public employer to refuse to reallocate a position after the commissioner determines the position was not placed in the correct bargaining unit. Makes it an unfair labor practice for a public employer to refuse to restore a position to classified service after a determination that the position was incorrectly placed in the unclassified service.

Section 18 (Units; 179A.40, subd. 1) modifies appropriate units for the Hennepin Healthcare System, Inc, by separating physicians employed as interns, residents, and fellows, from the physicians unit.

Section 19 (Collective bargaining agreements; 179A.54, subd. 5) eliminates requirement to submit collective bargaining agreements regarding individual care providers of direct support services to the legislature for acceptance or rejection. Authorizes the commissioner of management and budget to enter into and implement agreements, including interest arbitration decisions, with the exclusive representatives of individual providers, except as to terms requiring appropriations, changes to state law, or approval from the federal government.

Section 20 (Rulemaking) authorizes the commissioner of the Bureau of Mediation Services to

adopt rules on petitions for majority verification using the expedited rulemaking procedure.

**Section 21 (Revisor Instruction)** instructs the Revisor of Statutes to renumber current subdivision 3 as subdivision 1a in section 179A.12.

## **ARTICLE 9 – MISCELLANEOUS LABOR PROVISIONS**

**Section 1 (Definitions)** expands prevailing wage requirements to financial assistance for certain tax allocations or awards of low-income housing credits by all allocating agencies, for which tax credits are used for multifamily housing projects consisting of more than ten units.

Sections 2 (Prevailing wage required) and 3 (Notification) make conforming changes related to section 1.

**Section 4 (Employer)** modifies the definition of "employer" for purposes of review and access to personnel records for private sector employees. Currently, the definition includes only employers that employ 20 or more employees. The bill expands the definition to employers that employ one or more employees. Public sector employee access to personnel records is governed separately under chapter 13.

Section 5 (Wage theft prevention and use of responsible contractors) inserts a new section into the Minnesota Housing Finance Agency (MHFA) chapter of the statutes related to wage theft and use of responsible contractors.

Section 6 (Rulemaking; acceptable blood lead levels for workers) directs the commissioner of labor and industry to adopt rules, in consultation with the commissioner of health, lowering the acceptable blood lead levels for workers that require mandatory removal of a worker from the exposure and that allow a worker to return to work.

## **ARTICLE 10 – EMPLOYEE MISCLASSIFICATION PROHIBITED**

Section 1 (§ 177.27) Examination of records. Allows questioning of employers and other individuals for provisions subject to compliance order enforcement by the Department of Labor and Industry (DLI).

Section 2 (§ 177.27) Submission of records; penalty. Adds clarifying language about employment status records.

Section 3 (§ 177.27) Adequacy of records. Removes mediation language from adequacy of records provision.

**Section 4 (§ 177.27) Compliance orders.** Adds a reference to section 181.723 (misclassification) allowing the commissioner to issue compliance orders for misclassification violations.

Section 5 (§ 177.27) Employer liability. Clarifies that employer liability for an order to comply under this section is additional to any liability or remedies otherwise provided for in the specific violated section.

Section 6 (§ 181.171) Civil action; damages. Adds section 181.722, misclassification of employees, and section 181.723, misclassification of construction employees, as amended in sections 7 and 8 to the list of labor sections that can be enforced through a private civil cause of action under section 181.171.

Section 7 (§ 181.722) Misclassification of employees. Subdivision 1 specifies prohibited misclassification activities for an individual who is a person's employee, including failing to classify, represent, treat, report, disclose, document, or enter into an agreement with the individual as an employee, or requiring the employee to agree to be misclassified or treated as something other than an employee. Allows for personal liability for each misclassification violation. Adds successor liability for outstanding compliance orders for misclassification violations if three or more of the seven successor factors apply to the successor company or employer. Subdivision 1a provides definitions for terms including "person," "department, "commissioner," and "individual."

Subdivision 2 is deleted. This prohibition has been moved to subdivision 1 and modified.

**Subdivision 4** provides for additional penalties, investigation, and enforcement by the commissioner of labor and industry for each separate misclassification violation. Damages include compensatory damages, and penalties ranging from \$1,000 to \$10,000 depending on the type of violation.

Makes other minor technical and clarifying changes in subdivisions 3 and 5.

Section 8 (§ 181.723) Misclassification of construction employees. Subdivision 1 modifies the definitions used in this section, including a new definition of independent contractor.

**Subdivision 2** clarifies the limited application of this section to building construction and improvement services, including public or private sector commercial or residential building construction or improvement, unless one of the exclusions applies.

**Subdivision 3** clarifies the presumption that a person providing building construction or improvement services for an employer in the regular course of the employer's business is considered an employee for the purposes of the construction codes and licensing chapter and certain labor laws, unless the independent contractor requirements under subdivision 4 are met.

**Subdivision 4** adds a new multi-part test setting out 14 requirements to identify and classify an independent contractor operating a separate business entity in building construction and improvement services.

**Subdivision 7** specifies prohibited misclassification activities for an independent contractor in the construction industry or for treating an employee as an independent contractor, including failing to classify, represent, treat, disclose, document, report, or enter into an agreement with the individual as an employee, or requiring the individual to register as a construction contractor or agree to be misclassified as an independent contractor. Allows for personal liability for each misclassification violation. And adds successor liability for outstanding compliance orders for misclassification violations if three or more of the seven successor factors apply to the successor company or employer. Adds document retention requirements for independent contractor status and provides for additional penalties, investigation, and enforcement by the DLI commissioner for each separate misclassification

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violation. Damages include compensatory damages, and penalties up to \$10,000 depending on the type of violation.

This section is effective August 1, 2024, for contracts entered into after that date and for building and construction or improvement services provided on or after January 1, 2025.

Subdivisions 13 and 15 make other minor technical and clarifying changes.

Section 9 (§ 181.724) Intergovernmental misclassification enforcement and education partnership act. Sections 9 and 10 establish the Intergovernmental Misclassification Enforcement and Education Partnership Act for the stated purpose of preventing employee misclassification and providing for coordination, collaboration, and information sharing between partnership entities. Provides definitions used in the Act.

Section 10 (§ 181.725) Intergovernmental misclassification enforcement and education partnership. Creates the Intergovernmental Misclassification Enforcement and Education Partnership, composed of the commissioners of labor and industry, revenue, employment and economic development, and commerce, and the attorney general. Exempts the partnership from the Open Meeting Law under chapter 13D. Requires the partnership to meet quarterly on issues related to investigation and outreach on employee misclassification. Authorizes the commissioner to convene additional meetings until July 31, 2025, regarding a presentation the partnership is required to make to the legislature in 2025. Sets out the partnership's duties, including efforts related to education, outreach, detection, investigation, deterrence, and enforcement of employee misclassification. Requires an annual presentation to the legislature on the partnership's efforts. Requires a presentation by the partnership to the legislature by March 1, 2025, on specified topics including staffing recommendations, industry data on misclassifications, recommendations for enforcement, a proposal for cross referrals, and certain other information, including a budget request. Specifies information and recommendations to be included in the partnership's first presentation to the legislature and allows for meetings for this purpose. This section is effective the day after final enactment and expires July 31, 2025.

Section 11 (§ 270B.14) Disclosure to Department of Commerce. Allows the commissioner of revenue to disclose certain tax return information to the commissioner of commerce as needed for the purposes of workers' compensation insurance compliance.

Section 12 (§ 270B.14) Disclosure to attorney general. Allows the commissioner of revenue to disclose a tax return or return information to the attorney general in order to determine whether a business is an employer or for enforcement purposes.

Section 13 (§ 326B.081) Applicable law. Expands the scope of law enforced by the DLI commissioner with respect to construction codes and licensing to include violations of wage protections and worker misclassification laws.

Section 14 (§ 326B.081) Licensing order. Amends a cross-reference regarding licensing orders.

Section 15 (§ 326B.081) Stop work order. Modifies the definition to reflect renaming as a "stop work order" instead of the current term "stop order."

Section 16 (§ 326B.082) Remedies available. Provides that the DLI commissioner's enforcement remedies for violations of construction codes and licensing laws may be used in addition to or as

an alternative to other investigative and enforcement powers.

Section 17 (§ 326B.082) Access to information and property; subpoenas. Allows the DLI commissioner, in connection with actions to enforce the construction code and construction licensing laws, to demand data and information and to access all areas of a property subject to investigation or enforcement action.

Section 18 (§ 326B.082) Fax or email transmission. Allows for requests for reconsideration or a hearing on enforcement actions to be emailed to the DLI commissioner when the commissioner requests service by email.

Section 19 (§ 326B.082) Notice of violation. Allows for the DLI commissioner to issue notices of violation, in connection with a construction code or licensing enforcement action, to any individual who could be held liable for misclassification of a construction employee under the changes proposed in section 8 and makes the notice effective against any successor person.

Section 20 (§ 326B.082) Administrative orders; correction; assessment of monetary penalties. Allows the DLI commissioner to assess monetary damages for violations of construction code and licensing provisions; to issue administrative orders for failure to correct notices of violation; to seek an order finding a failure to correct a notice of violation to be contempt of court; and to issue an administrative order against any person who could be held liable for misclassification of a construction employee under the changes proposed.

Section 21 (§ 326B.082) Stop work orders. Expands list of persons against whom the commissioner of labor and industry can issue stop work orders. Expands the list of conduct that can give rise to a stop work order to include failure to correct notices of violations. Allows a request for a hearing on a stop work order to be served by email. Allows for assessment of a \$5,000 per day penalty for violating a stop work order. Entitles employees of an entity subject to a final stop work order to receive up to ten days pay. Classifies the data in a stop work order as public data. This section is effective March 1, 2025.

Section 22 (§ 326B.082) Licensing orders; ground; reapplication. Allows the DLI commissioner to deny a construction license to a person who violated Minnesota labor laws, who violated orders from the DLI commissioner or other state commissioners, or who failed to comply with a commissioner's investigation. This section is effective July 1, 2024.

Section 23 (§ 326B.082) Summary suspension. Allows summary suspension of a person's permit, license, registration, or certificate for engaging in prohibited activities related to independent contractor status. This section is effective July 1, 2024.

**Section 24 (§ 326B.082) Additional penalties and damages.** Allows an additional \$1,000 penalty for any person who delays or obstructs an investigation. This section is effective July 1, 2024.

Section 25 (§ 326B.701) Construction contractor registration. Modifies definitions. Requires applications to register as a contractor to include information on the number of employees the person has, the identities of all persons with an interest in the business entity, documentation of the person's compliance with worker's compensation and unemployment insurance laws for employees, and information on any violations issued to the person or other persons with an interest in the business entity by the commission in the preceding 10 years. Specifies that each day of performing construction without proper registration is a separate violation. Allows investigation

and enforcement. Allows the DLI commissioner to use otherwise private application data for investigatory and enforcement purposes. This section is effective July 1, 2024.

## **ARTICLE 11 – EARNED SICK AND SAFE TIME MODIFICATIONS**

**Section 1 (Compliance order)** provides a cross-reference to the ESST enforcement law within the statute giving the commissioner of labor and industry enforcement authority over various statutes.

Section 2 (Remedies) provides rulemaking authority to the commissioner to carry out the purposes of the ESST law.

**Section 3 (Remedies)** provides remedies available as enforcement against an employer that does not follow the ESST law requirements. Sets damages as the full amount of ESST time that was not provided or allowed to be used, plus an amount equal to that amount as liquidated damages.

Section 4 (Required statement of earnings by employer; notice to employee) removes certain requirements related to ESST from being provided on employee earnings statements (pay stubs). These requirements are addressed in section 12.

Section 5 (Earned sick and safe time) clarifies that ESST will be paid at the employee's base rate.

Section 6 (Base rate) provides a definition of "base rate."

Section 7 (Employee) clarifies that an employee, for purposes of accruing ESST, is an individual who is anticipated by an employer to work for at least 80 hours for that employer in a year. Eliminates the exemption for individuals employed by an air carrier as a flight deck or cabin crew member. Adds exemptions for paid on-call firefighters and individuals employed by a farm if the farm employs five or fewer employees or the individual is employed by the farm for 28 days or less each year.

Section 8 (Accrual of earned sick and safe time) makes a language clarification to refer to a "base rate" for the purposes of accruing ESST.

Section 9 (Eligible use) allows an employee to use ESST for bereavement purposes to make arrangements for or attend a funeral or memorial, or address financial or legal matters following the death of a family member.

**Section 10 (Documentation)** clarifies the time period for requiring documentation from an employee for use of ESST three scheduled workdays. Allows an employee to provide a written statement as reasonable documentation for use of ESST.

Section 11 (Increment of time used) allows ESST to be used in the same increment of time as an employee is paid. An employer is not required to allow leave increments of less than 15 minutes and cannot require an employee to use leave increments of more than 4 hours.

Section 12 (Employer records and required statement to employees) provides requirements for providing information to employees regarding their use and accumulation of ESST. Requires employers to retain ESST records for three years and specifies availability of inspection by the commissioner.

**Section 13 (Confidentiality and nondisclosure)** clarifies that an employer's ability to retain or destroy ESST medical records is subject to any applicable state or federal law, rule, or regulation.

Section 14 (Weather event exception) precludes use of ESST for certain public safety employees during a public emergency or weather event.

**Section 15 (Effect on more generous sick and safe time policies)** clarifies how ESST interacts with short-term and long-term disability benefits. Clarifies that if an employer provides employees with paid time off (PTO) or other paid leave that is more than the amount required under the ESST law for absences due to personal illness or injury, the additional PTO must meet the same requirements as the ESST hours, other than the ESST accrual requirements. Allows employers to be able to apply their notice and documentation requirements that were in effect as of Dec. 31, 2023 when employees use PTO accrued on or before that date. However, employers cannot require employees to use PTO accrued on or after January 1, 2024, before using PTO accrued before that date. This provision is effective January 1, 2025.

Adds a waiver for an individual provider providing services to a family member under consumer support grants, consumer-directed community supports, or community first services and supports. A participant/service recipient under these programs has an annual budget that they manage to purchase their services and supports for the year. If the individual provider waives the requirements of ESST under this section, then the money that would have been used for ESST payments must be returned to the participant's budget. The individual provider cannot opt back into earning ESST again until the participant's next service plan year.

Section 16 (Termination; separation; transfer) clarifies that if an employee is rehired within 180 days of a separation, ESST that has not otherwise been paid out to an employee upon that separation must be reinstated.

Section 17 (Employer succession) clarifies treatment of ESST for employees when there is an employer succession of a business.

## **ARTICLE 12 – UNIVERSITY OF MINNESOTA COLLECTIVE BARGAINING**

Section 1 (Units; 179A.11, subd. 1) modifies the list of bargaining units for employees of the University of Minnesota by:

- Eliminating a requirement that supervisory employees be assigned to a specific unit.
- Eliminates a preclusion on additional units beyond those listed in statute
- Changes the verb specifying each unit from "consists" to "includes."
- Eliminates the Twin Cities Instructional Unit that consisted of all instructional employees on the Twin Cities campus with a rank of professor, associate professor, assistance professor, including research associate or instructor and research fellow.
- Changes a campus from Waseca to Rochester in the Outstate Instructional Unit.
- Allows a majority verification procedure to be an additional optional process for certain instructional employees to determine whether to be included in the Outstate Instructional Unit; current law requires an election.
- Deletes a provision that authorized units 8 and 9 to negotiate a contract jointly with the regents to be ratified by both units. Authorization for units to bargain jointly is established in section 4 of the bill for all units.

- Defines "instructional employee" as an employee who spends 35 percent or more work time creating, delivering, and assessing the mastery of credit-bearing coursework.
- Adds certain students to the Graduate Assistant Unit. Excludes professionals-intraining from the Graduate Assistant Unit
- Eliminates the Academic Professional and Administrative Staff Unit
- Eliminates the Noninstructional Professional Unit
- Eliminates the Supervisory Employees Unit

Section 2 allows all employees of the University of Minnesota to organize into units determined by the commissioner of the Bureau of Mediation Services (BMS) based on certain factors, even if their positions are not within a specified employee bargaining unit, and the commissioner of BMS must give special weight to the desires of the petitioning employee representatives.

Section 2 (University of Minnesota employee severance; 179A.11, subd. 2) creates a right for a group of university employees to separate from the instructional and supervisory units when the group is excluded from a proposed unit in a representation petition.

Section 3 (Joint bargaining; 179A.11, subd. 3) allows all units organized under this section that are represented by an exclusive bargaining representative to negotiate jointly for a contract. If the contract is negotiated jointly, it must be ratified by each unit.

## ARTICLE 13 – BROADBAND AND PIPELINE SAFETY

Section 1. Awarding grants (116J.395) Establishes "workforce best practices" for the broadband border-to-border program, including either payment of prevailing wages or receipt of annual skills training and provision of certain employer-paid benefits. Provides that the commissioner of DEED shall endeavor to award 50 percent of the border-to-border broadband grants to applicants that agree to implementing the workforce best practices.

Section 2. Workforce plan data (116J.395) Requires grantees that serve more than 10,000 broadband customers to provide in annual reports information on the workforce performing installation work funded through the grant.

Section 3. Failure to meet requirements or falsification of data (116J.395) Requires the DEED commissioner to investigate the failure to meet workforce best practices grant requirements and issue an appropriate action.

**Section 4. Telecommunications and cable communications systems. (216B.17)** Provides the Public Utilities Commission with authority to investigate conduct by a telecommunications carrier, telephone company, or cable communications system provider that damages or interferes with the function of public utility or cooperative electric association's infrastructure. Allows the PUC to take legal action against a provider under Chapter 216B, if damage or interference is found.

Section 5. Underground telecommunications infrastructure (326B.198) requires use of safetyqualified underground telecommunications installers when underground telecommunications infrastructure is installed within ten feet of underground utilities. Requires the commissioner of the Department of Labor and Industry to develop standards for a safety-qualified underground telecommunications installer program.

## **ARTICLE 14 – HOUSING APPROPRIATIONS**

See the 2024 Supplemental Budget spreadsheet for information on appropriations.

## **ARTICLE 15 – HOUSING POLICY**

Section 1 (82.75, subdivision 8; Accrued interest) removes the requirement for the Minnesota Housing Finance Agency (MHFA) to report annually to the legislature on the amount of funds deposited in the housing trust fund account.

Section 2 (383B.145, subdivision 5; Set-aside contracts) modifies provisions allowing Hennepin County to set aside a portion of its contracts for entities employing persons who would be eligible for public assistance or rehabilitative services without the employment so that employers providing construction services are eligible if they employ as many of those persons as is practicable. Previously, 50 percent of the employees needed to meet those criteria.

Section 3 (462A.02, subdivision 10; Energy conservation, decarbonization, and climate resilience) amends a subdivision in the policy section to articulate that a goal of MHFA is to encourage clean energy, climate resilience, greenhouse gas emissions reductions, and decarbonization, in addition to energy conservation.

Section 4 (462A.05, subdivision 14; Rehabilitation loans) makes conforming changes related to the expanded energy policy in the rehabilitation loans subdivision of the MHFA powers section.

Section 5 (462A.05, subdivision 14a; Rehabilitation loans; existing owner-occupied residential housing) makes conforming changes related to the expanded energy policy in the existing owner-occupied residential housing rehabilitation loans subdivision of the MHFA powers section.

Section 6 (462A.05, subdivision 14b; Energy conservation, decarbonization, and climate resiliency loans) makes conforming changes related to the expanded energy policy and renames the subdivision of the MHFA powers section to be energy decarbonization and climate resiliency loans.

Section 7 (462A.05, subdivision 15; Rehabilitation grants) makes conforming changes related to the expanded energy policy in the rehabilitation grants subdivision of the MHFA powers section.

Section 8 (462A.05, subdivision 15b; Energy conservation, decarbonization, and climate resiliency grants) makes conforming changes related to the expanded energy policy and renames the subdivision of the MHFA powers section to be energy decarbonization and climate resiliency grants.

Section 9 (462A.05, subdivision 21; Rental property loans) makes conforming changes related to the expanded energy policy in the rental property loans subdivision of the MHFA powers section.

Section 10 (462A.05, subdivision 23; Insuring financial institution loans) makes conforming

changes related to the expanded energy policy in the insuring financial institution loans subdivision of the MHFA powers section.

Section 11 (462A.05, subdivision 45; Indian Tribes) makes a technical change referring to MHFA in the subdivision relating to the eligibility of Indian Tribes.

Section 12 (462A.0; Rent and income limits) adds a new subdivision to the section relating to additional powers and duties of the agency to allow MHFA to adjust income or rent limits for multifamily housing to align with federal rent or income limits. These adjustments are exempt from rulemaking requirements.

Section 13 (462A.07; Report to the legislature) adds a new subdivision to the section relating to additional powers and duties of the agency to require MHFA to report annually on funding requests, awards, and the number of housing units constructed and renovated.

Section 14 (462A.07; Eligibility for agency programs) adds a new subdivision to the section relating to additional powers and duties of the agency to allow MHFA to determine if a household meets rent or income requirements if a household receives public assistance benefits.

Section 15 (462A.21, subdivision 7; Energy efficiency loans) makes conforming changes related to the expanded energy policy in the energy efficiency loans subdivision of the housing development fund section.

Section 16 (462A.22, subdivision 1; Agency debt capacity) raises the debt capacity for the bond fund to \$9,000,000,000.

Section 17 (462A.35, subdivision 2; Expending funds) removes the commissioner of management and budget from the expending funds subdivision of the Minnesota manufactured home relocation trust fund and inserts the commissioner of MHFA.

Section 18 (462A.37, subdivision 2; Authorization) modifies allowable uses of the housing infrastructure bond program to expand uses on foreclosed and abandoned housing to include rehabilitating the properties for affordable homeownership, to reduce the fraction of housing units required to be operated as supporting housing units for a building to qualify for assistance as supportive housing, to allow use of bond proceeds on cooperatively owned housing, and to specify that where accessible units are required, at least one of the accessible units must have a roll-in shower, water closet, and kitchen work surface that meets accessibility standards.

Section 19 (462A.37; <u>Additional authorization</u>) adds a subdivision to the housing infrastructure bonds section authorizing an additional authorization of up to \$50 million.

Section 20 (462A.37, subdivision 5; Additional appropriation) adds a paragraph to the additional appropriation subdivision of the housing infrastructure bonds section allowing the transfer of funds to the housing infrastructure bonds account.

Section 21 (462A.38, subdivision 2; Use of funds) expands eligible uses of grants and loans awarded under the Workforce and Affordable Homeownership Development Program to include affordability gap.

Section 22 (462A.39, subdivision 2; Definitions) amends the eligible project area definition for the workforce housing development program by eliminating the population requirements.

**Section 23 (462A.395; Greater Minnesota Housing Infrastructure Grant Program)** modifies the Greater Minnesota Housing Infrastructure Grant Program to allow grants to be made to counties and expands eligible projects to include manufactured home development projects. The maximum allowable grant award per lot for one to four home developments increases to \$40,000, and the maximum allowable grant award per manufactured housing lot is \$60,000. A county or city may receive a maximum of \$500,000 in two years under this program, except that the \$500,000 limitation would not apply to manufactured housing developments.

Section 24 (462A.40, subdivision 2) amends the use of funds subdivision in the Minnesota housing tax credit contribution account to eliminate the requirements for MHFA to set aside certain percentages for specific project types.

Section 25 (462A.40, subdivision 3; Eligible recipients; definitions; restrictions; use of funds) amends the eligible recipients subdivision in the Minnesota housing tax credit contribution account to disqualify individuals who have immediate family members who contributed to the account or own the housing that would be purchased.

Section 26 (473.145; Development guide) provides that no decision adopting or authorizing a comprehensive plan is subject to the requirements of Chapter 116D, the environmental policy chapter and clarifies that individual projects are not exempted from the requirements of chapter 116D and applicable rules. This section is effective the day following final enactment and applies to all comprehensive plans and amendments adopted by any local governmental unit and authorized by the Metropolitan Council during the most recent decennial review in the seven-county metropolitan area.

Sections 27 to 36 modify Chapter 477A: Local Government Aid. Section 24 (462A.40, subdivision 2; Use of funds; grant and loan program) amends the use of funds subdivision in the Minnesota housing tax credit contribution account to eliminate the requirements for MHFA to set aside certain percentages for specific project types.

Section 27 (477A.35, subdivision 2; Definitions) adds a definition of "locally funded housing expenditures" to the local affordable housing aid program to include use of unrestricted local government money on a wide variety of housing-related expenditures and is effective beginning with aids payable in 2024.

Section 28 (477A.35, subdivision 4; Qualifying projects) adds the funding of operations and supportive services to the list of projects that local affordable housing aid may be used for, including costs of operating emergency shelter, transitional housing, supportive housing, or publicly owned housing. It also requires that when funds are used for new construction of a multifamily residential building, the accessible units are required to include at least one roll-in shower, water closet, and kitchen work surface that meets accessibility standards. This section is effective beginning with aids payable in 2024.

Section 29 (477A.35, subdivision 5; Use of proceeds) deems funds committed to a project within three years of receipt as spent for the purposes of the three-year spending deadline of the local affordable housing aid, provided that the funds are expended in the following year. This section is effective beginning with aids payable in 2024.

Section 30 (477A.35; Conditions for receipt) requires that local affordable housing aid recipients commit to using money to supplement, not supplant, their locally funded housing budgets and that recipients report on expenditures. This section is effective beginning with aids payable in 2024.

Section 31 (477A.35, subdivision 6; Administration) requires MHFA to notify the Department of Revenue if a local affordable housing aid recipient fails to report on expenditures and allows MHFA to require the return of funds to MHFA if reporting requirements are not met. The section also requires the Department of Revenue to halt giving funds to a recipient upon request and is effective beginning with aids payable in 2025.

Section 32 (477A.36, subdivision 1; Definitions) adds a definition of "locally funded housing expenditures" to the statewide local housing aid program to include the use of unrestricted local government money on a wide variety of housing-related expenditures.

Section 33 (477A.36, subdivision 4; Qualifying projects) adds the funding of operations and supportive services to the list of projects that statewide local housing aid may be spent on, including the costs of operating emergency shelter, transitional housing, supportive housing, or publicly owned housing. It also requires that when funds are used for new construction of a multifamily residential building, the accessible units are required to include at least one roll-in shower, water closet, and kitchen work surface that meets accessibility standards. This section is effective beginning with aids payable in 2024.

Section 34 (477A.36, subdivision 5; Use of proceeds) deems funds committed to a project within three years of receipt as spent for the purposes of the three-year spending deadline of the local affordable housing aid, provided that the funds are expended in the following year. This section is effective beginning with aids payable in 2024.

Section 35 (477A.36; Conditions for receipt) requires that local affordable housing aid recipients commit to using money to supplement, not supplant, their locally funded housing budgets and that recipients report on expenditures. This section is effective beginning with aids payable in 2024.

Section 36 (477A.36, subdivision 6; Administration) requires MHFA to notify the Department of Revenue if a local affordable housing aid recipient fails to report on expenditures and allows MHFA to require the return of funds to MHFA if reporting requirements are not met. The section also requires the Department of Revenue to halt giving funds to a recipient upon request and is effective beginning with aids payable in 2025.

Section 37 (Laws 2023, chapter 37, article 1, section 2, subdivision 32; Northland Foundation) amends the appropriation for the Northland Foundation to allow the funds to be used to assist and support communities in providing housing locally.

Section 38 (Laws 2023, chapter 37, article 2, section 6, subdivision 1; Establishment) modifies the community stabilization program to add recapitalization of distressed buildings as one of the purposes of the program.

Section 39 (Laws 2023, chapter 37, article 2, section 6, subdivision 2; Definitions) modifies the community stabilization program to add definitions of "recapitalization" and "distressed building," and modifies the definition of "naturally occurring affordable housing."

Section 40 (Laws 2023, chapter 37, article 2, section 6, subdivision 4; Eligible uses) expands eligible uses of the community stabilization program funding to include converting single family rentals to owner occupied homes and recapitalization of distressed buildings. The section also provides priorities for requests for recapitalization of distressed buildings.

Section 41 (Laws 2023, chapter 37, article 2, section 6, subdivision 5; <u>Single-family</u> housing income limits) applies income limitations of the community stabilization program previously applying to owner-occupied housing to single-family housing.

Section 42 (Laws 2023, chapter 37, article 2, section 6; <u>Private lender participation</u>) modifies the community stabilization program to require that recipients of funding for recapitalization must demonstrate receipt of a meaningful amount of funding for recapitalization from a private lender prior to receiving funds from MHFA.

Section 43 (Laws 2023, chapter 37, article 2, section 6; Report) requires MHFA to report on the community stabilization program to the legislature by February 15 in 2025 and 2026.

Section 44 (Laws 2023, chapter 37, article 2, section 12, subdivision 2; Eligible homebuyer) amends the fee-based home purchase financing pilot project with Neighborworks by eliminating the requirement for an eligible homebuyer to live in a census tract with a high rate of rental housing.

Section 45 (Laws 2023, chapter 52, article 19, section 120; Effective date) amends the effective date for mandatory expungement of certain eviction cases to apply to cases filed before, on or after January 1, 2024.

Section 46 (Single-egress stairway apartment building report) requires the commissioner of labor and industry to evaluate conditions under which apartment buildings above three stories up to 75 feet could safely have a single means of egress and to report to the legislature on findings and recommendations by December 31, 2025.

Section 47 (Locally funded housing expenditure report) requires the commissioner of MHFA to report to the legislature by February 15, 2027, on the reports required under sections 30 and 35 and of this article that the agency receives from locally funded housing aid recipients regarding expenditures.

Section 48 (Working group on common interest communities and homeowner associations) establishes a working group on common interest communities and homeowners associations, lists the duties and membership of the group, requires the Legislative Coordinating Commission to facilitate the meetings, and requires the group to consult with external experts and report to the legislature on the group's recommendations by February 1, 2025.

**Section 49 (Task force on long-term sustainability of affordable housing)** establishes a task force on the long-term sustainability of affordable housing, lists the membership and duties of the task force, requires the Legislative Coordinating Commission to ensure the first meeting occurs no later than July 1, 2024, and requires the task force to submit a report to the legislature by February 1, 2025, summarizing the findings and recommendations of the task force.

Section 50 (Report on Section 42 Senior Rental Housing) requires the commissioner of MHFA to evaluate the financial impacts of low-income rental housing tax programs and report to the legislature by January 15, 2025, on the findings.

Section 51 (Comprehensive plans; metropolitan area cities of the first class) provides that comprehensive plans adopted by cities of the first class in the metropolitan area and authorized by the Metropolitan Council for the most recent decennial review do not constitute conduct that causes or is likely to cause pollution, impairment, or destruction as defined under the Minnesota Environmental Rights Act. This section is effective the day following final enactment and only applies in the seven-county metropolitan area.

Section 52 (Contingent fee payments) allows an attorney or financial advisor participating in conduit financing through a local unit of government to be paid on a contingent fee basis. This section is effective the day following enactment and expires June 1, 2025.

Section 53 (Revisor Instruction) is a revisor instruction that moves a subdivision to a more logical section in the statutes.

**Section 54 (Repealer)** repeals the reporting requirements for the Homeownership Education, Counseling, and Training Program effective the day following enactment, and repeals the purpose statement for the local affordable housing aid program with aids payable in 2024.

## **ARTICLE 16 – EXPEDITING RENTAL ASSISTANCE**

Section 1 (Annual projection of emergency rental assistance needs) requires MHFA to develop an annual projection of the need for rental assistance and to report on the need to the legislature by January 15 each year.

Section 2 (Expediting rental assistance; implementation) defines "culturally responsive" and "trauma-informed" and requires MHFA to ensure the work required in this article is both culturally responsive and trauma-informed.

Section 3 (Data collection to measure timeliness of rental assistance) requires MHFA to work with the Department of Human Services to develop criteria for measuring the timeliness of processing rental assistance applications, collect data on application processing speeds for the Family Homelessness Prevention and Assistance program, and report to the legislature by January 15, 2027, about whether application processing goals have been met.

**Section 4 (E-signature procedures for rental assistance)** requires MHFA to develop uniform e-signature options for the Family Homelessness Prevention and Assistance program.

Section 5 (Verification procedures for rental assistance) requires MHFA to develop recommendations to simplify the process of verifying information for Family Homelessness Prevention and Assistance program applications, adopt the recommendations, provide assistance to administrators to implement the recommendations, and report to the legislature by January 13, 2025, with the proposed recommendations and July 7, 2025, detailing adopted recommendations.

#### **ARTICLE 17 – TRANSPORTATION NETWORK COMPANIES**

Article 17 regulates transportation network companies with regard to insurance, pay transparency, minimum compensation, deactivation procedures, enforcement, and other provisions affecting transportation network companies and transportation network company drivers.

Section 1. Transportation network financial responsibility. (65B.472) Subdivision 1 provides new definitions for terms used in this section. Terms include "disability and income loss benefits;" "P1," "P2," and "P3;" "funeral and burial expenses," "medical expense benefits," "personal injury," "replacement services loss benefits," "survivors economic loss benefits," and "survivors replacement services loss benefits."

**Subdivision 2** clarifies the driver time periods during which automobile insurance requirements apply and who is responsible for maintaining coverage for those time periods. Requires a TNC to provide, at no cost to a TNC driver, insurance that provides reimbursement for loss suffered through personal injury arising from the driver's work for the TNC not covered by auto coverage of \$1,000,000 per incident due to personal injury, including medical expense benefits, disability and income loss benefits, funeral and burial expenses, replacement services loss benefits, survivor's economic loss benefits, and survivor's replacement services loss benefits. Allows an insurer authorized to write accident and sickness insurance in Minnesota to issue a blanket accident and sickness policy with required provisions as described.

**Subdivisions 3 and 4** make conforming changes to reference the additional coverage provided and covered driver time periods.

Provides an effective date of January 1, 2025 for section 1.

Section 2. Definitions. (181C.01) Defines terms used in this section including "deactivation," "digital network," "driver time periods," "personal vehicle," "transportation network company," "transportation network company driver" and "transportation network company rider."

Section 3. Notice and pay transparency. (181C.02) Subdivision 1 specifies the compensation notice information a TNC must provide a driver including: the right to legally required minimum compensation; the frequency and manner of a driver's pay; the rights and remedies available to a driver for a TNC's failure to comply minimum compensation requirements; and the driver's right to elect coverage of paid family and medical leave benefits provided under law. Requires the notice to be provided annually in the languages specified. Requires the TNC to provide 48-hour notice to a driver of any changes to compensation before it takes effect.

Subdivision 2 requires a TNC to make a ride offer available for sufficient time and with information estimating the travel time and compensation when alerting a driver of assignments.

**Subdivision 3** requires a TNC to provide drivers with a detailed electronic receipt with information on the date, pickup and dropoff locations, mileage, fare or fee, and total compensation to the driver for each unique trip or portion of a unique trip within 24 hours of each trip completion.

**Subdivision 4** requires a TNC to provide a weekly summary to drivers containing information on total in-application time logged, total time and mileage for trip segments, total fares or fees paid by riders, and total compensation to the driving including tips.

**Subdivision 5** requires a TNC to maintain trip receipts and weekly summary records for three years.

Section 3 is effective December 1, 2024.

**Section 4. Minimum compensation. (181C.03)** Provides the minimum compensation amounts to be paid by a TNC to a driver for each trip on a per mile (\$1.28), per minute (\$0.31) basis, additional amounts for mobility aid access (\$0.91 per mile) or as a cancellation fee, and a minimum fee of \$5.00 for any transport of a rider.

