STATE OF MINNESOTA

EIGHTY-NINTH SESSION — 2016

EIGHTY-FOURTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 18, 2016

The House of Representatives convened at 4:00 p.m. and was called to order by Kurt Daudt, Speaker of the House.

Prayer was offered by the Reverend Paul Slack, New Creation Church, Minneapolis, Minnesota.

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

The roll was called and the following members were present:

Albright	Davids	Hansen	Loeffler	Newton	Scott
Allen	Dean, M.	Hausman	Lohmer	Nornes	Selcer
Anderson, C.	Dehn, R.	Hertaus	Loon	Norton	Simonson
Anderson, M.	Dettmer	Hilstrom	Loonan	O'Driscoll	Slocum
Anderson, P.	Drazkowski	Hoppe	Lucero	O'Neill	Smith
Anderson, S.	Ecklund	Hortman	Lueck	Pelowski	Swedzinski
Anzelc	Erhardt	Howe	Mack	Peppin	Theis
Applebaum	Erickson	Isaacson	Mahoney	Persell	Thissen
Atkins	Fabian	Johnson, B.	Marquart	Petersburg	Torkelson
Backer	Fenton	Johnson, C.	Masin	Peterson	Uglem
Baker	Fischer	Johnson, S.	McDonald	Pierson	Urdahl
Barrett	Flanagan	Kahn	McNamara	Pinto	Vogel
Bennett	Franson	Kiel	Metsa	Poppe	Wagenius
Bernardy	Freiberg	Knoblach	Miller	Quam	Ward
Bly	Garofalo	Koznick	Moran	Rarick	Whelan
Carlson	Green	Kresha	Mullery	Rosenthal	Wills
Christensen	Gruenhagen	Laine	Murphy, E.	Runbeck	Yarusso
Clark	Gunther	Lesch	Murphy, M.	Sanders	Youakim
Considine	Hackbarth	Liebling	Nash	Schoen	Zerwas
Cornish	Hamilton	Lien	Nelson	Schomacker	Spk. Daudt
Daniels	Hancock	Lillie	Newberger	Schultz	

A quorum was present.

Davnie, Halverson, Heintzeman, Hornstein, Kelly, Melin, Pugh and Sundin were excused.

Mariani was excused until 4:20 p.m.

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

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Anderson, S., from the Committee on State Government Finance to which was referred:

H. F. No. 3168, A bill for an act relating to state government; correcting a cross-reference in the 2015 appropriation for the Association of Minnesota Public Educational Radio Stations; amending Laws 2015, chapter 77, article 1, section 11, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
APPROPRIATIONS

Section 1. **APPROPRIATIONS**

The sums shown in the columns marked "Appropriations" are added to or subtracted from the appropriations in Laws 2015, chapter 77, article 1, to the agencies and for the purposes specified in this act. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2016" and "2017" used in this act mean that the addition to the appropriation listed under them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively.

	APPROPRIATIONS Available for the Year Ending June 30	
	2016	**2017**
Sec. 2. **LEGISLATURE**	**$-0-**	**$185,000**
Eighty percent of the amount in the senate carryforward account cancels to the general fund on July 1, 2016.		
$318,000 is appropriated to the Office of the Legislative Auditor for new duties related to fiscal notes, revenue estimates, and local impact notes.		
The appropriation to the Legislative Coordinating Commission for the fiscal year ending June 30, 2017, is reduced by $133,000.		
Sec. 3. **STATE AUDITOR**	**$-0-**	**$6,951,000**
Sec. 4. **MN.IT SERVICES**	**$-0-**	**$500,000**
This appropriation is for a study of enhanced cybersecurity across state government. This is a onetime appropriation.		
Sec. 5. **ADMINISTRATION**	**$-0-**	**$148,000**
This appropriation is for continued implementation of the state's Olmstead plan.		

Sec. 6. **MINNESOTA MANAGEMENT AND BUDGET** **$-0-** **$(318,000)**

To the extent possible, the appropriation reduction in this section must be implemented through savings achieved in not administering the fiscal note process.

Sec. 7. **REVENUE**

$1,000,000 of money previously appropriated to the department for fiscal year 2017 must be used for efforts to identify and reject attempted tax refund fraud.

Sec. 8. **HUMAN RIGHTS**

Notwithstanding any law to the contrary, federal funds received by the Department of Human Rights during the biennium ending June 30, 2017, must be deposited in the state general fund, to the extent permitted by agreements with the federal government. If agreements with the federal government do not permit federal funds received by the department to be deposited in the state general fund, the general fund appropriation to the department for the biennium ending June 30, 2017, is reduced by the amount of the federal funds received during the biennium.

Sec. 9. **VETERANS AFFAIRS** **$-0-** **$500,000**

$100,000 is for a grant to Eagle's Healing Nest for assisting veterans who are reintegrating back into civilian and family life.

$300,000 is for the state soldiers assistance fund, for housing assistance and health assistance to veterans.

$100,000 is to support nonprofit organizations in providing rent subsidies for housing for veterans and their families at the Cottages of Anoka.

The appropriations in this section are onetime.

Sec. 10. **MILITARY AFFAIRS** **$1,562,000** **$248,000**

This appropriation is for security improvements at National Guard facilities.

Sec. 11. **SAVINGS; APPROPRIATION REDUCTION FOR EXECUTIVE AGENCIES.**

(a) The commissioner of management and budget must reduce general fund appropriations to executive agencies, including constitutional offices for agency operations for the biennium ending June 30, 2017, by $6,519,000. The Minnesota State Colleges and Universities system is not an executive agency for purposes of this section. The commissioner must not reduce appropriations to the Department of Veterans Affairs, Military Affairs, Human Services, Corrections, or Public Safety. To the greatest extent possible, these reductions must come from savings provided by the cost-savings measures contained in this act, including:

(1) reductions in salaries of commissioners and deputy and assistant commissioners;

(2) hiring freeze; and

(3) reductions in agency expenditures on nonessential travel and advertising.

(b) The commissioner of management and budget must report to the chairs and ranking minority members of the senate Finance Committee and the house of representatives Ways and Means and Finance Committees regarding the amount of reductions in spending by each agency under this section.

(c) Reductions made in fiscal year 2017 must be reflected as reductions in agency base budgets for fiscal years 2018 and 2019.

Sec. 12. **HIRING FREEZE.**

Subdivision 1. **Application of freeze.** A state employer may not hire any permanent or temporary employees before July 1, 2017. For purposes of this section, "state employer" means state elected officials, departments, boards, agencies, commissions, offices, and other hiring entities in the executive and legislative branches of state government, as those branches are defined in Minnesota Statutes, section 43A.02. State employer does not include the Minnesota State Colleges and Universities system.

Subd. 2. **Freeze exceptions.** (a) Subdivision 1 does not apply to:

(1) a student in a work-study position; or

(2) a position that is necessary to perform essential government services.

(b) A determination under paragraph (a), clause (2), must be made by the speaker of the house with respect to house employees, the chair of the Committee on Rules and Administration with respect to senate employees, and the Legislative Coordinating Commission with respect to its employees, by a constitutional officer with respect to employees of the constitutional office, and by the governor with respect to any other employee covered by this section. Exceptions granted under paragraph (a), clause (2), must be reported monthly by the entity granting the exception. The reports must be published on the entity's Web site, and copies must be provided to the chairs of the house of representatives Ways and Means and senate finance committees and to the Legislative Reference Library.

Sec. 13. **NO NONESSENTIAL TRAVEL.**

During the biennium ending June 30, 2017, state funds may not be used to pay for nonessential travel for employees of executive agencies. The governor must report any travel monthly on the governor's Web site, and by providing copies to the chairs of the house of representatives Ways and Means and senate finance committees and to the Legislative Reference Library.

Sec. 14. **LIMIT ON EXPENDITURES FOR ADVERTISING.**

During the fiscal year ending June 30, 2017, an executive branch agency's spending on advertising and promotions may not exceed 90 percent of the amount the agency spent on advertising and promotions during the fiscal year ending June 30, 2016. The commissioner of management and budget must ensure compliance with this limit, and may issue guidelines and policies to executive agencies. The commissioner may forbid an agency from engaging in advertising as the commissioner determines is necessary to ensure compliance with this section. This section does not apply to the Minnesota Lottery or Explore Minnesota Tourism. Spending during the biennium ending June 30, 2017, on advertising relating to a declared emergency, an emergency, or a disaster, as those terms are defined in Minnesota Statutes, section 12.03, is excluded for purposes of this section.

Sec. 15. **EXECUTIVE AGENCY MANAGERS.**

The salaries for the heads of all departments or agencies listed in Minnesota Statutes, section 15.06, subdivision 1, are reduced by five percent. The salaries for all deputy commissioners and assistant commissioners of agencies listed in Minnesota Statutes, section 15.06, subdivision 1, are reduced by five percent. The commissioner of management and budget must reduce the number of deputy commissioner and assistant commissioner positions in agencies listed in Minnesota Statutes, section 15.06, subdivision 1, by five percent.

Sec. 16. **TRANSITION.**

Notwithstanding any law to the contrary, receipts from examinations conducted by the state auditor must be credited to the general fund beginning July 1, 2016. Amounts in the state auditor enterprise fund are transferred to the general fund on July 1, 2016.

Sec. 17. **PUBLIC SUBSIDY PROGRAM SUSPENDED.**

Notwithstanding any law to the contrary, the public subsidy program for state elections does not apply for the remainder of the biennium ending June 30, 2017. During this period:

(1) no appropriations or transfers shall be made from the general fund to the state elections campaign account;

(2) no public subsidy payments shall be made from the state elections campaign account for any general or special election; and

(3) any written agreements made by a candidate as a condition of receiving a payment are not effective for that election.

Amounts designated on income tax and property tax refund returns filed after the effective date of this section and before June 30, 2017, are not effective and remain in the general fund.

ARTICLE 2
STATE GOVERNMENT

Section 1. Minnesota Statutes 2014, section 3.971, is amended by adding a subdivision to read:

Subd. 8a. **Fiscal notes and revenue estimates.** The legislative auditor shall participate in the fiscal note and revenue estimate process in the manner described in section 3.98. Authority of the legislative auditor and duties of employees and entities under section 3.978, subdivision 2, apply to the legislative auditor's work on fiscal notes and revenue estimates.

Sec. 2. Minnesota Statutes 2014, section 3.98, is amended to read:

3.98 FISCAL NOTES AND REVENUE ESTIMATES.

Subdivision 1. **Preparation.** ~~The head or chief administrative officer of each department or agency of the state government, including the Supreme Court, shall prepare a fiscal note at the request of the chair of the standing committee to which a bill has been referred, or the chair of the house of representatives Ways and Means Committee, or the chair of the senate Committee on Finance.~~

~~For purposes of this subdivision, "Supreme Court" includes all agencies, committees, and commissions supervised or appointed by the state Supreme Court or the state court administrator.~~ (a) The chair of the standing committee to which a bill has been referred, the chair of the house of representatives Ways and Means Committee,

and the chair of the senate Finance Committee may request a fiscal note. The chair of the house of representatives or senate Tax Committee may request a revenue estimate. A request for a fiscal note or revenue estimate must be filed with the legislative auditor.

(b) Upon receiving a request for a fiscal note or revenue estimate, the legislative auditor shall request appropriate agencies, offices, boards, or commissions in the executive, judicial, or legislative branch to provide the legislative auditor with an analysis of the financial and personnel impacts of the bill. The analysis must include a clear statement of the assumptions used in the analysis and the extent to which alternative assumptions were considered. Agencies, offices, boards, or commissions shall, after receiving a request from the legislative auditor, submit the analysis in the time and manner requested by the auditor. The legislative auditor may require agencies, offices, boards, or commissions to use the fiscal note tracking system developed and maintained by the commissioner of management and budget for submitting fiscal note information and analysis.

(c) The legislative auditor shall review the analysis submitted by agencies, offices, boards, or commissions and assess the reasonableness of the analysis, particularly the reasonableness of the assumptions used in the analysis. The auditor may require agencies, offices, boards, or commissions to resubmit their analysis under new assumptions or calculation parameters as defined by the auditor.

(d) When the legislative auditor accepts the final analysis from all relevant agencies, offices, boards, or commissions, the legislative auditor shall deliver the completed fiscal note or revenue estimate. The note or estimate must contain the final analysis and assumptions submitted to the legislative auditor by agencies, offices, boards, or commissions, and a statement by the legislative auditor as to whether the legislative auditor agrees with the final analysis and assumptions. The auditor must state the reasons for any disagreements and may offer alternative analysis and assumptions for consideration by the legislature. If the legislative auditor deems these disagreements sufficiently large, the legislative auditor may submit an unofficial "unapproved" fiscal note to the legislature for public consideration of both the analysis of the agencies, offices, boards, or commissions, and of the legislative auditor.

Subd. 2. **Contents.** (a) ~~The~~ A fiscal note, where possible, shall:

(1) cite the effect in dollar amounts;

(2) cite the statutory provisions affected;

(3) estimate the increase or decrease in revenues or expenditures;

(4) include the costs which may be absorbed without additional funds;

(5) include the assumptions used in determining the cost estimates; and

(6) specify any long-range implication.

(b) ~~The~~ A revenue estimate must estimate the effect of a bill on state tax revenues.

(c) A fiscal note or revenue estimate may comment on technical or mechanical defects in the bill but shall express no opinions concerning the merits of the proposal.

Subd. 3. **Distribution.** A copy of ~~the~~ a fiscal note shall be delivered to the chair of the Ways and Means Committee of the house of representatives, the chair of the Finance Committee of the senate, the chair of the standing committee to which the bill has been referred, to the chief author of the bill and to the commissioner of management and budget. A copy of a revenue estimate shall be delivered to the chairs of the house of representatives and senate tax committees, to the chief author of the bill, and to the commissioner of revenue.

Subd. 4. **Uniform procedure.** The ~~commissioner of management and budget~~ legislative auditor shall prescribe a uniform procedure to govern the departments and agencies of the state in complying with the requirements of this section.

Subd. 5. **Tracking system.** The commissioner of management and budget shall provide the legislative auditor with manuals and other documentation requested by the auditor for the fiscal note tracking system that is maintained by the commissioner.

Sec. 3. Minnesota Statutes 2014, section 3.987, subdivision 1, is amended to read:

Subdivision 1. **Local impact notes.** The ~~commissioner of management and budget~~ legislative auditor shall coordinate the development of a local impact note for any proposed legislation ~~introduced after June 30, 1997,~~ upon request of the chair or the ranking minority member of either legislative Tax, Finance, or Ways and Means Committee. Upon receipt of a request to prepare a local impact note, the ~~commissioner~~ auditor must notify the authors of the proposed legislation that the request has been made. The local impact note must be made available to the public upon request. If the action is among the exceptions listed in section 3.988, a local impact note need not be requested nor prepared. The ~~commissioner~~ auditor shall make a reasonable and timely estimate of the local fiscal impact on each type of political subdivision that would result from the proposed legislation. The ~~commissioner of management and budget~~ auditor may require any political subdivision or the commissioner of an administrative agency of the state to supply in a timely manner any information determined to be necessary to determine local fiscal impact. The political subdivision, its representative association, or commissioner shall convey the requested information to the ~~commissioner of management and budget~~ auditor with a signed statement to the effect that the information is accurate and complete to the best of its ability. The political subdivision, its representative association, or commissioner, when requested, shall update its determination of local fiscal impact based on actual cost or revenue figures, improved estimates, or both. Upon completion of the note, the ~~commissioner~~ auditor must provide a copy to the authors of the proposed legislation and to the chair and ranking minority member of each committee to which the proposed legislation is referred.

Sec. 4. Minnesota Statutes 2015 Supplement, section 6.481, subdivision 6, is amended to read:

Subd. 6. **Payments to state auditor.** A county audited by the state auditor must pay the state auditor for the costs and expenses of the audit. If the state auditor makes additional examinations of a county whose audit is performed by a CPA firm, the county must pay the auditor for the cost of these examinations. Payments must be deposited in the ~~state auditor enterprise~~ general fund.

Sec. 5. Minnesota Statutes 2014, section 6.56, subdivision 2, is amended to read:

Subd. 2. **Billings by state auditor.** Upon the examination of the books, records, accounts, and affairs of any political subdivision, as provided by law, such political subdivision shall be liable to the state for the total cost and expenses of such examination, including the salaries paid to the examiners while actually engaged in making such examination. The state auditor may bill such political subdivision periodically for service rendered and the officials responsible for approving and paying claims are authorized to pay said bill promptly. Said payments shall be without prejudice to any defense against said claims that may exist or be asserted. The ~~state auditor enterprise~~ general fund shall be credited with all collections made for any such examinations, including interest payments made pursuant to subdivision 3.

Sec. 6. Minnesota Statutes 2014, section 6.581, subdivision 4, is amended to read:

Subd. 4. **Reports to legislature.** At least 30 days before implementing increased charges for examinations, the state auditor must report the proposed increases to the chairs and ranking minority members of the committees in the house of representatives and the senate with jurisdiction over the budget of the state auditor. By January 15 of each

odd-numbered year, the state auditor must report to the chairs and ranking minority members of the legislative committees and divisions with primary jurisdiction over the budget of the state auditor a summary of ~~the state auditor enterprise fund~~ anticipated revenues, and expenditures related to examinations for the biennium ending June 30 of that year. The report must also include for the biennium the number of full-time equivalents ~~paid by the fund~~ in the audit practice division, any audit rate changes stated as a percentage, the number of audit reports issued, and the number of counties audited.

Sec. 7. **[16A.0565] CENTRALIZED TRACKING LIST OF AGENCY PROJECTS.**

Subdivision 1. **Centralized tracking.** The commissioner must maintain a centralized tracking list of new agency projects estimated to cost more than $100,000 that are paid for from the general fund.

Subd. 2. **New agency project.** (a) For purposes of this section a "new agency project" means:

(1) any new agency program or activity with more than $100,000 in funding from the general fund; and

(2) any preexisting agency program or activity with an increase of $100,000 or more above the base level in general fund support.

(b) For purposes of this section, a new agency project does not include:

(1) general aid programs for units of local government, or entitlement programs providing assistance to individuals; or

(2) a new program or activity or increase in a program or activity that is mandated by law.

Subd. 3. **Transparency requirements.** The centralized tracking list maintained by the commissioner must report the following for each new agency project:

(1) the name of the agency and title of the project;

(2) a brief description of the project and its purposes;

(3) the extent to which the project has been implemented; and

(4) the amount of money that has been spent on the project.

Subd. 4. **Timing and reporting.** The commissioner must display the information required by subdivision 3 on the department's Web site. The list shall be maintained in a widely available and common document format such as a spreadsheet that does not require any new costs to develop. The commissioner must report this information to the chairs of the house of representatives Ways and Means Committee and senate Finance Committee quarterly, and must update the information on the Web site at least quarterly.

Sec. 8. Minnesota Statutes 2014, section 16A.103, is amended by adding a subdivision to read:

Subd. 1h. **Revenue uncertainty information.** The commissioner shall report to the legislature within 14 days of a forecast under subdivision 1 on uncertainty in Minnesota's general fund revenue projections. The report shall present information on: (1) the estimated range of forecast error for revenues; and (2) the data and methods used to construct those measurements.

Sec. 9. **[16A.104] FEDERAL FUNDS REPORT.**

The commissioner must report to the chairs and ranking minority members of the house of representatives Ways and Means and senate Finance Committee on receipt of federal funds by the state. The report must be submitted with the governor's detailed operating budget in accordance with section 16A.11, subdivision 1, in an odd-numbered year and within ten days prior to the start of the regular session in accordance with section 3.3005, subdivision 2, in an even-numbered year. The report must include the total amount of federal funds received by the state in the fiscal year ending the prior June 30 and the total amount of federal funds anticipated to be received by the state in the current fiscal year. For each category of federal funding, the report must list:

(1) the name of the federal grant or federal funding source, the federal agency providing the funding, a federal identification number, and a brief description of the purpose of the federal funding;

(2) the amount of federal funding the state received through that grant or source in the fiscal year ending the prior June 30 and the total amount of federal funds anticipated to be received by the state in the current fiscal year;

(3) if there is a federal maintenance-of-effort requirement associated with the funding;

(4) the number of full-time equivalent state employees needed to implement the federal funding; and

(5) the amount of state funds spent, as a match or otherwise, in conjunction with receipt of the federal funding in the fiscal year ending the prior June 30, and the amount of state funds anticipated to be spent in the current fiscal year.

Sec. 10. Minnesota Statutes 2014, section 16A.1283, is amended to read:

16A.1283 LEGISLATIVE APPROVAL REQUIRED FOR FEES.

(a) Notwithstanding any law to the contrary, an executive branch state agency may not impose a new fee or increase an existing fee unless the new fee or increase is approved by law. An agency must not propose a fee or fine increase of more than ten percent in a biennium over the same fee or fine in law at the start of the same biennium. For purposes of this section, a fee is any charge for goods, services, regulation, or licensure, and, notwithstanding paragraph (b), clause (3), includes charges for admission to or for use of public facilities owned by the state.

(b) This section does not apply to:

(1) charges billed within or between state agencies, or billed to federal agencies;

(2) the Minnesota State Colleges and Universities system;

(3) charges for goods and services provided for the direct and primary use of a private individual, business, or other entity;

(4) charges that authorize use of state-owned lands and minerals administered by the commissioner of natural resources by the issuance of leases, easements, cooperative farming agreements, and land and water crossing licenses and charges for sales of state-owned lands administered by the commissioner of natural resources; or

(5) state park fees and charges established by commissioner's order.

(c) An executive branch agency may reduce a fee that was set by rule before July 1, 2001, without legislative approval. Chapter 14 does not apply to fee reductions under this paragraph.

Sec. 11. **[16A.6415] FEDERAL PENALTIES RELATING TO PURCHASE OR SALE OF STATE BONDS.**

(a) The commissioner must disclose to the legislative auditor any situation that the commissioner believes potentially could subject the state or a state agency to payment of a penalty to the federal government in connection with the purchase or sale of bonds issued by the state. This disclosure must be made within ten days of the commissioner learning of the situation that has potential to subject the state to a federal penalty.