Requires a TNC to pay a driver over a reasonable period not to exceed 14 calendar days. Specifies that gratuities are the property of the driver and not part of minimum compensation. Requires a TNC to compare earnings against minimum compensation and account for any difference to the driver. Requires payment of a driver regardless of whether the TNC actually collects the fares or fees for a trip. Requires minimum compensation to be adjusted annually using the same process as the statewide minimum wage. **Section 4** is effective December 1, 2024.

Section 5. Deactivation. (181C.04) Subdivision 1 requires a TNC to have a written plain-language policy for the blocking, suspension, or ending of a driver's ability to receive connection to riders from the TNC. Requires the policy and any updates to be available to drivers at least 48 hours before the policy goes into effect and to be provided in the additional languages specified.

**Subdivision 2** prohibits a TNC from deactivating a driver for a violation that is not reasonably understood as a part of the written policy; a driver's ability to work a minimum number of hours; acceptance or rejection of a ride; a driver's good faith statement about compensation or working conditions; or asserting legal rights under the law.

**Subdivision 3** requires a TNC to provide a written notice of deactivation to a driver at the time of deactivation or for serious misconduct notice written three business days before deactivation. Requires the notice to provide the reason for deactivation, anticipated length, effective date, steps

for the driver to take to reverse a deactivation, instructions to challenge the deactivation and the appeals process, and information on how to contact a driver advocacy group for assistance.

**Subdivision 4** requires a TNC to contract with a driver advocacy organization to provide services to drivers a no cost including: assistance with deactivation appeals, education, and related legal assistance. Specifies that a driver advocacy group must be an independent organization operating without control or influence from the TNC.

**Subdivision 5** provides an appeal process for deactivations. Requires a deactivation policy to provide a driver at least 30 days to appeal a deactivation. Requires a decision on an appeal within 15 days of receipt of the appeal. Requires the TNC to consider information provided by a driver. Provides evidentiary standards for upholding a deactivation. Specifies that the

appeal process does not apply to deactivations for economic reasons or during a public emergency. Requires reasonable compensation not to exceed 21 days to a driver that was deactivated due to a technical issue not caused by the driver.

**Subdivision 6** allows a driver deactivated after January 1, 2021, but before November 1, 2024, to request an appeal of a deactivation if the appeal is made within 90 days of enactment. Allows a TNC to take up to 90 days to issue a final decision.

Provides an effective date of December 1, 2024, for Section 5 except as provided for subdivision 6 (prior deactivations).

**Section 6. Enforcement. (181C.05)** Allows the DLI commissioner to issue compliance orders for violations. Prohibits retaliation or discipline by a TNC against a driver for raising a complaint or pursuing enactment or enforcement of the TNC law.

**Section 7. Discrimination prohibited. (181C.06)** Prohibits a TNC from discriminating against drivers or qualified applicants due to race, national origin, color, creed, religion, sex, disability, sexual orientation, marital status, or gender identity. Entitles a driver injured by a violation of this section to access the remedies provided under sections 363A.28 to 363A.35 (Human Rights).

Section 8. Collective bargaining; employment status. (181C.07) Specifies that this chapter does not prohibit collective bargaining or shall be construed to determine whether a TNC driver is an employee.

**Section 9. Arbitration; requirements. (181C.08)** Allows a driver to opt out of arbitration with a TNC. Makes Minnesota the venue and chapter 181C the governing law in an arbitration. Allows a driver to appear by electronic means. Requires joint selection of arbitrators as specified.

Section 10. Revocation of license. (181C.09) Allows a local unit of government to refuse to issue or revoke a license and right to operate issued to a TNC for a TNC's failure to comply with this chapter.

**Section 11. Statewide regulations.** Prohibits local governments from enacting or enforcing any ordinance, local law, or regulation that regulates TNCs on any matter addressed in section 65B.472 or Chapter 181C or requires provision of data related to section 5B.472 or Chapter 181C.

**Section 12. Appropriation.** Appropriates money to the Department of Labor and Industry for fiscal year 2025 and beyond for the purposes of enforcement, education, and outreach related to the sections specified in Chapter 181C.

## **ARTICLE 18 – TRANSFER CARE SPECIALISTS**

**Section 1 (amends Minn. Stat. § 149A.01, subd. 3; Exceptions to licensure)** Section 7 of this bill creates a new category of registration for a "transfer care specialist." That section (which adds Minn. Stat. § 149A.47) provides that "a transfer care specialist may remove a dead human body from the place of death under the direct supervision of a licensed mortician." This section 1 of the bill provides that nothing in chapter 149A (which relates to "Mortuary science; disposition of dead bodies") requires such transfer care specialists to be licensed if they are registered with the commissioner and

act under the supervision of a person holding a current license to practice mortuary science in Minnesota.

Section 2 (amends Minn. Stat. § 149A.02, subd. 13a; Direct supervision) This section expands the definition of "supervision" of transfer care specialists (along with certain other supervisees addressed in this section of law) to include supervision by telephone.

Section 3 (adds Minn. Stat. § 149A.02, subd. 37d; Transfer care specialist) This section defines "transfer care specialist."

Section 4 (amends Minn. Stat. § 149A.03; Duties of Commissioner) This section adds registration of transfer care specialists, and related administrative processes, to the list of duties of the commissioner of health under chapter 149A.

Section 5 (amends Minn. Stat. § 149A.09; Denial; refusal to reissue; revocation; suspension; limitation of license, registration, or permit) This section permits the Minnesota Department of Health to deny, refuse to renew, revoke, or suspend a transfer care specialist registration under circumstances enumerated in this section of law (*e.g.*, submitting misleading material to the department, violating a rule regulating the final disposition of dead human bodies, or being convicted of a crime). Permits the department to place reasonable limitations on the right to perform transfer care specialist activities, and to restore an impaired registration.

Section 6 (amends Minn. Stat. § 149A.11; Publication of disciplinary actions) Section 149A.11 currently requires the commissioner of health to publish an annual description of all disciplinary measures taken by the department. This section includes disciplinary actions taken against transfer care specialists in the annual publication.

## Section 7 (adds Minn. Stat. § 149A.47; Transfer care specialist)

<u>Subd. 1</u>. This subdivision creates a new category of registration for a "transfer care specialist." It further provides that a transfer care specialist may remove a dead human body from the place of death under the direct supervision of a licensed mortician, and prohibits a transfer care specialist from otherwise engaging in the practice of mortuary science.

<u>Subd. 2</u>. This subdivision provides the eligibility criteria for registration as a transfer care specialist, including but not limited to, completion of an application, contact information for the supervising licensed mortician, proof of completion of a training program, and payment of a fee.

<u>Subd.</u> 3. This subdivision specifies the duties of a transfer care specialist, including compliance with the universal precaution requirements in section 149A.91, subdivision 1, when handling a dead human body (*i.e.*, to "use universal precautions and otherwise exercise all reasonable precautions to minimize the risk of transmitting any communicable disease from the body") and supervision by a licensed mortician.

<u>Subd. 4</u>. This subdivision requires transfer care specialists to complete a training program that has been approved by the commissioner of health, and sets forth the minimum requirements for the program.

<u>Subd. 5</u>. This subdivision requires annual renewal of a transfer care specialist registration.
Section 8 (amends Minn. Stat. § 149A.60; Prohibited conduct) This section permits the department of health to impose disciplinary measures on transfer care specialists for failure to comply with chapter 149A.

Section 9 (amends Minn. Stat. § 149A.61, subd. 4; Licensees, interns, and transfer care specialists) This section permits a transfer care specialist to report personal knowledge of professional conduct violations to the commissioner of health.

Section 10 (amends Minn. Stat. § 149A.61, subd. 5; Courts) This section requires court administrators to report to the commissioner of health any determination of the court that adjudges or includes a finding that a transfer care specialist is mentally ill, mentally incompetent, or guilty of certain laws.

Section 11 (amends Minn. Stat. § 149A.62; Immunity; reporting) This section provides that a transfer care specialist, who, in good faith, reports violations of chapter 149A to the commissioner of health is immune from civil or criminal prosecution. The section clarifies that the specialist remains subject to disciplinary action by the commissioner.

Section 12 (amends Minn. Stat. § 149A.63; Professional cooperation) This section requires a transfer care specialist to fully cooperate with inspections and investigations by the commissioner of health.

Section 13 (amends Minn. Stat. § 149A.65, subd. 2; Mortuary science fees) This section establishes a fee for the initial and renewal registrations of transfer care specialists.

Section 14 (amends Minn. Stat. § 149A.70, subd. 3; Advertising) This section prohibits transfer care specialists from publishing or disseminating false, misleading, or deceptive advertising.

Section 15 (amends Minn. Stat. § 149A.70, subd. 4; Solicitation of business) This section prohibits transfer care specialists from directly or indirectly paying, or causing to be paid, any consideration in exchange for authority to dispose of any dead human body.

Section 16 (amends Minn. Stat. § 149A.70, subd. 5; Unprofessional conduct) This section prohibits transfer care specialists from offering, soliciting, or accepting any reimbursement for recommending or causing a dead human body to be disposed of by a specific entity, facility, or program.

Section 17 (amends Minn. Stat. § 149A.70, subd. 7; Reimbursement prohibited) This section prohibits transfer care specialists from engaging in unprofessional conduct. Unprofessional conduct under this section of law includes, but is not limited to, harassing a customer, using profanity, failing to treat the body of the deceased and members of the deceased's family with dignity and respect, and revealing personally identifiable facts about a decedent.

Section 18 (amends Minn. Stat. § 149A.90, subd. 2; Removal from place of death) This section makes a technical change to include transfer care specialists as a permissible registrant which may remove a dead human body.

Section 19 (amends Minn. Stat. § 149A.90, subd. 4; Certificate of removal) This section requires transfer care specialists to complete a certificate of removal and present a copy of the certificate to

the person with custody of the body at the death site before removing a dead human body from the place of death.

Section 20 (amends Minn. Stat. § 149A.90, subd. 5; Retention of certificate of removal) Requires a transfer care specialist who removes a dead human body to retain a copy of the certificate of removal at the specialist's business address for three calendar years, if the specialist was not employed by the funeral establishment to which the body was taken.

## **ARTICLE 19 – BEHAVIOR ANALYST LICENSURE**

Section 1 (adds Minn. Stat. § 148.9981; Definitions) This section defines terms relating to the practice of applied behavior analysis. Such terms include, but are not limited to, the following: advisory council, board, certifying entity, client, and practice of applied behavior analysis.

Section 2 (adds Minn. Stat. § 148.9982; Duties of the Board of Psychology) This section establishes the duties of the Board of Psychology (the "board") with respect to the practice of applied behavior analysis. Such duties must be conducted in consultation with the Behavior Analyst Advisory Council (the "advisory council"). The duties established in this section include, but are not limited to, the following: adopt licensure standards; carry out disciplinary actions; educate the public; and collect license fees. This section further authorizes the board to adopt necessary rules in consultation with the advisory council.

Section 3 (adds Minn. Stat. § 148.9983; Requirements for Licensure) This section establishes requirements to be licensed as a behavior analyst. Licensure as a behavior analyst requires either: (i) having a current national certification as a board-certified behavior analyst, or (ii) having completed equivalent requirements for certification, including passing a psychometrically valid exam administered by a nationally accredited credentialing organization. Licensure also requires completion of a background check pursuant to section 214.075.

Section 4 (adds Minn. Stat. § 148.9984; License renewal notice) This section establishes requirements for renewal of a behavioral analyst license, including but not limited to, the following: application, renewal fee, and evidence of current qualification. This section further provides that these licenses must be renewed every two years.

Section 5 (adds Minn. Stat. § 148.9985; Expired license) This section requires the board to notify licensees who have not renewed their license within 30 days after the renewal date. It further requires the board to terminate the license of a licensee whose license renewal is at least 60 days overdue and to whom notification has been sent.

Section 6 (adds Minn. Stat. § 148.9986; Prohibited practice or use of titles; penalty) This section prohibits an individual from engaging in the practice of applied behavior analysis, or using related professional titles, without a license. It provides that licensed psychologists are permitted to practice applied behavior analysis and use the title "behavior analyst." Subdivision 3 establishes a misdemeanor penalty for a violation of the section.

Section 7 (adds Minn. Stat. § 148.9987; Exceptions to license requirement) This section establishes exceptions whereby an individual may practice applied behavior analysis without a license. Such exceptions include, but are not limited, the following: practice by a licensed psychologist; practice by an individual employed by a school district as part of their employment;

family members of the recipient of behavior analysis services performing under the authority and direction of a licensee; and certain supervised students and interns.

Section 8 (adds Minn. Stat. § 148.9988; Nontransferability of licenses) This section provides that a behavior analyst license is not transferable.

Section 9 (adds Minn. Stat. § 148.9989; Duty to maintain current information) This section requires all licensees and applicants for licensure to notify the board within 30 days of the occurrence of a change of contact information or a change in any other application information.

Section 10 (adds Minn. Stat. § 148.999; Discipline; reporting) This section subjects behavior analysts to the provisions of certain sections relating to licensed psychologists. These sections include 148.941 (relating to "Disciplinary action; investigation; penalty for violation"), 148.952 (relating to "Immunity"), 148.96 (relating to "Presentation to public"), 148.965 (relating to "Test security"), and 148.98 (relating to "Rules of conduct").

Section 11 (adds Minn. Stat. § 148.9991; Competent provision of services) This section requires behavior analysts to limit their practice to those populations and services for which the analysts are competent or developing competence. It further requires a behavior analyst to obtain professional assistance when developing competence, and to inform the client of other professional resources available when the needs of a client appear to be outside the analyst's scope of practice.

Section 12 (adds Minn. Stat. § 148.9992; Duty to warn; limitation on liability; violent behavior of patient) This section clarifies that a duty to predict, warn of, or take reasonable precautions to provide protection from violent behavior arises only when a client or other person has communicated to the licensee a specific, serious threat of physical violence against a specific, clearly identified or identifiable potential victim. It provides that a licensee discharges the duty to warn if reasonable efforts are made to communicate the threat. This section further provides that good faith compliance with the duty to warn is not a breach of confidence, and that a licensee cannot be subject to disciplinary action or monetary liability for disclosure of confidences to third parties, for failure to disclose confidences to third parties, or for erroneous disclosure of confidences to third parties in a good faith effort to warn against or take precautions against a client's violent behavior or threat of suicide for which a duty to warn does not arise. Subdivision 6 provides for an exception from the section where there is a threat to commit suicide or other threats by a client to harm the client, or to a threat by a client who is adjudicated as a person who has a mental illness and is dangerous to the public under chapter 253B.

Section 13 (adds Minn. Stat. § 148.9993; Informed Consent) This section requires a behavior analyst to obtain written informed consent before initiating services. It establishes requirements for the informed consent, including but not limited to, the following: goals for the services; applicable fee schedule for the services; significant risks and benefits of the services; and the behavior analyst's responsibilities upon termination of the services. This section further requires updates to the informed consent upon a change in the nature or purpose of a service, and exempts emergency and crisis services from the informed consent requirements.

Section 14 (adds Minn. Stat. § 148.9994; Behavior Analyst Advisory Council) This section creates the Behavior Analyst Advisory Council. The advisory council is composed of five members appointed by the board as follows: one public member as defined in section 214.02; three members who are licensed behavior analysts; and one member who is a licensed psychologist and, to the extent practicable, who practices applied behavior analysis. This section establishes the advisory council's

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duties, which include, but are not limited to, the following: advising the board regarding standards for licensees; assisting with the distribution of related information; reviewing license applications; and reviewing complaints and investigation reports.

Section 15 (adds Minn. Stat. § 148.9995; Fees) Establishes a fee schedule for licensees.

Section 16 (uncodified law; Initial Applied Behavior Analyst Advisory Council) This section establishes requirements for the initial advisory council's composition and first meeting. It provides that the advisory council's first meeting must convene by September 1, 2024, and that the council must elect a chair from its members by the third meeting.

### **ARTICLE 20 – BOARD OF VETERINARY MEDICINE**

Section 1 (adds Minn. Stat. § 156.001, subd. 5a; Direct supervision) This section creates a definition of "direct supervision" for purposes of the state's chapter on the practice of veterinary medicine. As part of this definition, a supervising veterinarian or licensed veterinary technician must be in the immediate area and within audible or visual range of an animal and the unlicensed veterinary employee treating the animal.

Section 2 (adds Minn. Stat. § 156.001, subd. 7a; Licensed veterinary technician) This section creates a definition of "licensed veterinary technician" for purposes of the state's chapter on the practice of veterinary medicine.

Section 3 (adds Minn. Stat. § 156.001, subd. 10b; Remote supervision) This section creates a definition of "remote supervision" for purposes of the state's chapter on the practice of veterinary medicine.

Section 4 (adds Minn. Stat. § 156.001, subd. 12; Veterinary technology) This section creates a definition of "veterinary technology" for purposes of the state's chapter on the practice of veterinary medicine. This term is defined to mean "the science and practice of providing professional support to veterinarians, including the direct supervision of unlicensed veterinary employees." The definition further expressly excludes veterinary diagnosis, prognosis, surgery, and medication prescription.

Section 5 (amends Minn. Stat. § 156.07; License renewal) This section makes conforming changes to the section governing veterinary medicine license renewal to incorporate references to veterinary technicians and veterinary technology practice.

### Section 6 (adds Minn. Stat. § 156.0721; Institutional licensure)

<u>Subd. 1.</u> This subdivision establishes the requirements for obtaining an "institutional license." These licenses are to be issued to a person who (i) seeks to practice veterinary medicine while employed by the University of Minnesota, and (ii) is not eligible for a regular license. In addition, applicants must meet additional criteria, including but not limited to, the following: obtained the degree of doctor of veterinary medicine or its equivalent; has passed the Minnesota Veterinary Jurisprudent Examination; has paid the license fee; provides proof of employment by the University of Minnesota; and has completed a criminal background check. This subdivision further provides that the University of Minnesota may be responsible for timely payment of renewal fees and submission of renewal forms.

<u>Subd. 2.</u> This subdivision details the scope of practice for an institutional licensee. Specifically, an institutional license holder may practice veterinary medicine only as related to the license holder's regular function at the University of Minnesota. Accordingly, an institutional license is canceled pursuant to this section if the licensee is no longer employed by the University of Minesota in this state. This subdivision requires an institutional license holder to abide by all laws governing the practice of veterinary medicine in the state, and provides that such licensee is subject to the same disciplinary action as any other Minnesota-licensed veterinarian.

Section 7 (adds Minn. Stat. § 156.076; Direct supervision; unlicensed veterinary employees) This section requires unlicensed veterinary employees to be under the direct supervision of a licensed veterinarian or licensed veterinary technician when administering medication or rendering auxiliary or supporting assistance. The section further clarifies that the section does not prohibit such action by unlicensed and unsupervised veterinary employees for certain generalized nursing tasks and emergency situations.

**Section 8 (adds Minn. Stat. § 156.077; Licensed veterinary technician)** This section requires the Board of Veterinary Medicine to license veterinary technicians that satisfy certain requirements, including but not limited to, the following: is at least 18 years old; has graduated from an accredited or approved veterinary technology program; passed the Veterinary Technician National Examination; completed a background check; and meets other rules imposed by the board. This section further authorizes a licensed veterinary technician to practice veterinary technology, and prohibits an unlicensed person from using the title "veterinary technician" or the abbreviation "LVT." Subdivision 3 of this section details application requirements, and subdivision 4 provides for alternative requirements for licensure for applications submitted before July 1, 2031, based in part on recent experience in the practice of veterinary technology.

Section 9 (adds Minn. Stat. § 156.078; Nonresidents; licensed veterinary technicians) This section sets forth licensure application requirements for credentialed veterinary technicians, duly admitted to practice in the United States or Canada, who desire to transfer their licensure to practice veterinary technology in Minnesota.

Section 10 (amends Minn. Stat. § 156.12, subd. 2; Authorized activities) This section updates a cross-reference, removes language pertaining to the College of Agriculture and inserts language relating to the School of Nursing, and moves language relating to the Veterinary Diagnostic Laboratory.

Section 11 (amends Minn. Stat. § 156.12, subd. 4; Titles) This section permits an institutional licensee to use certain titles and designations relating to the practice of veterinary medicine.

Section 12 (Repealer) This section repeals Minn. Stat. § 156.12, subd. 6 (relating to specialty and temporary faculty licensure for foreign veterinary school graduates and veterinary practitioners in hard-to-fill faculty positions).

### **ARTICLE 21 – BOARD OF DENTISTRY**

Section 1 (amends Minn. Stat. § 150A.06, subdivision 1c; Specialty dentists) This section removes a prohibition in the Minnesota statute governing the issuance of dental licenses. Specifically, existing

law prohibits a specialty dentist who holds a general dental license from practicing in another area of dentistry, other than the dentist's specialty area, if the dentist has announced a limitation of practice to that area. This section of the bill removes this restriction.

Section 2 (amends Minn. Stat. § 150A.06, subdivision 8; Licensure by credentials; dental assistants) This section modifies licensure requirements for dental assistants. Existing law requires dental assistants to have both (1) graduated from an accredited dental assisting program, and (2) be certified by the Dental Assisting National Board. This section of the bill permits an individual to become a licensed dental assistant despite only having one of those two qualifications.

## **ARTICLE 22 – PHYSICIAN ASSISTANT PRACTICE**

**Section 1 (Repealer)** This section repeals the requirement that a physician assistant may only provide ongoing psychiatric treatment for children with emotional disturbance or adults with serious mental illness in collaboration with a licensed physician.

### **ARTICLE 23 – BOARD OF SOCIAL WORK**

Section 1 (amends Minn. Stat. § 148D.061, subd. 1; Requirements for a provisional license) This section removes certain requirements to obtain a provisional license, including that the applicant must: have been born in foreign country, communicate in English, and has taken certain exams.

Section 2 (amends Minn. Stat. § 148D.061, subd. 8; Disciplinary or other action) This section subjects provisional licensees to the grounds for disciplinary actions for social workers in Minn. Stat. § 148E.190 (*e.g.*, social worker violates a state law, conducts social work before licensure, and practices outside scope of practice).

Section 3 (amends Minn. Stat. § 148D.062, subd. 3; Types of supervision) This section permits "one-to-one supervision" and "group supervision" of provisional licensees to include supervision provided via "eye-to-eye electronic media while maintaining visual contact." It also reduces the permissible number of members of a group for purposes of group supervision of provisional licensees from 7 to 6. This section further prohibits supervision by email.

Section 4 (amends Minn. Stat. § 148D.062, subd. 4; Supervisor requirements) This section removes a provision of existing law permitting eligibility as a supervisor of provisional licensees due to having engaged in 5,000 hours of authorized social work practice. In addition, this section expands eligibility for permissible supervisors. Specifically, it adds, if the provisional licensee isn't engaged in clinical practice, the following as permissible supervisors: (1) licensed graduate social workers who have completed the supervised practice requirements; (2) licensed independent social workers; and (3) licensed independent clinical social workers.

Section 5 (amends Minn. Stat. § 148D.063, subd. 1; Supervision plan) This section removes the board's ability to revoke a provisional license for failure to submit the supervision plan (for meeting the various supervision requirements), or a revised supervision plan, within 30 days. It further removes an existing requirement that the supervision plan include the number of in-person supervision hours, such that the supervision plan requirement would instead be the inclusion of the number of hours of one-on-one supervision.

Section 6 (amends Minn. Stat. § 148D.063, subd. 2; Evaluation) This section removes the existing requirement that, when a licensee's supervisor submits an evaluation of the licensee to the board, the evaluation addresses "ensuring continuing competence."

Section 7 (adds Minn. Stat. § 148E.055, subd. 2b; <u>Qualifications for licensure by completion of</u> provisional license requirements as a licensed social worker (LSW)) This section creates a means of licensure as a licensed social worker through completion of provisional license requirements.

Section 8 (adds Minn. Stat. § 148E.055, subd. 3b; <u>Qualifications for licensure by completion of</u> provisional license requirements as a licensed graduate social worker (LGSW)) This section creates a means of licensure as a licensed graduate social worker through completion of provisional license requirements.

Section 9 (adds Minn. Stat. § 148E.055, subd. 4b; <u>Qualifications for licensure by completion of</u> <u>provisional license requirements as a licensed independent social worker (LISW)</u>) This section provides a means of licensure as a licensed independent social worker through completion of provisional license requirements.

Section 10 (adds Minn. Stat. § 148E.055, subd. 5b; <u>Qualifications for licensure by completion</u> of provisional license requirements as a licensed independent clinical social worker (LICSW)) This section creates a means of licensure as a licensed independent clinical social worker through completion of provisional license requirements.

**Section 11 (Revisor instruction)** This section directs the Revisor of Statutes to moves the three sections on provisional licensees from Chapter 146D (these are the only three remaining sections in the chapter; the rest were repealed) to Chapter 146E (on "Board of Social Work Practice").

**Section 12 (Repealer)** This section repeals Minn. Stat. § 148D.061, subd. 9, which permits the board to immediately revoke a provisional license for cause if the licensee violates a requirement of section 148D.061 (*e.g.*, non-payment of fees, not meeting supervision requirements, not complying with scope of practice).

# **ARTICLE 24 – BOARD OF MARRIAGE AND FAMILY THERAPY**

**Section 1 (adds Minn. Stat. § 148B.331; Guest licensure)** This section establishes a new form of license in chapter 148B (relating to Marriage and Family Therapy, Professional Counseling) for "Guest Licensure." This new license is for nonresidents that intend to practice marriage and family therapy in the state but are not seeking an unrestricted Minnesota license. This section further enumerates criteria for eligibility for such guest licensure, including but not limited to, having a license in good standing from another jurisdiction, possessing a graduate degree in marriage and family therapy, and completing a background check. A license issued under this new statute is valid for one year from the date of issuance and permits a licensee to practice in Minnesota for up to five months during that period. This section further clarifies that guest licensees are subject to Minnesota's disciplinary action laws for marriage and family therapy.

Section 2 (amends Minn. Stat. § 148B.392, subdivision 2; Licensure and application fees) This section establishes a \$150 fee for a guest license.

### **ARTICLE 25 – SPEECH-LANGUAGE PATHOLOGY ASSISTANT LICENSURE**

Section 1 (amends Minn. Stat. § 144.0572, subdivision 1; Criminal history background check requirements) This section requires an applicant for initial licensure, temporary licensure, or relicensure as a speech-language pathology assistant to submit to a criminal history records check and a national criminal history records check.

Section 2 (amends Minn. Stat. § 148.511; scope) This section applies statutory sections 148.511 to 148.5198 to speech-language pathology assistants.

Section 3 (amends Minn. Stat. § 148.512, subdivision 17a; Speech-language pathology assistant) This section revises the definition for the term "speech-language pathology assistant" to add a limitation that only individuals meeting the qualifications under Minn. Stat. § 148.5181 (a new statute added by this bill and relating to "Licensure; Speech-language pathology assistants") fall within the definition.

Section 4 (amends Minn. Stat. § 148.513, subdivision 1; Unlicensed practice prohibited) This section prohibits individuals from practicing as a speech-language pathology assistant without a qualifying license.

Section 5 (amends Minn. Stat. § 148.513, subdivision 2; Protected titles and restrictions on use: <u>speech-language pathologists and audiologists</u>) This section clarifies which professional titles a speech-language pathology assistant may use, and which titles are restricted for use by only speechlanguage pathologists and audiologists.

Section 6 (adds Minn. Stat. § 148.513, subdivision 2b; <u>Protected titles and restrictions on use;</u> <u>speech-language pathology assistant</u>) This section prohibits the use of certain professional terms or initials by a person no licensed under section 148.5181 (a new statute added by this bill and relating to "Licensure; Speech-language pathology assistants"). This section further prohibits a speech-language pathology assistant from representing that the assistant is a licensed speech-language pathologist.

Section 7 (amends Minn. Stat. § 148.513, subdivision 3; Exemption) This section exempts certain supervised coursework relating to speech-language pathology assistants from a prohibition on the practice of speech-language pathology.

Section 8 (amends Minn. Stat. § 148.514, subdivision 2; General licensure qualifications) This section incorporates required educational qualifications for licensure as a speech-language pathology assistant into the applicable statute governing such licensure.

Section 9 (amends Minn. Stat. § 148.515, subdivision 1; Applicability) This section clarifies that only applicants for licensure as a speech-language pathologist or audiologist, and not for licensure as a speech-language pathology assistant, must meet the requirements of Minn. Stat. § 148.515 (relating to "Qualifications for licensure").

Section 10 (amends Minn. Stat. § 148.518; Licensure following lapse of licensure status) This section establishes the reapplication process for speech-language pathology assistants whose licensure status has lapsed.

Section 11 (adds Minn. Stat. § 148.5181; Licensure; speech-language pathology assistants) This section sets forth the requirements for an individual to be licensed as a speech-language pathology assistant. These requirements include mandatory education, supervised fieldwork, and submission of a form provided by the commissioner. This section further requires the commissioner to issue a speech-language pathology assistant license to individuals licensed as such in other states, if the applicant submits evidence of licensure in good standing and pays the applicable fee.

Section 12 (amends Minn. Stat. § 148.519, subdivision 1; Applications for licensure: <u>speech-language pathologists and audiologists</u>) This section clarifies that the requirements of Minn. Stat. § 148.519, subdivision 1 (relating to "Applications for licensure") is only applicable to applicants for licensure as a speech-language pathologist or audiologist, and not to speech-language pathology assistants.

Section 13 (adds Minn. Stat. § 148.519, subdivision 1a; <u>Applications for licensure</u>; <u>speech-language pathology assistants</u>) This section enumerates items which an applicant for licensure as a speech-language pathology assistant must provide, including but not limited to: (1) a transcript showing the completion of the requirements set forth in section 148.5181; (2) all fees required under section 148.5194; and (3) consent to a fingerprint-based criminal history background check as required under section 144.0572.

Section 14 (amends Minn. Stat. § 148.5191, subdivision 1; Renewal requirements) This section clarifies that the requirements of Minn. Stat. § 148.5191, subdivision 1 (relating to "Renewal requirements") is only applicable to applicants for licensure as a speech-language pathologist or audiologist, and not to speech-language pathology assistants.

Section 15 (adds Minn. Stat. § 148.5191, subdivision 1a; Renewal requirements; speechlanguage pathology assistant) This section identifies the requirements for license renewal as a speech-language pathology assistant, including but not limited to: (1) biennial completion of a renewal application and submission of the renewal fee; (2) meeting the continuing education requirements of section 148.5193, subdivision 1a; and (3) submission of additional information if requested by the commissioner.

Section 16 (amends Minn. Stat. § 148.5192, subdivision 1; Delegation requirements) This section modifies the requirements for a speech language pathologist to delegate duties to an assistant. Specifically, it removes educational requirements and adds language mandating the speech-language pathologist to be present for the initial introduction to the client.

Section 17 (amends Minn. Stat. § 148.5192, subdivision 2; Delegated duties; prohibitions) This section modifies prohibitions on the practice of speech-language pathology assistants. In particular, it replaces a prohibition on screening and diagnosing clients for feeding or swallowing disorders with a prohibition on demonstrating "strategies included in the feeding and swallowing plan developed by the speech-language pathologist," and replaces a prohibition on participating in case conferences without the presence of the supervising speech-language pathologist with a prohibition on "meetings without approval from the speech-language pathologist."

Section 18 (amends § Minn. Stat. § 148.5192, subdivision 3; Supervision requirements) This section provides that the amount and type of supervision required by a speech-language pathologist must be based on the skills and experience of the assistant, and requires the supervision to include a minimum of one hour every 30 days of consultative supervision time. This section further provides

that, once every 60 days, the supervising speech-language pathologist must treat or cotreat with the assistant each client on the assistant's caseload.

Section 19 (amends Minn. Stat. § 148.5193, subdivision 1; Number of contact hours required: <u>speech-language pathologists and audiologists</u>) This section clarifies that the requirements of Minn. Stat. § 148.5193, subdivision 1 (relating to "Number of contact hours required") is only applicable to applicants for licensure renewal as a speech-language pathologist or audiologist, and not to speech-language pathology assistants.

Section 20 (adds Minn. Stat. § 148.5193, subdivision 1a; <u>Continuing education; speech-language</u> <u>pathology assistants</u>) This section identifies the continuing education requirements for license renewal as a speech-language pathology assistant, including a requirement that the assistant meets the continuing education requirements established by the American Speech-Language-Hearing Association.

Section 21 (adds Minn. Stat. § 148.5194, subdivision 3b; <u>Speech-language pathology assistant</u> <u>licensure fees</u>) This section specifies the fees for initial licensure and licensure renewal as a speechlanguage pathology assistant.

Section 22 (amends Minn. Stat. § 148.5194, subdivision 8; Penalty fees) This section specifies the penalty fee for practicing as a speech-language pathology assistant, or for using a protected professional title, without a valid license. It further specifies the penalty fee for failing to submit a proper and timely continuing education report.

Section 23 (amends Minn. Stat. § 148.5195, subdivision 3; Grounds for disciplinary action by commissioner) This section permits the commissioner to take disciplinary actions against an individual that has performed services of a speech-language pathology assistant in an incompetent or negligent manner or that has violated any law relating to the practice of a speech-language pathology assistant.

Section 24 (amends Minn. Stat. § 148.5195, subdivision 5; Consequences of disciplinary actions) This section requires speech-language pathology assistants with suspended or revoked licenses to cease practice, use of protected professional titles, and representing themselves to the public as speech-language pathology assistants.

Section 25 (amends Minn. Stat. § 148.5195, subdivision 6; Reinstatement requirements after disciplinary action) This section provides that a speech-language pathology assistant with a suspended license may petition on forms provided by the commissioner for reinstatement following the suspension period.

Section 26 (amends Minn. Stat. § 148.5196, subdivision 1; Membership) This section increases the membership of the Speech-Language Pathologist and Audiologist Advisory Council by one member, which additional member must be a Minnesota-licensed speech-language pathology assistant.

Section 27 (amends Minn. Stat. § 148.5196, subdivision 3; Duties) This section updates the duties of the Speech-Language Pathologist and Audiologist Advisory Council to include advising the commissioner regarding the licensure standards for speech-language pathology assistants and providing for distribution of information regarding assistant licensure standards.

Section 28 (amends Minn. Stat. § 245C.031, subdivision 4; Applicants, licensees, and other occupations regulated by the commissioner of health) This section requires applicants for initial, temporary, or relicensure as a speech-language pathologist assistant to complete a consent form and criminal history disclosure form for the commissioner to conduct an alternative background study and a national criminal history records check.

#### **ARTICLE 26 – PHYSICIAN ASSISTANT LICENSURE COMPACT**

This article enacts the physician assistant licensure compact, and provides the compact language. The compact authorizes physician assistants licensed in other participating states to engage in practice in Minnesota. Licensees authorized under the compact have "compact privilege," which is defined to mean "the authorization granted by a remote state to allow a licensee from another participating state to practice as a PA to provide medical services or other licensed activities to a patient located in the remote state under the remote state's laws and regulations." The compact's language creates a regulatory interstate commission which has oversight, rulemaking, and enforcement authority described in the article. The article further directs the Board of Medical Practice to publish the compact's effective date.

### **ARTICLE 27 – OCCUPATIONAL THERAPY LICENSURE COMPACT**

This article enacts the occupational therapist licensure compact, and provides the compact language. The compact authorizes occupational therapists licensed in other participating states to engage in practice in Minnesota. The compact's language creates a regulatory interstate commission which has oversight, rulemaking, and enforcement authority. Licensees authorized under the compact have "compact privilege," which is defined to mean "the authorization, which is equivalent to a license, granted by a remote state to allow a licensee from another member state to practice as an occupational therapy assistant in the remote state under its laws and rules. The practice of occupational therapy occurs in the member state where the patient or client is located at the time of the patient or client encounter." A licensee providing occupational therapy in a remote state.

### **ARTICLE 28 – PHYSICAL THERAPY LICENSURE COMPACT**

This article enacts the physical therapy licensure compact, and provides the compact language. The compact authorizes physical therapists licensed in other participating states to engage in practice in Minnesota. Licensees authorized under the compact have "compact privilege," which is defined to mean "the authorization granted by a remote state to allow a licensee from another member state to practice as a physical therapist or work as a physical therapist assistant in the remote state under its laws and rules. The practice of physical therapy occurs in the member state where the patient or client is located at the time of the patient or client encounter." The compact's language creates a regulatory interstate commission which has oversight, rulemaking, and enforcement authority. The article further directs the Board of Physical Therapy to publish the compact's effective date.

### **ARTICLE 29 – LICENSED PROFESSIONAL COUNSELOR COMPACT**

This article enacts the licensed professional counselor interstate compact, and provides the compact language. The compact authorizes professional counselors licensed in other participating states to engage in practice in Minnesota. The compact's language creates a regulatory interstate commission which has oversight, rulemaking, and enforcement authority. Licensees authorized under the compact have "privilege to practice," which is defined to mean "a legal authorization, which is equivalent to a license, permitting the practice of professional counseling in a remote state." A licensee providing professional counseling services in a remote state under the privilege to practice must adhere to the laws and regulations, including scope of practice, of the remote state.

#### **ARTICLE 30 – AUDIOLOGY AND SPEECH-LANGUAGE PATHOLOGY COMPACT**

This article enacts the audiology and speech-language pathology interstate compact, and provides the compact language. The compact authorizes audiologists and speech-language pathologists licensed in other participating states to engage in practice in Minnesota. Licensees authorized under the compact have "compact privilege," which is defined to mean "the authorization granted by a remote state to allow a licensee from another member state to practice as an audiologist or speech-language pathology occurs in the remote state under its laws and rules. The practice of audiology or speech-language pathology occurs in the member state where the patient, client, or student is located at the time of the patient, client, or student encounter." The compact's language creates a regulatory interstate commission which has oversight, rulemaking, and enforcement authority. Rules developed by the Audiology and Speech-Language Pathology Compact Commission under section 148.5185 are not subject to sections 14.05 to 14.389. The article further authorizes the commissioner of health to require audiologists and speech-language pathologists licensed in Minnesota to submit to a criminal history background check.

### **ARTICLE 31 – DENTIST AND DENTAL HYGIENIST COMPACT**

This article enacts the dentist and dental hygienist compact, and provides the compact language. The compact authorizes dentists and dental hygienists licensed in other participating states to engage in practice in Minnesota. Licensees authorized under the compact have "compact privilege," which is defined to mean "the authorization granted by a remote state to allow a licensee from a participating state to practice as a dentist or dental hygienist in a remote state." The compact's language creates a regulatory interstate commission which has oversight, rulemaking, and enforcement authority.

#### **ARTICLE 32 – SOCIAL WORK SERVICES LICENSURE COMPACT**

This article enacts the social work services licensure compact, and provides the compact language. The compact authorizes social workers licensed in other participating states to engage in practice in Minnesota. The compact's language creates a regulatory interstate commission which has oversight, rulemaking, and enforcement authority. Licensees authorized under the compact have "multistate authorization to practice," which is defined to mean "a legally authorized privilege to practice, which is equivalent to a license, associated with a multistate license permitting the practice of social work in a remote state." A licensee providing services in a remote state under a multistate authorization to practice must adhere to the laws and regulations, including laws, regulations, and applicable standards, of the remote state where the client is located at the time care is rendered.

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#### **ARTICLE 33 – APPROPRIATIONS**

This article appropriates money from the state government special revenue fund to the commissioner of health, Board of Psychology, Board of Veterinary Medicine, Board of Dentistry, Board of Marriage and Family Therapy, Board of Social Work, Board of Behavioral Health and Therapy, Board of Medical Practice, Board of Occupational Therapy Practice, and Board of Physical Therapy to implement the provisions in articles 18 to 32.

#### **ARTICLE 34 – HIGHER EDUCATION APPROPRIATIONS**

NOTE: This article is identical to Article 1 of Chapter 124.

**Section 1 (Appropriation; ALS research)** amends a previous appropriation for ALS research, reducing the fiscal year 2023 appropriation from \$20,000,000 to \$396,000 and appropriating \$19,604,000 in fiscal year 2024 for competitive grants to applicants for research into ALS. This onetime appropriation does not cancel until June 30, 2029. This section is effective the day following final enactment.

**Section 2 (Hunger-Free Campus Grants)** is a technical correction to the appropriation for Hunger-Free Campus grants. Clarifies that the funds to institutions for equipment is available until June 30, 2026, not the entire appropriation.

**Sections 3 (Fostering Independence Higher Education Grants) and 4 (North Star Promise)** increase the appropriation to the Fostering Independence Higher Education Grants program by \$5,040,000 in fiscal year 2025 and reduce the transfer to the North Star Promise account by the corresponding amount.

**Section 5 (Operations and Maintenance)** amends a previous appropriation for programs at the University of Minnesota Medical School on the CentraCare Health System campus in St. Cloud by modifying the uses for which the funds may be spent. This section is effective the day following final enactment.

**Section 6 (Appropriation; Kids on Campus Initiative)** appropriates \$500,000 in fiscal year 2025 from the general fund to the Board of Trustees of the Minnesota State Colleges and Universities to participate in the Kids on Campus initiative with the National Head Start Association and the Association of Community College Trustees and specifies that the funds may be used for a temporary statewide project coordinator, stipends to campuses and Head Start Centers, and other costs associated with creating campus Head Start programs.

### **ARTICLE 35 – POLICY PROVISIONS**

NOTE: This article is identical to Article 2 of Chapter 124.

Section 1 (135A.062; Consideration of criminal records limited) establishes a new section of law related to the consideration of criminal records when applying to a higher education institution in

Minnesota. This section defines the term "violent felony or sexual assault" for purposes of this section and prohibits a postsecondary institution from inquiring into, considering, or requiring the disclosure of the criminal record or criminal history of an applicant for admission. After an offer of admission, the institution may inquire into a delinquency adjudication or a conviction for a violent felony or sexual assault that occurred in the previous five years. This section does not prohibit an institution, after making an offer of admission, from inquiring about student conduct records at a prior institution or inquiring about the student's ability to meet licensure requirements in a professional program.

**Section 2 (135A.121, subd 2; Eligibility)** modifies the American Indian Scholars program established in the last session to clarify that eligibility includes meeting satisfactory progress, which is consistent with the eligibility requirements for other financial aid and scholarship programs.

Section 3 (135A.144; Transcript access) prohibits a school, which includes public and private schools, from withholding a transcript for students with unpaid debt, except under certain circumstances. The debt threshold is \$1,000 and this section requires the school to provide a transcript to incarcerated persons. A school that uses transcript issuance as a tool for debt collection must have a policy accessible to students that outlines how the school collects on debts owed.

Section 4 (135A.15; Campus sexual misconduct policy) amends policy requirements related to campus sexual misconduct. This section includes technical changes updating terminology; the substantive changes are summarized below.

**Subd 1** modifies the applicability to private schools, limiting the requirements under this section to those participating in the federal Pell Grant program and expands applicability to any event sponsored by the system or by a fraternity or sorority regardless of whether the activity or event occurs on or off property owned or used by the system or institution.

**Subd 1a** modifies several definitions and adds new definitions. The new term "sexual misconduct" is defined and includes a more expansive list of crimes and conduct that fall under this policy. Also, the term "advisor" is defined, which is a person who is selected by the parties for support during the investigation and disciplinary process.

**Subd 2** provides that the victim's rights under this section are not contingent on entering into a nondisclosure agreement. Further, a nondisclosure agreement or other contract restricting the ability to discuss information in connection with a sexual misconduct complaint may not be used as a condition of financial aid or remedial action.

**Subd 2a** is a new subdivision related to campus investigation and disciplinary hearing procedures. An institution must provide a reporting party with an opportunity for an impartial, timely, and thorough investigation of a report of sexual misconduct. If an investigation reveals that sexual misconduct occurred, the institution must take steps to end the misconduct, prevent its recurrence, and, as appropriate, remedy its effects. The institution must treat all parties with dignity and respect. If an institution conducts a hearing, an advisor may provide opening and closing remarks on behalf of the party.

**Subd 8** requires, to the extent possible, training to be culturally responsive and address the unique experiences and challenges of students.

Section 5 (135A.1581; Navigators for parenting students) establishes a program for parenting students, requiring public and private institutions of higher education to designate at least one employee as a navigator for parenting students. The University of Minnesota is requested to comply. This section specifies the information that must be provided to students and requires the Office of Higher Education to report annually, beginning January 15, 2028, data on parenting students.

**Section 6 (135A.1582; Protections for pregnant and parenting students)** establishes protections for pregnant and parenting students, applicable to public colleges and universities. The University of Minnesota is requested to comply. This section lists the rights of pregnant and parenting students, which include prohibiting a school from requiring the student to take a leave of absence, limiting the student's studies, or changing the program of study, to name a few. This section also requires the school to provide reasonable accommodations, as listed in this section, and to provide other protections. Schools are required to adopt a policy with information related to discrimination against pregnant and parenting minors. The Office of Higher Education is required to work with the systems to adopt guidelines to administer the program.

Sections 7 (135A.161; Reporting) and 8 (135A.162; Eligible grantees) modify the Minnesota Inclusive Higher Education provisions passed last session, moving a reporting requirement to a more appropriate place in the law and adding Tribal colleges to the list of eligible grantees.

**Section 9 (135A.163; Students with disabilities; accommodations; general requirements)** states that this section of law may be cited as the "Minnesota Respond, Innovate, Succeed, and Empower (RISE) Act." This section requires public and private institutions to have policies to assist and support students with disabilities.

**Subd 2** defines the terms: "institution of higher education," "plain language," and "student with a disability."

**Subd 3** requires each institution to adopt a policy making self-disclosure sufficient proof of a disability to begin the interactive process under subdivision 4. This section also imposes requirements related to the disabilities policy and the dissemination of that policy.

**Subd 4** requires an institution to engage in an interactive process to document the student's accommodation needs and allows the institution to request documentation as part of the interactive process. The documentation listed in this section is deemed sufficient to establish reasonable accommodations for a student with a disability.

**Subd 5** imposes requirements on institutions related to students with disabilities. The list of requirements under this section includes, to name a couple, that before the beginning of each term, the institution must offer a student the opportunity to self-identify as having a disability for which the student may request an accommodation and must initiate contact with students who self-identify, and that an institution must not require a student to be reevaluated to prove the presence of a permanent disability if the student previously provided proof.

This section is effective January 1, 2025.

Section 10 (135A.195; Requirements related to online program management companies) imposes requirements on postsecondary institutions that contract with online program management companies (OPMs) to provide online courses and other services.

**Subd 1** defines the terms "contract," "institution of higher education," "managed program," "online program management company," and "tuition sharing." The definition of "institution of higher education" includes the Minnesota State Colleges and Universities system. The Board of Regents of the University of Minnesota is requested to comply with this section.

Subd 2 imposes restrictions on contracts between an OPM and an institution.

**Subd 3** requires the governing board to review a contract prior to execution. The review must analyze the contract's compliance with subdivision 2. The governing board must not approve a contract unless it complies with subdivision 2.

**Subd 4** requires an institution that contracts with an OPM to submit annually to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance an assessment and analysis that provides for a rigorous review and monitoring of the OPM. This section specifies what must be included in the report.

Subd 5 imposes requirements on an OPM if it is retained to provide marketing services.

**Subd 6** provides an exception to this section for an addendum or amendment to a contract entered into on or before July 1, 2023, to increase or decrease the number of managed programs. This subdivision expires July 1, 2028.

This section is effective July 1, 2024, and applies to contracts entered into on or after that date, subject to the exception under subdivision 6.

Section 11 (136A.053; Consolidated student aid reporting) allows the Office of Higher Education to consolidate mandated reports on several programs into one annual report beginning February 15, 2026.

Section 12 (136A.091, subd 3; Financial need) modifies the summer academic enrichment program to update a reference to universal free meals.

Section 13 (136A.097; Order of aid calculations) provides the commissioner with flexibility in calculating financial aid when a student is eligible for multiple financial aid programs.

Sections 14 and 15 (136A.1241; Eligibility; Foster grant amount; payment; opt-out) modify the Fostering Independence Grants. Section 14 makes changes to align eligibility with other financial aid programs. Section 15 requires the commissioner to establish a priority application deadline, and if there are insufficient funds, proportionally reduce the awards to keep spending within the appropriation.

Sections 16 to 20 (136A.1465) amend the North Star Promise Program.

Section 16 (Definitions) amends the definitions, clarifies the term "gift aid," and defines new terms.

Section 17 (Conditions for eligibility) modifies eligibility, primarily to align with other financial aid programs.

Section 18 (Scholarship) clarifies that the program begins in fall 2024 and modifies the supplemental grants for Pell eligible students, capping the amount at the students' recognized cost of attendance.

Section 19 (Maintain current levels of institutional assistance) updates terminology and makes technical changes.

Section 20 (Duration of scholarship authorized; scholarship paid to institution) clarifies the duration of the scholarship and specifies when a student is eligible for an additional semester, consistent with other aid programs.

Sections 21 and 22 (136A.1701; Terms and conditions of loans; Repayment of loans) amend the Minnesota Student Educational Loan Fund (SELF) Program by allowing a student to borrow up to the maximum loan amount twice in the same "grade level" and prohibiting the commissioner from requiring annual payments but allowing the commissioner to require monthly payments.

Section 23 (136A.29, subd 9; Revenue bonds; limit) increases the amount of revenue bonds the Minnesota Higher Education Facilities Authority may issue from \$1,300,000,000 to \$2,000,000,000.

Sections 24, 26, 27, and 32 to 37 clarify the physical presence of schools to determine if a school qualifies for state authorization under the Private Career School Act and the Minnesota Private and Out-of-State Public Postsecondary Education Act.

Section 25 (<u>Postsecondary education</u>) defines the term "postsecondary education" in the Minnesota Private and Out-of-State Public Postsecondary Education Act.

**Section 28 (136A.646)** updates a reference to federal law and changes the closed school refund dates to a framework of 180 days to conform with United States Department of Education regulations.

Sections 29 and 42 (136A.65, subd 4, 136A.828, subd 7) prohibit private or out-of-state public schools and private career schools, respectively, from using a nondisclosure agreement or contract restricting a student's ability to disclose information about a school's actions or conduct that would be allowed under the student complaint process in existing law. Section 29 also requires that the school include a joint and several liability provision for torts and compliance with requirements in this chapter in contracts effective after July 1, 2026.

Section 30 (136A.675; Additional security) updates a cross-reference to federal law.

Section 31 (136A.69, subd 1; Registration fees) amends the Minnesota Private and Out-of-State Public Postsecondary Education Act to allow the commissioner of the Office of Higher Education to charge additional fees for an initial application and a renewal registration that require multiple revisions or corrections.

**Section 38 (136A.822, subd 8; Minimum standards)** modifies the Private Career School Act licensure requirements by adding that a license shall be issued by the office if the private career school has not had its license revoked within two years and the school includes a joint and several liability provision for torts and compliance with requirements in this chapter in contracts after July 1, 2026

Sections 39 and 40 (136A.824, subd 1 and 2; Initial licensure fee; Renewal licensure fee; late fee) amend the Private Career Schools section of law to allow the commissioner of the Office of

Higher Education to charge additional fees for an initial application and a renewal registration that require multiple revisions or corrections.

Section 41 (136A.828, subd 3; False statements) amends the false statements section of law related to private career schools. This section prohibits a school from claiming its program qualifies for national certification if that certification is not accepted or recognized in this state.

Section 43 (136A.829, subd 3; Powers and duties) allows the commissioner to grant a probationary license to a private career school to monitor newly licensed schools and allow for the correction of deficiencies.

Section 44 (136A.829, subd 4; Effect) adds a new subdivision to the revocation of a license or permit, prohibiting a school whose license has been revoked from reapplying within two years, and lists new requirements for a school reapplying for licensure.

Section 45 (136A.833, subd 2; Exemption reasons) amends private career school exemptions. This section adds procedures for schools to demonstrate eligibility without a full program review and makes other clarifying changes.

Section 46 (136F.38, subd 3; Program eligibility) expands the workforce development programs of study to include energy.

Section 47 (137.375; Disabled veterans; University of Minnesota Landscape Arboretum) requests that the University of Minnesota Landscape Arboretum allow disabled veterans, as defined in this section, with unlimited access to the arboretum free of charge. This section is effective the day following final enactment.

Section 48 (Repealer) Paragraph (a) repeals the existing law requiring public postsecondary institutions to have policies related to students with disabilities. This repealer is effective January 1, 2025.

**Paragraph (b)** repeals a report that was moved to a different section of law.

### **ARTICLE 36 – FIREARMS**

Section 1 (299A.642, subd. 15; Required reports) requires the BCA and VCETs to report specified information regarding firearms crimes.

Section 2 (609.67, subd. 1; Definitions) expands the definition of "trigger activator" to include devices that allow a firearm to shoot one shot on the pull of the trigger and a second shot on the release of the trigger without requiring a subsequent pull of the trigger. (It is a 20-year felony to own, possess, or operate a trigger activator.)

Section 3 (624.7141, subd. 1; Transfer prohibited) amends the straw purchase crime (transfer of a firearm to an ineligible person) to do the following:

• Expand the crime to apply to a transfer of any firearm (not just a pistol or a semiautomatic military-style assault weapon).

- Increase the penalty for the base-level crime from a gross misdemeanor to a two-year felony.
- Increase the maximum fine for the existing felony crime from \$10,000 to \$20,000.
- Add an alternative mental state (current law requires that the defendant know that the transferee is ineligible) of "reasonably should know."
- Add an affirmative defense for defendants who are coerced to make the illegal transfer.

#### **ARTICLE 37 – AGRICULTURE APPROPRIATIONS**

NOTE: This article is identical to Article 1 of Chapter 126.

See the Agriculture, Broadband, and Rural Development 2024 Conference Committee Agreement spreadsheet for information on appropriations.

### **ARTICLE 38 – AGRICULTURE POLICY**

NOTE: This article is identical to Article 2 of Chapter 126.

Sections 1 to 5 (3.7371) modify statutes relating to compensation for damage caused by elk, incorporating language from the rules that are repealed in section 73 of this article.

Section 6 (17.055, subdivision 3; Beginning farmer equipment and infrastructure grants) amends the beginning farmer equipment and infrastructure grant program to give preference to farmers experiencing limited land access or limited market access.

Section 7 (17.116, subdivision 2; Eligibility) expands eligibility for sustainable agriculture demonstration grants to add organizations such as farms, agricultural cooperatives, Tribal governments, and local governments.

Section 8 (17.133, subdivision 1; Definitions) amends the farm down payment assistance grant definitions. The definition of "eligible farmer" would add a requirement that a farmer not be seeking to purchase land from an owner who is related by blood or marriage. This section also adds a definition of "incubator farm," "limited land access," and "limited market access."

Section 9 (17.133, subdivision 3; Report to legislature) amends the reporting requirements for the farm down payment assistance grants to require information about the number of grant recipients who are farmers experiencing limited land access or limited market access.

Section 10 (17.134, subdivision 3; Grant eligibility) modifies the soil health grants so preference is given to applicants pursuing agricultural water quality certification.

Section 11 (17.134; Equipment sales limitation) adds a limitation to the soil health grant program requiring that a recipient will not sell the equipment for at least ten years.

**Section 12 (17.710; Agricultural contracts)** amends the prohibition on confidentiality clauses in agricultural production contracts to include cooperatives and is effective July 1, 2024.

Sections 13 to 30 amend Chapter 18B: Pesticide Control.

Section 13 (18B.01; <u>Application or use of a pesticide</u>) adds a definition for "application or use of a pesticide."

Section 14 (18B.26, subdivision 6; Discontinuance or cancellation of registration) provides a process for immediate cancellation of a pesticide product registration.

Section 15 (18B. 28; Advisory panel) requires the commissioner to convene an advisory panel of experts before approving an experimental use pesticide product registration.

Section 16 (18B.305, subdivision 2; Training manual and examination development) adds competency standards that must be met for pesticide applicator training manuals and examinations.

Section 17 (18B.32, subdivision 1; Requirement) requires structural pest control applicators to be at least 18 years old.

Section 18 (18B.32, subdivision 3; Application) eliminates the ability to require a practical demonstration for structural pest control examinations.

Section 19 (18B.32, subdivision 4; Renewal) adds competency standards that must be met for structural pest control applicator license recertification workshops.

Section 20 (18B.32, subdivision 5; Financial responsibility) allows the commissioner to suspend or revoke a structural pest control license in the absence of proof of financial responsibility.

Section 21 (18B.33, subdivision 1; Requirement) requires commercial applicator licensees to be at least 18 years old.

**Section 22 (18B.33, subdivision 5; Renewal Application)** adds competency standards that must be met for commercial applicator license recertification workshops and allows the commissioner to require attendance at a recertification workshop every one to three years.

Section 23 (18B.33, subdivision 6; Financial responsibility) allows the commissioner to suspend or revoke a commercial applicator license in the absence of proof of financial responsibility.

Section 24 (18B.34, subdivision 1; Requirement) requires noncommercial applicator licensees to be at least 18 years old.

Section 25 (18B.34, subdivision 4; Renewal) adds competency standards that must be met for noncommercial applicator license recertification workshops and allows the commissioner to require attendance at a recertification workshop every one to three years.

Section 26 (18B.35, subdivision 1; Establishment) adds competency standards for different categories of pest control licenses that must be met.

Section 27 (18B.36, subdivision 1; Requirement) requires certified private applicator to be at least 18 years old.

Section 28 (18B.36, subdivision 2; Certification) adds competency standards that must be met for private applicator certification requirements and training.

Section 29 (18B.37, subdivision 2; Commercial and noncommercial applicators) requires records of commercial and noncommercial applicators to meet or exceed federal requirements.

Section 30 (18B.37, subdivision 3; Structural pest control applicators) requires records of structural pest control applicators to meet or exceed federal requirements.

Sections 31 to 43 relate to Chapter 18C: Fertilizer, Soil Amendment, and Plant Amendment.

Section 31 (18C.005; Beneficial substance) adds a definition of "beneficial substance."

Section 32 (18C.005, subdivision 33; Soil amendment) amends the definition of "soil amendment."

Section 33 (18C.115, subdivision 2; Adoption of national standards) updates the reference to national standards to refer to the most recently published version.

Section 34 (18C.215, subdivision 1; Packaged fertilizers) adds volume to the measures of packaged fertilizers.

Section 35 (18C.221; Fertilizer plant food content) deletes phosphoric acid and inserts phosphate in the description of fertilizer plant food content.

Section 36 (18C.425, subdivision 6; Payment of inspection fee) extends the collection of a tonnage fee until June 30, 2029, currently set at 40 cents per ton of fertilizer, soil amendment, and plant amendment sold. This section is effective the day following final enactment.

Section 37 (18C.70, subdivision 1; Establishment; membership) amends the membership of the Minnesota Agricultural Fertilizer Research and Education Council by reducing the members of the Minnesota Crop Production Retailers from two to one and adding one additional member representing the Minnesota Institute for Sustainable Agriculture, one member representing the Minnesota Soil Health Coalition, one member who is an expert in public health, and one member who is an expert in water quality.

Section 38 (18C.70, subdivision 5; Expiration) extends the expiration of the Minnesota Agricultural Fertilizer Research and Education Council until June 30, 2030.

Section 39 (18C.71, subdivision 1; Eligible projects) expands the types of eligible projects that may be funded through the Minnesota Agricultural Fertilizer Research and Education Program to include projects relating to regenerative agriculture and the protection of clean water.

Section 40 (18C.71; Priorities and guidance) requires the Minnesota Agricultural Fertilizer Research and Education Council to develop research priorities related to nitrogen management, manure management, and fertilizer best practices for sensitive areas.

Section 41 (18C.71, subdivision 2; Awarding grants) modifies the votes required to approve project grants to reflect the change in membership of the Minnesota Agricultural Fertilizer Research and Education Council.

Section 42 (18C.71, subdivision 4; Expiration) extends the expiration of the Minnesota Agricultural Fertilizer Research and Education Program until June 30, 2030.

**Section 43 (18C.80, subdivision 2; Expiration)** extends the expiration of the Agricultural Fertilizer Research and Education Account until June 30, 2030.

Section 44 (18D.301, subdivision 1; Enforcement required) adds a reference to a section of statute relating to groundwater pollution to the sections the commissioner of agriculture must enforce.

Section 45 (18K.06; Rulemaking) authorizes the adoption or amendment of rules relating to industrial hemp.

Section 46 (28A.10; Posting of license; rules) removes obsolete language.

Sections 47 to 51 modify provisions relating to food product sampling and demonstration at a farmers' market or community event. These sections are effective the day following final enactment.

Section 47 (28A.151, subdivision 1; Definitions) makes clarifying changes.

Section 48 (28A.151, subdivision 2; Food sampling and demonstration) adds food safety requirements for food sampling and demonstration consistent with Minnesota Food Law.

Section 49 (28A.151, subdivision 3; Food required to be provided at no cost) makes clarifying changes.

Section 50 (28A.151, subdivision 5; Food safety and equipment standards) clarifies that a handwashing device is not required when only prepackaged samples are offered.

Section 51 (28A.151; Signage) requires that food products being offered are labeled with a product's ingredients and any major food allergens.

Section 52 (28A.21, subdivision 6; Expiration) extends the expiration of the Food Safety and Defense Task Force to June 20, 2037.

Section 53 (31.74; Honey) requires that food consisting of honey and another sweetener be labeled with each ingredient.

**Section 54 (31.94; Organic Agriculture; Commissioner Duties)** extends the Minnesota Organic Advisory Task Force to 2034. This section is effective the day following final enactment.

Section 55 (32D.30; Dairy development and profitability enhancement) amends the Dairy Development and Profitability Enhancement program to allow more flexibility in the way the program is delivered.

Sections 56 to 61 modify Chapter 41B: Rural Finance Authority.

Section 56 (41B.039, subdivision 2; State participation) increases the maximum amount of state participation in a beginning farmer loan from \$400,000 to \$500,000.

Section 57 (41B.04, subdivision 8; State participation) increases the maximum amount of state participation in an agricultural loan restructuring from \$525,000 to \$625,000.

Section 58 (41B.042, subdivision 4; Participation limit; interest) increases the maximum amount of state participation in a seller-sponsored loan from \$400,000 to \$500,000.

Section 59 (41B.043, subdivision 1b; Loan participation) increases the maximum amount of state participation in an agriculture improvement loan from \$400,000 to \$500,000.

Section 60 (41B.045, subdivision 2; Loan participation) increases the maximum amount of state participation in a livestock expansion and modernization loan from \$525,000 to \$625,000.

Section 61 (41B.047, subdivision 1; Establishment) amends disaster recovery loans to allow them to be used to purchase feed during a drought.

Section 62 (232.21, subdivision 3; Commissioner) amends the definition of "commissioner" in the grain storage chapter.

Section 63 (232.21, subdivision 7; Grain) amends the definition of "grain" in the grain storage chapter.

Section 64 (232.21, subdivision 11; Producer) amends the definition of "producer" in the grain storage chapter.

Section 65 (232.21, subdivision 12; Public grain warehouse operator) amends the definition of "public grain warehouse operator" in the grain storage chapter.

Section 66 (232.21, subdivision 13; Scale ticket) amends the definition of "scale ticket" in the grain storage chapter.

Section 67 (346.021; Finder to give notice) inserts a new section of statute describing procedures for what one should do if one finds an animal that has escaped from its owner. This section is effective the day following final enactment.

Section 68 (Dairy law) amends 2023 session law to repeal only subdivision 1 of section 32D.25.

**Section 69 (Revival and reenactment)** revives and reenacts section 32D.25, subdivision 2, relating to data privacy, retroactively to July 1, 2023.

Section 70 (report required; cooperative financial reporting) requires the commissioner to convene stakeholders to evaluate financial reporting requirements for cooperatives, and to report back to the legislature with recommendations by January 3, 2025.

Section 71 (Commercial applicator license examination language requirement) requires the commissioner to ensure that examinations for a commercial pest control applicator license are available in Spanish by January 1, 2025.

Section 72 (Credit market report required) requires the commissioner to convene a stakeholder group to explore establishing a state market for carbon credits, ecosystem services credits, or other credits generated by farmers using environmentally sound farming practices, and to report back to the legislature with recommendations by February 1, 2025.

Section 73 (Repealer) repeals rules and a subdivision relating to elk deprivation payments and repeals the beverage inspection account.

### **ARTICLE 39 – BROADBAND**

NOTE: This article is identical to Article 3 of Chapter 126.

Section 1 (116J.396; Transfer) amends the border-to-border broadband fund to allow the commissioner to transfer up to five million dollars each fiscal year between the border- to-border, lower population density, and line extension programs. The commissioner must notify the legislature in writing when this authority is exercised.

Section 2 (Broadband development; application for federal funding; appropriation) requires the commissioner of employment and economic development to prepare an application for a federal grant and specifies that funds awarded must be used for the purposes in the Minnesota Digital Opportunity Plan.

### **ARTICLE 40 – CLIMATE AND ENERGY FINANCE**

NOTE: This article is identical to Article 4 of Chapter 126.

Sections 1 to 3 outline the appropriations made to the Department of Commerce and the Public Utilities Commission for specific studies and work groups.

**Section 4 (Grant administration reporting)** requires the commissioner of commerce to report the anticipated costs for administering each named grant and competitive grant program in Laws 2023, chapter 60, article 10, section 2, and Laws, 2023, chapter 60, article 11, section 2 by July 1, 2024. By January 15, 2025, the commissioner must report the annual cost for administering each competitive grant program.

### **ARTICLE 41 – RENEWABLE DEVELOPMENT ACCOUNT APPROPRIATIONS**

NOTE: This article is identical to Article 5 of Chapter 126.

Sections 1 (Appropriations) and 2 (Department of Commerce) outline the appropriations made to the Department of Commerce from the renewable development account for specific grants and programs.

Section 3 (Public Utilities Commission) appropriates money to the Public Utilities Commission for the carbon dioxide pipelines study.

## **ARTICLE 42 – ENERGY POLICY**

NOTE: This article is identical to Article 6 of Chapter 126.

Sections 1 and 2 (section 103I.621, subdivisions 1 and 2; Permit; Water-use requirements apply) amend the permit requirements to require small systems to be compliant with the natural resource water-use requirements and makes a technical change to a cross reference.

Section 3 (section 116C.779, subdivision 1; Renewable development account) repeals the renewable development account report.

Section 4 (section 116C.7792; Solar energy production incentive program) amends the amount of funds allocated to the solar energy production incentive program.

Section 5 (section 216B.098; <u>Social Security number and individual taxpayer identification</u> <u>number</u>) requires a utility to accept an individual taxpayer identification number in lieu of a social security number, if they require a social security number on a utility application.

Sections 6 to 18 (sections 216B.16, 216B.1691, 216B.2402, 216B.2403, 216B.241) amend the current energy conservation statues to allow public utilities to propose efficient fuel-switching improvement achievements to the commissioner of commerce.

Sections 19 to 21 (section 216B.2425) requires the commission to maintain a list of grid-enhancing technology projects and changes the reporting requirements related to grid enhancing technology.

**Sections 22 to 23 (sections 216B.2427)** amend the definitions of "disadvantage community" and "thermal energy network." Requires utilities to include certain information in innovation plans filed after July 1, 2024.

Sections 24 to 26 (sections 216C.08, 216C.09, 216C.10) are technical amendments to various provisions governing or administered by the Department of Commerce.

Section 27 (section 216C.331; Definitions) amends the definitions of "covered property," "qualifying utility," and "whole building energy use data."

Sections 28 to 44 (sections 216C.435 and 216C.436) modify the commercial property assessed clean energy program.

Section 45 (216C.47; Geothermal Planning Grants) establishes a geothermal planning grant program that provides financial assistance to eligible applicants to examine the technical and economic feasibility of installing geothermal energy systems.

Section 46 (216C.48; Standardized Solar Plan Review Software; Technical Assistance; Financial Incentive) establishes a program to provide technical assistance and financial incentives to local units of government that issue permits for residential solar projects and solar plus energy storage system projects in order to incentivize a permitting authority to adopt the SolarAPP+ software to standardize, automate, and streamline the review and permitting process.

Section 47 (Energy Resources) extends the deadline for the iron ore study report.

Section 48 (Ultraefficient vehicle development grants) establishes an ultraefficient vehicle development grant program in the Department of Commerce to provide financial assistance to developers and producers of ultraefficient vehicles that use proprietary technology.

Section 49 (Thermal energy network deployment work group) establishes the thermal energy network deployment work group which requires the Public Utilities Commission to establish and appoint a work group to examine the potential regulatory opportunities for regulated natural gas utilities to deploy thermal energy networks and potential barriers to development.

**Section 50 (Study; carbon dioxide pipelines)** requires the commission to contract with an independent third party to conduct a study on the human health and environmental impacts of carbon dioxide pipelines.

Section 51 (Thermal energy network site suitability study) is the Thermal Energy Network Site Suitability Study which requires the Department of Commerce to determine the suitability of sites to deploy thermal energy networks statewide.

Section 52 (Grid enhancing technologies report; public utilities commission order) requires specific entities to submit a grid enhancing technology report which analyzes the cost-effectiveness of installing grid enhancing technologies to address congestion and an implementation plan to install grid enhancing technology. The commission must review the implementation plans and approve, reject, or modify the plans.

Sections 53 (Interconnection docket; Public Utilities Commission) and 54 (Position Established; Public Utilities Commission) requires the commission to initiate a proceeding to establish standards for the sharing of utility costs necessary to upgrade a utility's distribution system by increasing hosting capacity or applying other necessary distribution system upgrades at a congested or constrained location to allow for the interconnection of distributed generation facilities and to advance the achievement of the state's renewable and carbon-free energy goals. The commission must establish an interconnection ombudsperson position to assist applicants seeking to interconnect distributed generation projects.

## ARTICLE 43 – MINNESOTA ENERGY INFRASTRUCTURE PERMITTING ACT

NOTE: This article is identical to Article 7 of Chapter 126.

Section 1 (216I.01 Citation) establishes this chapter as the Minnesota Energy Infrastructure Permitting Act.

Section 2 (216I.02 Definitions) defines terms.

Section 3 (216I.03 Siting Authority) gives authority to the commission to provide for site and route selection and to issue permits for large energy infrastructure facilities. The bill also gives the commission authority to work jointly with other states who may be affected by routes.

**Section 4 (216I.04 Applicability Determination**) outlines what should be considered when determining whether a proposal meets the definition of large energy infrastructure facility, or which review process is applicable. The commission must provide forms and assistance to applicants.

Section 5 (216I.05 Designating Sites and Routes) requires site and route permits prior to construction of any large energy infrastructure, which are designated by the commission. It outlines the requirements and procedures which includes but is not limited to application requirements, environmental information requirements, notice requirements, and commission considerations.