(b) Payment of a penalty to the federal government in connection with the purchase or sale of state bonds issued by the state must be made from funds appropriated for general operations of the department. If the commissioner determines that it is not feasible to pay the penalty from these funds, the commissioner may seek approval under the process in section 3.30 for use of contingent account appropriations.

(c) The commissioner must disclose to the legislative auditor and to the chairs and ranking minority members of the house of representatives Ways and Means Committee, senate Finance Committee, and house of representatives and senate committees with jurisdiction over capital investment the payment of a penalty by the commissioner or a state agency to the federal government in connection with the purchase or sale of bonds issued by the state. A disclosure under this paragraph must be made within ten days of the commissioner or a state agency paying the penalty.

Sec. 12. Minnesota Statutes 2014, section 16B.335, subdivision 1, is amended to read:

Subdivision 1. **Construction and major remodeling.** (a) The commissioner, or any other recipient to whom an appropriation is made to acquire or better public lands or buildings or other public improvements of a capital nature, must not prepare final plans and specifications for any construction, major remodeling, or land acquisition in anticipation of which the appropriation was made until the agency that will use the project has presented the program plan and cost estimates for all elements necessary to complete the project to the chair of the senate Finance Committee and the chair of the house of representatives Ways and Means Committee and the chairs have made their recommendations, and the chair and ranking minority member of the senate Capital Investment Committee and the chair and ranking minority member of the house of representatives Capital Investment Committee are notified. "Construction or major remodeling" means construction of a new building, a substantial addition to an existing building, or a substantial change to the interior configuration of an existing building. The presentation must note any significant changes in the work that will be done, or in its cost, since the appropriation for the project was enacted or from the predesign submittal. The program plans and estimates must be presented for review at least two weeks before a recommendation is needed. The recommendations are advisory only. Failure or refusal to make a recommendation is considered a negative recommendation.

(b) The chairs and ranking minority members of the senate Finance and Capital Investment Committees ~~and~~, the house of representatives Capital Investment and Ways and Means Committees, and the house of representatives and senate budget committees or divisions with jurisdiction over the agency that will use the project must also be notified whenever there is a substantial change in a construction or major remodeling project, or in its cost. This notice must include the nature and reason for the change, and the anticipated cost of the change. The notice must be given no later than ten days after signing a change order or other document authorizing a change in the project, or if there is not a change order or other document, no later than ten days after the project owner becomes aware of a substantial change in the project or its cost.

~~(b)~~ (c) Capital projects exempt from the requirements ~~of this subdivision~~ in paragraph (a) to seek recommendations before preparing final plans and specifications include demolition or decommissioning of state assets, hazardous material projects, utility infrastructure projects, environmental testing, parking lots, parking structures, park and ride facilities, bus rapid transit stations, light rail lines, passenger rail projects, exterior lighting, fencing, highway rest areas, truck stations, storage facilities not consisting primarily of offices or heated work areas, roads, bridges, trails, pathways, campgrounds, athletic fields, dams, floodwater retention systems, water access sites,

harbors, sewer separation projects, water and wastewater facilities, port development projects for which the commissioner of transportation has entered into an assistance agreement under section 457A.04, ice centers, a local government project with a construction cost of less than $1,500,000, or any other capital project with a construction cost of less than $750,000. The requirements in paragraph (b) to give notice of changes applies to these projects.

Sec. 13. **[16B.336] NEW STATE BUILDINGS.**

Any requirement for legislative approval of construction of a state building may be fulfilled only by approval of the entire legislature in a bill enacted into law, and may not be fulfilled by approval of one or more committees of the legislature.

Sec. 14. **[16B.991] TERMINATION OF GRANT.**

Each grant agreement subject to sections 16B.97 and 16B.98 must provide that the agreement will immediately be terminated if the recipient is convicted of a criminal offense relating to a state grant agreement.

Sec. 15. **[16B.992] NO FEES FOR GENERAL FUND GRANT ADMINISTRATION.**

An agency may not charge a recipient of a grant from the general fund a fee and may not deduct money from the grant to pay administrative expenses incurred by the agency in administering the grant.

Sec. 16. Minnesota Statutes 2014, section 16C.03, subdivision 16, is amended to read:

Subd. 16. **Delegation of duties.** (a) The commissioner may delegate duties imposed by this chapter to the head of an agency and to any subordinate of the agency head. At least once every three years the commissioner must audit use of authority under this chapter by each employee whom the commissioner has delegated duties.

(b) The commissioner must develop guidelines for agencies and employees to whom authority is delegated under this chapter that protect state legal interests. These guidelines may provide for review by the commissioner when a specific contract has potential to put the state's legal interests at risk.

Sec. 17. Minnesota Statutes 2014, section 16C.16, subdivision 5, is amended to read:

Subd. 5. **Designation of targeted groups.** (a) The commissioner of administration shall periodically designate businesses that are majority owned and operated by women, persons with a substantial physical disability, or specific minorities as targeted group businesses within purchasing categories as determined by the commissioner. A group may be targeted within a purchasing category if the commissioner determines there is a statistical disparity between the percentage of purchasing from businesses owned by group members and the representation of businesses owned by group members among all businesses in the state in the purchasing category.

(b) In addition to designations under paragraph (a)~~,~~: (1) an individual business may be included as a targeted group business if the commissioner determines that inclusion is necessary to remedy discrimination against the owner based on race, gender, or disability in attempting to operate a business that would provide goods or services to public agencies; and (2) an individual business must be included as a targeted group business if the business agrees that its workforce will be composed of at least 40 percent minority persons or veterans, and that this agreement will be expressed as a condition of any contract between the state and the business.

(c) The designations of purchasing categories and businesses under paragraphs (a) and (b) are not rules for purposes of chapter 14, and are not subject to rulemaking procedures of that chapter.

Sec. 18. **[43A.035] LIMIT ON NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES.**

The total number of full-time equivalent employees employed in all executive branch agencies may not exceed 35,927. As provided in article 1, section 12, an executive branch agency may not hire a new employee during the biennium ending June 30, 2017, except as authorized in article 1, section 12. Any reductions in staff should prioritize protecting client-facing health care workers, corrections officers, public safety workers, and mental health workers. As a means of achieving compliance with this requirement, the commissioner may authorize an agency to provide an early retirement incentive to an executive branch employee, under which the state will continue to make the employer contribution for health insurance after the employee has terminated state service. The commissioner must prescribe eligibility requirements and the maximum duration of the payments. For purposes of this section, an "executive agency" does not include the Minnesota State Colleges and Universities or statewide pension plans.

Sec. 19. Minnesota Statutes 2015 Supplement, section 197.46, is amended to read:

197.46 VETERANS PREFERENCE ACT; REMOVAL FORBIDDEN; RIGHT OF MANDAMUS.

(a) Any person whose rights may be in any way prejudiced contrary to any of the provisions of this section, ~~shall be~~ is entitled to a writ of mandamus to remedy the wrong. No person holding a position by appointment or employment in ~~the several counties~~ any county, ~~cities~~ city, ~~towns~~ town, school ~~districts and all~~ district, or any other political ~~subdivisions~~ subdivision in the state~~,~~ who is a veteran separated from the military service under honorable conditions, shall be removed from ~~such~~ the position or employment except for incompetency or misconduct shown after a hearing, upon due notice, upon stated charges, in writing.

(b) Any veteran who has been notified of the intent to discharge the veteran from an appointed position or employment pursuant to this section shall be notified in writing of ~~such~~ the intent to discharge and of the veteran's right to request a hearing within 60 days of receipt of the notice of intent to discharge. The failure of a veteran to request a hearing within the provided 60-day period ~~shall constitute~~ constitutes a waiver of the right to a hearing. ~~Such~~ The failure ~~shall~~ also ~~waive~~ waives all other available legal remedies for reinstatement.

Request for a hearing concerning such a discharge shall be made in writing and submitted by mail or personal service to the employment office of the concerned employer or other appropriate office or person. If the veteran requests a hearing under this section, ~~such~~ the written request must also contain the veteran's election to be heard by a civil service board or commission, a merit authority, or a ~~three person panel~~ board of three persons as defined in paragraph (c). If the veteran fails to identify the veteran's election, the governmental subdivision may select the hearing body.

(c) In all governmental subdivisions having an established civil service board or commission, or merit system authority, ~~such~~ the veteran may elect to have the hearing for removal or discharge ~~shall be held~~ before ~~such~~ the civil service board or commission or merit system authority, or before a board of three persons as specified in this paragraph. Where no ~~such~~ civil service board or commission or merit system authority exists, ~~such~~ the hearing shall be held by a board of three persons appointed as follows: one by the governmental subdivision, one by the veteran, and the third by the two so selected. In the event that the hearing is authorized to be held before a ~~three person~~ board of three persons, the governmental subdivision's notice of intent to discharge shall state that the veteran must respond within 60 days of receipt of the notice of intent to discharge, and provide in writing to the governmental subdivision the name, United States mailing address, and telephone number of the veteran's selected representative for the ~~three person~~ board of three persons. The failure of a veteran to submit the name, address, and telephone number of the veteran's selected representative to the governmental subdivision by mail or by personal service within the provided notice's 60-day period, ~~shall constitute~~ constitutes a waiver of the veteran's right to the hearing and all other legal remedies available for reinstatement of the veteran's employment position. In the event the ~~two persons~~ person selected by the veteran and the person selected by the governmental subdivision do not appoint the third person within ten days after the appointment of the last of the two, then the judge of the district court of the

county ~~wherein~~ where the proceeding is pending, or if there ~~be~~ is more than one judge in ~~said~~ the county then any judge in chambers~~, shall have~~ has jurisdiction to appoint~~, and~~ the third person. Upon application ~~of either or both of the two so selected~~ by the person selected by the governmental subdivision or by the person selected by the veteran, or upon application by both, the judge shall appoint~~,~~ the third person to the board ~~and the person so appointed by the judge~~ who with the two first selected shall constitute the board.

(d) Either the veteran or the governmental subdivision may appeal from the decision of the ~~board~~ hearing body upon the charges to the district court by causing written notice of appeal, stating the grounds ~~thereof~~ of the appeal, to be served upon the other party within 15 days after notice of the decision and by filing the original notice of appeal with proof of service ~~thereof~~ in the office of the court administrator of the district court within ten days after service thereof. Nothing in section 197.455 or this section shall be construed to apply to the position of private secretary, superintendent of schools, or one chief deputy of any elected official or head of a department, or to any person holding a strictly confidential relation to the appointing officer. Nothing in this section shall be construed to apply to the position of teacher. The burden of establishing such relationship shall be upon the appointing officer in all proceedings and actions relating thereto.

(e) For disputes heard by a civil service board, commission or merit system authority, or by a board of three persons, the ~~political~~ governmental subdivisions shall bear all costs associated with the hearing but not including attorney fees for attorneys representing the veteran. ~~For disputes heard by a three-person panel, all parties shall bear equally all costs associated with the hearing, but not including attorney fees for attorneys representing the veteran.~~ If the veteran prevails in a dispute heard by a civil service board ~~or a three-person panel~~, commission or merit system authority, or by a board of three persons and the hearing reverses ~~all aspects of~~ the level of the alleged incompetency or misconduct requiring discharge, the governmental subdivision shall pay the veteran's reasonable attorney fees.

(f) All officers, boards, commissions, and employees shall conform to, comply with, and aid in all proper ways in carrying into effect the provisions of section 197.455 and this section notwithstanding any laws, charter provisions, ordinances or rules to the contrary. Any willful violation of such sections by officers, officials, or employees is a misdemeanor.

Sec. 20. Minnesota Statutes 2014, section 298.22, subdivision 1, is amended to read:

Subdivision 1. **The Office of the Commissioner of Iron Range resources and rehabilitation.** (a) The Office of the Commissioner of Iron Range resources and rehabilitation is created as an agency in the executive branch of state government. The governor shall appoint the commissioner of Iron Range resources and rehabilitation under section 15.06.

(b) The commissioner may hold other positions or appointments that are not incompatible with duties as commissioner of Iron Range resources and rehabilitation. The commissioner may appoint a deputy commissioner. All expenses of the commissioner, including the payment of staff and other assistance as may be necessary, must be paid out of the amounts appropriated by section 298.28 or otherwise made available by law to the commissioner. ~~Notwithstanding chapters 16A, 16B, and 16C, the commissioner may utilize contracting options available under section 471.345 when the commissioner determines it is in the best interest of the agency. The agency is not subject to sections 16E.016 and 16C.05.~~

(c) When the commissioner determines that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use of natural resources in the future and any resulting decrease in employment, the commissioner may use whatever amounts of the appropriation made to the commissioner of revenue in section 298.28 that are determined to be necessary and proper in the development of the remaining resources of the county and in the vocational training and rehabilitation of its residents, except that the amount needed to cover cost overruns awarded to a contractor by an arbitrator in relation to a contract awarded by the commissioner or in effect after July 1, 1985, is appropriated from the general fund. For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.

Sec. 21. Minnesota Statutes 2014, section 299A.41, subdivision 3, is amended to read:

Subd. 3. **Killed in the line of duty.** "Killed in the line of duty" does not include deaths from natural causes, except as provided in this subdivision. In the case of a ~~peace~~ public safety officer, "killed in the line of duty" includes the death of ~~an~~ a public safety officer caused by accidental means while the ~~peace~~ public safety officer is acting in the course and scope of duties as a ~~peace~~ public safety officer. Killed in the line of duty also means if a public safety officer dies as the direct and proximate result of a heart attack, stroke, or vascular rupture, that officer shall be presumed to have died as the direct and proximate result of a personal injury sustained in the line of duty if:

(1) that officer, while on duty:

(i) engaged in a situation, and that engagement involved nonroutine stressful or strenuous physical law enforcement, fire suppression, rescue, hazardous material response, emergency medical services, prison security, disaster relief, or other emergency response activity; or

(ii) participated in a training exercise, and that participation involved nonroutine stressful or strenuous physical activity;

(2) that officer died as a result of a heart attack, stroke, or vascular rupture suffered:

(i) while engaging or participating under clause (1);

(ii) while still on duty after engaging or participating under clause (1); or

(iii) not later than 24 hours after engaging or participating under clause (1); and

(3) the presumption is not overcome by competent medical evidence to the contrary.

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

Sec. 22. Minnesota Statutes 2014, section 327C.095, subdivision 13, is amended to read:

Subd. 13. **Change in use, relocation expenses; payments by park owner.** (a) If a manufactured home owner is required to relocate due to the conversion of all or a portion of a manufactured home park to another use, the closure of a manufactured home park, or cessation of use of the land as a manufactured home park under subdivision 1, and the manufactured home owner complies with the requirements of this section, the manufactured home owner is entitled to payment from the Minnesota manufactured home relocation trust fund equal to the manufactured home owner's actual relocation costs for relocating the manufactured home to a new location within a 25-mile radius of the park that is being closed, up to a maximum of ~~$4,000~~ $7,000 for a single-section and ~~$8,000~~ $12,500 for a multisection manufactured home. The actual relocation costs must include the reasonable cost of taking down, moving, and setting up the manufactured home, including equipment rental, utility connection and disconnection charges, minor repairs, modifications necessary for transportation of the home, necessary moving permits and insurance, moving costs for any appurtenances, which meet applicable local, state, and federal building and construction codes.

(b) A manufactured home owner is not entitled to compensation under paragraph (a) if the manufactured home park owner is not required to make a payment to the Minnesota manufactured home relocation trust fund under subdivision 12, paragraph (b).

(c) Except as provided in paragraph (e), in order to obtain payment from the Minnesota manufactured home relocation trust fund, the manufactured home owner shall submit to the neutral third party and the Minnesota Housing Finance Agency, with a copy to the park owner, an application for payment, which includes:

(1) a copy of the closure statement under subdivision 1;

(2) a copy of the contract with a moving or towing contractor, which includes the relocation costs for relocating the manufactured home;

(3) a statement with supporting materials of any additional relocation costs as outlined in subdivision 1;

(4) a statement certifying that none of the exceptions to receipt of compensation under subdivision 12, paragraph (b), apply to the manufactured home owner;

(5) a statement from the manufactured park owner that the lot rental is current and that the annual $12 payments to the Minnesota manufactured home relocation trust fund have been paid when due; and

(6) a statement from the county where the manufactured home is located certifying that personal property taxes for the manufactured home are paid through the end of that year.

(d) If the neutral third party has acted reasonably and does not approve or deny payment within 45 days after receipt of the information set forth in paragraph (c), the payment is deemed approved. Upon approval and request by the neutral third party, the Minnesota Housing Finance Agency shall issue two checks in equal amount for 50 percent of the contract price payable to the mover and towing contractor for relocating the manufactured home in the amount of the actual relocation cost, plus a check to the home owner for additional certified costs associated with third-party vendors, that were necessary in relocating the manufactured home. The moving or towing contractor shall receive 50 percent upon execution of the contract and 50 percent upon completion of the relocation and approval by the manufactured home owner. The moving or towing contractor may not apply the funds to any other purpose other than relocation of the manufactured home as provided in the contract. A copy of the approval must be forwarded by the neutral third party to the park owner with an invoice for payment of the amount specified in subdivision 12, paragraph (a).

(e) In lieu of collecting a relocation payment from the Minnesota manufactured home relocation trust fund under paragraph (a), the manufactured home owner may collect an amount from the fund after reasonable efforts to relocate the manufactured home have failed due to the age or condition of the manufactured home, or because there are no manufactured home parks willing or able to accept the manufactured home within a 25-mile radius. A manufactured home owner may tender title of the manufactured home in the manufactured home park to the manufactured home park owner, and collect an amount to be determined by an independent appraisal. The appraiser must be agreed to by both the manufactured home park owner and the manufactured home owner. If the appraised market value cannot be determined, the tax market value, averaged over a period of five years, can be used as a substitute. The maximum amount that may be reimbursed under the fund is ~~a maximum of $5,000~~ $8,000 for a single-section and ~~$9,000~~ $14,500 for a multisection manufactured home. The minimum amount that may be reimbursed under the fund is $4,000 for a single section and $8,000 for a multisection manufactured home. The manufactured home owner shall deliver to the manufactured home park owner the current certificate of title to the manufactured home duly endorsed by the owner of record, and valid releases of all liens shown on the certificate of title, and a statement from the county where the manufactured home is located evidencing that the personal property taxes have been paid. The manufactured home owner's application for funds under this paragraph must include a document certifying that the manufactured home cannot be relocated, that the lot rental is current, that the annual $12 payments to the Minnesota manufactured home relocation trust fund have been paid when due, that the manufactured home owner has chosen to tender title under this section, and that the park owner agrees to make a payment to the commissioner of management and budget in the amount established in subdivision 12, paragraph (a),

less any documented costs submitted to the neutral third party, required for demolition and removal of the home, and any debris or refuse left on the lot, not to exceed $1,000. The manufactured home owner must also provide a copy of the certificate of title endorsed by the owner of record, and certify to the neutral third party, with a copy to the park owner, that none of the exceptions to receipt of compensation under subdivision 12, paragraph (b), clauses (1) to (6), apply to the manufactured home owner, and that the home owner will vacate the home within 60 days after receipt of payment or the date of park closure, whichever is earlier, provided that the monthly lot rent is kept current.

(f) The Minnesota Housing Finance Agency must make a determination of the amount of payment a manufactured home owner would have been entitled to under a local ordinance in effect on May 26, 2007. Notwithstanding paragraph (a), the manufactured home owner's compensation for relocation costs from the fund under section 462A.35, is the greater of the amount provided under this subdivision, or the amount under the local ordinance in effect on May 26, 2007, that is applicable to the manufactured home owner. Nothing in this paragraph is intended to increase the liability of the park owner.

(g) Neither the neutral third party nor the Minnesota Housing Finance Agency shall be liable to any person for recovery if the funds in the Minnesota manufactured home relocation trust fund are insufficient to pay the amounts claimed. The Minnesota Housing Finance Agency shall keep a record of the time and date of its approval of payment to a claimant.

(h) The agency shall report to the chairs of the senate Finance Committee and house of representatives Ways and Means Committee by January 15 of each year on the Minnesota manufactured home relocation trust fund, including the account balance, payments to claimants, the amount of any advances to the fund, the amount of any insufficiencies encountered during the previous calendar year, and any administrative charges or expenses deducted from the trust fund balance. If sufficient funds become available, the Minnesota Housing Finance Agency shall pay the manufactured home owner whose unpaid claim is the earliest by time and date of approval.

Sec. 23. Minnesota Statutes 2014, section 353.01, subdivision 43, is amended to read:

Subd. 43. **Line of duty death.** "Line of duty death" means:

(1) a death that occurs while performing or as a direct result of performing normal or less frequent duties which are specific to protecting the property and personal safety of others and that present inherent dangers that are specific to the positions covered by the public employees police and fire plan.; or

(2) a death determined by the commissioner of public safety to meet the requirements of section 299A.41, subdivision 3.

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

Sec. 24. Minnesota Statutes 2014, section 462.355, subdivision 4, is amended to read:

Subd. 4. **Interim ordinance.** (a) If a municipality is conducting studies or has authorized a study to be conducted or has held or has scheduled a hearing for the purpose of considering adoption or amendment of a comprehensive plan or official controls as defined in section 462.352, subdivision 15, or if new territory for which plans or controls have not been adopted is annexed to a municipality, the governing body of the municipality may adopt an interim ordinance applicable to all or part of its jurisdiction for the purpose of protecting the planning process and the health, safety and welfare of its citizens. The interim ordinance may regulate, restrict, or prohibit any use, development, or subdivision within the jurisdiction or a portion thereof for a period not to exceed one year from the date it is effective.

(b) If a proposed interim ordinance purports to regulate, restrict, or prohibit activities relating to livestock production, a public hearing must be held following a ten-day notice given by publication in a newspaper of general circulation in the municipality before the interim ordinance takes effect.

(c) If a proposed interim ordinance by a statutory or home rule charter city purports to regulate, restrict, or prohibit activities relating to housing, a public hearing must be held following a ten-day notice given by publication in a newspaper of general circulation in the municipality before the interim ordinance takes effect.