Section 6 (216I.06 Applications; Major Review) states the commission must prepare an environmental impact statement that makes a finding on whether the proposed project will result in a net reduction of carbon dioxide emissions.

Section 7 (216I.07 Applications; Standard Review) states applicants applying for permits for certain projects may apply following alternative procedures. Applicants who apply under this section must complete an environment assessment.

Section 8 (216I.08 Applications; Local Review) states applicants applying for permits for certain projects may submit an application to the local units of government who have jurisdiction over the site or route. If an application is approved under this section, the applicant does not need a permit from the commission.

Section 9 (216I.09 Permit Amendments) applies to upgrades or rebuilds to existing electrical lines and associated facilities; reroutes of high transmission lines; repowers or refurbishes a large electric power generating plant, a large wind energy conversion system, a solar energy generating system, or an energy storage system; a project that is requested by the owner of a large energy infrastructure facility; and any changes to a large energy infrastructure facility does is not significant.

Section 10 (216I.10 Exempt Projects) states several projects are exempt from requiring a permit by the commission.

Section 11 (216I.11 Permitting Requirements; Exceptions for Certain Facilities) states certain projects are not deemed to be the construction of a large energy infrastructure facilities but only changes or modifications, and may be done without a permit.

**Section 12 (216.13 Permit Transfer)** allows a permittee holding a large energy infrastructure facility site or route permit to request that the commission transfer the permittee's permit.

Section 13 (216I.14 Permit Revocation or Suspension) allows the commission to initiate action to consider revoking or suspending a permit on the commission's own motion or by request of any person who has made a prima facie showing by affidavit and documentation that a violation has occurred.

### **ARTICLE 44 – CERTIFICATES OF NEED**

NOTE: This article is identical to Article 8 of Chapter 126.

Section 1 (216B.2421, subdivision 2; Large energy facility) amends the definition of large energy facility.

Section 2 (216B.243, subdivision 3; Showing required for construction) states applications must describe the relationship between the proposed facility and state and regional energy needs.

Section 3 (216B.243, subdivision 3a; Use of renewable resource) removes the provision that the commission may not issue a certificate of need for a large energy facility that transmits electric power generated by a nonrenewable source.

Section 4 (216B.243, subdivision 4; Application for certificate; hearing) makes conforming changes to the references made in this subdivision. When a joint hearing is authorized, only the environmental requirements and review apply to the certificate of need process.

Section 5 (216B.243, subdivision 8; Exemption) makes conforming changes to the references made in this subdivision. Adds additional exemptions.

Section 6 (216B.243, subdivision 9; Renewable energy standard <u>and carbon-free energy</u> <u>standard</u> facilities) states that the certificate of need section does not apply to carbon free technology or eligible energy technology.

Section 7 (216B.246, subdivision 3; Commission procedure) requires owners of an electric transmission line to give 60 days' notice to the commission that the owner intends to construct, own, or maintain a electric transmission line.

### **ARTICLE 45 – CONFORMING CHANGES**

NOTE: This article is identical to Article 9 of Chapter 126.

Sections 1 to 16 include only conforming and technical changes.

Section 17 (Routing permit; environmental review; carbon dioxide pipelines) requires a routing permit for carbon dioxide pipelines.

Section 18 (Transfer of duties; environmental analysis of large energy infrastructure facilities) transfers the responsibility for administering the environmental analysis of large energy infrastructure facilities to the Public Utilities Commission.

Section 19 (Administrative rulemaking) requires the Department of Commerce, the Environmental Quality Board, and the Public Utilities Commission to adopt rules to conform to the changes being made in this act.

**Section 20 (Appropriation; Public Utilities Commission)** appropriates funds to the Public Utilities Commission for administrative rulemaking costs.

Section 21 (Appropriation; Department of Commerce) appropriates funds to the commissioner of commerce to allow the commissioner to intervene as a party in the Public Utilities Commission permitting proceedings.

## **ARTICLE 46 – DISABILITY SERVICES**

NOTE: This article is identical to Article 1 of Chapter 125.

Section 1 amends 13.46, subdivision 2 - General, the statute governing the disclosure of private welfare systems data to the commissioner of revenue, by making a conforming change related to the elimination of parental fees for certain residential mental health services for children and certain residential services for children with disabilities.

**Section 2** amends **245.821**, **subdivision 1** – **Notice required**, by eliminating a cross-reference to "related condition" in a statute requiring notice to local units of government prior to establishing new residential settings for people with developmental disabilities.

Section 3 amends 245.825, subdivision 1 – Rules governing aversive and deprivation procedures, by eliminating a cross-reference to "related condition" in a statute requiring the commissioner of human services to promulgate rules related to aversive and deprivation procedures in licensed facilities.

**Section 4** amends **245A.03**, **subdivision** 7 – **Licensing moratorium**, by authorizing the commissioner of human services to approve exceptions to the existing moratorium on new community residential settings (CRS) settings if setting is licensed by the Minnesota Department of Health as a supervised living facility (SLF), not designated as an ICF/DD, has a capacity of 6 or fewer residents, and the commissioner determines there is a need for the expanded capacity of CRS licenses to meet the needs of individuals affected by the closure of the SLF. This exception is available until June 30, 2025.

Section 5 amends 245A.11, subdivision 2a - Adult foster care and community residential setting license capacity, by authorizing the commissioner of human services to issue community residential setting (CRS) licenses for a capacity of five to six beds to certain licensed supervised living facilities that are not ICF/DDs and to grant variances to age limitations for residents of community residential settings. This authority expires on June 30, 2025.

Section 6 amends 246.511 - RELATIVE RESPONSIBILITY, by making a conforming change that removes reference to parental fees from the statute governing relatives' responsibilities for the cost of care provided by direct care and treatment.

Section 7 amends 252.27, subdivision 2b - Parental or guardian reimbursement to counties, by limiting the responsibility for the cost of care incurred by a county for certain mental health services and disability services provided to a child in a residential setting to the total income attributable to the child, minus the child's clothing and personal needs allowance.

Section 8 amends 252.282, subdivision 1 - Host county responsibility, by making a technical change related to moving a definition of "local system needs planning" to a different subdivision within the same statutory section.

Section 9 adds 252.282, subdivision 1a – Definitions, which adds two definitions what were moved from a different statutory location.

Section 10 amends 256.4764, subdivision 3 – Allowable uses of grant money, by clarifying that the existing \$1,000 annual limit on payments from the long-term services and supports workforce incentive grant program is a calendar year limit, and by prohibiting a worker from receiving payments under the long-term services and supports workforce incentive grant program if the worker received a payment under the nursing facility workforce incentive grant program.

Section 11 amends 256B.02, subdivision 11 – Related condition, by moving the definition of "related condition" to which an existing cross-reference had pointed to this subdivision.

Section 12 adds 256B.076, subdivision 4 – Case management provided under contract, which requires a county agency that procures contracted case management services through a competitive proposal process to include the provision of culturally responsive programming as an evaluative criterion and defines "culturally responsive program".

Section 13 amends 256B.0911, subdivision 12 - Exception to use of MnCHOICES assessment; contracted assessors, by indefinitely permitting an exception to the use of the MnCHOICES assessment tool by contracted assessors for personal care assistance services, consumer support grants, community first services and supports, various case management services, and semi-independent living services; and by exempting contracted assessors and the non-MnCHOICES assessments from most statutory requirements.

Section 14 amends 256B.0911, subdivision 13 – MnCHOICES assessor qualifications, training, and certification, by removing the requirements that registered nurses have at least 2 years of home and community-based services experience to become a certified MnCHOICES assessor.

Section 15 amends 256B.0911, subdivision 17 - MnCHOICES assessments, by extending the required response to a request for an assessment from 20 calendar days to 20 working days.

Section 16 amends 256B.0911, subdivision 20 – MnCHOICES assessments; duration of validity, by extending from 60 days to 365 days the validity of a completed MnCHOICES assessment and by making conforming changes.

Section 17 amends 256B.092, subdivision 1a – Case management services, by requiring a county agency that procures contracted waiver case management services through a competitive proposal process to include the provision of culturally responsive programming as an evaluative criterion and by defining "culturally responsive program".

Section 18 amends 256B.0924, subdivision 3 – Eligibility, by making a conforming change related to moving the existing definition of "related condition" to a new statutory location.

Section 19 amends 256B.0949, subdivision 15 – EIDBI provider qualifications, by expanding the permitted credentials for a level I treatment provider to include being a qualified behavior analyst and expanding the permitted credentials for a level II treatment provider to include being a qualified autism service practitioner or an applied behavior analysis technician.

**Section 20** amends **256B.49**, **subdivision 13** – **Case management**, by requiring a county agency that procures contracted waiver case management services through a competitive proposal process to include the provision of culturally responsive programming as an evaluative criterion and by defining "culturally responsive program".

Section 21 amends 256B.49, subdivision 16 – Services and supports, by eliminating from statute the language related to transitional supports, which continues to be included in the relevant federally-approved HCBS waiver plans.

Section 22 adds 256B.4911, subdivision 7 – Budget procedures, which requires a lead agency to provide a consumer-directed community supports participant with details on how the participant's individualized budget was calculated and with information related to appealing the budget determination.

Section 23 adds 256B.4911, subdivision 8 – Consumer-directed community supports policy, which specifies that the commissioner of human services is solely responsible for establishing policy and requirements related to consumer-directed community supports and clarifies that county-created policies, handbooks, or other guidance documents provided by counties have no independent authority.

Section 24 amends 256B.4912, subdivision 1 – Provider qualifications, by prohibiting a provider of alternative care services, elderly waiver services, or disability waiver services from requiring or coercing a client to move to a different service setting or choosing a different waiver plan.

Section 25 amends 256B.766, paragraphs (m) and (n), by extending for an additional year the existing medical assistance payment methodology for enteral nutrition and supplies.

**Section 26** amends **256B.77**, **subdivision 7a** – **Eligible individuals**, by making a conforming change related to relocating the statutory placement of the definition of "related condition".

Section 27 amends 256S.07, subdivision 1 – Elderly waiver case management provided by counties and tribes, by requiring a county agency that procures contracted elderly waiver case management services through a competitive proposal process to include the provision of culturally responsive programming as an evaluative criterion and by defining "culturally responsive program".

Section 28 amends 270B.14, subdivision 1 – Disclosure to commissioner of human services, by making a conforming change related to the repeal of certain parental fees by eliminating the authority of the commissioner of revenue to disclose income information to the commissioner of human services for the purposes of calculating parental fees.

**Section 29** amends **447.42**, **subdivision 1** – **Establishment**, by making a conforming change related to relocating the statutory placement of the definition of "related condition".

Section 30 amends Laws 2021, First Special Session chapter 7, article 13, section 68 – DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; DIRECT CARE

**SERVICES DURING SHORT-TERM ACUTE HOSPITAL VISITS**, by refining a previously enacted requirement that the commissioner of human services submit draft legislation to the legislature related to permitting the provision of certain direct care services in acute care settings and by requiring the draft legislation to be submitted by January 2025.

Section 31 amends Laws 2023, chapter 61, article 1, section 60, subdivision 1 – Definitions, by modifying the definition of "new Americans" for the purposes of the New American Legal, Social Services, and Long-term care Workforce Grant Program.

Section 32 amends Laws 2023, chapter 61, article 1, section 60, subdivision 2 – Grant program established, by modifying the legal services that may be funded through the New American Legal, Social Services, and Long-term care Workforce Grant Program.

Section 33 permits establishment of ASSISTIVE TECHNOLOGY LEAD AGENCY PARTNERSHIPS between HCBS providers and lead agencies to assess the benefits of using assistive technology.

Section 34 directs the commissioner of human services to submit waiver amendments to modify the CONSUMER-DIRECTED COMMUNITY SUPPORTS option to clarify that allowable goods and services need not be for the sole benefit of the participant, to clarify that CDCS funds can be used to support community integration and inclusion, and to clarify that CDCS participants may pay a rate in excess of the state plan rate for similar services if the participant has an assessed need that requires it.

Section 35 directs the commissioner of human services to explore options related to **REIMBURSEMENT FOR PERSONAL CARE ASSISTANTS AND COMMUNITY-FIRST SERVICES AND SUPPORTS WORKERS** that would permit support works to be reimbursed for up to 8 hours of overtime per week, to be paid to provide overnight staffing in the same manner as waiver services, and to allow consecutive shifts of 80 hours.

Section 36 directs the commissioner to submit waiver amendments to permit DISABILITY HOME AND COMMUNITY-BASED SERVICES REIMBURSEMENT IN ACUTE CARE HOSPITAL STAYS for unit-based services that are designed to ensure a smooth transition to HCBS settings and preserve the person's functional abilities.

Section 37 establishes an ELECTRONIC VISIT VERIFICATION IMPLEMENTATION GRANT program to provide funding to licensed home care providers to defray a portion of the costs attributable to complying with the electronic visit verification requirements.

**Section 38** creates **EMERGENCY RELIEF GRANTS FOR RURAL EIDBI PROVIDERS** to allow rural EIDBI providers who are not generating sufficient revenue to cover the provider's operating expenses to apply for funding to preserve access to the services in the provider's area.

Section 39 establishes the LEGISLATIVE TASK FORCE ON GUARDIANSHIP to make recommendations by January 2027, to address concerns and gaps related to guardianship and less restrictive alternatives to guardianship, including increasing the number of available guardians, increasing compensation to guardians, establishing licensure or certification of guardians, educating guardians on less restrictive options to guardianship, funding a guardianship complaint process, and limiting the loss of civil rights through guardianship.

**Section 40** directs the commissioner of human services to increase the **TRANSITIONAL SUPPORTS ALLOWANCE** available under the four disability waivers from \$3,000 to \$4,114.

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Section 41 directs the commissioner of human services to develop a TRIBAL VULNERABLE ADULT AND DEVELOPMENTAL DISABILITY TARGETED CASE MANAGEMENT MEDICAL ASSISTANCE BENEFIT.

Section 42 directs the commissioner of human services to explore options for ELECTRONIC VISIT VERIFICATION SIMPLIFICATION FOR LIVE-IN CAREGIVERS and submit recommendations to the legislature by February 1, 2025, to simplify documentations requirements and minimize burdens on live-in caregivers.

Section 43 creates a program to provide LICENSE TRANSITION SUPPORT FOR SMALL DISABILITY WAIVER PROVIDERS in the form of directed onetime payments of \$15,000 per setting to disability waiver services providers who have approved moratorium exceptions permitting them to transition their service setting from a customized living setting to a community residential setting.

**Section 44** directs the commissioner to issue a request for proposals to design and conduct a **DISABILITY SERVICES PERSON-CENTERED ENGAGEMENT AND NAVIGATION STUDY** of people's experiences in accessing and navigating disability services and by January 15, 2026, to provide the legislature with recommendations based on the study to improve accessibility to disability services, efficiency, and person-centered systemic design.

Section 45 permits state-only funds to be used for PERSONAL CARE ASSISTANCE COMPENSATION FOR SERVICES PROVIDED BY A PARENT OR SPOUSE provided between October 1, 2024, and the full implementation of Community First Services and Supports.

Section 46 creates OWN HOME SERVICES PROVIDER CAPACITY-BUILDING GRANTS to incentivize chapter 245D-licensed HCBS providers to support individuals moving out of congregate living settings and into the individuals' own homes.

Section 47 establishes a PEDIATRIC HOSPITAL-TO-HOME TRANSITION PILOT PROGRAM to develop and implement strategies to expedite the discharge of pediatric patients from children's hospitals to their own homes with funding for the associated administrative, training and auxiliary services.

**Section 48** is a **REPEALER.** Paragraphs (a), (c) and (d) repeal the language related to parental fees for certain residential mental health services for children and certain residential disability services for children. Paragraph (b) repeals statutory language related to the transitional supports allowance, but the allowance continues to be included in the federally approved HCBS disability waivers.

# **ARTICLE 47 – AGING SERVICES**

NOTE: This article is identical to Article 2 of Chapter 125.

**Section 1** adds **144G.195 – FACILITY RELOCATION**, which allows beginning March 15, 2025, a licensed assisted living facility with a licensed capacity of five or fewer residents to relocate to another location after paying a nonrefundable relocation fee of \$3,905 and complying with the requirements of the section.

Section 2 amends 144G.41, subdivision 1 – Minimum Requirements, by making technical changes by deleting language that is moved to two new subdivisions.

Section 3 adds 144G.41, subdivision 1a – Minimum requirements; required food services, which recreates half of the language deleted from subdivision 1 and in paragraph (b) creates limited exceptions to the food code for small, assisted living facilities.

Section 4 adds 144G.41, subdivision 1b – Minimum requirements; other required services, which recreates the other half of the language deleted from subdivision 1.

Section 5 amends 144G.63, subdivision 1 – Orientation of staff and supervisors, by allowing staff to move to another assisted living facility owned or managed by the same entity as the previous facility without repeating certain training and orientation requirements, provided the staff person receives supplementary training related to the specific facility and license-type.

Section 6 amends 144G.63, subdivision 4 - Training required relating to dementia, mental illness, and de-escalation, by requiring supervisors and direct care staff to demonstrate understanding of the required training on mental health and de-escalation techniques.

Section 7 amends 144G.64 – TRAINING IN DEMENTIA, MENTAL ILLNESS AND DE-ESCALATION REQUIRED, by specifies the required amount, frequency, and content of training in mental health and de-escalation techniques that must be completed beginning July 1, 2025, by all supervisors, direct care staff, and all other employees of assisted living facilities.

Section 8 amends 256.9755, subdivision 2 – Authority, by permitting the Minnesota Board on Aging to directly allocate appropriated state funds for the caregiver support program, which is a program designed to support family caregivers of persons with amyotrophic lateral sclerosis (ALS) who are living in the community.

Section 9 amends 256.9755, subdivision 3 – Caregiver support services, by removing the requirement that state funds appropriated for the caregiver support program, which targets family caregivers of persons with amyotrophic lateral sclerosis (ALS) who are living in the community, be used in a manner consistent with the National Family Caregiver Support Program, which targets different caregiver populations and different care recipients.

Section 10 amends 256.9756, subdivision 1 - Caregiver respite service grant program established, by removing from the stated purposes of the caregiver respite service grants available under this section providing respite services to the caregivers of older adults.

Section 11 amends 256.9756, subdivision 2 – Eligible uses, by removing from the eligible uses of grants available under this section providing respite services to caregivers of older adults.

Section 12 amends 256B.0913, subdivision 5 – Services covered under alternative care, by adding transitional services to the available services under the alternative care program for older adults.

Section 13 amends 256B.0913, subdivision 5a - Services; service definitions; service standards, by removing the explicit exclusion of transitional services from the services available under the alternative care program.

Section 14 adds 256B.434, subdivision 4k – Property rate increase for certain facilities, which temporarily increases the property rate for certain nursing facilities that have completed capital improvement projects in recent years (but prior to the effective date of recently enacted changes to property rates).

Section 15 adds 256B.49, subdivision 28a – Transfer of customized living enrollment dates, which permits a customized living provider who receives approval from the commissioner of health

to relocate a licensed assisted living facility that is also an enrolled customized living setting, to apply to the commissioner of human services to transfer the enrollment date of the customized living setting from its existing location to the new setting and to be grandfathered and treated as if it were operational on January 11, 2021, and thus not subject to the moratorium on new customized living settings and not subject to the tiered standards for new customized living settings.

Section 16 amends 256R.55 LONG-TERM SERVCIES AND SUPPORTS LOAN PROGRAM, by expanding the financially distressed nursing facility loan program to permit loans to providers of long-term services and supports, by specifying the purposes for which money loaned to providers of long-term services and supports may be used, and by establishing the loan program as a revolving loan program with a dedicated account in the special revenue fund. There is an associated Revisor Instruction that will recodify this section as 256.4792.

Section 17 adds 256S.191 ELDERLY WAIVER BUDGET AND RATE EXCEPTIONS; HIGH-NEED PARTICIPANTS, which establishes effective January 1, 2026, a process for requesting elderly waiver budget exceptions and elderly waiver rate exceptions for individuals awaiting discharge from a hospital whose needs cannot be adequately met in the community without additional resources.

Section 18 amends 256S.205, subdivision 2 – Rate adjustment applications, by prohibiting the commissioner from accepting applications for a disproportionate share facility rate adjustment from a facility that is not receiving an adjustment in calendar year 2024, and by allowing a facility receiving an adjustment in 2024 to apply to continue to receive an adjustment in calendar year 2025.

Section 19 amends 2568.205, subdivision 3 – Rate adjustment eligibility criteria, by allowing rate adjustments in 2025 only to facilities that are receiving a rate adjustment in 2024 and demonstrate that the facility continues to meet the eligibility requirements in September 2024.

Section 20 amends 2568.205, subdivision 5 – Rate adjustment; rate floor, by reducing the existing rate floor for customized living services provided in certain settings with a high proportion of residents on certain public programs from approximately \$192 per day to \$141 per day.

Section 21 adds 256S.205, subdivision 7 – Expiration, which sunsets the disproportionate share rate adjustment effective January 1, 2026.

Section 22 directs the commissioner of human services to conduct a HOME AND COMMUNITY-BASED SERVICES SYSTEM REFORM ANALYSIS and submit to the legislature by December 31, 2025, recommendations to reform the home and community-based services system to better service older adults with high support needs.

Section 23 is a **REVISOR INSTRUCTION** to recodify the former financially distressed nursing facility loan program as the long-term services and support loan program in a different chapter of statute.

# **ARTICLE 48 – SUBSTANCE USE DISORDER SERVICES**

NOTE: This article is identical to Article 3 of Chapter 125.

Section 1 amends 151.065, subdivision 7 – Deposit of fees, by making a conforming change related to the repeal of the contingent reduction in the fee amount imposed on manufacturers of opiate-

containing controlled substances. With the repeal of the contingent reduction in the fee amount (see section 20 below), the annual fee amount will remain \$55,500 indefinitely.

Section 2 amends 245.91, subdivision 4 – Facility or program, by adding peer recovery support services to the definition of "program" for the purposes of the statutes governing the Office of the Ombudsman for Mental Health and Developmental Disabilities, thereby extending the authority to the Ombudsman to oversee these services.

Section 3 amends 245G.07, subdivision 2 – Additional treatment services, by clarifying the peer recovery support services that may be provided by or arranged for by a licensed substance use disorder service provider.

Section 4 amends 2451.04, subdivision 19 – Recovery peer scope of practice, by permitting a recovery peer to be supervised by a mental health professional, by requiring a recovery peer to develop and maintain an individual recovery plan for each client, and by specifying the required elements of supervision of a recovery peer.

Section 5 adds 254B.01, subdivision 4e – Individual recovery plan, which defines "individual recovery plan" for the purposes of substance use disorder treatment services.

Section 6 adds 254B.01, subdivision 8a – Recovery peer, which defines "recovery peer" for the purposes of substance use disorder treatment services.

Section 7 amends 254B.05, subdivision 1 – Licensure or certification required, by modifying the requirements recovery community organizations must meet to be eligible vendors of peer recovery support services reimbursed from the behavior health fund and by requiring recovery community organizations meet certification or accreditation requirements of newly specified certification or accreditation organizations. This section also requires recovery community organizations approved by the commissioner before June 30, 2023, to apply for certification or accreditation and to have begun to meet the peer recovery support services vendor qualifications by September1, 2024, in order to be eligible vendors of peer recovery support services. This section also allows complaints about a recovery community organization or peer recovery support services to be made to and reviewed or investigated by the ombudsperson for behavioral health and developmental disabilities.

Section 8 amends 256B.05, subdivision 5 – Rate requirements, by removing obsolete language; by requiring eligible vendors of peer recovery support services to submit to a review of up to ten percent of all MA and behavioral health fund claims for entities billing for peer recovery support services individually and not receiving a daily rate; by limiting an individual client to 14 hours per week of peer recovery support services from an individual; and by subjecting peer recovery support services not provided in accordance with specified requirements to monetary recovery.

Section 9 adds 254B.052 – PEER RECOVERY SUPPORT SERVICE REQUIREMENTS, which defines peer recovery support services, specifies requirements for the provision of reimbursable peer recovery services, including required elements of individual recovery plans, and by specifying medical assistance documentation requirements.

Section 10 amends 254B.19, subdivision 1 – Level of care requirements, by clarifying that vendors of high-intensity residential substance use disorder treatment services must provide 30 hours of treatment services between January 1, 2024, and June 30, 2024.

Section 11 amends 256.043, subdivision 3 - Appropriations from registration and license fee account, by (1) expanding the permissible uses of the so-called child protection distributions to
counties and tribes to include substance use prevention services to families affected by addiction and (2) modifying the data set used to make allocations among the counties and tribes to smooth out the year over year fluctuations in amounts allocated to each county or tribe.

**Section 12** adds **256B.0761** – **REENTRY DEMOSTRATION WAIVER**, which requires the commissioner to submit a waiver application to CMS to implement an MA demonstration project to provide during the 90 days prior to community reentry limited health care and coordination services to individuals confined in a limited number state, local, or Tribal correctional facilities. This section also specifies certain requirements providers must meet to participate in the demonstration, specifies payment rates to participating providers, and requires the commissioner to convene a reentry services working group to consider ways to improve the demonstration under this section and related policies for justice-involved individuals.

Section 13 amends 256B.69, subdivision 4 – Limitation of choice, by requiring the commissioner of human services to exempt individuals participating in the reentry demonstration project from the requirement to enroll in a medical assistance managed care plan.

Section 14 amends 604A.04, subdivision 3 – Health Care professionals; release from liability, by expanding an existing protection from liability for the distribution or administration of opiate antagonists to include local units of government.

Section 15 is a DIRECTION TO THE OMBUDSMAN OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES requiring the ombudsman by September 30, 2025, to issue a report on received complaints involving peer recovery support services and recommendations on improving regulation and oversight of peer recovery support services.

Section 16 establishes a PEER RECOVERY SUPPORT SERVICES AND RECOVERY COMMUNITY ORGANIZATION WORKING GROUP to develop and provide no later than August 1, 2025, recommendations on improving access to and regulation and oversight of peer recovery support services and recovery community organizations.

Section 17 creates CAPACITY BUILDING AND IMPLEMENTATION GRANTS FOR THE MEDICAL ASSISTANCE REENTRY DEOMSTRATION to provide funding to local correctional facilities to develop policies and procedures and build required infrastructure and staff capacity to implement the reentry demonstration project in their facilities.

Section 18 requires the commissioner of human services to apply for a 1115 WAIVER FOR MEDICATION ASSISTANCE REENTRY DEMONSTRATION project.

Section 19 establishes a RESIDENTIAL SUBSTANCE USE DISORDER RATE INCREASE of 3% for residential substance use disorder treatment services.

Section 20 is a **REPEALER** of the contingent reduction in the annual fees charged to manufactures of opiate-containing controlled substances.

# **ARTICLE 49 – PRIORITY ADMISSIONS AND CIVIL COMMITMENT**

NOTE: This article is identical to Article 4 of Chapter 125.

Section 1 amends 245I.23, subdivision 19a – Additional requirements for locked program facility, by clarifying that a program providing intensive residential treatment services or residential

crisis stabilization in a locked facility may only prevent individuals subject to civil commitment from leaving the locked facility, even if the individual wishing to leave is otherwise subject to court order treatment.

**Section 2** amends **246.129** – **LEGISLATIVE APPROVAL REQUIRED**, by eliminating an existing exemption for state-operated enterprise services from required legislative approval before a direct care and treatment program is closed without mutual agreement with the relevant bargaining units with respect to transfer of existing state employees.

Section 3 amends 246.54, subdivision 1a - Anoka-Metro Regional Treatment Center, by modifying an existing temporary reduction in county responsibility for the cost of care provided to individuals subject to civil commitment and are awaiting discharge from Anoke-Metro Regional Treatment Center because they no longer meet the level of care requirements.

Section 4 amends 246.54, subdivision 1b – Community behavioral health hospitals, by modifying an existing temporary reduction in county responsibility for the cost of care provided to individuals subject to civil commitment and are awaiting discharge from a state-operated community behavioral health hospital because they no longer meet the level of care requirements.

Section 5 amends 253B.10, subdivision 1 – Administrative requirements, by establishing a priority admissions framework for admission to direct care and treatment programs from jails or correctional facilities for individuals subject to civil commitment or referred for competency attainment or competency examination. The framework requires physicians in the executive medical director's office to consider the length of time an individual has been waiting for admission, the intensity of treatment of person requires, the person's provisional discharge status, the safety of others, access to treatment, and the effect on the referring facility of continued delay in admission. This section also establishes notice requirements related to priority status determinations, updates, and admission decisions.

Section 6 amends 256B.0622, subdivision 8 – Medical assistance payments for assertive community treatment and intensive residential treatment services, by clarifying that medical assistance will only pay for medically necessary services provided to an individual who is eligible under medical assistance – a court order for treatment is not sufficient to guarantee reimbursement from medical assistance.

Section 7 establishes the PRIORITY ADMISSIONS REVIEW PANEL to evaluate the 48-hour timeline for admissions to direct care and treatment programs and by February 1, 2025, to develop policies and legislative proposals to limit delays in admissions to and to maximize capacity of direct care and treatment programs. The review panel must also monitor for one year the effectiveness of the newly enacted priority admissions framework.

Section 8 directs the commissioner of human services to provide REIMBURSEMENT TO BELTRAMI COUNTY AND TODD COUNTY FOR CERTAIN COST OF CARE PAYMENTS by either direct reimbursement or forgiveness of debt for the cost of care of certain individuals in AMRTC or a CBHH who are awaiting discharge to another state-operated facility or program.

Section 9 establishes the MENTALLY ILL AND DANGEROUS CIVIL COMMITMENT REFORM TASK FORCE to evaluate current statutes related to mentally ill and dangerous civil commitments and other state approaches to civil commitment and by August 1, 2025, to make

recommendations to the legislature to modify existing statutes and to optimize the use of stateoperated mental health resources to increase equitable access and outcomes for patients.

Section 10 establishes ENGAGEMENT SERVICES PILOT GRANTS, one of which must be awarded to Otter Tail County, to evaluate the impact of engagement services in decreasing civil commitments, increasing engagement in treatment for mental health disorders, and reducing police involvement.

Section 11 requires the commissioner of human services to implement a LIMITED EXCEPTION FOR ADMISSION FROM HOSPITAL SETTING by adding up to 10 civilly committed patients awaiting discharge in a community hospital to the waiting list for admissions to a direct care and treatment facility.

Section 12 creates а COUNTY CORRECTIONAL FACILITY LONG-ACTING **INJECTIABLE ANTIPSYCHOTIC MEDICATION PILOT PROGRAM** to provide payments to county correctional facilities to support the administration of long-acting antipsychotic medications to prisoners requiring the medication as part of the prisoner's mental health treatment. This section also specifies the payment allocation and payment caps for the program.

requires the direct care and treatment executive board to submit by January 15, 2025, a REPORT ON INPATIENT SUBSTANCE USE DISORDER BEDS containing recommendations for increasing the capacity of beds in inpatient substance use disorder treatment settings.

# **ARTICLE 50 – DIRECT CARE AND TREATMENT**

NOTE: This article is identical to Article 5 of Chapter 125.

Section 1 (10.65, subd. 2; Definitions) adds DCT to the definition of "agency" for the purposes of the statutes governing government to government consultation with tribes.

Section 2 (13.46, subd. 1; Definitions) makes a technical change.

Section 3 (13.46, subd. 2; General) adds DCT to the statute that permits disclosure of private data on individuals between DHS, DCT, DEED and DOE for specified purposes, including for determining eligibility for medical assistance and other Minnesota Health Care Programs.

Section 4 (13.46, subd. 10; Responsible Authority) specifies that the responsible authority for DCT, for purposes of the government data practices act, is the chief executive officer of DCT.

Section 5 (15.01; Departments of the State) strikes language added last session in chapter 61 that is not needed since Direct Care and Treatment will not be a state department with a commissioner, but an agency headed by a board.

Section 6 (15.06, subd. 1; Applicability) strikes language added last session in chapter 61 that is not needed since Direct Care and Treatment will not be a state department with a commissioner, but an agency headed by a board.

Section 7 (15A.0815, subdivision 2; Agency head salaries) requires the salary of the CEO of DCT to be set by the Compensation Council.

Section 8 (15A.082, subdivision 1; Creation) requires the Compensation Council to determine the daily compensation for voting members of the DCT executive board.

Section 9 (15A.082, subdivision 3; Submission of recommendations and determination) establishes the required timelines for the Compensation Council to establish the daily compensation for voting members of the DCT executive board.

Section 10 (15A.082, subdivision 7; No ex parte communications) prohibits ex parte communications between members of the DCT executive board and members of the compensation council between the dates of the first meeting of the compensation committee and the date a recommendation concerning the daily compensation of executive board members is made.

Section 11 (43A.08, subd. 1; Unclassified positions) makes a technical change by explicitly mentioning the chief executive officer in DCT in the list of unclassified positions.

**Section 12 (43A.08, subd. 1a; Additional unclassified positions)** is a technical change adding DCT to this section, authorizing the executive board to designate unclassified positions.

**Section 13 (145.61, subd.5; Review organization**) adds DCT to the definition of a "review organization" for purposes of providing certain protections to peer review participants gathering and reviewing information relating to the care and treatment of patients.

Section 14 (246.018, subd. 3; Duties) requires the executive medical director of DCT to consult the chief executive officer regarding state operated programs and strikes obsolete language.

Section 15 (246.13, subd. 2; Definitions; risk assessment and management) specifies the purpose of existing authority for the executive board to access medical and criminal histories of patients and makes technical changes.

Section 16 (246.234; Reciprocal exchange of certain persons) makes grammatical changes.

Section 17 (246.36; Acceptance of voluntary, uncompensated services) makes grammatical changes and a conforming change by removing explicit mention of providers ability to purchase from the Department of Administration equipment and supplies used in the provision of voluntary uncompensated services to DCT.

Section 18 (246C.01; Title) makes a technical change.

Section 19 (246C.02; Direct care and treatment; establishment) clarifies that DCT is an agency headed by an executive board and reorganizes language from subdivision 2 into subdivision 3.

**Section 20 (246C.04; Transfer of duties)** specifies that the commissioner of human services shall continue to exercise all statutory authorities and responsibilities for DCT until July 1, 2025, instead of January 1, 2025. (This language was enacted last session in Chapter 61 and is currently contained in section 246C.03 which is being repealed.) This section also eliminates from statute the 2023 language guaranteeing the salary of the CEO remains the same following separation (The initial salary of the CEO is instead addressed in section 41.)

Section 21 (246C.05; Employee protections for establishing direct care and treatment) makes conforming and technical changes.

Section 22 (246C.07; Powers and duties of executive board) establishes the powers and duties of the executive board.

**Subd. 1** specifies that the executive board must operate according to chapter 246C and applicable state and federal law, and that the overall management and control of the agency is vested in the board. This subdivision also specifies that the chief executive officer is responsible for the administrative and operational duties of the agency. It also authorizes the board to delegate any

statutory duty or power as it deems appropriate to any employee other than the chief executive officer of DCT as long as the delegation is made by written order and the order is filed with the secretary of state.

**Subd. 2** specifies the overall principles that the executive board must follow in undertaking its duties and responsibilities of the agency.

**Subd. 3** specifies that the executive board has the power to:

- 1) Set the overall strategic direction for DCT;
- 2) Establish the policies and procedures to govern DCT;
- 3) Employ personnel and delegate duties and responsibilities as deemed appropriate;
- 4) Review and approve the operating budget for DCT;
- 5) Accept gifts, grants, or contributions from any nonstate sources or not accept if not in the best interest of the state;
- 6) Deposit all money received and gifts, grants, or contributions as required under chapter 246C;
- 7) Expend or use any gift, grant, or contribution in a manner compatible with both the intend to of the contribution and the best interests of those served by DCT programs;
- 8) Comply with all conditions and requirements necessary to receive federal aid or block grants with respect to the establishment, construction, maintenance, equipment, or operation of DCT facilities, programs and services;
- 9) Enter into information sharing agreements with federal and state agencies;
- 10) Enter into interagency or service level agreements with a state department, state agency, or the Department of Information Technology Services;
- 11) Enter into contractual agreements with federally recognized Indian tribes;
- 12) Enter into contracts with public and private agencies, organizations, and individuals;
- 13) Establish and maintain administrative units necessary for the performance of the administrative functions of DCT;
- 14) Authorize the method of payment to and from DCT;
- 15) Inform Tribal nations and county agencies of changes in statutes, rule, federal law, regulation, and policy necessary for counties to administer direct care and treatment programs and services;
- 16) Report to the legislature on the performance of DCT;
- 17) Recommend to the legislature appropriate changes in law necessary to carry out the principles and improve performance of DCT; and
- 18) Exercise all powers reasonably necessary to implement and administer the requirements of chapter 246C and applicable state and federal laws.

Subd. 4 authorizes the board to establish by-laws.

**Subd. 5** permits the Governor to request a performance review of the CEO at any time, and upon such a request from the Governor requires the executive board to complete the performance review within 14 days and authorizes a representative of the Governor to participate as a voting member of the executive board for the purposes of the performance review.

Section 23 (246C.08; Chief executive officer; service; duties) establishes the position of chief executive officer and specifies the powers and duties of the CEO.

**Subd. 1** authorizes the executive board to appoint the chief executive officer with the advice and consent of the Senate. It also specifies that the chief executive officer shall serve at the pleasure of the executive board.

**Subd. 2** specifies that the chief executive officer is responsible for the administrative and operational management of the agency. It also specifies that the chief executive officer has all the powers and duties of the board unless the board directs otherwise and has the authority to speak for the board within the agency and outside the agency. It also specifies that if a vacancy occurs within the chief executive officer position for any reason, the executive medical officer of DCT shall immediately become the temporary chief executive officer until the executive board appoints a new chief executive officer and that during that period the executive medical officer shall have all the powers and authority delegated to the chief executive officer.

Section 24 (246C.091; Direct care and treatment accounts) establishes the following Direct Care and Treatment accounts in the special revenue fund of the state treasury: gifts, grants, and contributions account; facilities management account; systems account; and cemetery maintenance account.

Section 25 to section 29 (256.88 - 256.92) provides DCT access to the social welfare fund that is established for the purpose of holding funds in trust for persons who have a developmental disability, a mental health disorder, or substance use disorder, or other wards or beneficiaries.

Section 30 to section 33 are technical, conforming the effective dates with the extension of the date that authority for DCT transfer from DHS to DCT.

Section 34 (246C.015 – Definitions) makes technical changes.

Section 35 (246C.06 – EXECUTIVE BOARD; MEMBERSHIP; GOVERNANCE) specifies the executive board membership and governance.

Subd. 1 makes technical changes to the language establishing the executive board.

**Subd. 2** expands the board membership to nine members, seven of whom are voting members, including the commissioner of human services, and two non-voting members. It also specifies that six of the voting members, other than the commissioner of human services, are appointed by the governor with advice and consent of the senate and specifies the required qualifications for membership of these six members. It also specifies that there will be two non-voting members, one member appointed by the association of counties, and one member appointed by joint representatives of the labor unions that represent staff at DCT facilities.

**Subd. 3** specifies that section 15.0575 covers the terms, compensation, removal, and filling of vacancies for the executive board, unless otherwise provided in this section.

**Subd.** 4 states that nonvoting members must not receive daily compensation for executive board activities, and may receive expenses on the same terms as specified in the "commissioner's plan," childcare expenses with board approval. The compensation of voting board members, except the commissioner of human services, shall be determined by the compensation council, and voting members may receive expenses on the same terms as specified in the "commissioner's plan," and childcare expenses with board approval.

**Subd. 5** requires the governor to select one governor appointed member to serve as the initial acting chair of the executive board and authorizes the board to elect annually a chair and other officers.

Subd. 6 specifies the term limits of the members and the terms of the initial members.

**Subd.** 7 requires members to recuse themselves from discussion of and voting on any official matter if the member has a conflict of interest.

**Subd. 8** requires the board to meet at least four times per fiscal year at a time and place specified by the board.

Subd. 9 specifies that a majority of voting members constitutes a quorum but requires an affirmative vote of a majority of all members to take action.

**Subd. 10** provides immunity to the members of the board from civil liability for any act or omission occurring within the scope of performing their duties and states that for purposes of indemnity the members are employees of the state.

**Subd. 11** gives the board rulemaking authority to implement chapter 246C and any responsibilities of DCT specified in law. Authorizes the board to use the expediated rulemaking process until July 1, 2027. Clarifies that any rule, order, delegation, permits, or other privileges issued by the commissioner of human services with respect to DCT and in effect at the time of the establishment of DCT shall continue in effect.

Section 36 (246C.10 – FORENSIC SERVICES) makes technical and conforming changes.

Section 37 makes a technical correction to Laws 2024, chapter 79, article 1, section 25, subdivision 3.

Section 38 amends the **REVISOR INSTRUCTION** from Laws 2024, chapter 79, the recodification of DCT statutes to make technical and conforming changes.

**Section 39** amends the **EFFECTIVE DATE** of Laws 2024, chapter 79, the recodification of DCT statutes to make the entire recodification bill (but not this bill) effective July 1, 2024.

Section 40 establishes the temporary DIRECT CARE AND TREATMENT ADVISORY COMMITTEE and requires the executive board to regularly consult with the advisory committee until December 31, 2027 regarding the operation of DCT.

# Section 41 (INITIAL APPOINTMENTS OF THE DIRECT CARE AND TREATMENT EXCUTIVE BOARD AND CHIEF EXECUTIVE OFFICER)

**Subd. 1** requires the initial appointment of the Direct Care and Treatment executive board to be made by January 1, 2025, and sets an initial daily compensation rate for board members until the compensation council sets a permanent compensation rate. This subdivision also exempts the board from the open meeting law until the authority and responsibilities for DCT are transferred to the board.

**Subd. 2** requires the executive board to appoint the chief executive officer of the direct care and treatment division of the Department of Human Services to the position of chief executive officer of Direct Care and Treatment by July 1, 2025, subject to Seante confirmation. This subdivision also specifies the initial salary of the CEO of DCT.

**Subd. 3** requires the commissioner of human services to consult with the executive board when the commissioner prepares the budget estimates for the next fiscal biennium or any proposed legislative changes that involve DCT. If the board has not been appointed, the commissioner is required to provide the board with a summary of any budget estimate or proposal submitted for DCT.

# Section 42 is a REVISOR INSTRUCTION.

# Section 43 is a REVISOR INSTRUCTION.

#### Section 44 is a REVISOR INSTRUCTION.

Section 45 is a **REPEALER** that repeals sections 246.41 and 246C.03 since the language is unnecessary or redundant. Also repeals 253C.01, which is obsolete.

# **ARTICLE 51 – MISCELLANEOUS**

NOTE: This article is identical to Article 6 of Chapter 125.

Section 1 adds FREE COMMUNICATION SERVICES, which requires DCT treatment facilities to temporarily provide patients and clients with free communication services until June 30, 2026, including voice, video, and electronic communication, provided the patient's or client's right to communication is not otherwise limited, and requires reporting to the commissioner of corrections regarding communication services.

Section 2 establishes a PLANNING COMMUNITY CARE HUB GRANT to develop and design a community care hub model that serves as a centralized administrative and operational interface between health care institutions and community-based organizations to provide culturally informed services to address health-related social needs and community-informed health promotion programs.

Section 3 directs the commissioner of human services to develop strategies to implement interventions to address unmet health related needs and begin preparing applications for FEDERAL WAIVERS FOR HEALTH-RELATED NEEDS to receive federal reimbursement.

Section 4 establishes the WORKING GROUP ON SIMPLIFYING SUPPORTIVE HOUSING **RESOURCES** to identify how to reduce administrative complexities, improve equity and access, and accelerate transitions from homelessness to sustainable long-term housing.

**Section 5** requires the commissioner of human services to issue a **HOMELESSNESS REPORT** by January 15, 2025, describing the efforts of DHS and MHFA to reduce homelessness.

Section 6 directs the commissioner of human services prior to implementing TARGETED CASE MANAGEMENT REDISIGN to consult with MACSSA to identify changes to the information systems related to fee-for-service target case management.

**Section 7** is a **REVISOR INSTRUCTION** recodifying the transitional housing programs and the emergency services grants from Chapter 256E – Community Social Services into Chapter 256K – Services for Homeless Families and Youth.

# ARTICLE 52 – HUMAN SERVICES RESPONSE CONTINGENCY ACCOUNT

NOTE: This article is identical to Article 7 of Chapter 125.

Section 1 adds 256.044 – HUMAN SERVICES RESPONSE CONTINGENCY ACCOUNT, which creates an account in the special revenue fund and appropriates the balance, which does not cancel, to the commission of human services to respond to emerging or immediate needs related to supporting the health, welfare or safety of people for which other funding is insufficient. This section also specifies reporting requirements.

# **ARTICLE 53 – APPROPRIATIONS**

NOTE: This article is identical to Article 8 of Chapter 125.

Article 8 contains appropriations and riders for the department of human services, the department of health, and the council on disability, as well as amendments to various 2023 riders.

**Section 1** is **boilerplate** appropriation language.

Section 2 contains appropriations and associated riders to the Commissioner of Human Services.

Section 3 contains appropriations and associated riders to the Commissioner of Health.

Section 4 contains appropriations and associated riders to the Council on Disability.

Section 5 contains appropriations and associated riders to the Commissioner of Corrections.

Section 6 contains appropriations and associated riders to the Commissioner of Employment and Economic Development.

Section 7 modifies the 2021 appropriation to Minnesota Centers for Independent Living for HCBS Access grants.

Section 8 modifies the transfer authority of the Commissioner of Management and Budget with respect to the Minnesota Forward Fund account, the Minnesota Climate Innovation Authority account, and the State Competitiveness Fund account.

Section 9 reduces the 2023 appropriation to the Minnesota Forward Fund account by \$10,000,000.

Section 10 extends the date of a required report related to the Direct Care Services Corps pilot project by one year.

Section 11 aligns the effective date of the new rates for substance use disorder treatment services with medications for opioid use disorder to align with the 2023 spreadsheet.

Section 12 extends the availability of a 2023 appropriation for the Direct Care Services Corps pilot project by one year.

Section 13 modifies the name of the financially distressed nursing facility loan program in the 2023 appropriation to the long-term services and supports loan program.

Section 14 extends the availability of the 2023 appropriation for the Home Care Orientation Trust by one year and clarifies that the 2023 appropriation for self-advocacy grants for people with intellectual and developmental disabilities was onetime.

Section 15 cancels the \$500,000 Fiscal Year 2024 appropriation for Start-up and Capacity Building Grants for Withdrawal Management and extends the availability of the 2023 appropriation for Project ECHO by two years.

Section 16 modifies two 2023 appropriation for mobile crisis grants by expanding eligible uses of the grants to include children's mental health crisis services.

Section 17 Specifies the amounts of reduced revenue related to the cost of care debt of Beltrami County and Todd County.

Section 18 revives and reenacts the housing support supplemental service rate reductions.

Section 19 boilerplate language to prevent the same appropriation being enacted twice (See Laws 2024, Chapter 125).

Section 20 is a direction to commissioner of management and budget related to establishing the fiscal year 2026 and fiscal year 2027 budget for Direct Care and Treatment.

Section 21 repeals the 2023 repeal of the housing support supplemental service rate reductions.

Section 22 is boilerplate language related to uncodified language in the bill.

Section 23 is the effective date.

# ARTICLE 54 – DEPARTMENT OF HUMAN SERVICES HEALTH CARE FINANCE

Section 1 (amends Minn. Stat. § 256.9631; Alternative care delivery models for Medical Assistance and MinnesotaCare) This section requires the commissioner to develop implementation plans for at least three care delivery models for Medicaid and MinnesotaCare, that are alternatives to the use of commercial managed care plans. (Expands an existing requirement for an implementation plan for a direct payment system).

Section 2 (adds Minn. Stat. § 256.9657, subd. 2a; Teaching hospital surcharge) This section requires teaching hospitals to pay a surcharge to the medical assistance account in an amount equal to 1.41 percent of net patient revenue for inpatient services. Net patient revenue for inpatient services is calculated by subtracting all professional fee charges, home health charges, skilled nursing facility charges, hospice charges, end-stage renal disease charges, nonhospital charges, and applicable contractual allowances from the gross inpatient hospital facility charges. The commissioner of human services must use revenue from this surcharge to pay the nonfederal share of the medical assistance supplemental payments for graduate medical education.

Section 3 (amends Minn. Stat. §256.969, subd. 2b; Hospital payment rates) This section clarifies that payments by the commissioner of human services for medical education and research costs cannot be made under both section 256.969, subdivisions 2b and 2g.

Section 4 (adds Minn. Stat. § 256.969, subd. 2g; Annual supplemental payment for graduate medical education) This section requires the commissioner of human services and contracted managed care organizations to pay annual supplemental payments to hospitals for the cost of graduate medical education incurred by the hospital. This section establishes the methodology for calculating the payment, which methodology is based on the number of full-time equivalent medical graduate students trained at the applicable hospital. The aggregate payments are subject to a cap of \$203,000,000 per year. The subdivision expires on the later of June 30, 2030, or five years after federal approval is obtained.

Section 5 (adds Minn. Stat. § 256.969, subd. 32; Biological products for cell and gene therapy) This section authorizes the commissioner of human services to provide reimbursement to hospitals for biological products provided in an inpatient setting as part of cell or gene therapy to treat rare diseases, if the drug manufacturer enters into a value-based arrangement with the commissioner.

Section 6 (amends Minn. Stat. § 256.0625, subd. 13e; Payment rates) This section increases the dispensing fee paid to pharmacies in the medical assistance program from \$10.77 to \$11.55.

Section 7 (amends Minn. Stat. § 256.0625, subd. 13k; Value-based purchasing arrangements) This section authorizes the commissioner of human services to provide reimbursement to hospitals for drugs provided in an inpatient setting as part of a value-based arrangement.

Section 8 (amends Minn. Stat. § 256L.04, subd. 10; Citizenship requirements) This section changes a cross-reference to federal law relating to the definition of "lawfully present" for purposes of determining eligibility for MinnesotaCare.

Section 9 (uncodified; Implementation of teaching hospital surcharge and graduate medical education supplemental payment) This section requires the commissioner of human services to submit a request for federal approval to CMS to implement the graduate medical education supplemental payments and related teaching hospital surcharge provided in this article. The section requires 60 days for public comment on the surcharge requirements and supplemental payment rates, and states that the commissioner must suspend implementation if the commissioner receives a written statement of opposition for eligible hospitals.

Section 10 (uncodified; County-administered rural medical assistance model) This section directs the commissioner of human services to develop a county-administered rural medical assistance model and plan for implementation.

# ARTICLE 55 – DEPARTMENT OF HUMAN SERVICES HEALTH CARE POLICY

Section 1 (adds Minn. Stat. § 62M.01, subd. 3; Scope) requires the medical assistance program to comply with certain prior authorization requirements currently required for commercial health plans.

**Section 2 (amends Minn. Stat. § 256.0471, subd. 1; Qualifying overpayment)** provides that any overpayment for medical assistance or state-funded MinnesotaCare granted under section 256.045, subdivision 10 (relating to "payments pending appeal"), become a judgment by operation of law 90 days after the notice overpayment is served upon the recipient.

Section 3 (amends Minn. Stat. § 256.9657, subd. 8; Commissioner's duties) removes a requirement for the commissioner of human services to annually report to the legislature regarding information on total billings, total collections, and administrative expenditures for the previous fiscal year, with respect to the provider surcharge program under section 256.9657.

Section 4 (adds Minn. Stat. § 256.969, subd. 2h; Alternate inpatient payment rate for a discharge) directs the commissioner of human services to compute an alternate inpatient rate for children's hospitals.

Section 5 (amends Minn. Stat. § 256B.056, subd. 1a; Income and assets generally) exempts state tax credits, rebates, and refunds from the calculation of income for purposes of eligibility for medical assistance. This section further provides that state tax credits, rebates, and refunds are not included in the calculation of assets for a period of 12 months after the month of receipt.

Section 6 (amends Minn. Stat. § 256B.056, subd. 10; Eligibility verification) requires medical assistance applicants to authorize the commissioner of human services to obtain information from financial institutions to verify the applicant's assets. Existing law only authorizes the commissioner to obtain information to identify unreported accounts.

Section 7 (amends Minn. Stat. § 256B.0622, subd. 8; Medical assistance payment for assertive community treatment and intensive residential treatment services) changes the calculation of the inflation adjustment, for purposes of assertive community treatment rates, adult residential crisis

stabilization service rates, and intensive residential treatment services, such that the calculation uses the third quarter forecast for the CMS Medicare Economic Index instead of the fourth quarter forecast.

Section 8 (amends Minn. Stat. § 256B.0625, subd. 9; Dental services) corrects an incorrect paragraph cross-reference.

Section 9 (amends Minn. Stat. § 256B.0625, subd. 13e; Payment rates) modifies the definition of "usual and customary price" when used in connection with prescription savings clubs or prescription discount clubs.

Section 10 (adds Minn. Stat. § 256B.0625, subd. 25c; Applicability of utilization review provisions) requires the medical assistance program to comply with certain prior authorization requirements currently required for commercial health plans.

Section 11 (amends Minn. Stat. § 256B.0701, subd. 6; Recuperative care facility rate) modifies the recuperative care facility rate from equaling the medical assistance room and board rate, as in existing law, to the "MSA equivalent rate," as that term is defined in section 256I.03, subdivision 11a.

Section 12 (amends Minn. Stat. § 256B.0947, subd. 7; Medical assistance payment and rate setting) changes the calculation of the inflation adjustment, for purposes of services provided under section 256B.0947 (relating to intensive rehabilitative mental health services), such that the calculation uses the third quarter forecast for the CMS Medicare Economic Index instead of the fourth quarter forecast.

Section 13 (amends Minn. Stat. § 256B.764; Reimbursement for family planning services) limits the 20% increase for medical assistance payment rates for family planning services to only applying when such services are provided by an eligible community clinic, as defined in section 145.9268, subdivision 1.

Section 14 (amends Minn. Stat. § 256L.03, subd. 1; Covered health services) expands the coverage under MinnesotaCare to include adult dental care services and orthodontic services.

Section 15 (amends Minn. Stat. § 524.3-801; Notice to creditors) permits electronic service of certain claims in connection with a decedent or the decedent's spouse that receives assistance payments from the state.

Section 16 (uncodified; Direction to the commissioner; Reimbursement for extracorporeal membrane oxygenation cannulation as an outpatient service) directs the commissioner of human services to determine the feasibility of an outpatient reimbursement mechanism for medical assistance coverage of extracorporeal membrane oxygenation cannulation.

# **ARTICLE 56 – HEALTH CARE**

Section 1 (amends Minn. Stat. § 62V.05, subd. 12; Reports on interagency agreements and intraagency transfers) modifies MNsure's reporting requirement to the legislature with respect to intergovernmental transfers and agreements from being required on a quarterly basis to an annual basis. It further removes MNsure's obligation to provide the legislature with a copy of applicable interagency agreements. Section 2 (amends Minn. Stat. § 62V.08; Reports) changes the date by which MNsure must report annually to the legislature with respect to MNsure's operations and budget from January 15 to March 31.

Section 3 (amends Minn. Stat. § 62V.11, subd. 4; Review of costs) changes the date by which MNsure must annually submit its budget for review from March 15 to March 31.

Section 4 (amends Minn. Stat. § 151.74, subd. 3; Access to urgent-need insulin) permits a manufacturer of insulin to submit a request for reimbursement to the commissioner of administration. The commissioner must reimburse the manufacturer in an amount not to exceed \$35 for each 30-day supply of insulin the manufacturer provided under the state's urgent-need safety net insulin program.

Section 5 (amends Minn. Stat. § 151.74, subd. 6; Continuing safety net program; process) permits a manufacturer of insulin to submit a request for reimbursement to the commissioner of administration. The commissioner must reimburse the manufacturer in an amount not to exceed \$105 for each 90-day supply of insulin the manufacturer provided under the state's continuing-need safety net insulin program.

Section 6 (adds Minn. Stat. § 151.741; Insulin manufacturer registration fee) requires the board of pharmacy to assess each insulin manufacturer with sales in Minnesota an annual registration fee of \$100,000. This section also provides an exemption from this fee if the manufacturer can demonstrate Minnesota sales accounting for less than 5 percent of the total gross sales revenue from insulin in Minnesota in the previous calendar year.

Section 7 (uncodified; Appropriations) extends a prior year's appropriation for navigator training and compensation, and allows this money to be used for this insulin safety net program generally.

Section 8 (Repealer; Sunset for the Long-Term Safety Net Insulin Program) repeals the December 31, 2024, sunset of the continuing need insulin program.

# **ARTICLE 57 – HEALTH INSURANCE**

Section 1 (adds Minn. Stat. § 43A.24, subd. 4; For-profit health maintenance organizations prohibited) limits the health and dental plans which may be offered through SEGIP to only health plans offered by a Minnesota nonprofit organization or a county-based purchasing plan.

Section 2 (amends Minn. Stat. § 62A.0411; Maternity care) requires insurance coverage for the transfer of mothers and newborns between facilities.

Section 3 (adds Minn. Stat. § 62A.15, subd. 3d; Pharmacist) requires that all benefits provided by a group policy or subscriber contract, which policy or contract provides payment for care in Minnesota and is issued by either an accident and health insurance company regulated by Chapter 62A or a nonprofit health service plan corporation regulated under Chapter 62C, and relating to expenses incurred for medical treatment or services provided by a licensed physician must include services provided by a licensed pharmacist.

Section 4 (amends Minn. Stat. § 62A.15, subd. 4; Denial of benefits) prohibits a carrier that issues a group policy or subscriber contract, which policy or contract provides payment for care in

Minnesota and is issued by either an accident and health insurance company regulated by Chapter 62A or a nonprofit health service plan corporation regulated under Chapter 62C, from, in the payment of claims to Minnesota employees, denying benefits payable for services covered by the policy or contract if the services are lawfully performed by a licensed pharmacist.

Section 5 (amends Minn. Stat. § 62A.28, subd. 2; Required coverage) Existing law requires health plans to cover scalp hair prosthetics for hair loss suffered as a result of alopecia areata. This section applies the coverage requirement to scalp hair prosthetics for hair loss suffered as a result of treatment for cancer. This section conditions such coverage on a prescription by a physician and includes an annual limit of \$1,000 on the coverage.

Section 6 (adds Minn. Stat. § 62A.3098; Rapid whole genome sequencing; coverage) establishes requirements for health plan coverage of rapid whole genome sequencing.

Section 7 (adds Minn. Stat. § 62A.59; Coverage of service; prior authorization) prohibits a health carrier from (1) retrospectively denying or limiting coverage of a service for which prior authorization was not required, unless there is evidence the service was provided based on fraud or misinformation; and (2) denying or limiting coverage of a service the enrollee already received on the basis of lack of prior authorization, if the service would have been covered if prior authorization had been obtained.

**Section 8 (adds Minn. Stat. § 62C.045; Application of other law)** provides that sections 145D.30 to 145D.37 apply to service plan corporations operating under chapter 62C.

Section 9 (amends Minn. Stat. § 62D.02, subd. 7; Comprehensive health maintenance services) makes conforming changes to require health plans to cover abortions and abortion-related services.

Section 10 (amends Minn. Stat. § 62D.04, subd. 5; Participation; government programs) permits for profit HMOs to elect to not participate in Medicaid and MinnesotaCare, but requires nonprofit HMOs to so participate.

# Section 11 (adds Minn. Stat. § 62D.1071; Coverage of licensed pharmacist services)

**Subdivision 1. Pharmacist.** Requires that all benefits provided by a health maintenance contract relating to expenses incurred for medical treatment or services provided by a licensed physician include services provided by a licensed pharmacist.

**Subdivision 2. Denial of benefits.** Prohibits a health maintenance organization from, when paying claims for Minnesota enrollees, denying payment for medical services covered by an enrollee's health maintenance contract if the services are lawfully performed by a licensed pharmacist.

**Subdivision 3. Exemptions.** Provides that this section does not apply to or affect the coverage or reimbursement for medication therapy management services under sections 62Q.626 or 256B.0625. Further exempts managed care organizations from these requirements when offering coverage in Medicaid or MinnesotaCare.

Section 12 (amends Minn. Stat. § 62D.12 subd. 19; Coverage of service) provides that this subdivision expires on December 31, 2025, for health plans offered, sold, issued, or renewed on or after that date. The subdivision prohibits a health maintenance organization from denying or limiting coverage already received solely based on lack of prior authorization or second opinion, if the service

would have been covered had the prior authorization or second opinion been obtained. The subdivision is being replaced by section 62A.59, subd. 2.

Section 13 (amends Minn. Stat. § 62D.20, subd. 1; Rulemaking) makes conforming changes to require health plans to cover abortions and abortion-related services.

Section 14 (amends Minn. Stat. § 62D.22, subd. 5; Other state law) makes conforming changes to require health plans to cover abortions and abortion-related services.

Section 15 (adds Minn. Stat § 62D.22, subd. 5a; Application of other law) applies sections 145D.30 to 145D.37 to nonprofit health maintenance organizations operating under chapter 62D.

Section 16 (adds Minn. Stat. § 62D.221; Oversight of transactions) requires health maintenance organizations to comply with several existing statutes and regulations that are applicable to stock insurers and insurance holding company systems. It operates to provide the commissioner of health with notice and approval authority over various transactions into which HMOs may enter.

Section 17 (amends Minn. Stat. § 62M.02, subd. 1a; Adverse determination) amends the definition of adverse determination in chapter 62M to provide adverse determination includes an authorization for a health care service that is less intensive than the health care service specified in the original authorization request.

Section 18 (amends Minn. Stat. § 62M.02, subd. 5; Authorization) amends the definition of authorization in chapter 62M to conform with the application of certain sections in chapter 62M to services delivered through fee-for-service under chapters 256B and 256L, and corrects a term used in this subdivision.

Section 19 (adds Minn. Stat. § 62M.02, subd. 8a; Commissioner) defines commissioner as the commissioner of human services for the sections in chapter 62M that apply to services delivered through fee-for-service under chapters 256B and 256L.

Section 20 (amends Minn. Stat. § 62M.02, subd. 11; Enrollee) amends the definition of enrollee in chapter 62M to conform with the application of certain sections in chapter 62M to services delivered through fee-for-service under chapters 256B and 256L.

Section 21 (amends Minn. Stat. § 62M.02, subd. 12; Health benefit plan) amends the definition of health benefit plan in chapter 62M to conform with the application of certain sections in chapter 62M to services delivered through fee-for-service under chapters 256B and 256L.

Section 22 (amends Minn. Stat. § 62M.02, subd. 21; Utilization review organization) amends the definition of utilization review organization in chapter 62M to conform with the application of certain sections in chapter 62M to services delivered through fee-for-service under chapters 256B and 256L.

Section 23 (amends Minn. Stat. § 62M.04, subd. 1; Responsibility for obtaining authorization) requires the commissioner of human services to provide fee-for-service recipients under chapters 256B and 256L with a description of the process for obtaining authorization for health care services (this change is to conform with the application of certain sections in chapter 62M to services delivered through fee-for-service under chapters 256B and 256L).

Section 24 (amends Minn. Stat. § 62M.05, subd. 3a; Standard review determination) strikes obsolete language from a paragraph establishing timelines for communicating standard review determinations to providers and enrollees.

Section 25 (amends Minn. Stat. § 62M.07, subd. 2; Prior authorization of certain services prohibited) adds the following services to the list of services for which prior authorization cannot be conducted or required: (1) oral buprenorphine to treat a substance use disorder; (2) outpatient mental health treatment or outpatient substance use disorder treatment, except for medications not otherwise listed in this subdivision; (3) antineoplastic cancer treatment consistent with guidelines of the National Comprehensive Cancer Network, except for medications not otherwise listed in this subdivision; (4) certain preventive services, immunizations, and screenings; (5) pediatric hospice services provided by a licensed hospice provider; and (6) treatment provided by a neonatal abstinence program.

Section 26 (amends Minn. Stat. § 62M.07, subd. 4; Submission of prior authorization requests) requires utilization review organizations, health plan companies, and claims administrators to have a prior authorization application programming interface (API) that automates the prior authorization process for health care services, excluding prescription drugs and medications. Specifies requirements the API must meet, and specifies prior authorization requests for prescription drugs and medications must comply with requirements in state law for electronic prescribing.

Section 27 (adds Minn. Stat. § 62M.07, subd. 5; Treatment of a chronic condition) provides that an authorization for treatment of a chronic health condition does not expire unless the treatment standard for that chronic condition changes. Defines a chronic condition as a condition that is expected to last for one year or longer and that either requires ongoing medical attention or limits one or more activities of daily living.

Section 28 (amends Minn. Stat. § 62M.10, subd. 7; Availability of criteria) requires the commissioner of human services to post on the department's public website the prior authorization requirements and restrictions that apply to prior authorization determinations for fee-for-service under chapters 256B and 256L (this change is to conform with the application of certain sections in chapter 62M to services delivered through fee-for-service under chapters 256B and 256L).

Section 29 (amends Minn. Stat. § 62M.10, subd. 8; Notice; new prior authorization requirements or restrictions; change to existing requirement or restriction) requires the commissioner of human services to provide written or electronic notice of a new or amended prior authorization requirement or restriction, at least 45 days before the new or amended requirement or restriction takes effect, to health care professionals who are fee-for-service providers under chapters 256B and 256L (this change is to conform with the application of certain sections in chapter 62M to services delivered through fee-for-service under chapters 256B and 256L).

Section 30 (amends Minn. Stat. § 62M.17, subd. 2; Effect of change in prior authorization clinical criteria) Under current law, a utilization review organization's change to coverage of a health care service or to the clinical criteria used for prior authorizations does not apply until the next plan year, for enrollees who received prior authorization for that service using the prior coverage terms or clinical criteria. This general rule does not apply if the utilization review organization changed coverage terms or the clinical criteria when an independent source recommended the change for reasons related to patient harm. A new paragraph (d) specifies the patient harm must be previously unknown and imminent for the exception to apply.

Section 31 (adds Minn. Stat. § 62M.19; Annual report to commissioner of health; prior authorizations) requires utilization review organizations to report to the commissioner of health, by September 1 of each year, information on prior authorization requests for the previous calendar year.

Section 32 (adds Minn. Stat. § 62Q.097, subd. 3; Prohibited application questions) prohibits applications for provider credentialing from: (1) requiring the provider to disclose past health conditions; (2) requiring the provider from disclosing current health conditions, if the provider is being treated so that the condition does not affect the provider's ability to practice medicine; and (3) requiring the disclosure of any health conditions that would not affect the provider's ability to practice medicine; and ethical manner.

Section 33 (amends Minn. Stat. § 62Q.14; Restrictions on enrollee services) makes conforming changes to require health plans to cover abortions and abortion-related services.

Section 34 (amends Minn. Stat. § 62Q.19, subd. 3; Health plan company affiliation) requires a health plan company to offer a contract to all essential community providers located within the area served by the health plan company, and to include all essential community providers that accept a contract in each of the company's provider networks.

Section 35 (adds Minn. Stat. § 62Q.19, subd. 4a; Contract payment rates; private) allows an essential community provider and health plan company to negotiate a payment rate for covered services provided by the essential community provider. Requires the rate to be at least the same rate per unit of service as paid by that health plan company to the essential community provider under the provider contract with the highest number of enrollees from the provider, or, if there is no contract between the health plan company and essential community provider, requires the rate to be at least the same rate per unit of service as is paid to other plan providers for the same or similar services. This subdivision applies to provider contracts for individual, small employer, and large group health plans.

Section 36 (amends Minn. Stat. § 62Q.19, subd. 5; Contract payment rates; public) specifies that an existing subdivision on contract payment rates between health plan companies and essential community providers applies to provider contracts for health plans offered through the State Employee Group Insurance Program, medical assistance, and MinnesotaCare. (The existing subdivision requires the rate between a health plan company and essential community provider to be at least the same rate per unit of service as is paid to other health plan providers for the same or similar service.)

Section 37 (adds Minn. Stat. § 62Q.473, subd. 3; Reimbursement) requires the commissioner of commerce to reimburse health plans for mandatory biomarker testing insurance coverage imposed under section 62Q.473, which the plan did not cover as of January 1, 2023. The section further specifies procedural requirements to determine the applicable reimbursement costs.

Section 38 (adds Minn. Stat. § 62Q.473, subd. 4; Appropriation) appropriates to the commissioner of commerce, each fiscal year, an amount necessary to make payments to health plans to defray the cost of providing coverage under section 62Q.473.

Section 39 (adds Minn. Stat. § 62Q.524; Coverage of abortions and abortion-related services) requires health plans to provide insurance coverage for abortions and abortion-related services, including preabortion services and follow-up services. The section further prohibits cost-sharing and other plan limitations on coverage for such services that is greater than or not generally applicable to

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other services under the plan. An appropriation is created each fiscal year to the commissioner of commerce in an amount necessary to make payments to health plans to defray the cost of providing coverage in the individual market as required by federal law.

Section 40 (Adds Minn. Stat. § 62Q.531; Amino acid-based formula coverage) requires health plan companies to provide coverage for amino acid-based elemental formula for conditions for which the formula is medically necessary.

Section 41 (adds Minn. Stat. § 62Q.665; Coverage for orthotic and prosthetic devices) requires health plans to provide coverage for orthotic and prosthetic devices, supplies, and services, including repair and replacement. The section further provides that a health plan must not subject such coverage to separate financial requirements specific to prosthetic and orthotic benefits. An appropriation is created each fiscal year to the commissioner of commerce in an amount necessary to make payments to health plans to defray the cost of providing coverage in the individual market as required by federal law.

Section 42 (adds Minn. Stat. § 62Q.6651; Medical necessity and nondiscrimination standards for coverage of prosthetics or orthotics) requires a health plan company to apply the most recent version of evidence-based treatment and fit criteria when performing a utilization review for a request for coverage of prosthetic or orthotic benefits, and prohibits a health plan company from denying a prosthetic or orthotic benefit for an individual with limb loss or absence that would otherwise be covered for a nondisabled person seeking medical or surgical intervention to restore or maintain the ability to perform the same physical activity.

Section 43 (adds Minn. Stat. § 62Q.666; Intermittent catheters) requires health plans to provide coverage for intermittent urinary catheters and insertion supplies if recommended by a health care provider. The section prohibits health plans from imposing cost-sharing on enrollees for such coverage that does not apply to durable medical equipment in general.

Section 44 (adds Minn. Stat. § 62Q.679; Religious objections) creates a new statute governing religious objections to mandated insurance coverage. It further includes mandatory insurance coverage for abortions and abortion-related services, as well as coverage for gender-affirming care, within its provisions that provide for religious objections to insurance coverage.

Section 45 (amends Minn. Stat. § 62Q.73, subd. 2; Exception) excludes the medical assistance feefor-service program from a section authorizing independent external reviews of adverse determinations related to health care claims or whether a health care service is medically necessary.