(d) The period of an interim ordinance applicable to an area that is affected by a city's master plan for a municipal airport may be extended for such additional periods as the municipality may deem appropriate, not exceeding a total additional period of 18 months. In all other cases, no interim ordinance may halt, delay, or impede a subdivision that has been given preliminary approval, nor may any interim ordinance extend the time deadline for agency action set forth in section 15.99 with respect to any application filed prior to the effective date of the interim ordinance. The governing body of the municipality may extend the interim ordinance after a public hearing and written findings have been adopted based upon one or more of the conditions in clause (1), (2), or (3). The public hearing must be held at least 15 days but not more than 30 days before the expiration of the interim ordinance, and notice of the hearing must be published at least ten days before the hearing. The interim ordinance may be extended for the following conditions and durations, but, except as provided in clause (3), an interim ordinance may not be extended more than an additional 18 months:

(1) up to an additional 120 days following the receipt of the final approval or review by a federal, state, or metropolitan agency when the approval is required by law and the review or approval has not been completed and received by the municipality at least 30 days before the expiration of the interim ordinance;

(2) up to an additional 120 days following the completion of any other process required by a state statute, federal law, or court order, when the process is not completed at least 30 days before the expiration of the interim ordinance; or

(3) up to an additional one year if the municipality has not adopted a comprehensive plan under this section at the time the interim ordinance is enacted.

EFFECTIVE DATE. This section is effective for interim ordinances proposed on or after August 1, 2016.

Sec. 25. Minnesota Statutes 2014, section 471.6161, subdivision 8, is amended to read:

Subd. 8. **School districts; group health insurance coverage.** (a) Any entity providing group health insurance coverage to a school district must provide the school district with school district-specific nonidentifiable aggregate claims records for the most recent 24 months within 30 days of the request.

(b) School districts shall request proposals for group health insurance coverage as provided in subdivision 2 from a minimum of three potential sources of coverage. ~~One of these requests must go to an administrator governed by chapter 43A.~~ Entities referenced in subdivision 1 must respond to requests for proposals received directly from a school district. School districts that are self-insured must also follow these provisions, except as provided in paragraph (f). School districts must make requests for proposals at least 150 days prior to the expiration of the existing contract but not more frequently than once every 24 months. The request for proposals must include the most recently available 24 months of nonidentifiable aggregate claims data. The request for proposals must be publicly released at or prior to its release to potential sources of coverage.

(c) School district contracts for group health insurance must not be longer than ~~two~~ five years ~~unless the exclusive representative of the largest employment group and the school district agree otherwise~~, except that contracts for group health insurance negotiated in connection with a service cooperative, governed by section 123A.21, must not be longer than four years.

(d) All initial proposals shall be sealed upon receipt until they are all opened no less than 90 days prior to the plan's renewal date in the presence of up to three representatives selected by the exclusive representative of the largest group of employees. Section 13.591, subdivision 3, paragraph (b), applies to data in the proposals. The representatives of the exclusive representative must maintain the data according to this classification and are subject to the remedies and penalties under sections 13.08 and 13.09 for a violation of this requirement.

(e) A school district, in consultation with the same representatives referenced in paragraph (d), may continue to negotiate with any entity that submitted a proposal under paragraph (d) in order to reduce costs or improve services under the proposal. Following the negotiations any entity that submitted an initial proposal may submit a final proposal incorporating the negotiations, which is due no less than 75 days prior to the plan's renewal date. All the final proposals submitted must be opened at the same time in the presence of up to three representatives selected by the exclusive representative of the largest group of employees. Notwithstanding section 13.591, subdivision 3, paragraph (b), following the opening of the final proposals, all the proposals, including any made under paragraph (d), and other data submitted in connection with the proposals are public data. The school district may choose from any of the initial or final proposals without further negotiations and in accordance with subdivision 5, but not sooner than 15 days after the proposals become public data.

(f) School districts that are self-insured shall follow all of the requirements of this section, except that:

(1) their requests for proposals may be for third-party administrator services, where applicable;

(2) these requests for proposals must be from a minimum of three different sources, which may include both entities referenced in subdivision 1 and providers of third-party administrator services;

~~(3) for purposes of fulfilling the requirement to request a proposal for group insurance coverage from an administrator governed by chapter 43A, self-insured districts are not required to include in the request for proposal the coverage to be provided;~~

~~(4) a district that is self-insured on or before the date of enactment, or that is self-insured with more than 1,000 insured lives, or a district in which the school board adopted a motion on or before May 14, 2014, to approve a self-insured health care plan to be effective July 1, 2014, may, but need not, request a proposal from an administrator governed by chapter 43A;~~

~~(5)~~ (3) requests for proposals must be sent to providers no less than 90 days prior to the expiration of the existing contract; and

~~(6)~~ (4) proposals must be submitted at least 60 days prior to the plan's renewal date and all proposals shall be opened at the same time and in the presence of the exclusive representative, where applicable.

(g) Nothing in this section shall restrict the authority granted to school district boards of education by section 471.59~~, except that districts will not be considered self-insured for purposes of this subdivision solely through participation in a joint powers arrangement~~.

(h) An entity providing group health insurance to a school district under a multiyear contract must give notice of any rate or plan design changes applicable under the contract at least 90 days before the effective date of any change. The notice must be given to the school district and to the exclusive representatives of employees.

(i) The exclusive representative of the largest group of employees shall comply with this subdivision and must not exercise any of their abilities under section 43A.316, subdivision 5, notwithstanding anything contained in that section, or any other law to the contrary.

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

Sec. 26. Minnesota Statutes 2014, section 471.617, subdivision 2, is amended to read:

Subd. 2. **Jointly.** Any two or more statutory or home rule charter cities, counties, school districts, or instrumentalities thereof which together have more than 100 employees may jointly self-insure for any employee health benefits including long-term disability, but not for employee life benefits, subject to the same requirements as an individual self-insurer under subdivision 1. Self-insurance pools under this section are subject to section 62L.045. A self-insurance pool established and operated by one or more service cooperatives governed by section 123A.21 to provide coverage described in this subdivision qualifies under this subdivision~~, but the individual school district members of such a pool shall not be considered to be self-insured for purposes of section 471.6161, subdivision 8, paragraph (f)~~. The commissioner of commerce may adopt rules pursuant to chapter 14, providing standards or guidelines for the operation and administration of self-insurance pools.

Sec. 27. Laws 2015, chapter 77, article 1, section 11, subdivision 4, is amended to read:

Subd. 4. **Fiscal Agent**	12,957,000	11,737,000

The appropriations under this section are to the commissioner of administration for the purposes specified.

In-Lieu of Rent. $8,158,000 the first year and $8,158,000 the second year are for space costs of the legislature and veterans organizations, ceremonial space, and statutorily free space. In-lieu of rent may be used for rent loss and relocation expenses related to the Capitol restoration in the fiscal year 2014-2015 biennium and fiscal year 2016-2017 biennium.

Relocation Expenses. $1,380,000 the first year and $960,000 the second year are for rent loss and relocation expenses related to the Capitol renovation project. This is a onetime appropriation.

Public Broadcasting. (a) $1,550,000 the first year and $1,550,000 the second year are for matching grants for public television.

(b) $550,000 the first year and $250,000 the second year are for public television equipment grants under Minnesota Statutes, section 129D.13.

(c) The commissioner of administration must consider the recommendations of the Minnesota Public Television Association before allocating the amount appropriated in paragraphs (a) and (b) for equipment or matching grants.

(d) $592,000 the first year and $392,000 the second year are for community service grants to public educational radio stations. This appropriation may be used to disseminate emergency information in foreign languages.

(e) $167,000 the first year and $117,000 the second year are for equipment grants to public educational radio stations. This appropriation may be used for the repair, rental, and purchase of equipment including equipment under $500.

(f) $560,000 the first year and $310,000 the second year are for equipment grants to Minnesota Public Radio, Inc., including upgrades to Minnesota's Emergency Alert and AMBER Alert Systems.

(g) The appropriations in paragraphs (d), (e), and (f)~~,~~ may not be used for indirect costs claimed by an institution or governing body. The commissioner of administration must consider the recommendations of the Minnesota Public Educational Radio Stations before awarding grants under Minnesota Statutes, section 129D.14, using the appropriations in paragraphs (d)~~,~~ and (e)~~, and (f)~~. No grantee is eligible for a grant of the appropriations in paragraphs (d) and (e) unless they are a member of the Association of Minnesota Public Educational Radio Stations on or before July 1, 2015.

(h) Any unencumbered balance remaining the first year for grants to public television or radio stations does not cancel and is available for the second year.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2015.

Sec. 28. **REPORT ON STATE EMPLOYEE OUT-OF-STATE TRAVEL EXPENSES.**

The commissioner of management and budget shall audit state employee out-of-state travel expenses incurred between July 1, 2013, and June 30, 2016. The audit shall identify the amount spent on nonessential travel. For purposes of this section, travel is nonessential unless it is necessary to protect the safety or other essential interests of the citizens of the state. The commissioner of management and budget shall report to the chairs and ranking minority members of the legislative committees in the house of representatives and senate with jurisdiction over state employees by February 17, 2017. The commissioner must use the department's existing budget to fund the audit.

Sec. 29. **STATE AUDITOR REPORT.**

The state auditor must report to the chairs and ranking minority members of the house of representatives and senate finance committees with jurisdiction over the Office of the State Auditor by January 15, 2017. The report must include a strategic plan to ensure that all local governments receive adequate oversight from the Office of the State Auditor. In preparing this strategic plan, the state auditor must assess what types of audits performed by the Office of the State Auditor are the most effective mechanisms for ensuring that public funds have been used appropriately, what types of audit work can be performed efficiently by certified public accounting (CPA) firms, and what is the most effective deployment of audit resources available to the Office of the State Auditor. The report must also evaluate the continuing importance of the reports, other than financial audits, that the Office of the State Auditor produces on a regular basis.

Sec. 30. **PARKING RAMP FINANCING.**

The debt service on the design and construction costs allocated to the parking garage located on the block bounded by Sherburne Avenue on the north, Park Street on the west, University Avenue on the south, and North Capitol Boulevard on the east must be paid for exclusively by fees charged to persons parking in that parking garage. No fees may be charged to members of the public parking in spaces designated for persons with a disability parking certificate.

Sec. 31. **REPORT ON MNSURE COSTS TO COUNTIES.**

The state auditor must report to the legislature by January 15, 2017, on costs incurred by Minnesota counties related to eligibility determinations and related enrollment activities for medical assistance enrollees and MinnesotaCare enrollees that are due to implementing the Minnesota Eligibility Technology System administered by MNsure.

Sec. 32. **LEGISLATIVE SURROGACY COMMISSION.**

Subdivision 1. **Membership.** The Legislative Commission on Surrogacy shall consist of 15 members, appointed as follows:

(1) three members of the senate appointed by the senate majority leader;

(2) three members of the senate appointed by the senate minority leader;

(3) three members of the house of representatives appointed by the speaker of the house;

(4) three members of the house of representatives appointed by the house of representatives minority leader;

(5) the commissioner of human services or the commissioner's designee;

(6) the commissioner of health or the commissioner's designee; and

(7) a family court referee appointed by the chief justice of the state Supreme Court.

Appointments must be made by June 1, 2016.

Subd. 2. **Chair.** The commission shall elect a chair from among its members.

Subd. 3. **Meetings.** The ranking majority member of the commission who is appointed by the senate majority leader shall convene the first meeting by July 1, 2016. The commission shall have at least six meetings but may not have more than ten meetings.

Subd. 4. **Conflict of interest.** A commission member may not participate in or vote on a decision of the commission in which the member has either a direct or indirect personal financial interest. A witness at a public meeting of the commission must disclose any financial conflict of interest.

Subd. 5. **Duties.** The commission shall develop recommendations on public policy and laws regarding surrogacy. To develop the recommendations, the commission shall study surrogacy through public hearings, research, and deliberation. Topics for study include, but are not limited to:

(1) potential health and psychological effects and benefits on women who serve as surrogates;

(2) potential health and psychological effects and benefits on children born of surrogates;

(3) business practices of the fertility industry, including attorneys, brokers, and clinics;

(4) considerations related to different forms of surrogacy;

(5) considerations related to the potential exploitation of women in surrogacy arrangements;

(6) contract law implications when a surrogacy contract is breached;

(7) potential conflicts with statutes governing private adoption and termination of parental rights;

(8) potential for legal conflicts related to third-party reproduction, including conflicts between or amongst the surrogate mother, the intended parents, the child, insurance companies, and medical professionals;

(9) public policy determinations of other jurisdictions with regard to surrogacy; and

(10) information to be provided to a child born of a surrogate about the child's biological and gestational parents.

Subd. 6. **Reporting.** The commission must submit a report including its recommendations and may draft legislation to implement its recommendations to the chairs and ranking minority members of the legislative committees with primary jurisdiction over health and judiciary in the house of representatives and senate by December 15, 2016. On topics where the commission fails to reach consensus, a majority and minority report shall be issued.

Subd. 7. **Staffing.** The Legislative Coordinating Commission shall provide staffing and administrative support to the commission.

Subd. 8. **Expiration.** The commission expires the day after submitting the report required under subdivision 6.

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

Sec. 33. **ALTERNATIVE METHODS OF COLLECTING ASSESSMENT FEE; STUDY.**

(a) The commissioner of management and budget shall study alternative methods of collecting the $12 assessment fee under Minnesota Statutes, section 327C.095, subdivision 12, paragraph (c), shifting the collection from the owner of the manufactured home park to the owner of the manufactured home. The commissioner shall identify and evaluate the feasibility, cost, and benefits of alternative methods of collection including, but not limited to, directly invoicing manufactured home owners or imposition of a sales and use tax.

(b) In completing the study in paragraph (a), the commissioner shall consult stakeholders, including the Association of Minnesota Counties, the All Parks Alliance for Change, and the Minnesota Manufactured Housing Association.

(c) An amount necessary to complete the study in paragraph (a) is appropriated in fiscal year 2017 to the commissioner of management and budget from the Minnesota manufactured home relocation trust fund under Minnesota Statutes, section 462A.35.

(d) The commissioner shall report on the results of the study to the chairs and ranking minority members of the senate Finance Committee and the house of representatives Committee on Ways and Means by January 31, 2017.

Sec. 34. **REPEALER.**

(a) Minnesota Statutes 2014, section 6.581, subdivision 1, is repealed.

(b) Minnesota Statutes 2014, section 3.886, is repealed."

Delete the title and insert:

"A bill for an act relating to state government; making certain supplemental appropriations and reductions; canceling 80 percent of the senate carryforward account to the general fund; requiring savings from reducing salaries in the executive branch, instituting a hiring freeze, and limiting nonessential travel and advertising; requiring receipts from examinations by the state auditor be credited to the general fund; transferring funds in the state auditor enterprise fund to the general fund; suspending the public subsidy program for state elections to the end of fiscal year 2017; requiring the legislative auditor to participate in preparing fiscal notes, revenue estimates, and local impact notes; requiring county payments and political subdivision payments for state auditor costs be deposited in the general fund; requiring a centralized tracking list of agency projects over $100,000; limiting fee or fine increase by an agency to ten percent in a biennium; prohibiting nonprofits from political activity under certain circumstances; requiring disclosure to the legislative auditor on potential federal penalties for the purchase or sale of state bonds; requiring legislature be notified of certain costs in state construction projects; requiring approval of the entire legislature for certain state building projects; requiring termination of state grant agreement if recipient is convicted of a criminal offense related to the grant agreement; prohibiting fees for general fund grant administration; requiring audit of delegated authority by the commissioner of administration; adding a provision for targeted group business; limiting number of full-time employees; changing provisions in the Veterans Preference Act; changing a provision for the IRRRB; defining "killed in the line of duty"; changing payments from the manufactured home relocation trust fund; requiring a public hearing if a proposed interim ordinance deals with housing; modifying health insurance provisions related to school districts and certain self-insurance pools; requiring reports; designating parking ramp financing; establishing Legislative Surrogacy Commission; requiring a study for collecting certain fees; amending Minnesota Statutes 2014, sections 3.971, by adding a subdivision; 3.98; 3.987, subdivision 1; 6.56, subdivision 2; 6.581, subdivision 4; 16A.103, by adding a subdivision; 16A.1283; 16B.335, subdivision 1; 16C.03, subdivision 16; 16C.16, subdivision 5; 298.22, subdivision 1; 299A.41, subdivision 3; 327C.095, subdivision 13; 353.01, subdivision 43; 462.355, subdivision 4; 471.6161, subdivision 8; 471.617, subdivision 2; Minnesota Statutes 2015 Supplement, sections 6.481, subdivision 6; 197.46; Laws 2015, chapter 77, article 1, section 11, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; 43A; repealing Minnesota Statutes 2014, sections 3.886; 6.581, subdivision 1."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Dean, M., from the Committee on Health and Human Services Finance to which was referred:

H. F. No. 3374, A bill for an act relating to health; modifying requirements for the distribution of funds for grants to provide family planning services; specifying the entities eligible for family planning grants; requiring reporting and publication of grant recipients; requiring the commissioner of health to apply for and distribute federal Title X funds for family planning services; amending Minnesota Statutes 2014, sections 145.882, subdivisions 2, 3, 7; 145.925, subdivisions 1, 1a, by adding subdivisions; repealing Minnesota Statutes 2014, section 145.925, subdivisions 2, 9.

Reported the same back with the following amendments:

Page 4, after line 10, insert:

"(h) "Rural health clinic" means a rural health clinic as defined in United States Code, title 42, section 1395x(aa)(2) that is certified according to Code of Federal Regulations, title 42, part 491, subpart A."

Page 5, delete line 4 and insert:

"(1) are hospitals, federally qualified health centers, or rural health clinics;"

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Pursuant to Joint Rule 2.03 and in accordance with Senate Concurrent Resolution No. 8, H. F. No. 3374 was re-referred to the Committee on Rules and Legislative Administration.

Dean, M., from the Committee on Health and Human Services Finance to which was referred:

H. F. No. 3467, A bill for an act relating to human services; modifying certain medical assistance estate recovery requirements; amending Minnesota Statutes 2014, section 256B.15, subdivisions 1a, 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
CONTINUING CARE

Section 1. **[62V.055] ADDITIONAL NOTICE TO APPLICANTS.**

The board, in consultation with the commissioner of human services, shall include in the combined application for medical assistance, MinnesotaCare, and qualified health plan coverage available through the MNsure portal, information and notice on the following:

(1) that when an applicant submits the combined application, eligibility for subsidized coverage will be determined in the following order:

(i) medical assistance;

(ii) MinnesotaCare;

(iii) advanced premium tax credits and cost-sharing subsidies; and

(iv) qualified health plan coverage without a subsidy;

(2) persons eligible for medical assistance are not eligible for MinnesotaCare, and persons eligible for medical assistance or MinnesotaCare are not eligible for advanced premium tax credits and cost-sharing subsidies; and

(3) if a person enrolls in medical assistance, the state may claim repayment for the cost of medical care or premiums paid for that care from the person's estate.

Sec. 2. Minnesota Statutes 2014, section 144A.071, subdivision 4c, is amended to read:

Subd. 4c. **Exceptions for replacement beds after June 30, 2003.** (a) The commissioner of health, in coordination with the commissioner of human services, may approve the renovation, replacement, upgrading, or relocation of a nursing home or boarding care home, under the following conditions:

(1) to license and certify an 80-bed city-owned facility in Nicollet County to be constructed on the site of a new city-owned hospital to replace an existing 85-bed facility attached to a hospital that is also being replaced. The threshold allowed for this project under section 144A.073 shall be the maximum amount available to pay the additional medical assistance costs of the new facility;

(2) to license and certify 29 beds to be added to an existing 69-bed facility in St. Louis County, provided that the 29 beds must be transferred from active or layaway status at an existing facility in St. Louis County that had 235 beds on April 1, 2003.

The licensed capacity at the 235-bed facility must be reduced to 206 beds, but the payment rate at that facility shall not be adjusted as a result of this transfer. The operating payment rate of the facility adding beds after completion of this project shall be the same as it was on the day prior to the day the beds are licensed and certified. This project shall not proceed unless it is approved and financed under the provisions of section 144A.073;

(3) to license and certify a new 60-bed facility in Austin, provided that: (i) 45 of the new beds are transferred from a 45-bed facility in Austin under common ownership that is closed and 15 of the new beds are transferred from a 182-bed facility in Albert Lea under common ownership; (ii) the commissioner of human services is authorized by the 2004 legislature to negotiate budget-neutral planned nursing facility closures; and (iii) money is available from planned closures of facilities under common ownership to make implementation of this clause budget-neutral to the state. The bed capacity of the Albert Lea facility shall be reduced to 167 beds following the transfer. Of the 60 beds at the new facility, 20 beds shall be used for a special care unit for persons with Alzheimer's disease or related dementias;

(4) to license and certify up to 80 beds transferred from an existing state-owned nursing facility in Cass County to a new facility located on the grounds of the Ah-Gwah-Ching campus. The operating cost payment rates for the new facility shall be determined based on the interim and settle-up payment provisions of Minnesota Rules, part 9549.0057, and the reimbursement provisions of section 256B.431. The property payment rate for the first three years of operation shall be $35 per day. For subsequent years, the property payment rate of $35 per day shall be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract under section 256B.434;

(5) to initiate a pilot program to license and certify up to 80 beds transferred from an existing county-owned nursing facility in Steele County relocated to the site of a new acute care facility as part of the county's Communities for a Lifetime comprehensive plan to create innovative responses to the aging of its population. Upon relocation to the new site, the nursing facility shall delicense 28 beds. The ~~property~~ payment rate for ~~the first three years of operation of~~ external fixed costs for the new facility shall be increased by an amount as calculated according to items (i) to (v):

(i) compute the estimated decrease in medical assistance residents served by the nursing facility by multiplying the decrease in licensed beds by the historical percentage of medical assistance resident days;

(ii) compute the annual savings to the medical assistance program from the delicensure of 28 beds by multiplying the anticipated decrease in medical assistance residents, determined in item (i), by the existing facility's weighted average payment rate multiplied by 365;

(iii) compute the anticipated annual costs for community-based services by multiplying the anticipated decrease in medical assistance residents served by the nursing facility, determined in item (i), by the average monthly elderly waiver service costs for individuals in Steele County multiplied by 12;

(iv) subtract the amount in item (iii) from the amount in item (ii); and

(v) divide the amount in item (iv) by an amount equal to the relocated nursing facility's occupancy factor under section 256B.431, subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance resident days.; and

~~For subsequent years, the adjusted property payment rate shall be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract under section 256B.434; and~~

(6) to consolidate and relocate nursing facility beds to a new site in Goodhue County and to integrate these services with other community-based programs and services under a communities for a lifetime pilot program and comprehensive plan to create innovative responses to the aging of its population. ~~Eighty beds in the city of Red Wing shall be transferred from the downsizing and relocation of an existing 84-bed, hospital-owned nursing facility and the entire closure or downsizing of beds from a 65-bed nonprofit nursing facility in the community resulting in the delicensure of 69 beds in the two existing facilities~~ Two nursing facilities, one for 84 beds and one for 65 beds, in the city of Red Wing licensed on July 1, 2015, shall be consolidated into a newly renovated 64-bed nursing facility resulting in the delicensure of 85 beds. Notwithstanding the carryforward of the approval authority in section 144A.073, subdivision 11, the funding approved in April 2009 by the commissioner of health for a project in Goodhue County shall not carry forward. The closure of the ~~69~~ 85 beds shall not be eligible for a planned closure rate adjustment under section 256B.437. The construction project permitted in this clause shall not be eligible for a threshold project rate adjustment under section 256B.434, subdivision 4f. The ~~property~~ payment rate for ~~the first three years of operation of~~ external fixed costs for the new facility shall be increased by an amount as calculated according to items (i) to (vi):

(i) compute the estimated decrease in medical assistance residents served by both nursing facilities by multiplying the difference between the occupied beds of the two nursing facilities for the reporting year ending September 30, 2009, and the projected occupancy of the facility at 95 percent occupancy by the historical percentage of medical assistance resident days;

(ii) compute the annual savings to the medical assistance program from the delicensure by multiplying the anticipated decrease in the medical assistance residents, determined in item (i), by the hospital-owned nursing facility weighted average payment rate multiplied by 365;

(iii) compute the anticipated annual costs for community-based services by multiplying the anticipated decrease in medical assistance residents served by the facilities, determined in item (i), by the average monthly elderly waiver service costs for individuals in Goodhue County multiplied by 12;

(iv) subtract the amount in item (iii) from the amount in item (ii);

(v) multiply the amount in item (iv) by ~~48.5~~ 57.2 percent; and

(vi) divide the difference of the amount in item (iv) and the amount in item (v) by an amount equal to the relocated nursing facility's occupancy factor under section 256B.431, subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance resident days.