Section 46 (amends Minn. Stat. § 145D.01, subd. 1; Definitions) provides that the definitions in this subdivision apply only to this section and section 145D.02, and not to all of chapter 145D. (This change is to conform with sections being added to this chapter to which other definitions apply.)

Section 47 (adds Minn. Stat. § 145D.30; Definitions) defines terms for sections governing nonprofit health coverage entity conversion transactions.

Section 48 (adds Minn. Stat. § 145D.31; Certain conversion transactions prohibited) prohibits a nonprofit health coverage entity from entering into a conversion transaction if: (1) doing so would result in less than full and fair market value of all public benefit assets remaining dedicated to the public benefit; or (2) an individual who has been an executive of the nonprofit health coverage entity or of a related organization, or a family member, has a financial interest in the entity to which public

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benefit assets are transferred, or in an entity with a business relationship with the entity to which public benefit assets are transferred; or receives financial benefit from the entity to which public benefit assets are transferred, or from an entity with a business relationship with the entity to which public benefit assets are transferred.

Section 49 (adds Minn. Stat. § 145D.32; Requirements for nonprofit health coverage entity conversion transactions) establishes requirements for nonprofit health coverage entity conversion transactions, including notice and a waiting period. Among other requirements, as part of the transaction, this section mandates that the value of the entity's public benefit assets to be transferred to one or more conversion benefit entities.

Section 50 (adds Minn. Stat. § 145D.34; Enforcement and remedies) authorizes the attorney general to use the powers in section 8.31 to investigate and enforce nonprofit health coverage entity conversion transactions. This section further requires the commissioner of health to provide certain information to the attorney general upon request in connection with attorney general consideration of the public interest impacts of such a transaction.

Section 51 (adds Minn. Stat. § 145D.35; Data practices) provides that section 13.65 (classifying data held by the attorney general's office) applies to data submitted to the attorney general under sections 145D.30 to 145D.33, and section 13.39 (classifying civil investigation data) applies to data held by the commissioner under those sections. This section further allows the attorney general or commissioner to make confidential or protected nonpublic data accessible to a law enforcement agency if it is determined that access aids the law enforcement process.

Section 52 (adds Minn. Stat. § 145D.36; Commissioner of Health; Reports and analysis) allows the commissioner of health to use certain data and information to analyze the aggregate impact of nonprofit health care entity transactions on health care access, quality, and costs, and health care market consolidation. The section further requires the commissioner of health to issue periodic public reports on the number and type of conversion transactions subject to sections 145D.30 to 145D.33 and the impact of these transactions on health care costs, quality, and competition in Minnesota.

Section 53 (adds Minn. Stat. § 145D.37; Relation to other law) provides that sections 145D.30 to 145D.36 are in addition to and do not affect or limit powers and responsibilities of a health maintenance organization, a service plan corporation, a conversion benefit entity, the attorney general, the commissioner of health, or the commissioner of commerce under existing law. The section further states that nothing in sections 145D.30 to 145D.36 authorizes a nonprofit health coverage entity to enter into a conversion transaction not permitted under chapter 317A, 501B, or other law.

Section 54 (adds Minn. Stat. § 214.41; Physician wellness program) provides that any record of a person's participation in a physician wellness program is confidential. The section further provides immunity from civil liability to persons and entities employed by, contracting with, or operating a physician wellness program for any action related to their duties in connection with the program when acting in good faith.

Section 55 (amends Minn. Stat. § 256B.035; Managed care) prohibits the commissioner of human services from contracting with an entity which is not either a (1) health maintenance organization; or (2) county-based purchaser to deliver health care services to medical assistance and MinnesotaCare program recipients.

Section 56 (amends Minn. Stat. § 256B.0625, subd. 3a; Gender-affirming care) modifies language in existing law that requires medical assistance to cover "gender-affirming services" to now mandate coverage for "gender-affirming care, as defined in section 62Q.585."

Section 57 (amends Minn. Stat. § 256B.0625, subd. 12; Eyeglasses) makes a conforming change to strike language relating to prosthetic and orthotic device coverage, as coverage is provided elsewhere in statute. The section similar strikes language relating to denture coverage, which is covered by existing law in connection with the MA dental benefit.

Section 58 (amends Minn. Stat. § 256B.0625, subd. 16; Abortion services) modifies language in existing law that requires medical assistance to cover "abortion services determined to be medically necessary by the treating provider and delivered in accordance with all applicable Minnesota laws" to now mandate coverage for "abortions and abortion-related services, including pre-abortion services and follow-up services".

Section 59 (amends Minn. Stat. § 256B.0625, subd. 32; Nutritional products) requires medical assistance to cover amino acid-based elemental formulas in the same manner as required under section 62Q.525, which requires coverage for these formulas for conditions for which the formula is medically necessary.

Section 60 (adds Minn. Stat. § 256B.0625, subd. 72; Orthotic and prosthetic devices) requires medical assistance to cover orthotic and prosthetic devices, supplies, and services.

Section 61 (adds Minn. Stat. § 256B.0625, subd. 73; Rapid whole genome sequencing) requires medical assistance to cover rapid whole genome sequencing testing.

Section 62 (adds Minn. Stat. § 256B.0625, subd. 74; Intermittent catheters) requires medical assistance to cover intermittent urinary catheters and insertion supplies if recommended by a health care provider.

Section 63 (adds Minn. Stat. § 256B.0625, subd. 75; Scalp hair prostheses) requires medical assistance to cover scalp hair prostheses and all equipment and accessories necessary for their use.

Section 64 (adds Minn. Stat. § 256B.0625, subd. 76; Transfer of mothers and newborns) requires medical assistance to cover the transfer of mothers or newborns between medical facilities.

Section 65 (adds Minn. Stat. § 256B.066; Orthotic and prosthetic devices, supplies, and services) establishes medical assistance coverage requirements for orthotic and prosthetic devices, supplies, and services. Specifically, the section providers that medical assistance covers such devices, supplies, and services if: (1) furnished under an order by a prescribing physician or licensed health care prescriber; (2) determined by the provider to be the most appropriate model for the enrollee; or (3) for showering or bathing. This section further permits prior authorization for such coverage.

Section 66 (amends Minn. Stat. § 256B.69, subd. 2; definitions) makes a conforming change to clarify that an HMO acting as a demonstration provider must be a nonprofit HMO.

Section 67 (amends Minn. Stat. § 256L.12, subd. 7; Managed care plan vendor requirements) makes a conforming change to clarify that a HMO acting as a managed care contractor provider must be a nonprofit HMO.

Section 68 (amends Minn. Stat. § 317A.811, subd. 1; When required) requires nonprofit health coverage entities to notify the attorney general of their intent to dissolve, merge, consolidate, convert, or transfer all or substantially all of their assets.

Section 69 (uncodified; Superseding effect) provides that a section in this article relating to religious objections in connection with insurance coverage mandates supersedes a similar section passed in a different bill, in that bill is enacted.

Section 70 (uncodified; Initial reports to commissioner of health; prior authorizations) establishes the date by which utilization review organizations must submit their first report to the commissioner of health under section 62M.19 as September 1, 2025.

Section 71 (Repealer) repeals a subdivision relating to the definition of "maternity benefits" as a conforming change necessary to require insurance coverage for abortions and abortion-related services. The section further repeals subdivisions relating to religious objections to certain insurance coverage as a conforming change necessary to create a new statute that governs such religious objections.

# **ARTICLE 58 – DEPARTMENT OF HEALTH FINANCE**

Section 1 (amends Minn. Stat. § 103I.621, subd. 1; Permit) Existing law provides that up to 200 permits may be issued for small groundwater thermal exchange systems with a maximum capacity of 20 gallons per minute or less, and up to 10 permits may be issued for systems with a maximum capacity of over 50 gallons per minute. This section requires that all such systems must be compliant with the natural resource water-use requirements under section 103I.621, subdivision 2 (which subdivision describes water-use requirements) and increases the number of permits that may be issued for larger systems (with a capacity threshold lowered by this section from 50 gallons to 20 gallons or more per minute) to 100 permits.

This section further requires the property owner (or the owner's agent) to submit to the commissioner a permit application providing information necessary to protect public health and safety of groundwater and requires a permit holder to comply with any permit condition deemed necessary to protect public health and safety of groundwater. The section states that a permit granted under this section is not valid if a water-use permit is required for the project and is not approved by the commissioner of natural resources.

Section 2 (amends Minn. Stat. § 103I.621, subd. 2; Water-use requirements apply) provides that water-use permit requirements and penalties under chapter 103G apply to groundwater thermal exchange permit recipients, instead of those requirements and penalties under chapter 103F, as stated in existing law.

Section 3 (amends Minn. Stat. § 144.1501, subd. 2; Availability) clarifies the availability of appropriated funds for the health professional educational loan forgiveness program and removes reference to a dedicated account for the deposit of appropriated funds. This section further includes as eligible loan recipients physicians agreeing to practice in designated rural areas or underserved urban communities or specializing in the area of pediatric psychiatry.

Section 4 (amends Minn. Stat. § 144.1501, subd. 5; Penalty for nonfulfillment) clarifies the treatment of deposits of principle and interest payments received from participants in the health professional educational loan forgiveness program.

Section 5 (amends Minn. Stat. § 144.555, subd. 1a; Notice of closing, curtailing operations, relocating services, or ceasing to offer certain services; hospitals) modifies the existing public notice procedures hospitals are required to follow prior to voluntarily closing, curtailing operations, relocating services, or ceasing to offer certain hospital services by extending from 120 days to 182 days the required advanced public notice prior to taking any of these actions unless the hospital can demonstrate to the commissioner that 182 days advanced notice is not feasible and the commissioner approves a shorter advanced public notice period.

Section 6 (amends Minn. Stat. § 144.555, subd. 1b; Public hearing) modifies the existing public notice procedures hospitals are required to follow prior to voluntary closing, curtailing operations, relocating services, or ceasing to offer certain hospital services by reducing from 45 days to 30 days the time before which the commissioner must convene a public hearing on the hospital's proposed action, by requiring that the meeting be held within 10 miles of the hospital or with the commissioner's approval, as close as practicable, and by requiring video conferencing technology be used to allow remote public viewing and participation in the public hearing.

Section 7 (adds Minn. Stat. § 144.555, subd. 1d; Methods of providing notice; content of notice) specifies the requirements of public notice of a hospital's plans to voluntary close, curtail operations, relocate services, or cease to offer certain hospital services. The requirements include a notice at the entrance of the hospital, providing written notice to the commissioner, local units of government, local media, current patients, and current employees. The required notice must include a description of the proposed actions and contact information for the hospital and the entity that owns or manages the hospital.

Section 8 (amends Minn. Stat. § 144.555, subd. 2; Penalty; facilities other than hospitals) limits the existing penalties for failure to notify the commissioner of health of a voluntary closure to licensed facilities other than hospitals.

Section 9 (adds Minn. Stat. § 144.555, subd. 3; Penalties; hospitals) establishes new penalties for hospitals that violate the advanced notice and public hearing requirements prior to voluntary closing, curtailing operations, relocating services, or ceasing to offer certain hospital services, authorizing the commissioner to issue cumulative fines up to \$60,000.

Section 10 (adds Minn. Stat. § 144.556; Right of first refusal; sale of hospital or hospital campus) establishes a right of first refusal for local units of government with respect to purchasing a hospital or hospital campus prior to the closure of the hospital and establishes timelines for the local unit of government to exercise that right.

Section 11 (amends Minn. Stat. § 144A.61, subd. 3a; Competency evaluation program) modifies the competency evaluation program for nursing assistants by requiring the commissioner of health to ensure that the written portions of the evaluation are available in languages other than English that are common among individuals seeking to be placed on the nursing assistant registry.

Section 12 (amends Minn. Stat. § 144A.70, subd. 3; Controlling person) modifies the definition "controlling person" for the purposes of registering supplemental nursing service agencies (SNSAs)

to clarify that it includes any entity that has decision-making authority regarding any policy of the SNSA.

Section 13 (amends Minn. Stat. § 144A.70, subd. 5; Person) modifies the definition of "person" for the purposes of registration of SNSAs by including LLCs in the definition.

Section 14 (amends Minn. Stat. § 144A.70, subd. 6; Supplemental nursing services agency) modifies the definition of "supplemental nursing services agency" for the purposes of registration of SNSAs by including LLCs in the definition.

Section 15 (amends Minn. Stat. § 144A.70, subd. 7; Oversight) modifies the commissioner of health's oversight of SNSAs by increasing from annually to semiannually the commissioner's authority to conduct unannounced surveys of SNSAs and by providing the commissioner with new authority to conduct follow-up surveys.

Section 16 (amends Minn. Stat. § 144A.71, subd. 2; Application information and fee) modifies SNSA registration requirements and clarifies that registration fees are non-refundable. The newly specified application requirements include submission of articles of incorporation, proof of medical malpractice insurance, proof of an employee dishonesty bond, proof of workers' compensation insurance, and proof of submission of specified information to the commissioner of revenue.

Section 17 (adds Minn. Stat. § 144A.71, subd. 2a; Renewal applications) clarifies the procedure and timelines for renewal of SNSA registrations.

Section 18 (adds Minn. Stat. § 144A.715; Penalties) establishes the authority of the commissioner of health to impose fines on SNSAs for failure to comply with requirements of registration.

Section 19 (amends Minn. Stat. § 144A.72, subd. 1; Minimum criteria) modifies the minimum requirements for registration as an SNSA by requiring all owners and controlling persons to complete a background check; by requiring SNSAs to verify and document that the temporary employees they place in a position are competent to perform the duties of that position and establishes a \$3,000 fine for violations; by establishing a \$3,000 fine for restricting the employment of its employees; by establishing a \$3,000 fine for requiring a payment to the SNSA if one of its employees is permanently employed by the facility with which the employee is placed. The section also clarifies the continuous operation requirement for renewal of registration.

Section 20 (amends Minn. Stat. § 144A.73; Complaint system) makes a technical change.

Section 21 (amends Minn. Stat. § 149A.02, subd. 3; Arrangements for disposition) amends the definition of "arrangements for disposition" such that it includes "natural organic reduction of a dead human body" effective July 1, 2025.

Section 22 (amends Minn. Stat. § 149A.02, subd. 16; Final disposition) amends the definition of "final disposition" such that it includes "natural organic reduction of a dead human body" effective July 1, 2025.

Section 23 (amends Minn. Stat. § 149A.02, subd. 26a; Inurnment) amends the definition of "inurnment" such that it includes "placing naturally reduced remains in a naturally reduced remains container suitable for placement, burial, or shipment" effective July 1, 2025.

Section 24 (amends Minn. Stat. § 149A.02, subd. 27; Licensee) amends the definition of "licensee" such that it includes persons and entities licensed by the commissioner of health to operate a natural organic reduction facility effective July 1, 2025.

Section 25 (adds Minn. Stat. § 149A.02, subd. 30b; Natural organic reduction or naturally reduce) adds a definition of "natural organic reduction" and "naturally reduce".

Section 26 (adds Minn. Stat. § 149A.02, subd. 30c; Natural organic reduction facility) adds a definition of "natural organic reduction facility".

Section 27 (adds Minn. Stat. § 149A.02, subd. 30d; Natural organic reduction vessel) adds a definition of "natural organic reduction vessel".

Section 28 (adds Minn. Stat. § 149A.02, subd. 30e; Naturally reduced remains) adds a definition of "naturally reduced remains".

Section 29 (adds Minn. Stat. § 149A.02, subd. 30f; Naturally reduced remains container) adds a definition of "naturally reduced remains container".

Section 30 (amends Minn. Stat. § 149A.02, subd. 35; Processing) amends the definition of "processing" such that it includes naturally reduced remains reduced by mechanical means effective July 1, 2025.

Section 31 (amends Minn. Stat. § 149A.02, subd. 37c; Scattering) amends the definition of "scattering" to include the authorized dispersal of naturally reduced remains effective July 1, 2025.

Section 32 (amends Minn. Stat. § 149A.03; Duties of commissioner) requires the commissioner of health to enforce all laws and enforce rules relating to the licensing and operation of a natural organic reduction facility, effective July 1, 2025.

Section 33 (adds Minn. Stat. § 149A.56; License to operate a natural organic reduction facility) prohibits a person from maintaining, managing, or operating a place or premises used in the holding and natural organic reduction of a dead human body without a valid license issued by the commissioner of health. This section further details the application procedure to obtain such a license.

Section 34 (adds Minn. Stat. § 149A.57; Renewal of license to operate a natural organic reduction facility) provides that all licenses to operate a natural organic reduction facility expire on June 30, and that all licensees wishing to renew the license must submit a completed renewal application to the commissioner by that date. This section further details the procedures for lapses and restoration of licenses.

Section 35 (adds Minn. Stat. § 149A.65, subd. 6a; Natural organic reduction facilities) establishes the initial and renewal fees for natural organic reduction facility licenses, as well as the late fee charge.

Section 36 (amends Minn. Stat. § 149A.70, subd. 1; Use of titles) prohibits any person other than the holder of a license to operate a natural organic reduction facility from using the title of natural organic reduction facility, human composting, or similar word implying that the individual operates a natural organic reduction facility.

Section 37 (amends Minn. Stat. § 149A.70, subd. 2; Business location) prohibits a natural organic reduction facility from operating in a location that is not properly licensed for such business.

Section 38 (amends Minn. Stat. § 149A.70, subd. 3; Advertising) includes certain acts performed by or relating to a natural organic reduction facility in the list of acts that constitute false, misleading, or deceptive advertising.

Section 39 (amends Minn. Stat. § 149A.70, subd. 5; Reimbursement prohibited) prohibits feesplitting and referral payments for recommending or causing a dead human body to be disposed of by a specific natural organic reduction facility, effective July 1, 2025.

Section 40 (amends Minn. Stat. § 149A.71, subd. 2; Preventive requirements) requires natural organic reduction facilities to comply with the provisions of section 149.71, subdivision 2 (relating to "preventative requirements" to prevent unfair or deceptive acts).

Section 41 (amends Minn. Stat. § 149A.71, subd. 4; Casket, alternate container, alkaline hydrolysis container, naturally reduced remains container, and cremation container sales; records; required disclosures) requires any funeral provider who sells or offers to sell a naturally reduced remains container to the public to maintain a record of each sale.

Section 42 (amends Minn. Stat. § 149A.72, subd. 3; Casket for alkaline hydrolysis, natural organic reduction, or cremation provisions; deceptive acts or practices) provides that it is a deceptive act or practice for a funeral provider to represent to the public that a casket is required for natural organic reduction by state or local law.

Section 43 (amends Minn. Stat. § 149A.72, subd. 9; Deceptive acts or practices) provides that it is a deceptive act or practice for a funeral provider to represent to the public that natural organic reduction facilities require the purchase of any funeral goods, funeral services, burial site goods, or burial site services by law when that is not the case.

Section 44 (amends Minn. Stat. § 149A.73, subd. 1; Casket for alkaline hydrolysis, natural organic reduction, or cremation provisions; deceptive acts or practices) provides that it is a deceptive act or practice for a funeral provider to require that a casket be purchased for natural organic reduction.

Section 45 (amends Minn. Stat. § 149A.74, subd. 1; Services provided without prior approval; deceptive acts or practices) requires a funeral provider to disclose that no embalming fee will be charged if the family selects natural organic reduction.

Section 46 (amends Minn. Stat. § 149A.93, subd. 3; Disposition permit) requires a disposition permit for natural organic reduction of a body.

Section 47 (amends Minn. Stat. § 149A.94, subd. 1; Generally) adds natural organic reduction to the types of disposition that must be performed within a reasonable time after death. If natural organic reduction of a body will not be initiated within 72 hours after death, the body must be properly embalmed, refrigerated, or packed with dry ice.

Section 48 (amends Minn. Stat. § 149A.94, subd. 3; Permit required) prohibits the natural reduction of a dead human body without a disposition permit.

Section 49 (amends Minn. Stat. § 149A.94, subd. 4; Alkaline hydrolysis, cremation, or natural organic reduction) provides that inurnment of a naturally reduced remains and release to an appropriate party is considered final disposition, and that no further permits or authorizations are required for the remains.

Section 50 (adds Minn. Stat. § 149A.955; Natural organic reduction facilities and natural organic reductions) provides that a dead human body may only undergo natural organic reduction in Minnesota at a natural organic reduction facility licensed by the commissioner of health. This section further establishes facility requirements, as well as limitations on natural organic reduction vessels and acceptance of dead human bodies. Unlicensed personnel all permitted to work in natural organic reduction facilities, subject to proper training requirements, and procedures for the proper handling and reduction of dead human bodies are detailed in this section.

Section 51 (uncodified; Stillbirth prevention through tracking fetal movement pilot program) provides for reporting and fund usage of a grant for "a stillbirth prevention through tracking fetal movement" pilot project.

# **ARTICLE 59 – DEPARTMENT OF HEALTH POLICY**

Section 1 (amends Minn. Stat. § 62D.14, subd. 1; Examination authority) modifies the financial examination schedule timing requirement for health maintenance organizations.

Section 2 (adds Minn. Stat. § 62J.461; Covered entity report) creates reporting requirements for 340B covered entities. These are entities that participate in a federal drug pricing program. These entities must report certain data regarding the program to the commissioner of health who must in turn report specified aggregated data to the legislature. This requirement creates a reporting requirement for the commissioner.

Section 3 (amends Minn. Stat. § 62J.61, subd. 5; Opportunity for comment) requires the commissioner of health to maintain an email address for submission of comments from interested parties to provide input about the effectiveness of the rulemaking process.

Section 4 (amends Minn. Stat. § 62J.84, subd. 10; Notice of prescription drugs of substantial public interest) exempts the commissioner of health from rulemaking requirements, for a limited time, for practices related to selecting drugs that will be subject to reporting requirements as "drugs of substantial public interest," and for notifying reporting entities of the selected drugs. These practices are exempt from full rulemaking and exempt from the process for exempt rulemaking. (The process for exempt rulemaking requires approval as to form by the revisor, and review and approval by the Office of Administrative Hearings as to its legality.)

Section 5 (amends Minn. Stat. § 144.05, subd. 6; Reports on interagency agreements and intraagency transfers) removes a requirement for the Department of Health to provide copies to the legislature of certain interagency agreements.

Section 6 (amends Minn. Stat. § 144.05, subd. 7; Expiration of report mandates) Existing law provides expiration dates for certain mandated reports to the legislature and requires the commissioner of health to submit a list of the reports set to expire during the following calendar year. This section clarifies that this requirement for the commissioner of health, to report expiring reports, does not expire.

Section 7 (amends Minn. Stat. § 144.0526, subd. 1; Establishment) clarifies that the commissioner of health must hire, and not appoint, a director for the Minnesota One Health Antimicrobial Stewardship Collaborative.

Section 8 (amends Minn. Stat. § 144.058; Interpreter services quality initiative) provides that annual fees to include an interpreter in the voluntary statewide roster are nonrefundable.

Sections 9 to 16 (amend Minn. Stat. § 144.0724; Resident reimbursement classification) make clarifying, technical, and conforming changes to the language governing resident case mix reimbursement classifications. Case mix classification described in this section are used to describe the care needs of residents of nursing facilities and establish nursing facility payment rates for both private payers and for medical assistance. The changes in these sections will ensure conformity with recent and anticipated changes to federal requirements.

Sections 17 to 19 (amend Minn. Stat. § 144.1464; Summer health care interns) modify the secondary and postsecondary summer health care intern program by allowing assisted living facilities to participate in the program.

Section 20 (amends Minn. Stat. § 144.1505, subd. 2; Programs) changes the distribution of clinical training grants from a capped per-year amount to an amount allocated over three years.

Section 21 (amends Minn. Stat. § 144.1911, subd. 2; Definitions) amends the definition of "immigrant international medical graduate" to include international medical graduates who have entered the United States on a temporary status based on urgent humanitarian or significant public benefit reasons.

Section 22 (adds Minn. Stat. § 144.212, subd. 5a; Replacement) adds a definition of the term "replacement," as it relates to vital record laws.

Section 23 (amends Minn. Stat. § 144.216, subd. 2; Status of foundling reports) requires information about a found newborn of unknown parentage to be registered by the state registrar in accordance with Minnesota Rules, part 4601.0600, subpart 4, item C.

Section 24 (adds Minn. Stat. § 144.216, subd. 3; Reporting safe place newborns) requires hospitals that receive a newborn under section 145.902 (relating to "safe place for newborns") to report the newborn's birth to the Office of Vital Records within five days after receiving the newborn.

Section 25 (adds Minn. Stat. § 144.216, subd. 4; Status of safe place birth reports and registrations) requires information about safe place newborns registered under the newly created Minn. Stat. § 144.216, subdivision 3, to constitute the record of birth for the child, and provides that the record is confidential pursuant to section 13.02, subdivision 3.

Section 26 (adds Minn. Stat. § 144.218, subd. 6; Safe place newborn; birth record) provides that, if a safe place infant birth record is registered pursuant to the newly created Minn. Stat. § 144.216, subdivision 4, paragraph (b), then the state registrar must issue a replacement birth record free of information that identifies a parent.

Section 27 (adds Minn. Stat. § 144.493, subd. 2a; Thrombectomy-capable stroke center) Section 144.493 currently establishes criteria for hospitals to be designated as a "comprehensive stroke

center," "primary stroke center," and "acute stroke ready hospital." This section of the bill adds a fourth designation, and its related criteria, for a "thrombectomy-capable stroke center." The criteria is that the hospital must be: (1) certified as a thrombectomy-capable stroke center by the joint commission or other nationally recognized accreditation entity, or (2) a primary stroke center that offers mechanical endovascular therapies and has been certified by a department approved certifying body.

Section 28 (amends Minn. Stat. § 144.494, subd. 2; Designation) Section 144.494, subd. 2, currently provides that a hospital meeting the criteria for a stroke-related designation may apply to the commissioner of health for such a designation. This section of the bill adds "thrombectomy-capable stroke center" as a permissible designation.

Section 29 (amends Minn. Stat. § 144.551, subd. 1; Restricted construction or modification) modifies an existing exception to the moratorium on hospital construction by increasing the permissible number of licensed hospital beds for projects to replace a hospital or hospitals with a combined licensed capacity of 130 beds or less to 100 beds or the combined licensed capacity before the project, whichever is less. This section also creates an exception to permit the relocation of up to 26 long-term care hospital beds.

Section 30 (adds Minn. Stat. § 144.605, subd. 10; Chapter 16C waiver) authorizes the commissioner of administration to waive provisions of chapter 16C for the purposes of approving contracts for independent clinical teams.

Section 31 (amends Minn. Stat. § 144.651, subd. 10a; Designated support person for pregnant patient or other patient) permits any patient receiving health care services in a hospital to choose a designated support person to be physically present while the patient is receiving such health care services.

Section 32 (adds Minn. Stat. § 144.6985; Community health needs assessment; community health improvement services; implementation) requires a nonprofit hospital that is tax-exempt under section 501(c)(3) of the Internal Revenue Code to make available to the public and submit to the commissioner of health its current community health needs assessment by January 15, 2026, and to make available and submit subsequent assessments within 15 calendar days after submitting the subsequent assessment to the Internal Revenue Service. The section further requires a nonprofit hospital subject to subdivision 1 of this section to make available to the public and submit to the commissioner of health a description of the community served by the hospital and requires the description to include the listed information. A hospital does not need to separately provide this information if it is included in the hospital's community health needs assessment made available and submitted under subdivision 1.

Section 33 (amends Minn. Stat. § 144.7067, subd. 2; Duty to analyze reports; communicate findings) provides that the mandate for the commissioner of health to publish an annual report on adverse event reports, correction action plans, root cause analyses, and recommendations, does not expire.

Section 34 (amends Minn. Stat. § 144.99, subd. 3; Correction orders) changes the reconsideration request period for certain correction orders to the Minnesota Department of Health from 7 days to 15 days.

Section 35 (amends Minn. Stat. § 144A.10, subd. 15; Informal dispute resolution) reduces the time by which the commissioner must respond to a federally certified nursing homes request for an informal dispute resolution from 30 days following a federally certified nursing facility's receipt of the notice of deficiencies to 10 calendar days.

Section 36 (amends Minn. Stat. § 144A.10, subd. 16; Independent informal dispute resolution) clarifies the process, timelines, and requirements of an independent informal dispute resolution proceeding regarding federally required civil monetary penalties imposed by the commissioner on a federally certified nursing facility.

Section 37 (adds Minn. Stat. § 144A.471, subd. 1a; Licensure under other law) clarifies that a home care provider cannot provide sleeping accommodations without an assisted living license.

Section 38 (amends Minn. Stat. § 144A.474, subd. 13; Home care surveyor training) deletes obsolete language.

Section 39 (amends Minn. Stat. § 144A.4791, subd. 10; Termination of service plan) deletes obsolete language.

Section 40 (amends Minn. Stat. § 144E.16, subd. 7; Stroke transport protocols) Section 144E.16, subd. 7, currently provides that regional emergency medical services programs and ambulance services must have protocols for stroke transport. Such protocols must include standards of care for the transport of acute stroke patients to the most appropriate designated stroke hospital. This section of the bill adds hospitals designated as "thrombectomy-capable stroke centers" to the list of appropriate designated stroke hospitals.

Section 41 (amends Minn. Stat. § 144G.08, subd. 29; Licensed health professional) modifies the definition of "licensed health professional" to exclude registered nurses and licensed practical nurses. The existing statute defines RN and LPN, and the statute includes references to RN and LPNs as appropriate.

Section 42 (adds Minn. Stat. § 144G.10, subd. 5; Protected title; restriction on use) establishes effective January 1, 2026, title protections for "assisted living," by requiring that this term be used only by licensed assisted living facilities, and for both "home care" and "nursing home," by prohibiting new assisted living facilities from using these terms.

Section 43 (amends Minn. Stat. § 144G.16, subd. 6; Requirements for notice and transfer) establishes timelines for provisionally licensed assisted living facilities to develop and submit closure plans to the commissioner of health if an application for a permanent license is denied.

Section 44 (amends Minn. Stat. § 145.561, subd. 4; 988 telecommunications fee) establishes the 988 telecommunications fee as 12 cents per month for each consumer access line for subscribers.

Section 45 (amends Minn. Stat. § 146B.03, subd. 7a; Supervisors) modifies requirements to act as a supervisor of temporary tattoo technicians.

Section 46 (amends Minn. Stat. § 146B.10, subd. 1; Licensing fees) modifies language relating to application fees for tattoo technicians and other licensed body artists.

Section 47 (amends Minn. Stat. § 146B.10, subd. 3; Deposit) provides that fees collected by the commissioner relating to tattoo technicians and other licensed body artists are nonrefundable.

Section 48 (amends Minn. Stat. § 149A.02, subd. 3b; Burial site services) amends the definition of "burial site services" to expressly not include services provided under a transportation protection agreement.

Section 49 (amends Minn. Stat. § 149A.02, subd. 23; Funeral services) amends the definition of "funeral services" to expressly not include services provided under a transportation protection agreement.

Section 50 (adds Minn. Stat. § 149A.02, subd. 38a; Transportation protection agreement) defines "transportation protection agreement" as an agreement that is primarily for the purpose of transportation and subsequent transportation of the remains of a dead human body.

Section 51 (amends Minn. Stat. § 149A.65; Fees) modifies language relating to application fees for mortuary science, funeral directors, and related facilities.

Section 52 (amends Minn. Stat. § 149A.97, subd. 2; Scope and requirements) exempts transportation protection agreements from the requirements of Minn. Stat. § 149A.97 (relating to "preneed arrangements").

Section 53 (amends Minn. Stat. § 256R.02, subd. 20; Facility average case mix index) makes a conforming change related to the resident case mix reimbursement classification changes made earlier in this article.

Section 54 (amends Minn. Stat. § 259.52, subd. 2; Requirement to search registry before adoption petition can be granted; proof of search) adds a child's putative father who registered in the fathers' adoption registry and the legal father to the list of individuals who may request that the commissioner of health search the registry before a petition for adoption may be granted.

Section 55 (amends Minn. Stat. § 259.52, subd. 4; Classification of registry data) adds a child's putative father who registered in the fathers' adoption registry and the legal father to the list of individuals who may be released data in the registry.

**Section 56 (REVISOR INSTRUCTION)** directs the Revisor of Statutes to substitute the term "staff" for the term "employee" in the specified locations in the assisted living facility licensing chapter of statutes.

Section 57 (REPEALER; 340B covered entity report) repeals a vital records provision relating to replacement records of birth in cases of a subsequent marriage of an individual's birth parents; a requirement for the commissioner of health to assess and report on the quality of care provided for ST elevation myocardial infarction response and treatment; a definition in the nursing facility rates statute to conform with the changes to the case mix classification language; and reporting requirements for 340B covered entities and for the commissioner of health.

# **ARTICLE 60 – PHARMACY BOARD AND PRACTICE**

Section 1 (amends Minn. Stat. § 62Q.46, subd. 1; Coverage for preventive items and services) prohibits health plans from requiring prior authorization or step therapy for preexposure prophylaxis or postexposure prophylaxis, subject to a specific exception.

Section 2 (amends Minn. Stat. § 151.01, subd. 23; Practitioner) includes pharmacists authorized to prescribe drugs to prevent the acquisition of HIV under section 151.37, subdivision 17 (a new subdivision added by this bill and relating to "drugs for preventing the acquisition of HIV") in the definition of "practitioner," as that term is used in section 151.252, subdivision 3 (relating to "payments to practitioner; reporting") and section 151.461 (relating to "gifts to practitioners prohibited").

Section 3 (amends Minn. Stat. § 151.01, subd. 27; Practice of pharmacy) modifies the practice of pharmacy to allow a pharmacist to order and perform lab tests waived under the federal Clinical Laboratory Improvement Act (42 U.S.C. § 263a et seq.). This federal law generally includes federal standards applicable to all U.S. facilities or sites that test human specimens for health assessment or to diagnose, prevent, or treat disease. This bill section also authorizes a pharmacist to collect specimens, interpret results, notify patients of results, and refer patients to other health care providers for follow up care and to initiate, modify, or discontinue drug therapy pursuant to a protocol or collaborative practice agreement. It further permits a pharmacist to delegate authority under clause (3) of the definition of "practice of pharmacy" (relating to the administration of lab tests) to a supervised pharmacy technician or intern.

This section also expands pharmacists' authority to administer, initiate, and order (i) influenza, COVID-19, and SARS-CoV-2 vaccines authorized or approved by the FDA to all eligible individuals ages three and older, and (ii) all other FDA-approved vaccines to patients ages 6 and older, according to the federal Advisory Committee on Immunization Practices recommendations. The new language permits a pharmacist to delegate vaccine administration authority to a pharmacy technician or intern if the pharmacy technician or intern meets listed requirements for training, assessment of immunization status, reporting, and supervision.

This section further requires that, if a patient is under 18 years old, the pharmacist, pharmacy technician, or intern administering the vaccine must inform the patient and any accompanying adult caregiver of the importance of a well-child visit with a primary care provider or pediatrician. It requires pharmacist supervision of a pharmacy technician administering vaccinations to be in-person and establishes further requirements for pharmacy technicians performing such administrations.

This section expands the definition of the "practice of pharmacy" to include: (1) prescribing, dispensing, and administering drugs for preventing the acquisition of HIV if the pharmacist meets the requirements in section 151.37, subdivision 17 (a new subdivision added by this bill and relating to "drugs for preventing the acquisition of HIV"); and (2) ordering, conducting, and interpreting lab tests necessary for therapies that use drugs for preventing the acquisition of HIV, if the pharmacist meets the requirements in section 151.37, subdivision 17.