~~For subsequent years, the adjusted property payment rate shall be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract under section 256B.434.~~

(b) Projects approved under this subdivision shall be treated in a manner equivalent to projects approved under subdivision 4a.

EFFECTIVE DATE. This section is effective for rate years beginning on or after January 1, 2017, except that the amendment to paragraph (a), clause (6), transferring the rate adjustment in items (i) to (vi) from the property payment rate to the payment rate for external fixed costs, is effective for rate years beginning on or after January 1, 2017, or upon completion of the closure and new construction authorized in paragraph (a), clause (6), whichever is later. The commissioner of human services shall notify the revisor of statutes when the section is effective.

Sec. 3. Minnesota Statutes 2014, section 144A.071, subdivision 4d, is amended to read:

Subd. 4d. **Consolidation of nursing facilities.** (a) The commissioner of health, in consultation with the commissioner of human services, may approve a request for consolidation of nursing facilities which includes the closure of one or more facilities and the upgrading of the physical plant of the remaining nursing facility or facilities, the costs of which exceed the threshold project limit under subdivision 2, clause (a). The commissioners shall consider the criteria in this section, section 144A.073, and section 256B.437, in approving or rejecting a consolidation proposal. In the event the commissioners approve the request, the commissioner of human services shall calculate ~~a property~~ an external fixed costs rate adjustment according to clauses (1) to (3):

(1) the closure of beds shall not be eligible for a planned closure rate adjustment under section 256B.437, subdivision 6;

(2) the construction project permitted in this clause shall not be eligible for a threshold project rate adjustment under section 256B.434, subdivision 4f, or a moratorium exception adjustment under section 144A.073; and

(3) the ~~property~~ payment rate for external fixed costs for a remaining facility or facilities shall be increased by an amount equal to 65 percent of the projected net cost savings to the state calculated in paragraph (b), divided by the state's medical assistance percentage of medical assistance dollars, and then divided by estimated medical assistance resident days, as determined in paragraph (c), of the remaining nursing facility or facilities in the request in this paragraph. The rate adjustment is effective on the later of the first day of the month following completion of the construction upgrades in the consolidation plan or the first day of the month following the complete closure of a facility designated for closure in the consolidation plan. If more than one facility is receiving upgrades in the consolidation plan, each facility's date of construction completion must be evaluated separately.

(b) For purposes of calculating the net cost savings to the state, the commissioner shall consider clauses (1) to (7):

(1) the annual savings from estimated medical assistance payments from the net number of beds closed taking into consideration only beds that are in active service on the date of the request and that have been in active service for at least three years;

(2) the estimated annual cost of increased case load of individuals receiving services under the elderly waiver;

(3) the estimated annual cost of elderly waiver recipients receiving support under group residential housing;

(4) the estimated annual cost of increased case load of individuals receiving services under the alternative care program;

(5) the annual loss of license surcharge payments on closed beds;

(6) the savings from not paying planned closure rate adjustments that the facilities would otherwise be eligible for under section 256B.437; and

(7) the savings from not paying ~~property~~ external fixed costs payment rate adjustments from submission of renovation costs that would otherwise be eligible as threshold projects under section 256B.434, subdivision 4f.

(c) For purposes of the calculation in paragraph (a), clause (3), the estimated medical assistance resident days of the remaining facility or facilities shall be computed assuming 95 percent occupancy multiplied by the historical percentage of medical assistance resident days of the remaining facility or facilities, as reported on the facility's or facilities' most recent nursing facility statistical and cost report filed before the plan of closure is submitted, multiplied by 365.

(d) For purposes of net cost of savings to the state in paragraph (b), the average occupancy percentages will be those reported on the facility's or facilities' most recent nursing facility statistical and cost report filed before the plan of closure is submitted, and the average payment rates shall be calculated based on the approved payment rates in effect at the time the consolidation request is submitted.

(e) To qualify for the ~~property~~ external fixed costs payment rate adjustment under this ~~provision~~ subdivision, the closing facilities shall:

(1) submit an application for closure according to section 256B.437, subdivision 3; and

(2) follow the resident relocation provisions of section 144A.161.

(f) The county or counties in which a facility or facilities are closed under this subdivision shall not be eligible for designation as a hardship area under section 144A.071, subdivision 3, for five years from the date of the approval of the proposed consolidation. The applicant shall notify the county of this limitation and the county shall acknowledge this in a letter of support.

EFFECTIVE DATE. This section is effective for rate years beginning on or after January 1, 2017.

Sec. 4. Minnesota Statutes 2014, section 144A.073, subdivision 13, is amended to read:

Subd. 13. **Moratorium exception funding.** In fiscal year 2013, the commissioner of health may approve moratorium exception projects under this section for which the full annualized state share of medical assistance costs does not exceed $1,000,000 plus any carryover of previous appropriations for this purpose.

Sec. 5. Minnesota Statutes 2014, section 144A.073, subdivision 14, is amended to read:

Subd. 14. **Moratorium exception funding.** In fiscal year 2015, the commissioner of health may approve moratorium exception projects under this section for which the full annualized state share of medical assistance costs does not exceed $1,000,000 plus any carryover of previous appropriations for this purpose.

Sec. 6. Minnesota Statutes 2014, section 144A.073, is amended by adding a subdivision to read:

Subd. 15. **Moratorium exception funding.** In fiscal year 2017, the commissioner may approve moratorium exception projects under this section for which the full annualized state share of medical assistance costs does not exceed $1,000,000 plus any carryover of previous appropriations for this purpose.

Sec. 7. Minnesota Statutes 2014, section 144A.611, subdivision 1, is amended to read:

Subdivision 1. **Nursing homes and certified boarding care homes.** The actual costs of tuition and textbooks and reasonable expenses for the competency evaluation or the nursing assistant training program and competency evaluation approved under section 144A.61, which are paid to nursing assistants or adult training programs pursuant to ~~subdivision~~ subdivisions 2 and 4, are a reimbursable expense for nursing homes and certified boarding care homes under ~~the provisions of chapter 256B and the rules promulgated thereunder~~ section 256B.431, subdivision 36.

Sec. 8. Minnesota Statutes 2014, section 144A.611, subdivision 2, is amended to read:

Subd. 2. ~~**Nursing assistants**~~ **Reimbursement for training program and competency evaluation costs.** A nursing assistant who has completed an approved competency evaluation or an approved training program and competency evaluation shall be reimbursed by the nursing home or certified boarding care home for actual costs of tuition and textbooks and reasonable expenses for the competency evaluation or the training program and competency evaluation 90 days after the date of employment, or upon completion of the approved training program, whichever is later.

Sec. 9. Minnesota Statutes 2014, section 144A.611, is amended by adding a subdivision to read:

Subd. 4. **Reimbursement for adult basic education components.** (a) Nursing facilities and certified boarding care homes shall provide reimbursement for costs related to additional adult basic education components of an approved nursing assistant training program, to:

(1) an adult training program that provided an approved nursing assistant training program to an employee of the nursing facility or boarding care home; or

(2) a nursing assistant who is an employee of the nursing facility or boarding care home and completed an approved nursing assistant training program provided by an adult training program.

(b) For purposes of this subdivision, adult basic education components of a nursing assistant training program must include the following, if needed: training in mathematics, vocabulary, literacy skills, workplace skills, resume writing, and job interview skills. Reimbursement provided under this subdivision shall not exceed 30 percent of the cost of tuition, textbooks, and competency evaluation.

(c) An adult training program is prohibited from billing program students, nursing facilities, or certified boarding care homes for costs under this subdivision until the program student has been employed by the nursing facility as a certified nursing assistant for at least 90 days.

EFFECTIVE DATE. This section is effective for costs incurred on or after October 1, 2016.

Sec. 10. Minnesota Statutes 2014, section 256B.042, is amended by adding a subdivision to read:

Subd. 1a. **Additional notice to applicants.** An application for medical assistance must include a statement, prominently displayed, that if any person on the application enrolls in medical assistance, the state may claim repayment for the cost of medical care or premiums paid for care from that person's estate.

Sec. 11. Minnesota Statutes 2015 Supplement, section 256B.059, subdivision 5, is amended to read:

Subd. 5. **Asset availability.** (a) At the time of initial determination of eligibility for medical assistance benefits following the first continuous period of institutionalization on or after October 1, 1989, assets considered available to the institutionalized spouse shall be the total value of all assets in which either spouse has an ownership interest, reduced by the following amount for the community spouse:

(1) prior to July 1, 1994, the greater of:

(i) $14,148;

(ii) the lesser of the spousal share or $70,740; or

(iii) the amount required by court order to be paid to the community spouse;

(2) for persons whose date of initial determination of eligibility for medical assistance following their first continuous period of institutionalization occurs on or after July 1, 1994, the greater of:

(i) $20,000;

(ii) the lesser of the spousal share or $70,740; or

(iii) the amount required by court order to be paid to the community spouse.

The value of assets transferred for the sole benefit of the community spouse under section 256B.0595, subdivision 4, in combination with other assets available to the community spouse under this section, cannot exceed the limit for the community spouse asset allowance determined under subdivision 3 or 4. Assets that exceed this allowance shall be considered available to the institutionalized spouse. If the community spouse asset allowance has been increased under subdivision 4, then the assets considered available to the institutionalized spouse under this subdivision shall be further reduced by the value of additional amounts allowed under subdivision 4.

(b) An institutionalized spouse may be found eligible for medical assistance even though assets in excess of the allowable amount are found to be available under paragraph (a) if the assets are owned jointly or individually by the community spouse, and the institutionalized spouse cannot use those assets to pay for the cost of care without the consent of the community spouse, and if:

(i) the institutionalized spouse assigns to the commissioner the right to support from the community spouse under section 256B.14, subdivision 3;

(ii) the institutionalized spouse lacks the ability to execute an assignment due to a physical or mental impairment; ~~or~~

(iii) the denial of eligibility would cause an imminent threat to the institutionalized spouse's health and well-being.~~;~~ ; or

(iv) the assets in excess of the amount under paragraph (a) are assets owned by the community spouse, and the denial of eligibility would cause an undue hardship to the family due to the loss of retirement funds for the community spouse or funds protected for the postsecondary education of a child under age 25. For purposes of this clause, only retirement assets held by the community spouse in a tax-deferred retirement account, including a defined benefit plan, defined contribution plan, an employer-sponsored individual retirement arrangement, or individually purchased individual retirement arrangement are protected, and are only protected until the community spouse is eligible to withdraw retirement funds from any or all accounts without penalty. For purposes of this clause, only funds in a plan designated under section 529 of the Internal Revenue Code on behalf of a child of either or both spouses who is under the age of 25 are protected. There shall not be an assignment of spousal support to the commissioner or a cause of action against the individual's spouse under section 256B.14, subdivision 3, for the funds in the protected retirement and college savings accounts.

(c) After the month in which the institutionalized spouse is determined eligible for medical assistance, during the continuous period of institutionalization, no assets of the community spouse are considered available to the institutionalized spouse, unless the institutionalized spouse has been found eligible under paragraph (b).

(d) Assets determined to be available to the institutionalized spouse under this section must be used for the health care or personal needs of the institutionalized spouse.

(e) For purposes of this section, assets do not include assets excluded under the Supplemental Security Income program.

EFFECTIVE DATE. This section is effective June 1, 2016.

Sec. 12. Minnesota Statutes 2014, section 256B.15, subdivision 1a, is amended to read:

Subd. 1a. **Estates subject to claims.** (a) If a person receives any medical assistance hereunder, on the person's death, if single, or on the death of the survivor of a married couple, either or both of whom received medical assistance, or as otherwise provided for in this section, the total amount paid for medical assistance rendered for the person and spouse shall be filed as a claim against the estate of the person or the estate of the surviving spouse in the court having jurisdiction to probate the estate or to issue a decree of descent according to sections 525.31 to 525.313.

(b) For the purposes of this section, the person's estate must consist of:

(1) the person's probate estate;

(2) all of the person's interests or proceeds of those interests in real property the person owned as a life tenant or as a joint tenant with a right of survivorship at the time of the person's death;

(3) all of the person's interests or proceeds of those interests in securities the person owned in beneficiary form as provided under sections 524.6-301 to 524.6-311 at the time of the person's death, to the extent the interests or proceeds of those interests become part of the probate estate under section 524.6-307;

(4) all of the person's interests in joint accounts, multiple-party accounts, and pay-on-death accounts, brokerage accounts, investment accounts, or the proceeds of those accounts, as provided under sections 524.6-201 to 524.6-214 at the time of the person's death to the extent the interests become part of the probate estate under section 524.6-207; and

(5) assets conveyed to a survivor, heir, or assign of the person through survivorship, living trust, or other arrangements.

(c) For the purpose of this section and recovery in a surviving spouse's estate for medical assistance paid for a predeceased spouse, the estate must consist of all of the legal title and interests the deceased individual's predeceased spouse had in jointly owned or marital property at the time of the spouse's death, as defined in subdivision 2b, and the proceeds of those interests, that passed to the deceased individual or another individual, a survivor, an heir, or an assign of the predeceased spouse through a joint tenancy, tenancy in common, survivorship, life estate, living trust, or other arrangement. A deceased recipient who, at death, owned the property jointly with the surviving spouse shall have an interest in the entire property.

(d) For the purpose of recovery in a single person's estate or the estate of a survivor of a married couple, "other arrangement" includes any other means by which title to all or any part of the jointly owned or marital property or interest passed from the predeceased spouse to another including, but not limited to, transfers between spouses which are permitted, prohibited, or penalized for purposes of medical assistance.

(e) A claim shall be filed if medical assistance was rendered for either or both persons under one of the following circumstances:

(1) the person was over 55 years of age, and received services under this chapter prior to January 1, 2014;

(2) the person resided in a medical institution for six months or longer, received services under this chapter, and, at the time of institutionalization or application for medical assistance, whichever is later, the person could not have reasonably been expected to be discharged and returned home, as certified in writing by the person's treating physician. For purposes of this section only, a "medical institution" means a skilled nursing facility, intermediate care facility, intermediate care facility for persons with developmental disabilities, nursing facility, or inpatient hospital; ~~or~~

(3) the person received general assistance medical care services under chapter 256D~~.~~; or

(4) the person was 55 years of age or older and received medical assistance services on or after January 1, 2014, that consisted of nursing facility services, home and community-based services, or related hospital and prescription drug benefits.

(f) The claim shall be considered an expense of the last illness of the decedent for the purpose of section 524.3-805. Notwithstanding any law or rule to the contrary, a state or county agency with a claim under this section must be a creditor under section 524.6-307. Any statute of limitations that purports to limit any county agency or the state agency, or both, to recover for medical assistance granted hereunder shall not apply to any claim made hereunder for reimbursement for any medical assistance granted hereunder. Notice of the claim shall be given to all heirs and devisees of the decedent, and to other persons with an ownership interest in the real property owned by the decedent at the time of the decedent's death, whose identity can be ascertained with reasonable diligence. The notice must include procedures and instructions for making an application for a hardship waiver under subdivision 5; time frames for submitting an application and determination; and information regarding appeal rights and procedures. Counties are entitled to one-half of the nonfederal share of medical assistance collections from estates that are directly attributable to county effort. Counties are entitled to ten percent of the collections for alternative care directly attributable to county effort.

EFFECTIVE DATE. This section is effective upon federal approval and applies retroactively to services rendered on or after January 1, 2014.

Sec. 13. Minnesota Statutes 2014, section 256B.15, is amended by adding a subdivision to read:

Subd. 1l. **Amending notices or liens arising out of notice.** (a) State agencies must amend notices of potential claims and liens arising from the notices, if the notice was filed after January 1, 2014, for medical assistance services rendered on or after January 1, 2014, to a recipient who at the time services were rendered was 55 years of age or older and who was not institutionalized as described in subdivision 1a, paragraph (e).

(b) The notices identified in paragraph (a) must be amended by removing the amount of medical assistance rendered that did not consist of nursing facility services, home and community-based services, as defined in subdivision 1a and related hospital and prescription drug services.

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

Sec. 14. Minnesota Statutes 2014, section 256B.15, subdivision 2, is amended to read:

Subd. 2. **Limitations on claims.** (a) For services rendered prior to January 1, 2014, the claim shall include only the total amount of medical assistance rendered after age 55 or during a period of institutionalization described in subdivision 1a, paragraph (e), and the total amount of general assistance medical care rendered, and shall not include interest.

(b) For services rendered on or after January 1, 2014, the claim shall include only:

(1) the amount of medical assistance rendered to recipients 55 years of age or older and that consisted of nursing facility services, home and community-based services, and related hospital and prescription drug services; and

(2) the total amount of medical assistance rendered during a period of institutionalization described in subdivision 1a, paragraph (e).

The claim shall not include interest. For the purposes of this section, "home and community-based services" has the same meaning it has when used in United States Code, title 42, section 1396p, subsection (b), paragraph (1), subparagraph (B), clause (i).

(c) Claims that have been allowed but not paid shall bear interest according to section 524.3-806, paragraph (d). A claim against the estate of a surviving spouse who did not receive medical assistance, for medical assistance rendered for the predeceased spouse, shall be payable from the full value of all of the predeceased spouse's assets and interests which are part of the surviving spouse's estate under subdivisions 1a and 2b. Recovery of medical assistance expenses in the nonrecipient surviving spouse's estate is limited to the value of the assets of the estate that were marital property or jointly owned property at any time during the marriage. The claim is not payable from the value of assets or proceeds of assets in the estate attributable to a predeceased spouse whom the individual married after the death of the predeceased recipient spouse for whom the claim is filed or from assets and the proceeds of assets in the estate which the nonrecipient decedent spouse acquired with assets which were not marital property or jointly owned property after the death of the predeceased recipient spouse. Claims for alternative care shall be net of all premiums paid under section 256B.0913, subdivision 12, on or after July 1, 2003, and shall be limited to services provided on or after July 1, 2003. Claims against marital property shall be limited to claims against recipients who died on or after July 1, 2009.

EFFECTIVE DATE. This section is effective upon federal approval and applies to services rendered on or after January 1, 2014.

Sec. 15. Minnesota Statutes 2015 Supplement, section 256B.431, subdivision 36, is amended to read:

Subd. 36. **Employee scholarship costs and training in English as a second language.** (a) For the period between July 1, 2001, and June 30, 2003, the commissioner shall provide to each nursing facility reimbursed under this section, section 256B.434, or any other section, a scholarship per diem of 25 cents to the total operating payment rate. For the 27-month period beginning October 1, 2015, through December 31, 2017, the commissioner shall allow a scholarship per diem of up to 25 cents for each nursing facility with no scholarship per diem that is requesting a scholarship per diem to be added to the external fixed payment rate to be used:

(1) for employee scholarships that satisfy the following requirements:

(i) scholarships are available to all employees who work an average of at least ten hours per week at the facility except the administrator, and to reimburse student loan expenses for newly hired and recently graduated registered nurses and licensed practical nurses, and training expenses for nursing assistants as ~~defined~~ specified in section 144A.611, ~~subdivision~~ subdivisions 2 and 4, who are newly hired and have graduated within the last 12 months; and

(ii) the course of study is expected to lead to career advancement with the facility or in long-term care, including medical care interpreter services and social work; and

(2) to provide job-related training in English as a second language.

(b) All facilities may annually request a rate adjustment under this subdivision by submitting information to the commissioner on a schedule and in a form supplied by the commissioner. The commissioner shall allow a scholarship payment rate equal to the reported and allowable costs divided by resident days.

(c) In calculating the per diem under paragraph (b), the commissioner shall allow costs related to tuition, direct educational expenses, and reasonable costs as defined by the commissioner for child care costs and transportation expenses related to direct educational expenses.

(d) The rate increase under this subdivision is an optional rate add-on that the facility must request from the commissioner in a manner prescribed by the commissioner. The rate increase must be used for scholarships as specified in this subdivision.

(e) For instances in which a rate adjustment will be 15 cents or greater, nursing facilities that close beds during a rate year may request to have their scholarship adjustment under paragraph (b) recalculated by the commissioner for the remainder of the rate year to reflect the reduction in resident days compared to the cost report year.

Sec. 16. Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 13, is amended to read:

Subd. 13. **External fixed costs.** "External fixed costs" means costs related to the nursing home surcharge under section 256.9657, subdivision 1; licensure fees under section 144.122; family advisory council fee under section 144A.33; scholarships under section 256B.431, subdivision 36; planned closure rate adjustments under section 256B.437; consolidation rate adjustments under section 144A.071, subdivisions 4c, paragraph (a), clauses (5) and (6), and 4d; single bed room incentives under section 256B.431, subdivision 42; property taxes, assessments, and payments in lieu of taxes; employer health insurance costs; quality improvement incentive payment rate adjustments under subdivision 46c; performance-based incentive payments under subdivision 46d; special dietary needs under subdivision 51b; and PERA.

Sec. 17. Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 53, is amended to read:

Subd. 53. **Calculation of payment rate for external fixed costs.** The commissioner shall calculate a payment rate for external fixed costs.

(a) For a facility licensed as a nursing home, the portion related to section 256.9657 shall be equal to $8.86. For a facility licensed as both a nursing home and a boarding care home, the portion related to section 256.9657 shall be equal to $8.86 multiplied by the result of its number of nursing home beds divided by its total number of licensed beds.

(b) The portion related to the licensure fee under section 144.122, paragraph (d), shall be the amount of the fee divided by actual resident days.

(c) The portion related to development and education of resident and family advisory councils under section 144A.33 shall be $5 divided by 365.

(d) The portion related to scholarships shall be determined under section 256B.431, subdivision 36.

(e) The portion related to planned closure rate adjustments shall be as determined under section 256B.437, subdivision 6, and Minnesota Statutes 2010, section 256B.436.

(f) The portion related to consolidation rate adjustments shall be as determined under section 144A.071, subdivisions 4c, paragraph (a), clauses (5) and (6), and 4d.

~~(f)~~ (g) The single bed room incentives shall be as determined under section 256B.431, subdivision 42.

~~(g)~~ (h) The portions related to real estate taxes, special assessments, and payments made in lieu of real estate taxes directly identified or allocated to the nursing facility shall be the actual amounts divided by actual resident days.

~~(h)~~ (i) The portion related to employer health insurance costs shall be the allowable costs divided by resident days.

~~(i)~~ (j) The portion related to the Public Employees Retirement Association shall be actual costs divided by resident days.

~~(j)~~ (k) The portion related to quality improvement incentive payment rate adjustments shall be as determined under subdivision 46c.

~~(k)~~ (l) The portion related to performance-based incentive payments shall be as determined under subdivision 46d.

~~(l)~~ (m) The portion related to special dietary needs shall be the per diem amount determined under subdivision 51b.

~~(m)~~ (n) The payment rate for external fixed costs shall be the sum of the amounts in paragraphs (a) to ~~(l)~~ (m).

Sec. 18. Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 66, is amended to read:

Subd. 66. **Nursing facilities in border cities.** (a) Rate increases under this section for a facility located in Breckenridge are effective for the rate year beginning January 1, 2016, and annually thereafter~~,~~. Rate increases under this section for a facility located in Moorhead are effective for the rate year beginning January 1, 2020, and annually thereafter.

(b) Operating payment rates of a nonprofit nursing facility that exists on January 1, 2015, is located anywhere within the boundaries of the ~~city~~ cities of Breckenridge or Moorhead, and is reimbursed under this section, section 256B.431, or section 256B.434, shall be adjusted to be equal to the median RUG's rates, including comparable rate components as determined by the commissioner, for the equivalent RUG's weight of the nonprofit nursing facility or facilities located in an adjacent city in another state and in cities contiguous to the adjacent city. The commissioner must make the comparison required under this subdivision on October 1 of each year. The adjustment under this subdivision applies to the rates effective on the following January 1.

(c) The Minnesota facility's operating payment rate with a weight of 1.0 shall be computed by dividing the adjacent city's nursing facilities median operating payment rate with a weight of 1.02 by 1.02. ~~If the adjustments under this subdivision result in a rate that exceeds the limits in subdivisions 50 and 51 in a given rate year, the facility's rate shall not be subject to those limits for that rate year.~~ If a facility's rate is increased under this subdivision, the facility is not subject to the total care-related limit in subdivision 50 and is not limited to the other operating price established in subdivision 51. This subdivision shall apply only if it results in a higher operating payment rate than would otherwise be determined under this section, section 256B.431, or section 256B.434.

Sec. 19. **EMPLOYMENT SERVICES PILOT PROJECT; DAKOTA COUNTY.**

(a) Within available appropriations, the commissioner of human services shall request, by October 1, 2016, necessary federal authority from the Centers for Medicare and Medicaid Services to implement a community-based employment services pilot project in Dakota County. The pilot project must be available to people who are receiving services through home and community-based waivers authorized under Minnesota Statutes, sections 256B.092 and 256B.49, using a rate methodology consistent with the principles under Minnesota Statutes, section 256B.4914.

(b) Dakota County shall be:

(1) responsible for any portion of the state match of waiver expenses above the established disability waiver rates under Minnesota Statutes, section 256B.4914; and

(2) allocated resources for supportive employment services incurred by the use of employment exploration services, employment development services, and employment support services in Dakota County for Dakota County residents.

(c) The pilot project must provide the following employment services to people receiving services through the home and community-based services waivers authorized under Minnesota Statutes, sections 256B.092 and 256B.49:

(1) "employment exploration services" defined as community-based orientation services that introduce a person to competitive employment opportunities in their community through individualized educational activities, learning opportunities, work experiences, and support services that result in the person making an informed decision about working in competitively paying jobs in community businesses;

(2) "employment development services" defined as individualized services that actively support a person to achieve paid employment in his or her community by assisting the person with finding paid employment, becoming self-employed, or establishing microenterprise businesses in the community; and

(3) "employment support services" defined as individualized services and supports that assist people with maintaining competitive, integrated employment by providing a broad range of training, coaching, and support strategies that not only assist individuals and workgroups employed in paid job positions, but also support people working in self-employment opportunities and microenterprise businesses with all aspects of effective business operations. Employment support services must be provided in integrated community settings.

(d) The commissioner of human services shall consult with Dakota County on this pilot project and report the results of the project to the chairs and ranking minority members of the legislative committees with jurisdiction over human services policy and finance by January 15, 2019.

EFFECTIVE DATE. This section is effective July 1, 2016, or upon federal approval, whichever is later, and expires on January 15, 2019. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 20. **REVISOR'S INSTRUCTION.**

The revisor of statutes, in consultation with the Department of Human Services, shall change the cross-references in Minnesota Rules, chapters 2960, 9503, and 9525, resulting from the repealer adopted in rules found at 40 State Register 179. The revisor may make technical and other necessary changes to sentence structure to preserve the meaning of the text.

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

ARTICLE 2
HEALTH CARE

Section 1. **[256B.0562] IMPROVED OVERSIGHT OF MNSURE ELIGIBILITY DETERMINATIONS.**

Subdivision 1. **Implementation of OLA findings.** (a) The commissioner shall ensure that medical assistance and MinnesotaCare eligibility determinations through the MNsure information technology system and through agency eligibility determination systems fully implement the recommendations made by the Office of the Legislative Auditor (OLA) in Report 14-22 – Oversight of MNsure Eligibility Determinations for Public Health Care Programs and Report 16-02 Oversight of MNsure Eligibility Determinations for Public Health Care Programs – Internal Controls and Compliance Audit.

(b) The commissioner may contract with a vendor to provide technical assistance to the commissioner in fully implementing the OLA report findings.

(c) The commissioner shall coordinate implementation of this section with the periodic data matching required under section 256B.0561.

(d) The commissioner shall implement this section using existing resources.

Subd. 2. **Duties of the commissioner.** (a) In fully implementing the OLA report recommendations, the commissioner shall:

(1) adequately verify that persons enrolled in public health care programs through MNsure are eligible for those programs;

(2) provide adequate controls to ensure the accurate and complete transfer of recipient data from MNsure to the Department of Human Services' medical payment system, and to detect whether Office of MN.IT Services staff inappropriately access recipients' personal information;

(3) provide county human service eligibility workers with sufficient training on MNsure;

(4) reverify that medical assistance and MinnesotaCare enrollees who enroll through MNsure remain eligible for the program within the required time frames established in federal and state laws;

(5) establish an effective process to resolve discrepancies with Social Security numbers, citizenship or immigration status, or household income that MNsure identifies as needing further verification;

(6) eliminate payment of medical assistance and MinnesotaCare benefits for recipients whose income exceeds federal and state program limits;

(7) verify household size and member relationships when determining eligibility;

(8) ensure that applicants and recipients are enrolled in the correct public health care program;

(9) eliminate payment of benefits for MinnesotaCare recipients who are also enrolled in Medicare;

(10) verify that newborns turning age one remain eligible for medical assistance;

(11) correct MinnesotaCare billing errors, ensure that enrollees pay their premiums, and terminate coverage for failure to pay premiums; and

(12) take all other steps necessary to fully implement the recommendations.

(b) The commissioner shall implement the OLA recommendations retroactively for medical assistance and MinnesotaCare applications and renewals submitted on or after January 1, 2016. The commissioner shall present quarterly reports to the OLA and the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance, beginning October 1, 2016, and each quarter thereafter. The quarterly report submitted October 1, 2016, must include a timetable for fully implementing the OLA recommendations. Each quarterly report must include information on:

(1) progress in implementing the OLA recommendations;

(2) the number of medical assistance and MinnesotaCare applicants and enrollees whose eligibility status was affected by implementation of the OLA recommendations, reported quarterly, beginning with the January 1, 2016 through March 31, 2016 calendar quarter; and

(3) savings to the state from implementing the OLA recommendations.

Subd. 3. **Office of Legislative Auditor.** The legislative auditor shall review each quarterly report submitted by the commissioner of human services under subdivision 2 for accuracy and shall review compliance by the Department of Human Services with the OLA report recommendations. The legislative auditor shall notify the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance on whether or not these requirements are met.

Subd. 4. **Special revenue account; use of savings.** (a) A medical assistance audit special revenue account is established in the general fund. The commissioner shall deposit into this account all savings achieved from implementing this section retroactively to applications and renewals submitted on or after January 1, 2016, and all savings achieved from implementation of periodic data matching under section 256B.0561 that are above the forecasted savings for that initiative.

(b) Once the medical assistance audit special revenue account fund balance has reached a sufficient level, the commissioner shall provide a onetime, five percent increase in medical assistance payment rates for intermediate care facilities for persons with developmental disabilities and the long-term care and community-based providers listed in Laws 2014, chapter 312, article 27, section 75, paragraph (b). The increase shall be limited to a 12-month period.

(c) Any further expenditures from the medical assistance audit special revenue account are subject to legislative authorization.

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

Sec. 2. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 17a, is amended to read:

Subd. 17a. **Payment for ambulance services.** (a) Medical assistance covers ambulance services. Providers shall bill ambulance services according to Medicare criteria. Nonemergency ambulance services shall not be paid as emergencies. Effective for services rendered on or after July 1, 2001, medical assistance payments for ambulance services shall be paid at the Medicare reimbursement rate or at the medical assistance payment rate in effect on July 1, 2000, whichever is greater.

(b) Effective for services provided on or after July 1, 2016, medical assistance payment rates for ambulance services identified in this paragraph are increased by five percent. Capitation payments made to managed care plans and county-based purchasing plans for ambulance services provided on or after January 1, 2017, shall be adjusted to reflect this rate increase. The increased rate described in this paragraph applies to:

(1) an ambulance service provider whose base of operations, as defined in section 144E.10, is located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or

(2) an ambulance service provider whose base of operations, as defined in section 144E.10, is located within a municipality with a population of less than 1,000.

Sec. 3. Minnesota Statutes 2014, section 256B.0625, is amended by adding a subdivision to read:

Subd. 60a. **Community emergency medical technician services.** (a) Medical assistance covers services provided by a community emergency medical technician (CEMT) who is certified under section 144E.275, subdivision 7, when the services are provided in accordance with this subdivision.

(b) A CEMT may provide a posthospital discharge visit when ordered by a treating physician. The posthospital discharge visit includes:

(1) verbal or visual reminders of discharge orders;

(2) recording and reporting of vital signs to the patient's primary care provider;

(3) medication access confirmation;

(4) food access confirmation; and

(5) identification of home hazards.

(c) Individuals who have repeat ambulance calls due to falls, have been discharged from a nursing home, or have been identified by their primary care provider as at risk for nursing home placement may receive a safety evaluation visit from a CEMT when ordered by a primary care provider in accordance with the individual's care plan. A safety evaluation visit includes:

(1) medication access confirmation;

(2) food access confirmation; and

(3) identification of home hazards.

(d) A CEMT shall be paid at $9.75 per 15-minute increment. A safety evaluation visit may not be billed for the same day as a posthospital discharge visit for the same recipient.

EFFECTIVE DATE. This section is effective January 1, 2017, or upon federal approval, whichever is later.

Sec. 4. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 64, is amended to read:

Subd. 64. **Investigational drugs, biological products, and devices.** Medical assistance and the early periodic screening, diagnosis, and treatment (EPSDT) program do not cover costs incidental to, associated with, or resulting from the use of investigational drugs, biological products, or devices as defined in section 151.375, except that stiripentol may be covered by the EPSDT program for eligible enrollees with a documented diagnosis of Dravet syndrome, for whom all other available covered prescription medications for Dravet syndrome have been exhausted. Stiripentol may only be covered if the treating physician has received an individual patient investigational new drug (IND) for treatment use from the United States Food and Drug Administration.

Sec. 5. Minnesota Statutes 2014, section 256B.0644, is amended to read:

256B.0644 REIMBURSEMENT UNDER OTHER STATE HEALTH CARE PROGRAMS.

(a) A vendor of medical care, as defined in section 256B.02, subdivision 7, and a health maintenance organization, as defined in chapter 62D, must participate as a provider or contractor in the medical assistance program and MinnesotaCare as a condition of participating as a provider in health insurance plans and programs or

contractor for state employees established under section 43A.18, the public employees insurance program under section 43A.316, for health insurance plans offered to local statutory or home rule charter city, county, and school district employees, the workers' compensation system under section 176.135, and insurance plans provided through the Minnesota Comprehensive Health Association under sections 62E.01 to 62E.19. The limitations on insurance plans offered to local government employees shall not be applicable in geographic areas where provider participation is limited by managed care contracts with the Department of Human Services. This section does not apply to dental service providers providing dental services outside the seven-county metropolitan area.

(b) For providers other than health maintenance organizations, participation in the medical assistance program means that:

(1) the provider accepts new medical assistance and MinnesotaCare patients;

(2) for providers other than dental service providers, at least 20 percent of the provider's patients are covered by medical assistance and MinnesotaCare as their primary source of coverage; or

(3) for dental service providers providing dental services in the seven-county metropolitan area, at least ten percent of the provider's patients are covered by medical assistance and MinnesotaCare as their primary source of coverage, or the provider accepts new medical assistance and MinnesotaCare patients who are children with special health care needs. For purposes of this section, "children with special health care needs" means children up to age 18 who: (i) require health and related services beyond that required by children generally; and (ii) have or are at risk for a chronic physical, developmental, behavioral, or emotional condition, including: bleeding and coagulation disorders; immunodeficiency disorders; cancer; endocrinopathy; developmental disabilities; epilepsy, cerebral palsy, and other neurological diseases; visual impairment or deafness; Down syndrome and other genetic disorders; autism; fetal alcohol syndrome; and other conditions designated by the commissioner after consultation with representatives of pediatric dental providers and consumers.

(c) Patients seen on a volunteer basis by the provider at a location other than the provider's usual place of practice may be considered in meeting the participation requirement in this section. The commissioner shall establish participation requirements for health maintenance organizations. The commissioner shall provide lists of participating medical assistance providers on a quarterly basis to the commissioner of management and budget, the commissioner of labor and industry, and the commissioner of commerce. Each of the commissioners shall develop and implement procedures to exclude as participating providers in the program or programs under their jurisdiction those providers who do not participate in the medical assistance program. The commissioner of management and budget shall implement this section through contracts with participating health and dental carriers.

(d) A volunteer dentist who has signed a volunteer agreement under section 256B.0625, subdivision 9a, shall not be considered to be participating in medical assistance or MinnesotaCare for the purpose of this section.

Sec. 6. Minnesota Statutes 2015 Supplement, section 256B.76, subdivision 2, is amended to read:

Subd. 2. **Dental reimbursement.** (a) Effective for services rendered on or after October 1, 1992, the commissioner shall make payments for dental services as follows:

(1) dental services shall be paid at the lower of (i) submitted charges, or (ii) 25 percent above the rate in effect on June 30, 1992; and

(2) dental rates shall be converted from the 50th percentile of 1982 to the 50th percentile of 1989, less the percent in aggregate necessary to equal the above increases.

(b) Beginning October 1, 1999, the payment for tooth sealants and fluoride treatments shall be the lower of (1) submitted charge, or (2) 80 percent of median 1997 charges.

(c) Effective for services rendered on or after January 1, 2000, payment rates for dental services shall be increased by three percent over the rates in effect on December 31, 1999.

(d) Effective for services provided on or after January 1, 2002, payment for diagnostic examinations and dental x-rays provided to children under age 21 shall be the lower of (1) the submitted charge, or (2) 85 percent of median 1999 charges.

(e) The increases listed in paragraphs (b) and (c) shall be implemented January 1, 2000, for managed care.

(f) Effective for dental services rendered on or after October 1, 2010, by a state-operated dental clinic, payment shall be paid on a reasonable cost basis that is based on the Medicare principles of reimbursement. This payment shall be effective for services rendered on or after January 1, 2011, to recipients enrolled in managed care plans or county-based purchasing plans.

(g) Beginning in fiscal year 2011, if the payments to state-operated dental clinics in paragraph (f), including state and federal shares, are less than $1,850,000 per fiscal year, a supplemental state payment equal to the difference between the total payments in paragraph (f) and $1,850,000 shall be paid from the general fund to state-operated services for the operation of the dental clinics.

(h) If the cost-based payment system for state-operated dental clinics described in paragraph (f) does not receive federal approval, then state-operated dental clinics shall be designated as critical access dental providers under subdivision 4, paragraph (b), and shall receive the critical access dental reimbursement rate as described under subdivision 4, paragraph (a).

(i) Effective for services rendered on or after September 1, 2011, through June 30, 2013, payment rates for dental services shall be reduced by three percent. This reduction does not apply to state-operated dental clinics in paragraph (f).

(j) Effective for services rendered on or after January 1, 2014, payment rates for dental services shall be increased by five percent from the rates in effect on December 31, 2013. This increase does not apply to state-operated dental clinics in paragraph (f), federally qualified health centers, rural health centers, and Indian health services. Effective January 1, 2014, payments made to managed care plans and county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect the payment increase described in this paragraph.

(k) Effective for services rendered on or after July 1, 2015, through December 31, 2016, the commissioner shall increase payment rates for services furnished by dental providers located outside of the seven-county metropolitan area by the maximum percentage possible above the rates in effect on June 30, 2015, while remaining within the limits of funding appropriated for this purpose. This increase does not apply to state-operated dental clinics in paragraph (f), federally qualified health centers, rural health centers, and Indian health services. Effective January 1, 2016, through December 31, 2016, payments to managed care plans and county-based purchasing plans under sections 256B.69 and 256B.692 shall reflect the payment increase described in this paragraph. The commissioner shall require managed care and county-based purchasing plans to pass on the full amount of the increase, in the form of higher payment rates to dental providers located outside of the seven-county metropolitan area.

(l) Effective for services provided on or after January 1, 2017, the commissioner shall increase payment rates by 9.65 percent above the rates in effect on June 30, 2015, for dental services provided outside of the seven-county metropolitan area. This increase does not apply to state-operated dental clinics in paragraph (f), federally qualified health centers, rural health centers, or Indian health services. Effective January 1, 2017, payments to managed care plans and county-based purchasing plans under sections 256B.69 and 256B.692 shall reflect the payment increase described in this paragraph.

Sec. 7. Minnesota Statutes 2015 Supplement, section 256B.766, is amended to read:

256B.766 REIMBURSEMENT FOR BASIC CARE SERVICES.

(a) Effective for services provided on or after July 1, 2009, total payments for basic care services, shall be reduced by three percent, except that for the period July 1, 2009, through June 30, 2011, total payments shall be reduced by 4.5 percent for the medical assistance and general assistance medical care programs, prior to third-party liability and spenddown calculation. Effective July 1, 2010, the commissioner shall classify physical therapy services, occupational therapy services, and speech-language pathology and related services as basic care services. The reduction in this paragraph shall apply to physical therapy services, occupational therapy services, and speech-language pathology and related services provided on or after July 1, 2010.

(b) Payments made to managed care plans and county-based purchasing plans shall be reduced for services provided on or after October 1, 2009, to reflect the reduction effective July 1, 2009, and payments made to the plans shall be reduced effective October 1, 2010, to reflect the reduction effective July 1, 2010.

(c) Effective for services provided on or after September 1, 2011, through June 30, 2013, total payments for outpatient hospital facility fees shall be reduced by five percent from the rates in effect on August 31, 2011.

(d) Effective for services provided on or after September 1, 2011, through June 30, 2013, total payments for ambulatory surgery centers facility fees, medical supplies and durable medical equipment not subject to a volume purchase contract, prosthetics and orthotics, renal dialysis services, laboratory services, public health nursing services, physical therapy services, occupational therapy services, speech therapy services, eyeglasses not subject to a volume purchase contract, hearing aids not subject to a volume purchase contract, and anesthesia services shall be reduced by three percent from the rates in effect on August 31, 2011.

(e) Effective for services provided on or after September 1, 2014, payments for ambulatory surgery centers facility fees, hospice services, renal dialysis services, laboratory services, public health nursing services, eyeglasses not subject to a volume purchase contract, and hearing aids not subject to a volume purchase contract shall be increased by three percent and payments for outpatient hospital facility fees shall be increased by three percent. Payments made to managed care plans and county-based purchasing plans shall not be adjusted to reflect payments under this paragraph.