Section 4 (adds Minn. Stat. § 151.065, subd. 4a; Application and fee; relocation) requires Board of Pharmacy licensees and registrants to submit a new application to the board before relocating their business. It further establishes information and fee requirements for the application. This section directs the board to issue a new license or registration upon approval of the relocation application.

Section 5 (adds Minn. Stat. § 151.065, subd. 4b; Application and fee; change of ownership) requires Board of Pharmacy licensees and registrants to submit a new application to the board before changing the ownership of the licensee or registrant. It further establishes information and fee requirements for the application. This section directs the board to issue a new license or registration upon approval of the change of ownership application.

Section 6 (adds Minn. Stat. § 151.065, subd. 8; Transfer of licenses) provides that licenses and registrations granted by the Board of Pharmacy are not transferable.

Section 7 (amends Minn. Stat. § 151.066, subd. 1; Definitions) excludes exclusive medical gas manufacturers from the definition of manufacturer, inserts a definition of "third-party logistics provider," and excludes exclusive medical gas distributors from the definition of wholesaler for purposes of section 151.066.

Section 8 (amends Minn. Stat. § 151.066, subd. 2; Reporting requirements) Existing law requires manufacturers and wholesalers to annually report to the Board of Pharmacy every sale, delivery, of other distribution of an opiate into Minnesota to a practitioner, pharmacy, hospital, veterinary hospital, or certain other permitted persons. This section provides that, even if no reportable distributions occurred for a given year, notification by a manufacturer or wholesaler must still be provided to the board. This section further requires each third-party logistics provider to report any delivery or distribution into Minnesota of any opiate, for the prior year, to the extent the delivery or distribution was not reported by a manufacturer or wholesaler.

Section 9 (amends Minn. Stat. § 151.066, subd. 3; Determination of an opiate product registration fee) clarifies that, for the purposes of this subdivision (which relates to registration fees which must be paid to the Board of Pharmacy by manufacturers), an opiate's units of sold product will be assigned to the manufacturer holding the New Drug Application or Abbreviated New Drug Application, as listed by the FDA.

Section 10 (adds Minn. Stat. § 151.212, subd. 4; Accessible prescription drug container labels) requires pharmacies to make reasonable efforts to inform the public of the availability of accessible prescription drug container labels. The accessible container label must be affixed on the container, last for the duration of the prescription, contain specified information, and be available in a timely manner. There is an exception to this requirement for pharmacies without the technological capacity to provide such a label until January 1, 2026. The commissioner of health is required to publish a list of pharmacies that have notified the commissioner of the pharmacy's technological capacity to provide such labels.

Section 11 (adds Minn. Stat. § 151.37, subd. 17; Drugs for preventing the acquisition of HIV) authorizes a pharmacist to prescribe and administer drugs to prevent the acquisition of HIV. It establishes related requirements for a pharmacist to perform such actions, including but not limited to the following: (1) complete a training program specifically developed for prescribing drugs for preventing the acquisition of HIV; (2) complete continuing education requirements as specified by the Board of Pharmacy; (3) follow the standardized protocol developed by the Board of Pharmacy for performing such actions; and (4) provide counseling to the patient on the use of the drugs, including through the provision of a fact sheet.

This section further requires the Board of Pharmacy to develop a standardized protocol for a pharmacist to follow in prescribing drugs to prevent the acquisition of HIV and prohibits pharmacists

from delegating the prescribing authority provided under this statutory subdivision to any other person.

Section 12 (amends Minn. Stat. § 151.555, subd. 1; Definitions) Existing law defines the term "donor" as an individual over 18 years old along with six specific entity types enumerated in the definition (e.g., an assisted living facility licensed under chapter 144G, a drug wholesaler licensed under section 151.47, etc.). This section would revise the definition to use broader language, such that it would include an individual over 18 as well as "any entity legally authorized to possess medicine with a license or permit in good standing in the state in which it is located, without further restrictions."

Section 13 (amends Minn. Stat. § 151.555, subd. 4; Local repository requirements) deletes a requirement imposed on the central repository to provide the Board of Pharmacy with a copy of a local repository's withdrawal notice within ten business days from receipt.

Section 14 (amends Minn. Stat. § 151.555, subd. 5; Individual eligibility and application requirements) updates patient attestation requirements in connection with receiving drugs from a local repository. The section further removes a requirement imposed on local repositories to furnish a patient with an identification card.

Section 15 (amends Minn. Stat. § 151.555, subd. 6; Standards and procedures for accepting donations of drugs and supplies) removes a condition, currently required for a drug to be eligible for donation under the medication repository program, that the donation be accompanied by a signed medication repository donor form, and also removes this same condition with respect to medical supplies. This section further imposes a requirement on the central repository and local repositories to verify and record certain information on the medication repository donor form, including but not limited to, the following: (1) the donor's name and contact information; (2) that the donor will only make donations in accordance with the program; and (3) that, to the best of the donor's knowledge, only drugs or supplies that have been properly stored and branded will be donated. This section also permits the Board of Pharmacy to waive a requirement for the central repository and local repositories to maintain an inventory of all donated drugs and supplies if an entity under common ownership or control of the repository maintains an inventory containing all the required information.

Section 16 (amends Minn. Stat. § 151.555, subd. 7; Standards and procedures for inspecting and storing donated drugs and supplies) removes a requirement imposed on pharmacists and practitioners who inspect drugs or supplies under the program to sign an inspection record stating that the donation requirements have been met.

Section 17 (amends Minn. Stat. § 151.555, subd. 8; Dispensing requirements) clarifies that nonprescription donated drugs and supplies may be dispensed by a repository under the program without a prescription. The section further limits an existing patient acknowledgment form requirement from applying each time a drug or supply is dispensed or administered to only the first time the drug or supply is dispensed or administered.

Section 18 (amends Minn. Stat. § 151.555, subd. 9; Handling fees) prohibits a supply or handling fee from being charged to an individual enrolled in the medical assistance program or MinnesotaCare.

Section 19 (amends Minn. Stat. § 151.555, subd. 11; Forms and record-keeping requirements) Existing law requires program participants to use certain forms relating to the repository program

located on the Board of Pharmacy's website. This section permits participants to use substantively similar electronic or physical forms.

**Section 20 (amends Minn. Stat. § 151.555, subd. 12; Liability)** provides immunity from civil liability to a person or entity, that facilitates a (1) health care facility participating in the program, (2) pharmacist dispensing a drug or supply pursuant to the program, (3) practitioner dispensing or administering a drug or supply pursuant to the program, or (4) donor of a drug or medical supply, for an act or omission that causes injury to or the death of an individual to whom the drug or supply is dispensed, so long as the drug or supply is donated, accepted, distributed, and dispensed according to the requirements of Minn. Stat. § 151.555. The immunity does not apply if the act or omission involves reckless, wanton, or intentional misconduct, or malpractice unrelated to the quality of the drug or medical supply.

Section 21 (amends Minn. Stat. § 256B.0625, subd. 10; Laboratory, x-ray, and opioid testing services) requires medical assistance to cover laboratory tests ordered and performed by a licensed pharmacist, according to the requirements of section 151.01, subdivision 27, clause (3), at no less than the rate for which the same services are covered when provided by any other licensed practitioner.

Section 22 (amends Minn. Stat. § 256B.0625, subd. 13f; Prior authorization) prohibits the use of prior authorization and step therapy from being utilized in the medical assistance program for any class of drugs that is approved by the FDA for the treatment or prevention of HIV and AIDS.

Section 23 (amends Minn. Stat. § 256B.0625, subd. 39; Childhood immunizations) requires medical assistance to pay for vaccines available at no cost from the pediatric vaccine administration program if the vaccines qualify for 100 percent federal funding or are mandated by CMS to be covered outside of the Vaccines for Children program.

Section 24 (uncodified; Direction to the commissioner; Assessment of licensed outpatient pharmacies; Report) requires the commissioner of health, in consultation with the Board of Pharmacy, to conduct an assessment of licensed outpatient pharmacies and vendors of audible container labels and prescription readers to determine: (1) the approximate number of such pharmacies currently providing accessible labels; and (2) the approximate cost to such pharmacies to provide accessible labels to individuals who cannot access large print or Braille labels. This section requires the commissioner to report its findings and recommendations to the legislature.

Section 25 (uncodified; Rulemaking; Board of Pharmacy) directs the Board of Pharmacy to permit and promote the inclusion of plain language instructions on prescription labels if the patient-specific indications are indicated on the prescription.

# **ARTICLE 61 – BEHAVIORAL HEALTH**

Section 1 (amends Minn. Stat. § 245.462, subdivision 6; Community support services program) provides that a community support services program that meets the accreditation standards for Clubhouse International model programs meets the requirements of the subdivision.

Section 2 (amends Minn. Stat. § 245.4663, subdivision 2; Eligible providers) adds an additional eligibility under the mental health provider supervision grant program to include health providers that provide services to people in a city or township not within the seven-county metropolitan area.

Section 3 (amends Minn. Stat. § 245.4889, subdivision 1; Establishment and authority) modifies the list of services eligible for respite care children's mental health grants.

Section 4 (amends Minn. Stat. § 245.735, subdivision 3; Certified community behavioral health clinics) extends the transition period for certified community behavioral health clinics (CCBHCs) to January 1, 2025.

Section 5 (amends Minn. Stat. § 245I.02, subdivision 17; Functional assessment) modifies the definition of "functional assessment" in the Mental Health Uniform Service Standards Act by removing the requirement to use certain level of care assessment instruments.

Section 6 (amends Minn. Stat. § 245I.02, subdivision 19; Level of care assessment) modifies the definition of "level of care assessment" in the Mental Health Uniform Service Standards Act by removing the requirement to use certain level of care assessment instruments.

Section 7 (amends Minn. Stat. § 245I.04, subdivision 6; Clinical trainee qualifications) expands clinical trainee staff qualifications.

Section 8 (amends Minn. Stat. § 245I.10, subdivision 9; Functional assessment; required elements) removes the requirement that a license holder include a narrative summary when completing a functional assessment for an adult client and modifies the timeline for updating a client's functional assessment from every 180 days to every 365 days. Allows a license holder to use any available, validated measurement tool when completing the required elements of a functional assessment.

Section 9 (amends Minn. Stat. § 245I.11, subdivision 1; Generally) defines "observed self-administration".

Section 10 (adds Minn. Stat. § 245I.11, subdivision 6; Medication administration in children's day treatment settings) allows programs providing children's day treatment services to allow clients to self-administer medication and provides the requirements that must be followed.

Section 11 (amends Minn. Stat. § 245I.20, subdivision 4; Minimum staffing standards) removes the requirement that each of the two mental health professionals employed at a mental health clinic must specialize in different mental health disciplines.

Section 12 (amends Minn. Stat. § 245I.23, subdivision 14; Weekly team meetings) modifies weekly team meeting requirements by requiring a treatment team member working one shift per week to read the minutes of the weekly team meeting if they cannot attend. Allows remote team meetings under certain circumstances.

Section 13 (amends Minn. Stat. § 254B.04, subdivision 1a; Client eligibility) allows MinnesotaCare enrollees to be eligible for behavioral health fund intensive residential treatment services or residential crisis stabilization services room and board services.

Section 14 (adds Minn. Stat. § 256B.0617; Mental health services provider certification) requires the commissioner of human services to establish an initial provider entity application and certification process and recertification process to determine whether a provider entity has administrative and clinical structures that meet the requirements to be certified and lists the mental health services this

applies to. Requires the commissioner to recertify a provider entity every three years and to establish a process for decertification. Requires the commissioner to provide certain information to providers and requires the commissioner to implement all requirements of this section by September 1, 2024.

Section 15 (amends Minn. Stat. § 256B.0622, subdivision 2a; Eligibility for assertive community treatment) provides an additional option on the list of high-intensity services that are needed for a person to be eligible for assertive community treatment.

Section 16 (amends Minn. Stat. § 256B.0622, subdivision 3a; Provider certification and contract requirements for assertive community treatment) removes the requirement that an assertive community treatment provider must have a contract with a host county to provide services.

Section 17 (amends Minn. Stat. § 256B.0622, subdivision 7a; Assertive community treatment team staff requirements and roles) modifies the required assertive community treatment staff qualifications and role of a team leader.

Section 18 (amends Minn. Stat. § 256B.0622, subdivision 7b; Assertive community treatment program scores) requires each assertive community treatment team to demonstrate a passing score according to the most recently issued Tool for Measurement of Assertive Community Treatment and removes language related to team caseload limits, staff-to-client ratios, schedules, and other requirements.

Section 19 (amends Minn. Stat. § 256B.0622, subdivision 7d; Assertive community treatment assessment and individual treatment plan) aligns the timing of updates to an assertive community treatment client's diagnostic assessment with the requirements of the Mental Health Uniform Service Standards Act.

Section 20 (amends Minn. Stat. § 256B.0623, subdivision 5; Qualifications of provider staff) adds licensed occupational therapists as qualified individual provider staff to provide adult rehabilitative mental health services.

Section 21 (amends Minn. Stat. § 256B.0625, subdivision 5m; Certified community behavioral health clinic services) requires the commissioner of human services to rebase rates for certified community behavioral health clinics certified after September 31, 2020, and before January 1, 2021, for services provided beginning January 1, 2024.

Section 22 (amends Minn. Stat. § 256B.0671, subdivision 3; Adult day treatment services) allows a hospital to apply to become an adult day treatment provider if that hospital has Centers for Medicare and Medicaid Services approved hospital accreditation, rather than being accredited by the Joint Commission on Accreditation of Health Organizations.

Section 23 (amends Minn. Stat. § 256B.0671, subdivision 5; Child and family psychoeducation services) expands medical assistance coverage for skills training related to family psychoeducational services.

Section 24 (amends Minn. Stat. § 256B.0943, subd. 3; Determination of client eligibility) requires a standard diagnostic assessment to be updated as required under section 245I.10, subdivision 2 when determining a client's eligibility to receive children's therapeutic services and supports.
Section 25 (amends Minn. Stat. § 256B.0943, subdivision 12; Excluded services) allows billable services by multiple providers within the same agency as long as certain circumstances are met for children's therapeutic services and supports.

Section 26 (amends Minn. Stat. § 256B.0947, subdivision 5; Standards for intensive nonresidential rehabilitative providers) modifies the composition of the clinically qualified core team for intensive nonresidential rehabilitative mental health services.

Section 27 (amends Minn. Stat. § 256B.76, subdivision 6; Medicare relative value units) requires the commissioner to revise and implement payment rates for mental health services based on the resource-based relative value scale such that the reimbursement rates are at least 83 percent of the corresponding rates in the Medicare Physician Fee Schedule.

Section 28 (amends Laws 2023, chapter 70, article 1, section 35; Reimbursement for mental health services) permits an inflation adjustment in connection with rates paid for adult day treatment services.

**Section 29 (uncodified; First Episode Psychosis Coordinated Specialty Care medical assistance benefit)** directs the commissioner of human services to develop a First Episode Psychosis Coordinated Specialty Care medical assistance benefit, which must cover medically necessary treatment for services including, but not limited to, the following: (1) assertive outreach and engagement strategies; (2) crisis planning and intervention; (3) employment and education services that enable individuals to function in workplace and educational settings that support individual preferences; and (4) care coordination services in clinic, community, and home settings to assist individuals with practical problem solving. This section further requires the commissioner to report findings to the legislature by December 1, 2026.

Section 30 (uncodified; Medical assistance children's residential mental health crisis stabilization) directs the commissioner of human services to consult with providers, advocates, Tribal nations, and other interested community members to develop a covered benefit under medical assistance to provide residential mental health crisis stabilization for children. The benefit must include, but not be limited to, the following: (1) evidence-based practices for children under 21 experiencing a mental health crisis, and services that support children and families. The benefit must qualify for federal financial participation. This section further requires the commissioner to report findings to the legislature by October 1, 2025.

Section 31 (uncodified; Medical assistance clubhouse benefit analysis) directs the commissioner of human services to conduct an analysis to identify existing or pending Medicaid Clubhouse benefits in other states, federal authorities used, populations served, service and reimbursement design, and accreditation standards. This section further requires the commissioner to report findings to the legislature by December 1, 2025.

Section 32 (uncodified; Mental health procedure codes) requires the commissioner of human services to develop recommendations on simplifying mental health procedure codes and the feasibility of converting mental health procedure codes to the current procedural terminology (CPT) code structure.

Section 33 (uncodified; Mental health services formula-based allocation) requires the commissioner of human services to consult with the commissioner of management and budget, counties, Tribes, mental health providers, and advocacy organizations to develop recommendations

for moving from the children's and adult mental health grant funding structure to a formula-based allocation structure for mental health services.

**Section 34 (REVISOR INSTRUCTION)** directs the revisor of statutes to prepare legislation for the 2025 legislative session to recodify section 256B.0622 to move provisions related to assertive community treatment and intensive residential treatment services into separate sections of statute.

## **ARTICLE 62 – DEPARTMENT OF HUMAN SERVICES POLICY**

Section 1 (amends Minn. Stat. § 245A.03, subdivision 2; Exclusion from licensure) updates an exclusion from licensure to reflect the new assisted living license.

Section 3 (adds Minn. Stat. § 245A.04, subdivision 7b; Notification to commissioner of changes in key staff positions; children's residential facilities and detoxification programs) requires children's residential facilities and detoxification programs to notify the commissioner of human services within five business days of a change in a key staff position and provides what those key staff positions include. Requires the license holder to notify the licensor for the program of a vacancy.

Section 2 (amends Minn. Stat. § 245A.043, subdivision 2; Change in ownership) clarifies when changes in controlling individuals are considered a change in ownership.

Section 3 (amends Minn. Stat. § 245A.043, subdivision 3; Standard change of ownership process) modifies the process for a standard change of ownership.

Section 4 (adds Minn. Stat. § 245A.043, subdivision 3a; Emergency change in ownership process) establishes a process for an emergency change of ownership.

Section 5 (amends Minn. Stat. § 245A.043, subdivision 4; Temporary transitional license) removes the unused temporary change in ownership license and replaces it with a temporary transitional license that chapter 245D license holders can use when the ownership of a satellite license for a community residential setting or day services facility changes.

Section 6 (adds Minn. Stat. § 245A.043, subdivision 5; Failure to comply) allows the commissioner of human services to impose a licensing sanction for failure to comply with the change in ownership section.

Section 7 (amends Minn. Stat. § 245A.07, subdivision 1; Sanctions; appeals; license) allows the commissioner of human services to include terms when issuing a temporary provisional license that the license holder must follow pending a final order on an appeal.

Section 8 (amends Minn. Stat. § 245A.07, subdivision 6; Appeal of multiple sanctions) provides that if an appeal is made through the provider hub, it must be received by the commissioner of human services within the prescribed timeline.

Section 9 (amends Minn. Stat. § 245A.11, subdivision 7; Adult foster care and community residential setting; variance for alternate overnight supervision) allows the commissioner of human services to grant a variance to community residential settings to statute that requires a caregiver to be present during normal sleeping hours. Removes language that the variance requirements for alternative overnight supervision do not apply to community residential settings.

Section 10 (amends Minn. Stat. § 245A.16, subdivision 1; Delegation of authority to agencies) adds community residential settings into statute governing delegation of authority to agencies.

Section 11 (amends Minn. Stat. § 245A.211, subdivision 4; Contraindicated physical restraints) removes the requirement that a license holder must assess and document a determination of any medical or psychological conditions that restraints are contraindicated for and replaces it with a requirement to document only known contraindications.

Section 12 (amends Minn. Stat. § 245A.242, subdivision 2; Emergency overdose treatment) changes medication administration and storage requirements for substance use disorder treatment programs, children's residential facility substance use disorder treatment programs, detoxification programs, withdrawal management programs, intensive residential treatment services programs, and residential crisis stabilization programs.

Section 13 (amends Minn. Stat. § 245C.02, subdivision 13e; NETStudy 2.0) provides that information obtained by entities from public web-based data through NETStudy 2.0 is not a notice of disqualification from the commissioner under chapter 245C.

Section 14 (adds Minn. Stat. § 245C.041; Emergency waiver to temporarily modify background study requirements) allows the commissioner of human services to modify background study requirements in an emergency situation.

Section 15 (amends Minn. Stat. § 245C.05, subdivision 5; Fingerprints and photograph) requires Head Start program background study subjects to provide a set of classifiable fingerprints to the commissioner of human services.

Section 16 (amends Minn. Stat. § 245C.08, subdivision 1; Background studies conducted by Department of Human Services) makes a conforming change to the change made in section 245C.08, subdivision 4.

Section 17 (amends Minn. Stat. § 245C.10, subdivision 18; Applicants, licensees, and other occupations regulated by commissioner of health) provides that applicants, licensees, and other occupations regulated by the commissioner of health must pay a fee of no more than \$44 per study.

Section 18 (amends Minn. Stat. § 245C.14, subdivision 1; Disqualification from direct contact) adds the involuntary termination of parental rights to the list of disqualifications from direct contact.

Section 19 (adds Minn. Stat. § 245C.14, subdivision 5; Basis for disqualification) provides that information obtained by entities from public web-based data through NETStudy 2.0 is not a notice of disqualification from the commissioner under chapter 245C.

Section 20 (amends Minn. Stat. § 245C.15, subdivision 2; 15-year disqualification) modifies what crimes constitute a 15-year disqualification.

Section 21 (amends Minn. Stat. § 245C.15, subdivision 3; Ten-year disqualification) modifies what crimes constitute a ten-year disqualification.

Section 22 (amends Minn. Stat. § 245C.15, subdivision 4; Seven-year disqualification) modifies what crimes constitute a seven-year disqualification.

Section 23 (amends Minn. Stat. § 245C.15, subdivision 4a; Licensed family foster setting disqualifications) modifies what crimes constitute a licensed family foster setting disqualification.

Section 24 (amends Minn. Stat. § 245C.22, subdivision 4; Risk of harm; set aside) requires the commissioner of human services, when determining whether a background study disqualification should be set aside, to consider the importance of maintaining the child's relationship with relatives.

Section 25 (amends Minn. Stat. § 245C.24, subdivision 2; Permanent bar to set aside a disqualification) prohibits the commissioner of human services from setting aside or granting a variance for the disqualification of any individual based on a crime listed in section 245C.15, subdivision 4a, paragraph (a) or (b) for foster resident settings and children's residential facilities.

Section 26 (amends Minn. Stat. § 245C.24, subdivision 5; Five-year bar to set aside or variance\_disqualification; children's residential facilities, foster residence settings) prohibits the commissioner of human services from setting aside or granting a variance in connection for a children's residential facility or foster residence setting for the disqualification of any individual for certain felony-level offenses.

Section 27 (adds Minn. Stat. § 245C.30, subdivision 1b; Child foster care variances) requires the commissioner of human services, in determining whether to grant a variance, to consider the importance of maintaining the child's relationship with relatives.

Section 28 (amends Minn. Stat. § 245F.09, subdivision 2; Protective procedures plan) This section adds a cross-reference to contraindicated holds.

Section 29 (adds Minn. Stat. § 245F.14, subdivision 8; Notification to commissioner of changes in key staff positions) requires withdrawal management programs to notify the commissioner of human services within five business days of a change in a key staff position and provides what those key staff positions include. Requires the license holder to notify the licensor for the program of a vacancy.

Section 30 (amends Minn. Stat. § 245F.17; Personnel files) removes the requirement that a staff file must include documentation of a statement of freedom from substance use problems.

Section 31 (amends Minn. Stat. § 245G.07, subdivision 4; Location of service provision) modifies standards for substance use disorder treatment programs that provide services away from the licensed location. Provides requirements if a license holder provides treatment services by telehealth.

Section 32 (amends Minn. Stat. § 245G.08, subdivision 5; Administration of medication and assistance with self-medication) removes the requirement that training on the administration of medication in substance use disorder treatment programs must include the process for the administration of naloxone.

Section 33 (amends Minn. Stat. § 245G.08, subdivision 6; Control of drugs) updates a reference from naloxone to opiate antagonist.

Section 34 (adds Minn. Stat. § 245G.10, subdivision 6; Notification to commissioner of changes in key staff positions) requires substance use disorder treatment programs to notify the commissioner of human services within five business days of a change in a key staff position and provides what

those key staff positions include. Requires the license holder to notify the licensor for the program of a vacancy.

Section 35 (amends Minn. Stat. § 245G.22, subdivision 2; Definitions) modifies the definition of "practitioner" in section governing opioid treatment programs.

Section 36 (amends Minn. Stat. § 245G.22, subdivision 6; Criteria for unsupervised use) removes mirrored federal rules for opioid treatment program unsupervised use medication determinations and replaces it with a citation to the federal requirements.

Section 37 (amends Minn. Stat. § 245G.22, subdivision 7; Restrictions for unsupervised use of methadone hydrochloride) removes mirrored federal rules for opioid treatment program unsupervised use medication determinations and replaces it with a citation to the federal requirements.

Section 38 (amends Minn. Stat. § 245G.22, subdivision 17; Policies and procedures) aligns state licensing standards with federal rules.

Section 39 (amends Minn. Stat. § 256B.064, subdivision 4; Notice) removes the notice requirement by certified mail and replaces it with signature-verified confirmed delivery method.

Section 40 (amends Minn. Stat. § 256B.0757, subdivision 4a; Behavioral health home services provider requirements) removes the requirement for written consent for an individual to begin receiving behavioral health home services.

Section 41 (amends Minn. Stat. § 256B.0757, subdivision 4d; Behavioral health home services delivery standards) updates the requirement for providers to use the Department of Human Services Partner Portal when identifying past and current treatment or services to using a tool approved by the commissioner of human services.

Section 42 (amends Minn. Stat. § 256D.01, subdivision 1a; Standards) updates the effective date for general assistance to 2024.

Section 43 (amends Minn. Stat. § 256I.04, subdivision 2f; Required services) changes "licensed and registered" to "authorized" when describing housing support settings.

Section 44 (amends Minn. Stat. § 2561.05, subdivision 1a; Supplementary service rates) removes language authorizing the commissioner of human services to make cost-neutral transfers from the housing support fund because the language will now be in the new subdivision 11.

Section 45 (amends Minn. Stat. § 256I.05, subdivision 11; Cost-neutral transfers from the housing support fund) moves language from subdivision 1a that allows the commissioner of human services to make cost-neutral transfers from the housing support fund.

Section 46 (amends Minn. Stat. § 260E.33, subdivision 2; Request for reconsideration) allows a request for reconsideration to be submitted in the provider licensing and reporting hub.

Section 47 (amends Laws 2024, chapter 80, article 2, section 6, subdivision 2; Change in ownership) clarifies when changes in controlling individuals are considered a change in ownership for programs licensed by the commissioner of children, youth, and families.

Section 48 (amends Laws 2024, chapter 80, article 2, section 6, subdivision 3; Standard change of ownership process) modifies the process for a standard change of ownership for programs licensed by the commissioner of children, youth, and families.

Section 49 (adds Laws 2024, chapter 80, article 2, section 6, subdivision 3a; Emergency change in ownership process) establishes the process for emergency change in ownership for programs licensed by the commissioner of children, youth, and families.

Section 50 (adds Laws 2024, chapter 80, article 2, section 6, subdivision 5; Failure to comply) allows the commissioner of children, youth, and families to impose a licensing sanction for failure to comply with the change in ownership section.

Section 51 (amends Laws 2024, chapter 80, article 2, section 10, subdivision 1; Sanctions; appeals; license) allows the commissioner of children, youth, and families to include terms when issuing a temporary provisional license that the license holder must follow pending a final order on an appeal.

**Section 52 (REVISOR INSTRUCTION)** directs the revisor of statutes to renumber section 256D.21 as section 261.004.

**Section 53 (REPEALER)** repeals sections 245C.08, subdivision 2 (background studies conducted by a county agency for family child care); 245C.125 (background study; Head Start programs); 256D.19, subdivisions 1 and 2 (abolition of township system of poor relief); 256D.20, subdivisions 1, 2, 3, and 4 (transfer of town employees); and 256D.23, subdivisions 1, 2, and 3 (temporary county assistance program). This section also repeals Laws 2024, chapter 80, article 2, section 6, subdivision 4 (temporary change in ownership license).

# **ARTICLE 63 – OFFICE OF EMERGENCY MEDICAL SERVICES**

NOTE: This article is identical to Article 1 of Chapter 122, except this article <u>does not contain</u> the alternative emergency medical services response model pilot program nor its appropriation.

Section 1 (adds Minn. Stat. § 144E.001, subdivision 16; Director) defines "director" for the purposes of the Office of Emergency Medical Services.

Section 2 (adds Minn. Stat. §144E.001, subdivision 17; Office) defines the term "office" for the purposes of the Office of Emergency Medical Services.

Section 3 (adds Minn. Stat. § 144E.011; Office of Emergency Medical Services) establishes the Office of Emergency Medical Services, headed by a director appointed by the Governor, and specifies the duties of the director, which include licensing ambulance services, assigning and modifying primary service areas, registering medical response units, certifying ambulance service personnel, approving education programs, and investigating complaints against ambulance services providers and ambulance personnel.

Section 4 (adds Minn. Stat. § 144E.015; Medical Services Division) establishes the medical services division within the Office of Emergency Medical Services, headed by a deputy director who must be a physician and appointed by the director, which will have primary responsibility for overseeing prehospital clinical care and education programs.

Section 5 (adds Minn. Stat. § 144E.016; Ambulance Services Division) establishes the ambulance services division within the Office of Emergency Medical Services, headed by a deputy director appointed by the director, which will have primary responsibility for the operating standards and licensing of ambulance services, oversight of primary service areas and coordination of the provision of ambulance services across the state, and the administration of grants to ambulance services and EMS regions.

Section 6 (adds Minn. Stat. § 144E.017; Emergency Medical Service Providers Division) establishes the emergency medical service providers division within the Office of Emergency Medical Services, headed by a deputy director appointed by the director, which will have primary responsibility for certifying and registering ambulance service personnel, overseeing worker safety, worker well-being, and working conditions, implementing education programs, and administering grants.

Section 7 (adds Minn. Stat. § 144E.03; Emergency Medical Service Advisory Council) establishes the Emergency Medical Services Advisory Council, specifies the members and the appointing authorities, and specifies the duty of the council to advise the director and deputy directors on the regulation and provision of emergency medical services in the state.

Section 8 (adds Minn. Stat. § 144E.035; Emergency Medical Services Physician Advisory Council) establishes the Emergency Medical Services Physician Advisory Council, specifies the members and the appointing authorities, and specifies the duty of the council to advise the director and deputy director of the medical services division on prehospital clinical care and other clinical care topics.

Section 9 (adds Minn. Stat. § 144E.04; Labor and Emergency Medical Service Providers Advisory Council) establishes the Labor and Emergency Medical Services Providers Advisory Council, specifies the members and the appointing authorities, and specifies the duty of the council to advise the director and deputy director of the emergency medical service providers division.

Section 10 (amends Minn. Stat. § 144E.16, subdivision 5; Local government's powers) makes conforming changes.

Section 11 (amends Minn. Stat. § 144E.19, subdivision 3; Temporary suspension) makes conforming changes.

Section 12 (amends Minn. Stat. § 144E.27, subdivision 5; Denial, suspension, revocation) makes conforming changes and authorizes the board to take disciplinary action against an EMR or driver of a basic life support ambulance for failing to participate in a health professional services program or diversion program to which they are referred.

Section 13 (amends Minn. Stat. § 144E.28, subdivision 5; Denial, suspension, revocation) makes conforming changes and authorizes the board to take disciplinary action against EMT, AEMT, or paramedic for failing to participate in a health professional services program or diversion program to which they are referred.

Section 14 (amends Minn. Stat. § 144E.28, subdivision 6; Temporary suspension) makes conforming changes.

Section 15 (amends Minn. Stat. § 144E.285, subdivision 6; Temporary suspension) makes conforming changes.

Section 16 (amends Minn. Stat. § 144E.287; Diversion program) makes conforming and technical changes.

Section 17 (amends Minn. Stat. § 144E.305, subdivision 3; Immunity) makes conforming changes.

**Section 18 (Initial Members and first meeting; Emergency Medical Services Advisory Council)** specifies that initial appointments to the emergency medical services advisory board must be made by January 1, 2025, the length of initial terms, and that the first meeting must be convened by February 1, 2025.

Section 19 (Initial Members and first meeting; Emergency Medical Services Physician Advisory Council) specifies that initial appointments to the emergency medical services physician advisory board must be made by January 1, 2025, the length of initial terms, and that the first meeting must be convened by February 1, 2025.

Section 20 (Initial Members and first meeting; Labor and Emergency Medical Service **Providers Advisory Council**) specifies that the initial appointments to the labor and emergency medical service providers advisory council must be made by January 1, 2025, the length of the initial terms, and that the first meeting must be convened by February 1, 2025.

Section 21 (Transition) requires the Governor to appoint a director-designee by October 1, 2024, and transfers the duties and authorities of the board to the director on January 1, 2025.

Section 22 (Revisor Instruction) directs the revisor of statutes to make necessary conforming changes to terms in specified statutes to clarify the replacement of the EMSRB with the Office of EMS.

Section 23 (Repealer) repeals language in Chapter 144E related to the board other and obsolete language.

## **ARTICLE 64 – EMERGENCY MEDICAL SERVICES CONFORMING CHANGES**

NOTE: This article is identical to Article 2 of Chapter 122.

Section 1 (amends Minn. Stat. § 15A.0815, subdivision 2; Agency head salaries) requires the compensation council to determine the salary of the Director of the Office of Emergency Medical Services.

Section 2 (amends Minn. Stat. § 43A.08, subdivision 1a; Additional unclassified positions) authorizes the appointing authority of the Office of Emergency Medical Services to designate additional unclassified positions within the Office.

Section 3 (amends Minn. Stat. § 62J.49, subdivision 1; Establishment) makes conforming changes related to the establishment of the Office of Emergency Medical Services.

Section 4 (amends Minn. Stat. § 152.126, subdivision 6; Access to reporting system data) makes conforming changes.

Section 5 (amends Minn. Stat. § 214.025; Council of Health Boards) makes conforming changes.

Section 6 (amends Minn. Stat. § 214.04, subdivision 2a; Performance of executive directors) makes conforming changes.

Section 7 (amends Minn. Stat. § 214.29; Program required) makes conforming changes.

Section 8 (amends Minn. Stat. § 214.3; Authority1) makes conforming changes.

Section 9 (amends Minn. Stat. § 214.355; Grounds for disciplinary action) makes conforming changes.

## ARTICLE 65 – AMBULANCE SERVICE PERSONNEL AND EMERGENCY MEDICAL RESPONDERS

NOTE: This article is identical to Article 3 of Chapter 122.

Section 1 (amends Minn. Stat. § 144E.001, subdivision 3a; Ambulance service personnel and emergency medical responders) modifies the definition of "ambulance service personnel" with respect to (1) registered nurses by eliminating the requirement that registered nurses pass a paramedic practical skills test, and instead authorizing an ambulance service medical director to approve registered nurses to serve as ambulance service personnel, and by allowing certified flight nurses and certified emergency nurses to serve as ambulance service personnel, and (2) physician assistants by eliminating the requirement that physician assistants pass a paramedic practical skills test, and instead authorizing an ambulance service personnel, and service as ambulance service as approve physician assistants to serve as ambulance service personnel.