(f) Payments for medical supplies and durable medical equipment not subject to a volume purchase contract, and prosthetics and orthotics, provided on or after July 1, 2014, through June 30, 2015, shall be decreased by .33 percent. Payments for medical supplies and durable medical equipment not subject to a volume purchase contract, and prosthetics and orthotics, provided on or after July 1, 2015, shall be increased by three percent from the rates as determined under paragraph (i).

(g) Effective for services provided on or after July 1, 2015, payments for outpatient hospital facility fees, medical supplies and durable medical equipment not subject to a volume purchase contract, prosthetics and orthotics, and laboratory services to a hospital meeting the criteria specified in section 62Q.19, subdivision 1, paragraph (a), clause (4), shall be increased by 90 percent from the rates in effect on June 30, 2015. Payments made to managed care plans and county-based purchasing plans shall not be adjusted to reflect payments under this paragraph.

(h) This section does not apply to physician and professional services, inpatient hospital services, family planning services, mental health services, dental services, prescription drugs, medical transportation, federally qualified health centers, rural health centers, Indian health services, and Medicare cost-sharing.

(i) Effective July 1, 2015, the ~~medical assistance payment rate for durable medical equipment, prosthetics, orthotics, or supplies shall be restored to the January 1, 2008, medical assistance fee schedule, updated to include subsequent rate increases in the Medicare and medical assistance fee schedules, and including~~ following categories of durable medical equipment shall be individually priced items ~~for the following categories~~: enteral nutrition and supplies, customized and other specialized tracheostomy tubes and supplies, electric patient lifts, and durable medical equipment repair and service. This paragraph does not apply to medical supplies and durable medical equipment subject to a volume purchase contract, products subject to the preferred diabetic testing supply program, and items provided to dually eligible recipients when Medicare is the primary payer for the item. The commissioner shall not apply any medical assistance rate reductions to durable medical equipment as a result of Medicare competitive bidding.

(j) Effective July 1, 2015, medical assistance payment rates for durable medical equipment, prosthetics, orthotics, or supplies shall be increased as follows:

(1) payment rates for durable medical equipment, prosthetics, orthotics, or supplies that were subject to the Medicare 2008 competitive bid shall be increased by 9.5 percent; and

(2) payment rates for durable medical equipment, prosthetics, orthotics, or supplies on the medical assistance fee schedule, whether or not subject to the Medicare 2008 competitive bid, shall be increased by 2.94 percent, with this increase being applied after calculation of any increased payment rate under clause (1).

This paragraph does not apply to medical supplies and durable medical equipment subject to a volume purchase contract, products subject to the preferred diabetic testing supply program, items provided to dually eligible recipients when Medicare is the primary payer for the item, and individually priced items identified in paragraph (i). Payments made to managed care plans and county-based purchasing plans shall not be adjusted to reflect the rate increases in this paragraph.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2015.

ARTICLE 3
MNSURE

Section 1. **[45.0131] LEGISLATIVE ENACTMENT REQUIRED.**

Subdivision 1. **Agency agreements.** The commissioner of commerce shall not enter into or renew any interagency agreement or service level agreement with a value of more than $100,000 a year, or related agreements with a cumulative value of more than $100,000 a year, with a state department, state agency, or the Office of MN.IT Services, unless the specific agreement is authorized by enactment of a new law. If an agreement, including an agreement in effect as of the effective date of this section, does not have a specific expiration date, the agreement shall expire two years from the effective date of this section or the effective date of the agreement, whichever is later, unless the specific agreement is authorized by enactment of a new law.

Subd. 2. **Transfers.** Notwithstanding section 16A.285, the commissioner shall not transfer appropriations and funds in amounts over $100,000 across agency accounts or programs, unless the specific transfer is authorized by enactment of a new law.

Subd. 3. **Definitions.** For purposes of this section, "state department" has the meaning provided in section 15.01, and "state agency" has the meaning provided in section 15.012.

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

Sec. 2. Minnesota Statutes 2015 Supplement, section 62V.03, subdivision 2, is amended to read:

Subd. 2. **Application of other law.** (a) MNsure must be reviewed by the legislative auditor under section 3.971. The legislative auditor shall audit the books, accounts, and affairs of MNsure once each year or less frequently as the legislative auditor's funds and personnel permit. Upon the audit of the financial accounts and affairs of MNsure, MNsure is liable to the state for the total cost and expenses of the audit, including the salaries paid to the examiners while actually engaged in making the examination. The legislative auditor may bill MNsure either monthly or at the completion of the audit. All collections received for the audits must be deposited in the general fund and are appropriated to the legislative auditor. Pursuant to section 3.97, subdivision 3a, the Legislative Audit Commission is requested to direct the legislative auditor to report by March 1, 2014, to the legislature on any duplication of services that occurs within state government as a result of the creation of MNsure. The legislative auditor may make recommendations on consolidating or eliminating any services deemed duplicative. The board shall reimburse the legislative auditor for any costs incurred in the creation of this report.

(b) Board members of MNsure are subject to sections 10A.07 and 10A.09. Board members and the personnel of MNsure are subject to section 10A.071.

(c) All meetings of the board and of the Minnesota Eligibility System Executive Steering Committee established under section 62V.056 shall comply with the open meeting law in chapter 13D.

(d) The board and the Web site are exempt from chapter 60K. Any employee of MNsure who sells, solicits, or negotiates insurance to individuals or small employers must be licensed as an insurance producer under chapter 60K.

(e) Section 3.3005 applies to any federal funds received by MNsure.

(f) A MNsure decision that requires a vote of the board, other than a decision that applies only to hiring of employees or other internal management of MNsure, is an "administrative action" under section 10A.01, subdivision 2.

Sec. 3. Minnesota Statutes 2014, section 62V.04, subdivision 2, is amended to read:

Subd. 2. **Appointment.** (a) Board membership of MNsure consists of the following:

(1) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d), with one member representing the interests of individual consumers eligible for individual market coverage, one member representing individual consumers eligible for public health care program coverage, and one member representing small employers. Members are appointed to serve four-year terms following the initial staggered-term lot determination;

(2) three members appointed by the governor with the advice and consent of both the senate and the house of representatives acting separately in accordance with paragraph (d) who have demonstrated expertise, leadership, and innovation in the following areas: one member representing the areas of health administration, health care finance, health plan purchasing, and health care delivery systems; one member representing the areas of public health, health disparities, public health care programs, and the uninsured; and one member representing health policy issues related to the small group and individual markets. Members are appointed to serve four-year terms following the initial staggered-term lot determination; and

(3) ~~the commissioner of human services or a designee~~ one member representing the interests of the general public, appointed by the governor with the advice and consent of both the senate and the house of representatives acting in accordance with paragraph (d). A member appointed under this clause shall serve a four-year term.

(b) Section 15.0597 shall apply to all appointments~~, except for the commissioner~~.

(c) The governor shall make appointments to the board that are consistent with federal law and regulations regarding its composition and structure. All board members appointed by the governor must be legal residents of Minnesota.

(d) Upon appointment by the governor, a board member shall exercise duties of office immediately. If both the house of representatives and the senate vote not to confirm an appointment, the appointment terminates on the day following the vote not to confirm in the second body to vote.

(e) Initial appointments shall be made by April 30, 2013.

(f) One of the six members appointed under paragraph (a), clause (1) or (2), must have experience in representing the needs of vulnerable populations and persons with disabilities.

(g) Membership on the board must include representation from outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2.

Sec. 4. Minnesota Statutes 2014, section 62V.04, subdivision 3, is amended to read:

Subd. 3. **Terms.** (a) Board members may serve no more than two consecutive terms~~, except for the commissioner or the commissioner's designee, who shall serve until replaced by the governor~~.

(b) A board member may resign at any time by giving written notice to the board.

(c) The appointed members under subdivision 2, paragraph (a), clauses (1) and (2), shall have an initial term of two, three, or four years, determined by lot by the secretary of state.

Sec. 5. Minnesota Statutes 2014, section 62V.04, subdivision 4, is amended to read:

Subd. 4. **Conflicts of interest.** (a) Within one year prior to or at any time during their appointed term, board members appointed under subdivision 2, paragraph (a), ~~clauses (1) and (2),~~ shall not be employed by, be a member of the board of directors of, or otherwise be a representative of a health carrier, institutional health care provider or other entity providing health care, navigator, insurance producer, or other entity in the business of selling items or services of significant value to or through MNsure. For purposes of this paragraph, "health care provider or entity" does not include an academic institution.

(b) Board members must recuse themselves from discussion of and voting on an official matter if the board member has a conflict of interest. A conflict of interest means an association including a financial or personal association that has the potential to bias or have the appearance of biasing a board member's decisions in matters related to MNsure or the conduct of activities under this chapter.

(c) No board member shall have a spouse who is an executive of a health carrier.

(d) No member of the board may currently serve as a lobbyist, as defined under section 10A.01, subdivision 21.

Sec. 6. Minnesota Statutes 2014, section 62V.05, subdivision 2, is amended to read:

Subd. 2. **Operations funding.** (a) ~~Prior to January 1, 2015, MNsure shall retain or collect up to 1.5 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the cash reserves of MNsure, but the amount collected shall not exceed a dollar amount equal to 25 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.~~

~~(b) Beginning January 1, 2015, MNsure shall retain or collect up to 3.5 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the operations of MNsure, but the amount collected shall not exceed a dollar amount equal to 50 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.~~

~~(c)~~ Beginning January 1, 2016, through December 31, 2016, MNsure shall retain or collect up to 3.5 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the operations of MNsure~~, but the amount collected may never exceed a dollar amount greater than 100 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012~~.

~~(d) For fiscal years 2014 and 2015, the commissioner of management and budget is authorized to provide cash flow assistance of up to $20,000,000 from the special revenue fund or the statutory general fund under section 16A.671, subdivision 3, paragraph (a), to MNsure. Any funds provided under this paragraph shall be repaid, with interest, by June 30, 2015.~~

(b) Beginning January 1, 2017, through December 31, 2017, MNsure shall retain or collect up to 1.75 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the operation of MNsure.

(c) If an independent third party makes the certification specified in this paragraph, MNsure shall retain or collect up to 1.75 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the operations of MNsure. This paragraph applies to a calendar year beginning on or after January 1, 2018, if in the previous calendar year the independent third party certified that MNsure met all of the following operational and technological benchmarks for the previous calendar year:

(1) on a daily basis, MNsure successfully transferred to health carriers data in the EDI 834 format that were complete and accurate according to industry standards and that allowed the health carrier to enroll the consumer in the qualified health plan chosen by the consumer;

(2) MNsure automatically processed enrollment renewals in qualified health plans and in public health care programs;

(3) MNsure automatically processed invoices for and payments of MinnesotaCare premiums;

(4) MNsure provided self-service functionality for account changes and changes necessitated by qualifying life events, including adding or removing household members, making changes to address or income, canceling coverage, and accessing online proof of coverage forms required by federal law;

(5) MNsure transmitted 1095-A forms to enrollees by January 31 each year, or earlier if required by federal law; and

(6) MNsure call center response and resolution times met or exceeded industry standards.

(d) Beginning January 1, 2018, for any calendar year for which the independent third party did not make the certification specified in paragraph (c) for the previous calendar year, MNsure shall retain or collect up to 1.5 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure to fund the operation of MNsure.

(e) Funding for the operations of MNsure shall cover any compensation provided to navigators participating in the navigator program.

(f) The amount collected by MNsure in a calendar year under this subdivision shall not exceed a dollar amount greater than 60 percent of the funds collected under section 62E.11, subdivision 6, for calendar year 2012.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 7. Minnesota Statutes 2014, section 62V.05, is amended by adding a subdivision to read:

Subd. 12. **Legislative enactment required.** (a) The MNsure board shall not enter into or renew any interagency agreement or service level agreement with a value of more than $100,000 a year, or related agreements with a cumulative value of more than $100,000 a year, with a state department, state agency, or the Office of MN.IT Services, unless the specific agreement is authorized by enactment of a new law. If an agreement, including an agreement in effect as of the effective date of this subdivision, does not have an expiration date, the agreement shall expire two years from the effective date of this subdivision or the effective date of the agreement, whichever is later, unless the specific agreement is authorized by enactment of a new law.

(b) Notwithstanding section 16A.285, the board shall not transfer appropriations and funds in amounts over $100,000 across agency accounts or programs unless the specific transfer is authorized by enactment of a new law.

(c) For purposes of this subdivision, "state department" has the meaning provided in section 15.01, and "state agency" has the meaning provided in section 15.012.

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

Sec. 8. **[62V.056] MINNESOTA ELIGIBILITY SYSTEM EXECUTIVE STEERING COMMITTEE.**

Subdivision 1. **Definition; Minnesota eligibility system.** For purposes of this section, "Minnesota eligibility system" means the system that supports eligibility determinations using a modified adjusted gross income methodology for medical assistance under section 256B.056, subdivision 1a, paragraph (b), clause (1); MinnesotaCare under chapter 256L; and qualified health plan enrollment under section 62V.05, subdivision 5, paragraph (c).

Subd. 2. **Establishment; committee membership.** The Minnesota Eligibility System Executive Steering Committee is established to govern and administer the Minnesota eligibility system. The steering committee shall be composed of one member appointed by the commissioner of human services, one member appointed by the board, one member appointed jointly by the Association of Minnesota Counties and the Minnesota Inter-County Association, and one nonvoting member appointed by the commissioner of MN.IT services who shall serve as the committee chairperson. Steering committee costs must be paid from the budgets of the Department of Human Services, the Office of MN.IT Services, and MNsure.

Subd. 3. **Duties.** (a) The Minnesota Eligibility System Executive Steering Committee shall establish an overall governance structure for the Minnesota eligibility system and shall be responsible for the overall governance of the system, including setting system goals and priorities, allocating the system's resources, making major system decisions, and tracking total funding and expenditures for the system from all sources. The steering committee shall also report to the Legislative Oversight Committee on a quarterly basis on Minnesota eligibility system funding and expenditures, including amounts received in the most recent quarter by funding source and expenditures made in the most recent quarter by funding source.

(b) The steering committee shall adopt bylaws, policies, and interagency agreements necessary to administer the Minnesota eligibility system.

(c) In making decisions, the steering committee shall give particular attention to the parts of the system with the largest enrollments and the greatest risks.

Subd. 4. **Meetings.** (a) All meetings of the steering committee must:

(1) be held in the State Office Building; and

(2) whenever possible, be available on the legislature's Web site for live streaming and downloading over the Internet.

(b) The steering committee must:

(1) as part of every steering committee meeting, provide the opportunity for oral and written public testimony and comments on steering committee governance of the Minnesota eligibility system; and

(2) provide documents under discussion or review by the steering committee to be electronically posted on the legislature's Web site. Documents must be provided and posted prior to the meeting at which the documents are scheduled for review or discussion.

(c) All votes of the steering committee must be recorded, with each member's vote identified.

Subd. 5. **Administrative structure.** The Office of MN.IT Services shall be responsible for the design, build, maintenance, operation, and upgrade of the information technology for the Minnesota eligibility system. The office shall carry out its responsibilities under the governance of the steering committee, this section, and chapter 16E.

Sec. 9. Minnesota Statutes 2014, section 62V.11, is amended by adding a subdivision to read:

Subd. 5. **Review of Minnesota eligibility system funding and expenditures.** The committee shall review quarterly reports submitted by the Minnesota Eligibility System Executive Steering Committee under section 62V.055, subdivision 3, regarding Minnesota eligibility system funding and expenditures.

Sec. 10. Minnesota Statutes 2014, section 144.05, is amended by adding a subdivision to read:

Subd. 6. **Legislative enactment required.** (a) The commissioner of health shall not enter into or renew any interagency agreement or service level agreement with a value of more than $100,000 a year, or related agreements with a cumulative value of more than $100,000 a year, with a state department, state agency, or the Office of MN.IT Services, unless the specific agreement is authorized by enactment of a new law. If an agreement, including an agreement in effect as of the effective date of this subdivision, does not have an expiration date, the agreement shall expire two years from the effective date of this subdivision or the effective date of the agreement, whichever is later, unless the specific agreement is authorized by enactment of a new law.

(b) Notwithstanding section 16A.285, the commissioner shall not transfer appropriations and funds in amounts over $100,000 across agency accounts or programs unless the specific transfer is authorized by enactment of a new law.

(c) For purposes of this subdivision, "state department" has the meaning provided in section 15.01, and "state agency" has the meaning provided in section 15.012.

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

Sec. 11. Minnesota Statutes 2014, section 256.01, is amended by adding a subdivision to read:

Subd. 41. **Legislative enactment required.** (a) The commissioner of human services shall not enter into or renew any interagency agreement or service level agreement with a value of more than $100,000 a year, or related agreements with a cumulative value of more than $100,000 a year, with a state department, state agency, or the Office of MN.IT Services, unless the specific agreement is authorized by enactment of a new law. If an agreement, including an agreement in effect as of the effective date of this subdivision, does not have an expiration date, the agreement shall expire two years from the effective date of this subdivision or the effective date of the agreement, whichever is later, unless the specific agreement is authorized by enactment of a new law.

(b) Notwithstanding section 16A.285, the commissioner shall not transfer appropriations and funds in amounts over $100,000 across agency accounts or programs unless the specific transfer is authorized by enactment of a new law.

(c) For purposes of this subdivision, "state department" has the meaning provided in section 15.01, and "state agency" has the meaning provided in section 15.012.

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

Sec. 12. Minnesota Statutes 2014, section 256L.02, is amended by adding a subdivision to read:

Subd. 7. **Federal waiver.** The commissioner shall apply for an innovation waiver under section 1332 of the Affordable Care Act, or any other applicable federal waiver, to allow persons eligible for MinnesotaCare the option of declining MinnesotaCare coverage and instead accessing advanced premium tax credits and cost-sharing reductions through the purchase of qualified health plans through MNsure or outside of MNsure directly from health plan companies. The commissioner shall submit this federal waiver request within nine months of the effective date of this subdivision. The commissioner shall coordinate this waiver request with the waiver request required by Laws 2015, chapter 71, article 12, section 8. The commissioner shall submit a draft waiver proposal to the MNsure board and the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance at least 30 days before submitting a final waiver proposal to the federal government. The commissioner shall notify the board and the chairs and ranking minority members of any federal decision or action related to the proposal. If federal approval is granted, the commissioner shall submit to the legislature draft legislation and fiscal estimates necessary to implement the approved proposal.

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

Sec. 13. **FEDERAL-STATE ELIGIBILITY DETERMINATION AND ENROLLMENT SYSTEM FOR INSURANCE AFFORDABILITY PROGRAMS.**

Subdivision 1. **Waiver request.** (a) The commissioner of human services, in consultation with the MNsure board, commissioner of commerce, and commissioner of health, shall apply for an innovation waiver under section 1332 of the Affordable Care Act, or any other applicable federal waiver, to establish and operate a federal-state eligibility determination and enrollment system for state insurance affordability programs for coverage beginning January 1, 2018. The federal-state eligibility determination and enrollment system shall take the place of MNsure established under Minnesota Statutes, chapter 62V. Under the federal-state eligibility determination and enrollment system:

(1) eligibility determinations and enrollment for persons applying for or renewing coverage under medical assistance and MinnesotaCare shall be conducted by the commissioner of human services; and

(2) enrollment in qualified health plans and eligibility determinations for any applicable advanced premium tax credits and cost-sharing reductions shall be conducted by the federally facilitated marketplace.

(b) For purposes of this section, "state insurance affordability programs" means medical assistance, MinnesotaCare, and qualified health plan coverage with any applicable advanced premium tax credits and cost-sharing reductions.

(c) The federal-state eligibility determination and enrollment system must incorporate an asset test for adults without children who qualify for medical assistance under Minnesota Statutes, section 256B.055, subdivision 15, or MinnesotaCare under Minnesota Statutes, chapter 256L, under which a household of two or more persons must not own more than $20,000 in total net assets and a household of one person must not own more than $10,000 in total net assets.

Subd. 2. **Requirements of waiver application.** In designing the federal-state eligibility determination and enrollment system and developing the waiver application, the commissioner shall:

(1) seek to incorporate, where appropriate and cost-effective, elements of the MNsure eligibility determination system and eligibility determination systems administered by the commissioner of human services;

(2) coordinate the waiver request with the waiver requests required by Minnesota Statutes, section 256L.02, subdivision 7, if enacted, and with the waiver request required by Laws 2015, chapter 71, article 12, section 8;

(3) regularly consult with stakeholder groups, including but not limited to representatives of state and county agencies, health care providers, health plan companies, brokers, and consumers; and

(4) seek all available federal grants and funds for state planning and development costs.

Subd. 3. **Vendor contract; use of existing resources.** The commissioner of human services, in consultation with the chief information officer of MN.IT, may contract with a vendor to provide technical assistance in developing the waiver request. The commissioner shall develop the waiver request and enter into any contract for technical assistance using existing resources.

Subd. 4. **Reports to legislative committees.** The commissioner of human services shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over commerce and health and human services policy and finance by January 1, 2017, on progress in seeking the waiver required by this section, and shall notify these chairs and ranking minority members of any federal decision related to the waiver request.

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

Sec. 14. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall change cross-references to sections in Minnesota Statutes and Minnesota Rules that are repealed in this article when appropriate. The revisor may make technical and other necessary changes to sentence structure to preserve the meaning of the text.

Sec. 15. **REPEALER.**

(a) Minnesota Statutes 2014, sections 62V.01; 62V.02; 62V.03, subdivisions 1 and 3; 62V.04; 62V.05, subdivisions 1, 2, 3, 4, 5, 9, and 10; 62V.06; 62V.07; 62V.08; 62V.09; 62V.10; and 62V.11, subdivisions 1, 2, and 4, are repealed.

(b) Minnesota Statutes 2015 Supplement, sections 62V.03, subdivision 2; 62V.05, subdivisions 6, 7, 8, and 11; and 62V.051, are repealed.

(c) Minnesota Rules, parts 7700.0010; 7700.0020; 7700.0030; 7700.0040; 7700.0050; 7700.0060; 7700.0070; 7700.0080; 7700.0090; 7700.0100; 7700.0101; and 7700.0105, are repealed.

EFFECTIVE DATE. This section is effective upon approval of the waiver request to establish and operate a federal-state eligibility determination and enrollment system, or January 1, 2018, whichever is later. The commissioner of human services shall notify the revisor of statutes when the waiver request is approved.

ARTICLE 4
HEALTH DEPARTMENT

Section 1. Minnesota Statutes 2014, section 13.3805, is amended by adding a subdivision to read:

Subd. 5. **Radon testing and mitigation data.** Data maintained by the Department of Health that identify the address of a radon testing or mitigation site, and the name, address, e-mail address, and telephone number of residents and residential property owners of a radon testing or mitigation site, are private data on individuals or nonpublic data.

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

Sec. 2. Minnesota Statutes 2014, section 62J.495, subdivision 4, is amended to read:

Subd. 4. **Coordination with national HIT activities.** (a) The commissioner, in consultation with the e-Health Advisory Committee, shall update the statewide implementation plan required under subdivision 2 and released June 2008, to be consistent with the updated Federal HIT Strategic Plan released by the Office of the National Coordinator in accordance with section 3001 of the HITECH Act. The statewide plan shall meet the requirements for a plan required under section 3013 of the HITECH Act.

(b) The commissioner, in consultation with the e-Health Advisory Committee, shall work to ensure coordination between state, regional, and national efforts to support and accelerate efforts to effectively use health information technology to improve the quality and coordination of health care and the continuity of patient care among health care providers, to reduce medical errors, to improve population health, to reduce health disparities, and to reduce chronic disease. The commissioner's coordination efforts shall include but not be limited to:

(1) assisting in the development and support of health information technology regional extension centers established under section 3012(c) of the HITECH Act to provide technical assistance and disseminate best practices; ~~and~~

(2) providing supplemental information to the best practices gathered by regional centers to ensure that the information is relayed in a meaningful way to the Minnesota health care community;

(3) providing financial and technical support to Minnesota health care providers to encourage implementation of admission, discharge, and transfer alerts and care summary document exchange transactions, and to evaluate the impact of health information technology on cost and quality of care. Communications about available financial and technical support shall include clear information about the interoperable electronic health record requirements in subdivision 1, including a separate statement in boldface type clarifying the exceptions to those requirements;

(4) providing educational resources and technical assistance to health care providers and patients related to state and national privacy, security, and consent laws governing clinical health information, including the requirements of sections 144.291 to 144.298. In carrying out these activities, the commissioner's technical assistance does not constitute legal advice; and

(5) assessing Minnesota's legal, financial, and regulatory framework for health information exchange, including the requirements of sections 144.291 to 144.298, and making recommendations for modifications that would strengthen the ability of Minnesota health care providers to securely exchange data in compliance with patient preferences and in a way that is efficient and financially sustainable.

(c) The commissioner, in consultation with the e-Health Advisory Committee, shall monitor national activity related to health information technology and shall coordinate statewide input on policy development. The commissioner shall coordinate statewide responses to proposed federal health information technology regulations in order to ensure that the needs of the Minnesota health care community are adequately and efficiently addressed in the proposed regulations. The commissioner's responses may include, but are not limited to:

(1) reviewing and evaluating any standard, implementation specification, or certification criteria proposed by the national HIT standards committee;

(2) reviewing and evaluating policy proposed by the national HIT policy committee relating to the implementation of a nationwide health information technology infrastructure;

(3) monitoring and responding to activity related to the development of quality measures and other measures as required by section 4101 of the HITECH Act. Any response related to quality measures shall consider and address the quality efforts required under chapter 62U; and

(4) monitoring and responding to national activity related to privacy, security, and data stewardship of electronic health information and individually identifiable health information.

(d) To the extent that the state is either required or allowed to apply, or designate an entity to apply for or carry out activities and programs under section 3013 of the HITECH Act, the commissioner of health, in consultation with the e-Health Advisory Committee and the commissioner of human services, shall be the lead applicant or sole designating authority. The commissioner shall make such designations consistent with the goals and objectives of sections 62J.495 to 62J.497 and 62J.50 to 62J.61.

(e) The commissioner of human services shall apply for funding necessary to administer the incentive payments to providers authorized under title IV of the American Recovery and Reinvestment Act.

(f) The commissioner shall include in the report to the legislature information on the activities of this subdivision and provide recommendations on any relevant policy changes that should be considered in Minnesota.

Sec. 3. Minnesota Statutes 2014, section 62J.496, subdivision 1, is amended to read:

Subdivision 1. **Account establishment.** (a) An account is established to:

(1) finance the purchase of certified electronic health records or qualified electronic health records as defined in section 62J.495, subdivision 1a;

(2) enhance the utilization of electronic health record technology, which may include costs associated with upgrading the technology to meet the criteria necessary to be a certified electronic health record or a qualified electronic health record;

(3) train personnel in the use of electronic health record technology; and

(4) improve the secure electronic exchange of health information.

(b) Amounts deposited in the account, including any grant funds obtained through federal or other sources, loan repayments, and interest earned on the amounts shall be used only for awarding loans or loan guarantees, as a source of reserve and security for leveraged loans, for activities authorized in section 62J.495, subdivision 4, or for the administration of the account.

(c) The commissioner may accept contributions to the account from private sector entities subject to the following provisions:

(1) the contributing entity may not specify the recipient or recipients of any loan issued under this subdivision;

(2) the commissioner shall make public the identity of any private contributor to the loan fund, as well as the amount of the contribution provided;

(3) the commissioner may issue letters of commendation or make other awards that have no financial value to any such entity; and

(4) a contributing entity may not specify that the recipient or recipients of any loan use specific products or services, nor may the contributing entity imply that a contribution is an endorsement of any specific product or service.

(d) The commissioner may use the loan funds to reimburse private sector entities for any contribution made to the loan fund. Reimbursement to private entities may not exceed the principle amount contributed to the loan fund.

(e) The commissioner may use funds deposited in the account to guarantee, or purchase insurance for, a local obligation if the guarantee or purchase would improve credit market access or reduce the interest rate applicable to the obligation involved.

(f) The commissioner may use funds deposited in the account as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the state if the proceeds of the sale of the bonds will be deposited into the loan fund.

(h) The commissioner shall not award new loans or loan guarantees after July 1, 2016.

Sec. 4. **[144.1912] GREATER MINNESOTA FAMILY MEDICINE RESIDENCY GRANT PROGRAM.**

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

(b) "Commissioner" means the commissioner of health.

(c) "Eligible family medicine residency program" means a program that meets the following criteria:

(1) is located in Minnesota outside the seven-county metropolitan area as defined in section 473.121, subdivision 4;

(2) is accredited as a family medicine residency program or is a candidate for accreditation;

(3) is focused on the education and training of family medicine physicians to serve communities outside the metropolitan area; and

(4) demonstrates that over the most recent three years, at least 25 percent of its graduates practice in Minnesota communities outside the metropolitan area.

Subd. 2. **Program administration.** (a) The commissioner shall award family medicine residency grants to existing, eligible, not-for-profit family medicine residency programs to support current and new residency positions. Funds shall be allocated first to proposed new family medicine residency positions, and remaining funds shall be allocated proportionally based on the number of existing residents in eligible programs. The commissioner may fund a new residency position for up to three years.

(b) Grant funds awarded may only be spent to cover the costs of:

(1) establishing, maintaining, or expanding training for family medicine residents;

(2) recruitment, training, and retention of residents and faculty;

(3) travel and lodging for residents; and

(4) faculty, resident, and preceptor salaries.

(c) Grant funds shall not be used to supplant any other government or private funds available for these purposes.

Subd. 3. **Applications.** Eligible family medicine residency programs seeking a grant must apply to the commissioner. The application must include objectives, a related work plan and budget, a description of the number of new and existing residency positions that will be supported using grant funds, and additional information the commissioner determines to be necessary. The commissioner shall determine whether applications are complete and responsive and may require revisions or additional information before awarding a grant.

Subd. 4. **Program oversight.** The commissioner may require and collect from family medicine residency programs receiving grants any information necessary to administer and evaluate the program.

Sec. 5. Minnesota Statutes 2014, section 144.293, subdivision 2, is amended to read:

Subd. 2. **Patient consent to release of records.** (a) A provider, or a person who receives health records from a provider, may not release a patient's health records to a person without:

(1) a signed and dated consent from the patient or the patient's legally authorized representative authorizing the release;

(2) specific authorization in law; or

(3) a representation from a provider that holds a signed and dated consent from the patient authorizing the release.

(b) Any consent form signed by a patient must include an option to indicate "yes" or "no" to individual items for which the provider is requesting consent. The provider may not condition the patient's receipt of treatment on the patient's willingness to release records.

Sec. 6. Minnesota Statutes 2015 Supplement, section 144.4961, subdivision 3, is amended to read:

Subd. 3. **Rulemaking.** The commissioner of health shall adopt rules ~~for~~ establishing licensure requirements and ~~enforcement of applicable laws and rules~~ work standards relating to indoor radon in dwellings and other buildings, with the exception of newly constructed Minnesota homes according to section 326B.106, subdivision 6. The commissioner shall coordinate, oversee, and implement all state functions in matters concerning the presence, effects, measurement, and mitigation of risks of radon in dwellings and other buildings.

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

Sec. 7. Minnesota Statutes 2015 Supplement, section 144.4961, subdivision 4, is amended to read:

Subd. 4. **System tag.** All radon mitigation systems installed in Minnesota on or after ~~October 1, 2017~~ January 1, 2018, must have a radon mitigation system tag provided by the commissioner. A radon mitigation professional must attach the tag to the radon mitigation system in a visible location.

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

Sec. 8. Minnesota Statutes 2015 Supplement, section 144.4961, subdivision 5, is amended to read:

Subd. 5. **License required annually.** A license is required annually for every person, firm, or corporation that ~~sells a device or~~ performs a service for compensation to detect the presence of radon in the indoor atmosphere, performs laboratory analysis, or performs a service to mitigate radon in the indoor atmosphere. ~~This section does not apply to retail stores that only sell or distribute radon sampling but are not engaged in the manufacture of radon sampling devices.~~

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

Sec. 9. Minnesota Statutes 2015 Supplement, section 144.4961, subdivision 6, is amended to read:

Subd. 6. **Exemptions.** This section does not apply to:

(1) radon control systems installed in newly constructed Minnesota homes according to section 326B.106, subdivision 6, prior to the issuance of a certificate of occupancy ~~are not required to follow the requirements of this section.~~;

(2) employees of a firm or corporation that installs radon control systems in newly constructed Minnesota homes specified in clause (1);

(3) a person authorized as a building official under Minnesota Rules, part 1300.0110, or that person's designee; or

(4) any person, firm, corporation, or entity that distributes radon testing devices or information for general educational purposes.

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

Sec. 10. Minnesota Statutes 2015 Supplement, section 144.4961, subdivision 8, is amended to read:

Subd. 8. **Licensing fees.** (a) All radon license applications submitted to the commissioner of health must be accompanied by the required fees. If the commissioner determines that insufficient fees were paid, the necessary additional fees must be paid before the commissioner approves the application. The commissioner shall charge the following fees for each radon license:

(1) Each measurement professional license, ~~$300~~ $150 per year. "Measurement professional" means any person who performs a test to determine the presence and concentration of radon in a building ~~they do~~ the person does not own or lease~~; provides professional or expert advice on radon testing, radon exposure, or health risks related to radon exposure; or makes representations of doing any of these activities~~.

(2) Each mitigation professional license, ~~$500~~ $250 per year. "Mitigation professional" means an individual who ~~performs~~ installs or designs a radon mitigation system in a building ~~they do~~ the individual does not own or lease; ~~provides professional or expert advice on radon mitigation or radon entry routes;~~ or provides on-site

supervision of radon mitigation and mitigation technicians~~; or makes representations of doing any of these activities~~. "On-site supervision" means a review at the property of mitigation work upon completion of the work and attachment of a system tag. Employees or subcontractors who are supervised by a licensed mitigation professional are not required to be licensed under this clause. This license also permits the licensee to perform the activities of a measurement professional described in clause (1).

(3) Each mitigation company license, ~~$500~~ $100 per year. "Mitigation company" means any business or government entity that performs or authorizes employees to perform radon mitigation. This fee is waived if the mitigation company ~~is a sole proprietorship~~ employs only one licensed mitigation professional.

(4) Each radon analysis laboratory license, $500 per year. "Radon analysis laboratory" means a business entity or government entity that analyzes passive radon detection devices to determine the presence and concentration of radon in the devices. This fee is waived if the laboratory is a government entity and is only distributing test kits for the general public to use in Minnesota.

(5) Each Minnesota Department of Health radon mitigation system tag, $75 per tag. "Minnesota Department of Health radon mitigation system tag" or "system tag" means a unique identifiable radon system label provided by the commissioner of health.

(b) Fees collected under this section shall be deposited in the state treasury and credited to the state government special revenue fund.

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

Sec. 11. Minnesota Statutes 2015 Supplement, section 144.4961, is amended by adding a subdivision to read:

Subd. 10. **Local inspections or permits.** This section does not preclude local units of government from requiring additional permits or inspections for radon control systems, and does not supersede any local inspection or permit requirements.

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

Sec. 12. **[144.7011] PRESCRIPTION DRUG PRICE REPORTING.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions apply.

(b) "Available discount" means any reduction in the usual and customary price offered for a 30-day supply of a prescription drug to individuals in Minnesota regardless of their health insurance coverage.

(c) "Retail pharmacy" means any pharmacy licensed under section 151.19, and in the community/outpatient category under Minnesota Rules, part 6800.0350, that has a physical presence in Minnesota.

(d) "Retail price" means the price maintained by pharmacies as the usual and customary price offered for a 30-day supply to individuals in Minnesota regardless of the individual's health insurance coverage.

Subd. 2. **Prescription drug price information reporting.** By July 1, 2017, the commissioner of health shall establish an interactive Web site that allows retail pharmacies, on a voluntary basis, to list retail prices and available discounts for one or more of the 150 most commonly dispensed prescription drugs in Minnesota. The Web site must report the retail prices for prescription drugs by participating pharmacy and any time period restriction on an available discount. The Web site must allow consumers to search for prescription drug retail prices by drug name and class, by available discount level, and by city, county, and zip code. The commissioner shall consult annually with the commissioner of human services to determine the list of the 150 most commonly filled prescription drugs, based on prescription drug utilization in the medical assistance and MinnesotaCare programs.

Subd. 3. **Pharmacy duties.** Beginning on June 1, 2017, and on a monthly basis thereafter, all participating retail pharmacies shall submit retail prices and available discounts to the commissioner using a form developed by the commissioner. A retail pharmacy may opt out of the reporting system at any time, but shall notify the commissioner at least 60 days prior to opting out.

Subd. 4. **External vendors.** In carrying out the duties of this section, the commissioner may contract with an outside vendor for collection of data from pharmacies, and may also contract with an outside vendor for development and hosting of the interactive application, if this contract complies with the requirements of section 16E.016, paragraph (c).

Subd. 5. **Grounds for disciplinary action.** If the commissioner determines that a pharmacy has reported false or inaccurate information under this section, the commissioner may report this action to the Minnesota Board of Pharmacy as potential grounds for disciplinary action under section 151.071, subdivision 2, clause (9).

Sec. 13. Minnesota Statutes 2014, section 144A.471, subdivision 9, is amended to read:

Subd. 9. **Exclusions from home care licensure.** The following are excluded from home care licensure and are not required to provide the home care bill of rights:

(1) an individual or business entity providing only coordination of home care that includes one or more of the following:

(i) determination of whether a client needs home care services, or assisting a client in determining what services are needed;

(ii) referral of clients to a home care provider;

(iii) administration of payments for home care services; or

(iv) administration of a health care home established under section 256B.0751;

(2) an individual who is not an employee of a licensed home care provider if the individual:

(i) only provides services as an independent contractor to one or more licensed home care providers;

(ii) provides no services under direct agreements or contracts with clients; and

(iii) is contractually bound to perform services in compliance with the contracting home care provider's policies and service plans;

(3) a business that provides staff to home care providers, such as a temporary employment agency, if the business:

(i) only provides staff under contract to licensed or exempt providers;

(ii) provides no services under direct agreements with clients; and

(iii) is contractually bound to perform services under the contracting home care provider's direction and supervision;

(4) any home care services conducted by and for the adherents of any recognized church or religious denomination for its members through spiritual means, or by prayer for healing;

(5) an individual who only provides home care services to a relative;

(6) an individual not connected with a home care provider that provides assistance with basic home care needs if the assistance is provided primarily as a contribution and not as a business;

(7) an individual not connected with a home care provider that shares housing with and provides primarily housekeeping or homemaking services to an elderly or disabled person in return for free or reduced-cost housing;

(8) an individual or provider providing home-delivered meal services;

(9) an individual providing senior companion services and other older American volunteer programs (OAVP) established under the Domestic Volunteer Service Act of 1973, United States Code, title 42, chapter 66;

(10) an employee of a nursing home or home care provider licensed under this chapter or an employee of a boarding care home licensed under sections 144.50 to 144.56 who responds to occasional emergency calls from individuals residing in a residential setting that is attached to or located on property contiguous to the nursing home ~~or,~~ boarding care home, or location where home care services are also provided;

(11) an employee of a nursing home or home care provider licensed under this chapter or an employee of a boarding care home licensed under sections 144.50 to 144.56 who provides occasional minor services free of charge to individuals residing in a residential setting that is attached to or located on property contiguous to the nursing home, boarding care home, or location where home care services are also provided, for the occasional minor services provided free of charge;

~~(11)~~ (12) a member of a professional corporation organized under chapter 319B that does not regularly offer or provide home care services as defined in section 144A.43, subdivision 3;

~~(12)~~ (13) the following organizations established to provide medical or surgical services that do not regularly offer or provide home care services as defined in section 144A.43, subdivision 3: a business trust organized under sections 318.01 to 318.04, a nonprofit corporation organized under chapter 317A, a partnership organized under chapter 323, or any other entity determined by the commissioner;

~~(13)~~ (14) an individual or agency that provides medical supplies or durable medical equipment, except when the provision of supplies or equipment is accompanied by a home care service;

~~(14)~~ (15) a physician licensed under chapter 147;

~~(15)~~ (16) an individual who provides home care services to a person with a developmental disability who lives in a place of residence with a family, foster family, or primary caregiver;

~~(16)~~ (17) a business that only provides services that are primarily instructional and not medical services or health-related support services;

~~(17)~~ (18) an individual who performs basic home care services for no more than 14 hours each calendar week to no more than one client;

~~(18)~~ (19) an individual or business licensed as hospice as defined in sections 144A.75 to 144A.755 who is not providing home care services independent of hospice service;

~~(19)~~ (20) activities conducted by the commissioner of health or a community health board as defined in section 145A.02, subdivision 5, including communicable disease investigations or testing; or

~~(20)~~ (21) administering or monitoring a prescribed therapy necessary to control or prevent a communicable disease, or the monitoring of an individual's compliance with a health directive as defined in section 144.4172, subdivision 6.

Sec. 14. Minnesota Statutes 2014, section 144A.75, subdivision 5, is amended to read:

Subd. 5. **Hospice provider.** "Hospice provider" means an individual, organization, association, corporation, unit of government, or other entity that is regularly engaged in the delivery, directly or by contractual arrangement, of hospice services for a fee to ~~terminally ill~~ hospice patients. A hospice must provide all core services.

Sec. 15. Minnesota Statutes 2014, section 144A.75, subdivision 6, is amended to read:

Subd. 6. **Hospice patient.** "Hospice patient" means an individual ~~who has been diagnosed as terminally ill, with a probable life expectancy of under one year, as~~ whose illness has been documented by the individual's attending physician and hospice medical director, who alone or, when unable, through the individual's family has voluntarily consented to and received admission to a hospice provider, and who:

(1) has been diagnosed as terminally ill, with a probable life expectancy of under one year; or

(2) is 21 years of age or younger; has been diagnosed with a chronic, complex, and life-threatening illness contributing to a shortened life expectancy; and is not expected to survive to adulthood.

Sec. 16. Minnesota Statutes 2014, section 144A.75, subdivision 8, is amended to read:

Subd. 8. **Hospice services; hospice care.** "Hospice services" or "hospice care" means palliative and supportive care and other services provided by an interdisciplinary team under the direction of an identifiable hospice administration to ~~terminally ill~~ hospice patients and their families to meet the physical, nutritional, emotional, social, spiritual, and special needs experienced during the final stages of illness, dying, and bereavement, or during a chronic, complex, and life-threatening illness contributing to a shortened life expectancy. These services are provided through a centrally coordinated program that ensures continuity and consistency of home and inpatient care that is provided directly or through an agreement.

Sec. 17. Minnesota Statutes 2015 Supplement, section 144A.75, subdivision 13, is amended to read:

Subd. 13. **Residential hospice facility.** (a) "Residential hospice facility" means a facility that resembles a single-family home modified to address life safety, accessibility, and care needs, located in a residential area that directly provides 24-hour residential and support services in a home-like setting for hospice patients as an integral part of the continuum of home care provided by a hospice and that houses:

(1) no more than eight hospice patients; or

(2) at least nine and no more than 12 hospice patients with the approval of the local governing authority, notwithstanding section 462.357, subdivision 8.

(b) Residential hospice facility also means a facility that directly provides 24-hour residential and support services for hospice patients and that:

(1) houses no more than 21 hospice patients;

(2) meets hospice certification regulations adopted pursuant to title XVIII of the federal Social Security Act, United States Code, title 42, section 1395, et seq.; and

(3) is located on St. Anthony Avenue in St. Paul, Minnesota, and was licensed as a 40-bed non-Medicare certified nursing home as of January 1, 2015.

Sec. 18. Minnesota Statutes 2014, section 144A.75, is amended by adding a subdivision to read:

Subd. 13a. **Respite care.** "Respite care" means short-term care in an inpatient facility, such as a residential hospice facility, when necessary to relieve the hospice patient's family or other persons caring for the patient. Respite care may be provided on an occasional basis.

Sec. 19. Minnesota Statutes 2015 Supplement, section 145.4131, subdivision 1, is amended to read:

Subdivision 1. **Forms.** (a) Within 90 days of July 1, 1998, the commissioner shall prepare a reporting form for use by physicians or facilities performing abortions. A copy of this section shall be attached to the form. A physician or facility performing an abortion shall obtain a form from the commissioner.