Section 2 (amends Minn. Stat. § 144E.101, subdivision 6; Basic life support) modifies the staffing requirements for a basic life support ambulance by permitting one qualified driver and one individual who accompanies the patient and is either an EMT, a qualified registered nurse, or a qualified physician assistants. This section also eliminates the previous rural-only limitation on staffing a basic life support ambulance in this way.

Section 3 (adds Minn. Stat. § 144E.101, subdivision 6a; Variance; staffing of basic life-support ambulance) establishes a variance process for the staffing of basic life support ambulances that permits the board to allow the ambulance to be driven by an individual who is not a registered emergency medical responder driver.

Section 4 (amends Minn. Stat. § 144E.101, subdivision 7; Advanced life support) modifies the staffing requirements for an advanced life support ambulance by clarifying the requirements for an RN or PA to staff an advanced life support ambulance, removes the rural-only limitation on issuing a variance for alternative staffing of an advanced life support ambulance, and removes the rural-only limitation on alternative staffing for interfacility transfers.

Section 5 (amends Minn. Stat. § 144E.27, subdivision 3; Renewal) requires emergency medical responders to successfully complete a course in cardiopulmonary resuscitation as a condition of renewal or reinstatement of registration.

Section 6 (amends Minn. Stat. § 144E.27, subdivision 5; Denial, suspension, revocation; emergency medical responders and drivers) clarifies that this subdivision applies only to EMRs and drivers of basic life support ambulances, and clarifies which provisions apply only to emergency medical responders and which apply to EMRs and drivers of basic life support ambulances.

Section 7 (amends Minn. Stat. § 144E.27, subdivision 6; Temporary suspension; emergency medical responders and drivers) clarifies that this subdivision applies only to EMRs and drivers of basic life support ambulances.

Section 8 (amends Minn. Stat. § 144E.28, subdivision 3; Reciprocity) makes technical changes.

Section 9 (amends Minn. Stat. § 144E.28, subdivision 8; Reinstatement) makes technical and conforming corrections and provides a temporarily available process for EMT, AEMTs, paramedics and community paramedics whose certifications have lapsed to have their certifications reinstated.

Section 10 (amends Minn. Stat. § 144E.285, subdivision 1; Approval required) requires EMR education programs to be approved by the board and eliminates various education program requirements from this subdivision. The eliminated education program requirements for types of education programs are addressed in subsequent subdivisions.

Section 11 (adds Minn. Stat. § 144E.285, subdivision 1a; EMR education program requirements) establishes requirements specific to EMR education programs.

Section 12 (adds Minn. Stat. § 144E.285, subdivision 1b; EMT education program requirements) establishes requirements specific to EMT education programs.

Section 13 (amends Minn. Stat. § 144E.285, subdivision 2; AEMT and paramedic education program requirements) modifies requirements specific to AEMT and paramedic education programs.

Section 14 (amends Minn. Stat. § 144E.285, subdivision 4; Reapproval) modifies the requirements for reapproval of education programs, including requiring a site visit by the board.

Section 15 (Repealer) repeals obsolete or redundant language in Chapter 144E related to education programs.

#### **ARTICLE 66 – MISCELLANEOUS**

Section 1 (amends Minn. Stat. § 16A.055, subdivision 1a; Program evaluation and organizational development services) modifies the heading of section that allows the commissioner of management and budget to assist state agencies by providing program evaluations.

Section 2 (adds Minn. Stat. § 16A.055, subdivision 1b; Consultation to develop performance measures for grants) requires the commissioner of management and budget, in consultation with the commissioners of health, human services, and children, youth, and families, to develop an ongoing

consultation schedule to review performance measures, data collection, and program evaluation plans for all state-funded grants administered by the commissioners of health, human services, and children, youth, and families that distribute at least \$1,000,000 annually.

Section 3 (adds Minn. Stat. § 137.095; Evidence in support of appropriation) requests proponents of a bill proposing to appropriate money to the Board of Regents of the University of Minnesota to benefit the University of Minnesota's health sciences programs to submit a written report to the legislature prior to the bill's introduction. This section further requires a certification by the University of Minnesota Vice President and Budget Director relating to certain information regarding the appropriation's intended usage.

Section 4 (adds Minn. Stat. § 142A.03, subdivision 2a; Grant consultation) requires the commissioner of children, youth, and families to consult with the commissioner of management and budget to create, review, and revise grant program performance measures in accordance with section 16A.055, subdivisions 1a and 1b.

Section 5 (adds Minn. Stat. § 144.05, subdivision 8; Grant consultation) requires the commissioner of health to consult with the commissioner of management and budget to create, review, and revise grant program performance measures in accordance with section 16A.055, subdivisions 1a and 1b.

Section 6 (amends Minn. Stat. § 144.292, subdivision 6; Cost) establishes limits on copying fees for patient record requests.

Section 7 (adds Minn. Stat. § 144.2925; Construction) provides that sections 144.293 to 144.297 (sections in the Minnesota Health Records Act governing (1) release or disclosure of patient health records, (2) mental health records, (3) disclosure for external research, (4) copies of videotapes, and (5) independent medical exams) must be construed to protect the privacy of patient health records in a more stringent manner than the federal HIPAA security and privacy rules. Defines "more stringent" by reference to the definition of that term in federal rules. The federal definition identifies various criteria that the state law must meet to be considered "more stringent".

Section 8 (amends Minn. Stat. § 144.293, subdivision 2; Patient consent to release of records) Existing law permits a provider, or a person who receives health records from a provider, to release a patient's health records with "specific authorization in law." This provision may mean authorization in state or federal law. This section clarifies that the provider, or person who received health records from a provider, must have specific authorization in Minnesota law to release the patient's health records.

Section 9 (amends Minn. Stat. § 144.293, subdivision 4; Duration of consent) Existing law provides that a consent for the release of health records from a patient or the patient's representative is valid for a period provided by law. This provision may mean state or federal law. This section clarifies that the consent is valid for a period provided by Minnesota law.

Section 10 (amends Minn. Stat. § 144.293, subdivision 9; Documentation of release) Existing law requires, in cases where a provider releases health records without patient consent as authorized by law, the release to be documented in the patient's health record. This provision may mean authorization in state or federal law. This section clarifies that the requirement only applies to cases where a provider releases health records without patient consent as authorized by Minnesota law.

Section 11 (amends Minn. Stat. § 144.293, subdivision 10; Warranties regarding consents, requests, and disclosures) Existing law provides that, when requesting health records using consent, a person and the provider warrant that the consent accurately states the patient's desire to have health records disclosed or that there is specific authorization in law. This provision may mean authorization in state or federal law. This section clarifies that the warranty provided for under this subdivision relates to specific authorization in Minnesota law.

Section 12 (amends Minn. Stat. § 245.991, subdivision 1; Establishment) expands the projects for assistance in transition from homelessness program to include people with substance use disorder.

Section 13 (amends Minn. Stat. § 245C.31, subdivision 1; Board determines disciplinary or corrective action) allows a health-related licensing board to make a determination as to whether to impose disciplinary or corrective action, rather than the commissioner of human services, for individuals licensed by a health-related licensing board. Provides that the prohibition on disqualification does not apply to a background study related to child foster care, adult foster care, or family child care licensure.

Section 14 (adds Minn. Stat. § 256.01, subdivision 2c; Grant consultation) requires the commissioner of human services to consult with the commissioner of management and budget to create, review, and revise grant program performance measures in accordance with section 16A.055, subdivisions 1a and 1b.

Section 15 (amends Minn. Stat. § 256.01, subdivision 41; Reports on interagency agreements and intra-agency transfers) requires the commissioner of human services to provide an annual report on interagency agreements and intra-agency transfers beginning October 31, 2024.

Section 16 (amends Minn. Stat. § 256B.795; Maternal and infant health report) provides an expiration date of December 31, 2034, for the maternal and infant health report.

Section 17 (amends Minn. Stat. § 256K.45, subdivision 2; Homeless youth report) requires the commissioner of human services to provide a report on homeless youth beginning February 1, 2025.

Section 18 (adds Minn. Stat. § 260.761, subdivision 8; Missing child notification) requires a childplacing agency or individual petitioner to notify an Indian child's Tribe after receiving information on a missing child.

Section 19 (amends 2024 H.F. No. 5237, article 22, section 2, subdivision 4; Central Office; Health Care) clarifies that the appropriation passed in 2024 H.F. No. 5237, article 22, section 2, subdivision 4 is a onetime appropriation.

Section 20 (amends 2024 H.F. No. 5237, article 22, section 2, subdivision 5; Central Office; Behavioral Health, Deaf and Hard-of-Hearing, and Housing Services) clarifies that the appropriation passed in 2024 H.F. No. 5237, article 22, section 2, subdivision 5 is a onetime appropriation.

**Section 21 (uncodified; Annual report to legislature; use of appropriation funds)** requires the Board of Regents of the University of Minnesota to submit an annual report by January 15<sup>th</sup> each year to the legislature on the use of all appropriations for the benefit of the University of Minnesota's health sciences programs.

Section 22 (uncodified; Direction to commissioner of health; Health professions workforce advisory council) directs the commissioner of health, in consultation with the University of Minnesota and the Minnesota State HealthForce Center of Excellence, to provide recommendations to the legislature for the creation of a health professions workforce advisory council. The council would perform the activities to include, but not be limited to: (1) research and advise the legislature and the Minnesota Office of Higher Education on the status of the health workforce who are in training; (2) provide information and analysis on health workforce. This section further requires the commissioner of health to submit a report to the legislature detailing findings and including recommendations for the advisory council by February 1, 2025.

Section 23 (uncodified; Request for information; Evaluation of statewide health care needs and capacity and projections of future health care needs) requires the commissioner of health to publish a request for information to assist the commissioner in conducting a future comprehensive evaluation of current health care needs and capacity in Minnesota.

Section 24 (Exemption) provides that the contract requirements under chapter 16C do not apply to the actuarial and economic analyses passed in Laws 2023, chapter 70, article 20, section 2, subdivision 5, paragraph (d).

Section 25 (Repealer) repeals an expired report on integrated care for high-risk pregnant women.

# **ARTICLE 67 – APPROPRIATIONS**

This article provides the health and human services appropriations.

# **ARTICLE 68 – INDIVIDUAL INCOME TAXES**

Section 1. Generally; individuals [return filing requirements; child tax credit]. Requires taxpayers who elect to receive an advance child credit payment to file an income tax return for the taxable year in which the credit is claimed. Effective beginning in tax year 2025.

**Section 2. Phaseout [child tax credit].** Makes a conforming change to the child tax credit phaseout. Effective beginning in tax year 2025.

Section 3. Advance payment of credits [child tax credit]. Requires the commissioner to establish a process to allow taxpayers to receive advance payments of the child tax credit. Under current law, the commissioner *may* establish this process. The requirement is necessary because under section 4, taxpayers must have received advance payments in the current tax year to qualify for the minimum payment in the current tax year. Effective beginning in tax year 2025.

Section 4. Minimum credit [child tax credit]. Establishes a minimum child tax credit under the following conditions:

- The taxpayer received an advance payment of the credit in the current tax year; and
- The taxpayer received a combined amount greater than \$0 from the child tax credit and Minnesota working family tax credit.

The minimum credit equals 50 percent of the taxpayer's credit in the previous year. If the number of the taxpayer's qualifying children decreased from year to year, the minimum credit amount decreases proportionally based on the percentage of the taxpayer's qualifying children that remain.

Effective beginning in tax year 2025.

### **ARTICLE 69 – MINERALS TAXES**

**Section 1. Definitions.** Makes a conforming change related to the renaming in Section 10 of the Iron Range school consolidation and cooperatively operated school account to the Iron Range schools and community development. Effective the day following final enactment.

**Section 2. Reduction amount**. Increases, from \$315.10 to \$515.00, the maximum credit allowed for the Taconite Homestead Credit. Effective beginning with property taxes payable in 2025.

Section 3. Notice of proposed property taxes (TNT); property subject to chapter 276A. Changes the proposed property tax notice (TNT) for commercial-industrial property within the boundaries of the Iron Range fiscal disparities program. The amount shown on a commercial industrial property's TNT for the net tax capacity portion of the taxes for each jurisdiction will equal the amount of the property's net tax capacity multiplied by the jurisdiction's rate. An additional line for "fiscal disparities adjustment" is added to the statement. Effective beginning for property taxes payable in 2025.

Section 4. Contents of tax statements; property subject to chapter 276A. Changes the property tax statement for commercial-industrial property within the boundaries of the Iron Range fiscal disparities program in the same manner that the proposed property tax statement is changed in the previous section. Effective beginning for property taxes payable in 2025.

**Section 5. School fund allocation.** Makes a conforming change related to the renaming of the Iron Range school consolidation and cooperatively operated school account to the Iron Range schools and community development account. Effective the day following final enactment.

**Section 6. Certification of values; payment.** Makes a conforming change related to the renaming of the Iron Range school consolidation and cooperatively operated school account to the Iron Range schools and community development account. Effective the day following final enactment.

Section 7. Within taconite assistance area. Clarifies that the 10% allocation of the gross proceeds tax that is redirected to individual cities and towns only applies to distributions of taxes paid by a mining operation that is located within the 'taconite assistance area' as the area was defined prior to the 2023 expansion. Effective beginning with the 2025 distribution.

**Section 8. Occupation taxes to be apportioned.** Makes a conforming change related to the renaming of the Iron Range school consolidation and cooperatively operated school account to the Iron Range schools and community development account. Effective the day following final enactment.

**Section 9. Establishment**. Allows scholarships from a county's scholarship fund to be used at an accredited skilled trades program within the county in addition to a two-year Minnesota State College and Universities institution. Effective the day following final enactment.

Section 10. Iron Range school consolidation and cooperatively operated school account. Renames the Iron Range school consolidation and cooperatively operated school account the 'Iron Range schools and community development account.' Increases the distribution of taconite production tax revenue to the Iron Range schools and community development account from ten cents per taxable ton to 24 cents per taxable ton for distributions in 2024 through 2032. Effective the day following final enactment.

Section 11. Range Association of Municipalities and Schools (RAMS). Increases, from 0.3 cents to 0.5 cents, the proceeds of the taconite production tax that is allocated to the Range Association of Municipalities and Schools (RAMS). Effective beginning with the 2024 distribution.

Section 12. Transfer; Douglas J. Johnson Economic Protection Trust Fund. Makes a conforming change related to the renaming of the Iron Range school consolidation and cooperatively operated school account to the Iron Range schools and community development account. Effective the day following final enactment.

**Section 13. Distribution of taconite municipal aid account**. Increases, from \$15,000 to \$25,000, the annual distribution allocated to Breitung Township from the taconite municipal aid account. Effective beginning with the 2024 distribution.

Section 14. Use of money; Douglas J. Johnson Economic Protection Trust Fund. Modifies the allowable uses of money in the Douglas J. Johnson Economic Protection Trust Fund to include funding reserve accounts established to secure the payment of bonds issued in Sections 15 and 16 and repaid from the Iron Range schools and community development account. Effective the day following final enactment.

Section 15. Iron Range Resources and Rehabilitation Commissioner; Bonds Authorized in 2024. Authorizes the commissioner of Iron Range resources and rehabilitation to issue revenue bonds in an amount up to \$49,000,000 in 2024 to fund a variety of identified projects. Payments for bonds issued under this section are made from an annual appropriation from the Iron Range schools and community development account. In any year in which the amount transferred is insufficient to make bond payments, an additional amount is appropriated from the Douglas J. Johnson economic protection trust fund. The grant purposes are not subject to review or recommendation by the Iron Range Resources and Rehabilitation Board, except that for all distributions equal to or greater than \$1 million, a recipient must appear and present and provide a copy of the plan to the Board Effective the day following final enactment and applies beginning with the 2024 distribution.

#### Section 16. Iron Range Resources and Rehabilitation Commissioner; Bonds Authorized in 2025.

Authorizes the commissioner of Iron Range resources and rehabilitation to issue revenue bones in an amount up to \$31,000,000 in 2025 to fund a variety of identified projects. Payments for bonds issued under this section are made from an annual appropriation from the Iron Range schools and community development account. In any year in which the amount transferred is insufficient to make bond payments, an additional amount is appropriated from the Douglas J. Johnson economic protection trust fund. The grant purposes are not subject to review or recommendation by the Iron Range Resources and Rehabilitation Board, except that for all distributions equal to or greater than \$1 million, a recipient must appear and present and provide a copy of the plan to the Board. Effective the day following final enactment and applies beginning with the 2025 distribution.

**Section 17. Transfer 2024 Distribution Only; Taconite Economic Development Fund.** Authorizes a onetime transfer of \$300,000 from the taconite economic development fund to the city of Chisholm for the Senator David Tomassoni Bridge of Peace. Effective the day following final enactment.

## **ARTICLE 70 – TAX-FORFEITED PROPERTY**

**Section 1. Transfer; housing support.** Transfers \$450,000 each year, beginning with fiscal year 2025, from the general fund to the housing support account established in section 9. Effective the day following final enactment.

Section 2. List and notice. Requires that the statutory 'notice of forfeiture' form include information about the property tax refund and senior citizens' property tax deferral programs, and where further information about unencumbered interest in the property may be obtained. The notice must be made available in multiple languages and must be posted on both the Department of Revenue and individual county websites.

**Section 3. Form.** Requires the statutory "notice of expiration of redemption" form to be modified to notify the former owner that if the parcels forfeit, the parcels will be sold, and the former owner may be entitled to excess proceeds from the sale. Requires the form to be further modified to state that the former owner will be notified if this happens and will be required to submit a claim form to receive the proceeds.

### Section 4. Tax-forfeited land; initial sale.

**Subd. 1. Public Auction Required**. Requires all tax-forfeited land to be offered for sale, except that any mineral interest shall be reserved for the state and managed as provided in Subdivision 8. Only if the land cannot be sold for the sum of the delinquent taxes, special assessments, penalties, interest, and costs levied on the parcel can it continue to be managed and disposed of under the other provisions of Chapter 282.

Subd. 2. Definitions. defines 'interested party,' 'mineral interest,' and 'minimum bid.'

**Subd. 3. Repurchase**. Authorizes an interested party to repurchase the forfeited property prior to the auction by paying the sum of all delinquent taxes, assessments, penalties, interest, and costs.

**Subd. 4. Public auction.** Requires the county auditor to sell the forfeited property at public auction to the highest bidder in a manner reasonably calculated to facilitate public participation, including by online auction. Notice of the sale must be provided by publication in newspapers, websites, and other forums that serve diverse communities. The county auditor must calculate the minimum bid and the initial price which is equal to the estimated market value of the property as determined by the most recent assessment. The property must not be sold for less than the initial price for the first 30 days. If no buyer is willing to pay the initial price, the price must be reduced to the minimum bid. If no buyer is willing to pay the minimum bid, the state is deemed to have purchased the property and the parcels may be disposed with under current law.

**Subd. 5. Sale proceeds.** Requires that when property is sold the minimum bid amount shall be deposited in a county's forfeited tax sale fund and any excess be made available for claims under subdivision 6.

**Subd. 6. Claims for surplus proceeds.** Requires the county auditor to notify interested parties within 60 days if a sale of tax-forfeited lands results in a surplus. The notice must contain certain information and must be accompanied by a claim form. Interested parties are entitled to make a claim for surplus proceeds if they file a claim within six months of the date the notice is first mailed to interested parties. If only a single claim is made, the county must pay the surplus proceeds to the claimant at the end of the claims period. If there are multiple claims for the property, payment must be divided proportionally. Where disputes about payments arise, the county auditor may deposit the surplus money in district court and file a petition asking the court to determine claimants' rights. If the court determines that no party is entitled to the surplus, it is returned to the county for deposit in the county's forfeited tax sale fund.

**Subd. 7. Manner of service.** Governs the manner of service for notices of surplus proceeds under subdivision 6 or notices of the sale of mineral interests under subdivision 8.

**Subd. 8. Claims for mineral interests; payments; appropriation.** Provides that upon forfeiture, any iron-bearing stockpiles, minerals, and mineral interests shall be sold to the state for \$50. The county auditor is required to notify interested parties within 60 days and to provide a form on which an interested party can allege that their value exceeds \$50. Claims must be submitted within six months of the date the notice is first mailed to interested parties. If a claim is filed under this subdivision, the commissioner of natural resources (DNR) must determine the value of the forfeited iron-bearing stockpiles, minerals, and mineral interests. If the value exceeds the delinquent taxes, assessments, and other amounts owed, the claimant is entitled to payment of the surplus. Otherwise, the claimant is not entitled to a payment. Where there are multiple claimants, the process for resolving them is the same as the process for resolving disputes regarding claims for surplus proceeds under subdivision 6, except that upon a finding that no claimant is entitled to payment, the payment must be returned to the commissioner of natural resources and is canceled to the general fund.

**Subd. 9. Expiration of surplus.** Provides that surplus proceeds must be returned to the county's forfeited tax sale fund if no interested party makes a claim for the proceeds within the applicable time limit or it is determined that no claimant is entitled to the surplus.

**Subd. 10. Rights affected by forfeiture**. Extinguishes all rights in property upon forfeiture other than rights to surplus proceeds under this section, rights of redemption provided under federal law, easements and rights-of-way holders who are not interested parties, and benefits or burdens of any real covenants.

**Subd. 11. Property bought by the state.** Reiterates that property purchased by the state under Chapter 282 is to be held in trust for the benefit of the taxing districts and that it must be managed in accordance with Chapters 93 and 282.

#### Section 5. Land withdrawn from initial sale.

**Subd. 1 Property Withdrawn from Sale.** Allows the DNR to withdraw from sale land located within the boundary of a state park, recreation area, or wayside; land that is subject to a mining lease or permit; and land adjacent to public waters by condemning those lands.

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**Subd. 2.** Notice. Requires county auditors to provide notification to the DNR of the forfeiture of properties that may be withdrawn from sale under subdivision 1.

Subd. 3 Repurchase. Authorizes interested parties to repurchase affected land prior to condemnation.

**Subd. 4. Proceeds.** Requires proceeds of condemned land to be transferred to the county auditor. An amount up to the amount necessary to pay delinquent taxes, assessments, and related penalties, interests, and costs, must be transferred to the county's' tax-forfeited tax sale fund. Any proceeds above this amount are distributed in accordance with the process created in subdivision 6 of the statute enacted by Section 2.

Section 6. Duties of commissioner after sale. Amends a statutory range to include the statute enacted in Section 2.

**Section 7. Repurchase requirements**. Terminates the right of former owners, their heirs, devisees, or representatives, and other interested parties to repurchase forfeited lands upon the sale of the property pursuant to the statute enacted by Section 2.

Section 8. Receipts for payments; certification by county auditor. Makes a conforming change to add the statute enacted in Section 2 to a statutory list of sections that authorize the sale of property in this chapter.

**Section 9. Housing support account.** Requires the commissioner of management and budget to establish the housing support account in the special revenue fund. Money in the account is not statutorily appropriated. Appropriations from the account must be used to provide housing support for Minnesotans. Effective the day following final enactment.

Section 10. Requirements of participating counties. Requires that tax-forfeited property with four or fewer residential units or that is unimproved with a structure, must first be offered for sale for a period of 30 days to persons who intent to own and occupy the property as a residence or who intend to use the property for a noncommercial personal use. Notice of the sale must be advertised in newspapers, websites, and other forums that serve diverse communities.

**Section 11. Department of natural resources; appropriation.** Appropriates \$1,537,000 in fiscal year 2025 from the general fund to the commissioner of natural resources to perform the duties required under section 4. The base for the appropriation is \$1,537,000 in fiscal year 2026 and each fiscal year thereafter.

# ARTICLE 71 – MISCELLANEOUS TAX PROVISIONS

Section 1. Taxpayer assistance grants; tax credit outreach grants. Requires the commissioner to make grants to:

• volunteer taxpayer assistance organizations to coordinate, facilitate, encourage, and aid in the provision of taxpayer assistance services; and

• tax outreach organizations and volunteer assistance organizations to publicize and promote the availability of the child tax credit, working family credit, education credit, renter's credit, and property tax refund, and to provide taxpayer assistance services.

Amounts appropriated for taxpayer assistance grants may not be retained for administrative costs. Effective the day following final enactment.

**Section 2. Moist snuff [tobacco products].** Modifies the definition of "moist snuff" to include products containing nicotine that are similar to "moist snuff" under the definition in current law: finely cut, ground, or powdered smokeless tobacco that is intended to be placed or dipped in the mouth. Effective July 1, 2024.

**Section 3. Tobacco products.** Amends the definition of "tobacco products" to include "moist snuff", which would now include products containing nicotine that are similar to moist snuff under the provisions of section 2. Effective July 1, 2024.

**Section 4. Appropriation; tax credit outreach grants; taxpayer assistance grants.** Appropriates \$1 million for tax credit outreach grants and \$1 million for taxpayer assistance grants to the commissioner in fiscal year 2025. The base for each \$1 million appropriation is \$500,000 in fiscal year 2026 and \$500,000 in fiscal year 2027. Each \$1 million appropriation is in addition to the appropriations for tax credit outreach in the 2023 omnibus tax bill for tax system management in the 2023 omnibus state government bill.

**Section 5. Department of revenue; administrative appropriation.** Appropriates \$4 million in fiscal year 2025 from the general fund to the commissioner of revenue to administer this act. The appropriation is onetime and available until June 30, 2027.

## ARTICLE 72 – EMPLOYEE COMPENSATION

In 2023, the legislature eliminated the role for the legislature to ratify collective bargaining agreements for state employees and arbitration awards, but left in place the legislature's role in approving, disapproving, or modifying compensation plans. Article 72 eliminates the legislature's role in approving, rejecting, and modifying all compensation plans except the plan for classified employees in the Office of the Legislative Auditor. Compensation plans still must be submitted to the Legislative Coordinating Commission but must be implemented upon submission. Article 72 eliminates certain reporting requirements on the impacts of compensation plans, contracts, and arbitration awards.

Section 1 (State employee compensation; 3.855, subd. 2) eliminates the role for the Legislative Coordination Commission or the legislature to approve or disapprove certain compensation plans, including the commissioner's plan, the managerial plan, the State Board of Investment plan, and the plan for employees who are not covered by a collective bargaining agreement or another plan, and certain plans for employees of the Minnesota State Colleges and Universities. Compensation plans must be implemented on submission to the Legislative Coordinating Commission.

Section 2 (Other salary and compensation plan; 3.855, subd. 3) eliminates duties of the Legislative Coordinating Commission to approve, reject, or modify compensation plans, other than the plan for the classified employees in the Office of the Legislative Auditor.

Section 3 (Information required; collective bargaining agreements, memoranda of understanding, and interest arbitration awards; 3.855, subd. 6) adds compensation plans to a list of documents governing state employment that must be submitted to the Legislative Coordinating Commission, with specified cost and cost comparison information.

Section 4 (Commissioner's plan; 43A.05, subd. 3), in conjunction with section 5 (Commissioner's plan; 43A.18, subd. 2), and other sections in this article, eliminates the Legislative Coordinating Commission's duty to approve, reject, or modify the commissioner's plan.

Section 6 (Managerial plan; 43A.18, subd. 3), in conjunction with other sections in this bill, eliminates the Legislative Coordinating Commission's duty to review, approve, or modify the managerial plan.

Section 7 (Summary information on website; 43A.18, subd. 9) eliminates requirements for the commissioner of management and budget to provide a summary of the amount and nature of proposed changes in employee compensation, the estimated cost to the state of the proposed changes in employee compensation, and a description of proposed significant changes in policy. With the A-1 amendment, leaves in place a requirement that the commissioner of management and budget post a summary of proposed plans, agreements, and awards with a link to the commissioner's summary. Section 3.855, subdivision 6, requires that the commissioner of management and budget submit a comparison of the biennial compensation costs under a current agreement to the projected costs under a new agreement, memorandum of understanding or interest arbitration award, and, under the amendment in section 3 above, for compensation plans.

**Section 8 (Repealer)** repeals requirements for the commissioner of management and budget to submit specified information to the Legislative Coordinating Commission regarding compensation plans, including a biennial comparison of compensation costs between a current plan and the proposed plan, the amount of biennial compensation costs attributable to salary and wages and to the cost of nonsalary and nonwage benefits, and the aggregate impact of all plans by agency.

## **ARTICLE 73 – PAID LEAVE**

Section 1 (035B.001; Citation) provides that chapter 268B may be cited as the "Minnesota Paid Leave Law".

Sections 2 to 13 add or modify definitions used within chapter 268B.

Section 14 (268B.04; Application for benefits; determination of financial eligibility) makes technical and clarifying changes to the section addressing application for benefits and financial eligibility. Clarifies minimum increment of leave amount for intermittent leave. Allows the commissioner to backdate a claim if an applicant was unable to apply in a timely manner dues to incapacitation or through no fault of their own. Effective November 1, 2025.

Section 15 (258B.06, subd. 2; Seven-day qualifying event) clarifies that the seven-day qualifying event is not an unpaid waiting period and is retroactively payable.

Section 16 (268B.06, subd. 3; Certification) clarifies who may provide documentation for an applicant taking safety leave. Allows the commissioner to adopt rules regarding safety leave. Effective November 1, 2025.

Section 17 (268B.06, subd. 4; Not eligible) specifies that an applicant is ineligible for benefits for a workweek in which the applicant is incarcerated is receiving or has received unemployment insurance benefits. Effective November 1, 2025.

Section 18 (268B.06, subd. 5; Vacation, sick leave, and paid time off) makes technical and clarifying changes. Specifies that an employer may provide an employee with wage replacement during an absence, but any benefit amounts that exceed the employee's salary must be returned by the employee to the employer or the paid leave division. Effective November 1, 2025.

Section 19 (268B.06, subd. 7a; Disability insurance offset) creates a separate subdivision addressing the mechanics of an offset for disability insurance payments received by an applicant. Effective November 1, 2025.

Section 20 (268B.07, subd. 1; Employer notification) makes clarifying changes regarding employer notification. Effective November 1, 2025.

Section 21 (268B.07, subd. 2; Determination) makes clarifying changes regarding determinations of eligibility or ineligibility and the requirements from an applicant to make a determination. Effective November 1, 2025.

Section 22 (268B.07, subd. 3; Amended determination) makes conforming and clarifying changes regarding amended determinations. Effective November 1, 2025.

Section 23 (268B.081; Appeals) provides a process for the commissioner to allow appeals under the program. Provides appealable issues and deadlines for appeal. Allows for a notice of hearing and hearing, requests for reconsideration, and a withdrawal of an appeal. Provides data privacy considerations. The provisions in this section are consistent with the procedures for unemployment insurance appeals under Chapter 268 and rules. Effective November 1, 2025.

Section 24 (268B.085, subd. 3; Intermittent schedule) restates existing law (the section contains no longer contains an amendment to the section relating to intermittent schedules that was in previous versions of the bill).

Section 25 (268B.09, subd. 1; Retaliation prohibited) makes technical and clarifying changes to the section prohibiting employer retaliation. Effective November 1, 2025.

Section 26 (268B.09, subd. 6; Employee right to reinstatement) makes technical and clarifying changes to the section on an employee's right to reinstatement. Effective January 1, 2026.

Section 27 (268B.09, subd. 7; Limitations on an employee's right to reinstatement) makes a clarifying change regarding maintenance of group health plan benefits to the section on the limitations on an employee's right to reinstatement. Effective January 1, 2026.

Section 28 (268B.10, subd. 1; Application for substitution) specifies that insurers must file any insurance forms and other documents related to coverage for paid family and medical leave benefits

with the commissioner of commerce for approval. Clarifies that an insurer authorized to write accident and sickness insurance may provide insurance products for paid family and medical leave benefits coverage. Effective July 1, 2025.

Section 29 (268B.10, subd. 2; Private plan requirements; medical benefit program) clarifies coverage timing for former employees for purposes of medical benefit program application under a private plan. Effective November 1, 2025.

Section 30 (268B.10, subd. 3; Private plan requirements; family benefit program) clarifies coverage timing for former employees for purposes of family benefit program application under a private plan. Effective November 1, 2025.

Section 31 (268B10, subd. 6; Private plan requirements; weekly benefit determination) clarifies that if an employee's request for benefits is denied under a private plan, that the employee has the right to request administrative review and an appeal to the department. Effective November 1, 2025.

Section 32 (268B10, subd. 9a; Plan changes during approved leave) addresses how a plan change is applied when the change is made while an employee is on leave. Effective July 1, 2025.

Sections 33 (268B.10, subd. 12; Employees no longer covered) and 34 (268B.10, subd. 12a; Former employees and benefit applications) clarify coverage and benefit application for former employees under a private plan. Effective July 1, 2025.

Section 35 (268B.10, subd. 16; Revocation of approval by commissioner) makes technical and clarifying changes to the section regarding revocation of an approval of a private plan by the commissioner. Effective July 1, 2025.

Section 36 (268B.10, subd. 17; Employer penalties) makes a technical change related to appeal of penalties which is now addressed in section 23. Effective July 1, 2025.

Section 37 (268B.10, subd. 21a; Filing obligation) adds a new subdivision specifying that an employer covered under a private plan must file quarterly wage reports. Effective July 1, 2025.

Section 38 (268B.14, subd. 3; Employee charge back) makes technical and clarifying changes to the section regarding employee premium charge back. Effective January 1, 2026.

Section 39 (268B.14, subd. 5a; Small employer premium rate) provides the mechanism for calculating the small employer premium rate applicable to employers with 30 or fewer employees.

Section 40 (268B.14, subd. 5b; Employee count) provides the methodology for determining employee count for purposes of the small employer premium rate.

Section 41 (268B.14, subd. 5c; Average wage for employer) provides the mechanism for calculating the average wage for employers.

**Section 42 (268B.14; Premium rate adjustments)** allows the commissioner to adjust the annual premium rates prior to January 1, 2026, and then annually by July 31 each year based on program experience and sound actuarial principles to the fund balance does not fall below 25 percent. Requires the commissioner to contract with a qualified independent actuarial consultant to conduct an actuarial study no less than every year. Effective the day following final enactment.

Section 43 (268B.15, subd. 7; Credit adjustments; refunds) makes a technical change related to appeal for a credit adjustment or refund which is now addressed in section 23. Effective January 1, 2026.

Sections 44 (268B.155, subd. 2; Notice upon application) and 45 (268B.185, subd. 2; Overpayment because of misrepresentation) make technical and clarifying changes. Effective November 1, 2026.

Section 46 (268B.19; Employer misconduct; penalty) makes a technical change related to appeal of an employer penalty now addressed in section 23. Effective July 1, 2024.

Section 47 (268B.26; Notice requirements) makes technical and clarifying changes to the section regarding employee notice requirements and employee acknowledgment of receipt. Effective November 1, 2025.

Section 48 (268B.27, subd. 2; Construction) makes technical and clarifying changes. Effective January 1, 2026.

Section 49 (268B.29; Small employer assistance grants) makes technical and clarifying changes to the section regarding small employer assistance grants regarding eligibility and applications. Effective January 1, 2026.

Section 50 (268B.30; Data privacy) provides that data gathered from any person under Chapter 268B are private data on individuals or nonpublic data not on individual that must not be disclosed except as provided. Specifies the dissemination of data to certain named agencies and parties for the uses listed without consent of the subject of the data.

Section 51 (Repealer) repeals the following:

- Section 268B.06, subdivision 7 (Separation, severance, or bonus payments)
- Section 268B.10, subdivision 11(Appeal process)
- Section 268B.14, subdivision 5 (Appeal process for private plans)
- Section 268B.08 (Small business wage exclusion)