(b) The form shall require the following information:

(1) the number of abortions performed by the physician in the previous calendar year, reported by month;

(2) the method used for each abortion;

(3) the approximate gestational age expressed in one of the following increments:

(i) less than nine weeks;

(ii) nine to ten weeks;

(iii) 11 to 12 weeks;

(iv) 13 to 15 weeks;

(v) 16 to 20 weeks;

(vi) 21 to 24 weeks;

(vii) 25 to 30 weeks;

(viii) 31 to 36 weeks; or

(ix) 37 weeks to term;

(4) the age of the woman at the time the abortion was performed;

(5) the specific reason for the abortion, including, but not limited to, the following:

(i) the pregnancy was a result of rape;

(ii) the pregnancy was a result of incest;

(iii) economic reasons;

(iv) the woman does not want children at this time;

(v) the woman's emotional health is at stake;

(vi) the woman's physical health is at stake;

(vii) the woman will suffer substantial and irreversible impairment of a major bodily function if the pregnancy continues;

(viii) the pregnancy resulted in fetal anomalies; or

(ix) unknown or the woman refused to answer;

(6) the number of prior induced abortions;

(7) the number of prior spontaneous abortions;

(8) whether the abortion was paid for by:

(i) private coverage;

(ii) public assistance health coverage; or

(iii) self-pay;

(9) whether coverage was under:

(i) a fee-for-service plan;

(ii) a capitated private plan; or

(iii) other;

(10) complications, if any, for each abortion and for the aftermath of each abortion. Space for a description of any complications shall be available on the form;

(11) the medical specialty of the physician performing the abortion; ~~and~~

(12) if the abortion was performed via telemedicine, the facility code for the patient and the facility code for the physician; and

~~(12)~~ (13) whether the abortion resulted in a born alive infant, as defined in section 145.423, subdivision 4, and:

(i) any medical actions taken to preserve the life of the born alive infant;

(ii) whether the born alive infant survived; and

(iii) the status of the born alive infant, should the infant survive, if known.

EFFECTIVE DATE. This section is effective January 1, 2017.

Sec. 20. Minnesota Statutes 2014, section 145.4716, subdivision 2, is amended to read:

Subd. 2. **Duties of director.** The director of child sex trafficking prevention is responsible for the following:

(1) developing and providing comprehensive training on sexual exploitation of youth for social service professionals, medical professionals, public health workers, and criminal justice professionals;

(2) collecting, organizing, maintaining, and disseminating information on sexual exploitation and services across the state, including maintaining a list of resources on the Department of Health Web site;

(3) monitoring and applying for federal funding for antitrafficking efforts that may benefit victims in the state;

(4) managing grant programs established under sections 145.4716 to 145.4718 and 609.3241, paragraph (c), clause (3);

(5) managing the request for proposals for grants for comprehensive services, including trauma-informed, culturally specific services;

(6) identifying best practices in serving sexually exploited youth, as defined in section 260C.007, subdivision 31;

(7) providing oversight of and technical support to regional navigators pursuant to section 145.4717;

(8) conducting a comprehensive evaluation of the statewide program for safe harbor of sexually exploited youth; and

(9) developing a policy consistent with the requirements of chapter 13 for sharing data related to sexually exploited youth, as defined in section 260C.007, subdivision 31, among regional navigators and community-based advocates.

Sec. 21. Minnesota Statutes 2014, section 145.4716, is amended by adding a subdivision to read:

Subd. 3. **Youth eligible for services.** Youth 24 years of age or younger shall be eligible for all services, support, and programs provided under this section and section 145.4717, and all shelter, housing beds, and services provided by the commissioner of human services to sexually exploited youth and youth at risk of sexual exploitation.

Sec. 22. **[145.908] GRANT PROGRAM; SCREENING AND TREATMENT FOR PRE- AND POSTPARTUM MOOD AND ANXIETY DISORDERS.**

Subdivision 1. **Grant program established.** Within the limits of federal funds available specifically for this purpose, the commissioner of health shall establish a grant program to provide culturally competent programs to screen and treat pregnant women and women who have given birth in the preceding 12 months for pre- and postpartum mood and anxiety disorders. Organizations may use grant funds to establish new screening or treatment programs, or expand or maintain existing screening or treatment programs. In establishing the grant program, the commissioner shall prioritize expanding or enhancing screening for pre- and postpartum mood and anxiety disorders in primary care settings. The commissioner shall determine the types of organizations eligible for grants.

Subd. 2. **Allowable uses of funds.** Grant funds awarded by the commissioner under this section:

(1) must be used to provide health care providers with appropriate training and relevant resources on screening, treatment, follow-up support, and links to community-based resources for pre- and postpartum mood and anxiety disorders; and

(2) may be used to:

(i) enable health care providers to provide or receive psychiatric consultations to treat eligible women for pre- and postpartum mood and anxiety disorders;

(ii) conduct a public awareness campaign;

(iii) fund startup costs for telephone lines, Web sites, and other resources to collect and disseminate information about screening and treatment for pre- and postpartum mood and anxiety disorders; or

(iv) establish connections between community-based resources.

Subd. 3. **Federal funds.** The commissioner shall apply for any available grant funds from the federal Department of Health and Human Services for this program.

Sec. 23. Minnesota Statutes 2014, section 149A.50, subdivision 2, is amended to read:

Subd. 2. **Requirements for funeral establishment.** A funeral establishment licensed under this section must:

(1) ~~contain a~~ comply with preparation and embalming room requirements as described in section 149A.92;

(2) contain office space for making arrangements; and

(3) comply with applicable local and state building codes, zoning laws, and ordinances.

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

Sec. 24. Minnesota Statutes 2015 Supplement, section 149A.92, subdivision 1, is amended to read:

Subdivision 1. **Establishment update.** ~~(a) Notwithstanding subdivision 11, a funeral establishment with other establishment locations that uses one preparation and embalming room for all establishment locations has until July 1, 2017, to bring the other establishment locations that are not used for preparation or embalming into compliance with this section so long as the preparation and embalming room that is used complies with the minimum standards in this section.~~

~~(b) At the time that ownership of a funeral establishment changes, the physical location of the establishment changes, or the building housing the funeral establishment or business space of the establishment is remodeled the existing preparation and embalming room must be brought into compliance with the minimum standards in this section and in accordance with subdivision 11.~~

(a) Any room used by a funeral establishment for preparation and embalming must comply with the minimum standards of this section. A funeral establishment where no preparation and embalming is performed, but which conducts viewings, visitations, and services, or which holds human remains while awaiting final disposition, need not comply with the minimum standards of this section.

(b) Each funeral establishment must have a preparation and embalming room that complies with the minimum standards of this section, except that a funeral establishment that operates branch locations need only have one compliant preparation and embalming room for all locations.

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

Sec. 25. Minnesota Statutes 2014, section 157.15, subdivision 14, is amended to read:

Subd. 14. **Special event food stand.** "Special event food stand" means a food and beverage service establishment which is used in conjunction with celebrations and special events, and which operates ~~no more than three times annually~~ for no more than ten total days within the applicable license period.

Sec. 26. Minnesota Statutes 2014, section 327.14, subdivision 9, is amended to read:

Subd. 9. **Special event recreational camping area.** "Special event recreational camping area" means a recreational camping area which operates no more than two times annually and for no more than 14 consecutive days. Special event camping does not include any club, group, organization, or association that in the course of its operations sponsors an event that includes camping where that camping event portrays or deals with historical reenactments or the history and culture of Minnesota or the United States of America, or is of educational value.

Sec. 27. Minnesota Statutes 2014, section 609.3241, is amended to read:

609.3241 PENALTY ASSESSMENT AUTHORIZED.

(a) When a court sentences an adult convicted of violating section 609.322 or 609.324, while acting other than as a prostitute, the court shall impose an assessment of not less than $500 and not more than $750 for a violation of section 609.324, subdivision 2, or a misdemeanor violation of section 609.324, subdivision 3; otherwise the court shall impose an assessment of not less than $750 and not more than $1,000. The assessment shall be distributed as provided in paragraph (c) and is in addition to the surcharge required by section 357.021, subdivision 6.

(b) The court may not waive payment of the minimum assessment required by this section. If the defendant qualifies for the services of a public defender or the court finds on the record that the convicted person is indigent or that immediate payment of the assessment would create undue hardship for the convicted person or that person's immediate family, the court may reduce the amount of the minimum assessment to not less than $100. The court also may authorize payment of the assessment in installments.

(c) The assessment collected under paragraph (a) must be distributed as follows:

(1) 40 percent of the assessment shall be forwarded to the political subdivision that employs the arresting officer for use in enforcement, training, and education activities related to combating sexual exploitation of youth, or if the arresting officer is an employee of the state, this portion shall be forwarded to the commissioner of public safety for those purposes identified in clause (3);

(2) 20 percent of the assessment shall be forwarded to the prosecuting agency that handled the case for use in training and education activities relating to combating sexual exploitation activities of youth; and

(3) 40 percent of the assessment must be forwarded to the commissioner of ~~public safety~~ health to be deposited in the safe harbor for youth account in the special revenue fund and are appropriated to the commissioner for distribution to crime victims services organizations that provide services to sexually exploited youth, as defined in section 260C.007, subdivision 31.

(d) A safe harbor for youth account is established as a special account in the state treasury.

Sec. 28. Laws 2015, chapter 71, article 8, section 24, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective July 1, 2015, except subdivisions 4 and 5, which are effective ~~October 1, 2017~~ January 1, 2018.

Sec. 29. **EXPANDING ELIGIBILITY FOR DESIGNATION AS A CRITICAL ACCESS HOSPITAL.**

(a) The commissioner of health is encouraged to contact Minnesota's federal elected officials and pursue all necessary changes to the Medicare rural hospital flexibility program established in United States Code, title 42, section 1395i-4 to expand the number of rural hospitals that are eligible for designation as a critical access hospital. In the request for program changes, the commissioner shall seek authority to designate any hospital that applies for designation as a critical access hospital if the hospital:

(1) is located in a Minnesota county that is a rural area as defined in United States Code, title 42, section 1395ww(d)(2)(D). A hospital is not required to be located 35 miles from another hospital, or 15 miles from another hospital if located in mountainous terrain or in an area with only secondary roads; and

(2) is licensed under sections 144.50 to 144.56 and is certified to participate in the Medicare program.

(b) The commissioner shall determine other eligibility criteria for which program changes should be requested, in order to expand eligibility for designation as a critical access hospital to the greatest number of rural hospitals in the state. The commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over health care finance and policy by January 1, 2017, on the status of the request for program changes.

Sec. 30. **REPEALER.**

Minnesota Statutes 2014, section 149A.92, subdivision 11, is repealed the day following final enactment.

ARTICLE 5
CHEMICAL AND MENTAL HEALTH

Section 1. Minnesota Statutes 2015 Supplement, section 245.735, subdivision 3, is amended to read:

Subd. 3. ~~**Reform projects**~~ **Certified community behavioral health clinics.** (a) The commissioner shall establish ~~standards for~~ a state certification ~~of clinics as~~ process for certified community behavioral health clinics~~, in accordance~~ (CCBHCs) to be eligible for the prospective payment system in paragraph (f). Entities that choose to be CCBHCs must:

(1) comply with the CCBHC criteria published ~~on or before September 1, 2015,~~ by the United States Department of Health and Human Services~~. Certification standards established by the commissioner shall require that:~~;

~~(1)~~ (2) employ or contract for clinic staff who have backgrounds in diverse disciplines, ~~include~~ including licensed mental health professionals, and staff who are culturally and linguistically trained to serve the needs of the clinic's patient population;

~~(2)~~ (3) ensure that clinic services are available and accessible to patients of all ages and genders and that crisis management services are available 24 hours per day;

~~(3)~~ (4) establish fees for clinic services ~~are established~~ for non-medical assistance patients using a sliding fee scale ~~and~~ that ensures that services to patients are not denied or limited due to a patient's inability to pay for services;

~~(4) clinics provide coordination of care across settings and providers to ensure seamless transitions for patients across the full spectrum of health services, including acute, chronic, and behavioral needs. Care coordination may be accomplished through partnerships or formal contracts with federally qualified health centers, inpatient~~

~~psychiatric facilities, substance use and detoxification facilities, community-based mental health providers, and other community services, supports, and providers including schools, child welfare agencies, juvenile and criminal justice agencies, Indian Health Services clinics, tribally licensed health care and mental health facilities, urban Indian health clinics, Department of Veterans Affairs medical centers, outpatient clinics, drop-in centers, acute care hospitals, and hospital outpatient clinics;~~

(5) comply with quality assurance reporting requirements and other reporting requirements, including any required reporting of encounter data, clinical outcomes data, and quality data;

~~(5) services provided by clinics include~~ (6) provide crisis mental health services, withdrawal management services, emergency crisis intervention services, and stabilization services; screening, assessment, and diagnosis services, including risk assessments and level of care determinations; patient-centered treatment planning; outpatient mental health and substance use services; targeted case management; psychiatric rehabilitation services; peer support and counselor services and family support services; and intensive community-based mental health services, including mental health services for members of the armed forces and veterans; ~~and~~

~~(6) clinics comply with quality assurance reporting requirements and other reporting requirements, including any required reporting of encounter data, clinical outcomes data, and quality data.~~

(7) provide coordination of care across settings and providers to ensure seamless transitions for patients across the full spectrum of health services, including acute, chronic, and behavioral needs. Care coordination may be accomplished through partnerships or formal contracts with:

(i) counties, health plans, pharmacists, pharmacies, rural health clinics, federally qualified health centers, inpatient psychiatric facilities, substance use and detoxification facilities, and community-based mental health providers; and

(ii) other community services, supports, and providers including schools, child welfare agencies, juvenile and criminal justice agencies, Indian Health Services clinics, tribally licensed health care and mental health facilities, urban Indian health clinics, Department of Veterans Affairs medical centers, outpatient clinics, drop-in centers, acute care hospitals, and hospital outpatient clinics;

(8) be certified as mental health clinics under section 245.69, subdivision 2;

(9) comply with standards relating to integrated treatment for co-occurring mental illness and substance use disorders in adults or children under Minnesota Rules, chapter 9533;

(10) comply with standards relating to mental health services in Minnesota Rules, parts 9505.0370 to 9505.0372;

(11) be licensed to provide chemical dependency treatment under Minnesota Rules, parts 9530.6405 to 9530.6505;

(12) be certified to provide children's therapeutic services and supports under section 256B.0943;

(13) be certified to provide adult rehabilitative mental health services under section 256B.0623;

(14) be enrolled to provide mental health crisis response services under section 256B.0624;

(15) be enrolled to provide mental health targeted case management under section 256B.0625, subdivision 20;

(16) comply with standards relating to mental health case management in Minnesota Rules, parts 9520.0900 to 9520.0926; and

(17) provide services that comply with the evidence-based practices described in paragraph (e).

(b) If an entity is unable to provide one or more of the services listed in paragraph (a), clauses (6) to (17), the commissioner may certify the entity as a CCBHC, if the entity has a current contract with another entity that has the required authority to provide that service and that meets federal CCBHC criteria as a designated collaborating organization, or, to the extent allowed by the federal CCBHC criteria, the commissioner may approve a referral arrangement. The CCBHC must meet federal requirements regarding the type and scope of services to be provided directly by the CCBHC.

(c) Notwithstanding other law that requires a county contract or other form of county approval for certain services listed in paragraph (a), clause (6), a clinic that otherwise meets CCBHC requirements may receive the prospective payment under paragraph (f) for those services without a county contract or county approval. There is no county share when medical assistance pays the CCBHC prospective payment. As part of the certification process in paragraph (a), the commissioner shall require a letter of support from the CCBHC's host county confirming that the CCBHC and the counties it serves have an ongoing relationship to facilitate access and continuity of care, especially for individuals who are uninsured or who may go on and off medical assistance.

(d) In situations where the standards in paragraph (a) or other applicable standards conflict or address similar issues in duplicative or incompatible ways, the commissioner may grant variances to state requirements as long as the variances do not conflict with federal requirements. In situations where standards overlap, the commissioner may decide to substitute all or a part of a licensure or certification that is substantially the same as another licensure or certification. The commissioner shall consult with stakeholders, as described in subdivision 4, before granting variances under this provision.

(e) The commissioner shall issue a list of required and recommended evidence-based practices to be delivered by CCBHCs. The commissioner may update the list to reflect advances in outcomes research and medical services for persons living with mental illnesses or substance use disorders. The commissioner shall take into consideration the adequacy of evidence to support the efficacy of the practice, the quality of workforce available, and the current availability of the practice in the state. At least 30 days before issuing the initial list and any revisions, the commissioner shall provide stakeholders with an opportunity to comment.

~~(b)~~ (f) The commissioner shall establish standards and methodologies for a prospective payment system for medical assistance payments for mental health services delivered by certified community behavioral health clinics, in accordance with guidance issued ~~on or before September 1, 2015,~~ by the Centers for Medicare and Medicaid Services. During the operation of the demonstration project, payments shall comply with federal requirements for ~~a 90 percent~~ an enhanced federal medical assistance percentage. The commissioner may include quality bonus payments in the prospective payment system based on federal criteria and on a clinic's provision of the evidence-based practices in paragraph (e). The prospective payments system does not apply to MinnesotaCare. Implementation of the prospective payment system is effective July 1, 2017, or upon federal approval, whichever is later.

(g) The commissioner shall seek federal approval to continue federal financial participation in payment for CCBHC services after the federal demonstration period ends for clinics that were certified as CCBHCs during the demonstration period and that continue to meet the CCBHC certification standards in paragraph (a). Payment for CCBHC services shall cease effective July 1, 2019, if continued federal financial participation for the payment of CCBHC services cannot be obtained.

(h) To the extent allowed by federal law, the commissioner may limit the number of certified clinics so that the projected claims for certified clinics will not exceed the funds budgeted for this purpose. The commissioner shall give preference to clinics that:

(1) are located in both rural and urban areas, with at least one in each, as defined by federal criteria;

(2) provide a comprehensive range of services and evidence-based practices for all age groups, with services being fully coordinated and integrated; and

(3) enhance the state's ability to meet the federal priorities to be selected as a CCBHC demonstration state.

(i) The commissioner shall recertify CCBHCs at least every three years. The commissioner shall establish a process for decertification and shall require corrective action, medical assistance repayment, or decertification of a CCBHC that no longer meets the requirements in this section or that fails to meet the standards provided by the commissioner in the application and certification process.

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

Sec. 2. Minnesota Statutes 2015 Supplement, section 245.735, subdivision 4, is amended to read:

Subd. 4. **Public participation.** In developing ~~the projects~~ and implementing certified community behavioral health clinics under subdivision 3, the commissioner shall consult, collaborate, and partner with stakeholders, including but not limited to mental health providers, substance use disorder treatment providers, advocacy organizations, licensed mental health professionals, counties, tribes, hospitals, other health care providers, and Minnesota public health care program enrollees who receive mental health services and their families.

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

Sec. 3. Minnesota Statutes 2014, section 245.99, subdivision 2, is amended to read:

Subd. 2. **Rental assistance.** The program shall pay up to 90 days of housing assistance for persons with a serious ~~and persistent~~ mental illness who require inpatient or residential care for stabilization. The commissioner of human services may extend the length of assistance on a case-by-case basis.

Sec. 4. Minnesota Statutes 2014, section 254B.03, subdivision 4, is amended to read:

Subd. 4. **Division of costs.** Except for services provided by a county under section 254B.09, subdivision 1, or services provided under section 256B.69 or 256D.03, subdivision 4, paragraph (b), the county shall, out of local money, pay the state for ~~22.95~~ 15 percent of the cost of chemical dependency services, including those services provided to persons eligible for medical assistance under chapter 256B and general assistance medical care under chapter 256D. Counties may use the indigent hospitalization levy for treatment and hospital payments made under this section. ~~22.95~~ Fifteen percent of any state collections from private or third-party pay, less 15 percent for the cost of payment and collections, must be distributed to the county that paid for a portion of the treatment under this section.

EFFECTIVE DATE. This section is effective July 1, 2016, and expires June 30, 2017.

Sec. 5. Minnesota Statutes 2014, section 254B.04, subdivision 2a, is amended to read:

Subd. 2a. **Eligibility for treatment in residential settings.** Notwithstanding provisions of Minnesota Rules, part 9530.6622, subparts 5 and 6, related to an assessor's discretion in making placements to residential treatment settings, a person eligible for services under this section must score at level 4 on assessment dimensions related to

relapse, continued use, or recovery environment in order to be assigned to services with a room and board component reimbursed under this section. Whether a treatment facility has been designated an institution for mental diseases under United States Code, title 42, section 1396d, shall not be a factor in making placements.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 6. Minnesota Statutes 2014, section 254B.06, subdivision 2, is amended to read:

Subd. 2. **Allocation of collections.** The commissioner shall allocate all federal financial participation collections to a special revenue account. The commissioner shall allocate ~~77.05~~ 85 percent of patient payments and third-party payments to the special revenue account and ~~22.95~~ 15 percent to the county financially responsible for the patient.

EFFECTIVE DATE. This section is effective July 1, 2016, and expires June 30, 2017.

Sec. 7. Minnesota Statutes 2014, section 254B.06, is amended by adding a subdivision to read:

Subd. 4. **Reimbursement for institutions for mental diseases.** The commissioner shall not deny reimbursement to a program designated as an institution for mental diseases under United States Code, title 42, section 1396d, due to a reduction in federal financial participation and the addition of new residential beds.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 8. **[254B.15] PILOT PROJECTS; TREATMENT FOR PREGNANT AND POSTPARTUM WOMEN WITH SUBSTANCE USE DISORDER.**

Subdivision 1. **Pilot projects established.** (a) Within the limits of federal funds available specifically for this purpose, the commissioner of human services shall establish pilot projects to provide substance use disorder treatment and services to pregnant and postpartum women with a primary diagnosis of substance use disorder, including opioid use disorder. Pilot projects funded under this section must:

(1) promote flexible uses of funds to provide treatment and services to pregnant and postpartum women with substance use disorders;

(2) fund family-based treatment and services for pregnant and postpartum women with substance use disorders;

(3) identify gaps in services along the continuum of care that are provided to pregnant and postpartum women with substance use disorders; and

(4) encourage new approaches to service delivery and service delivery models.

(b) A pilot project funded under this section must provide at least a portion of its treatment and services to women who receive services on an outpatient basis.

Subd. 2. **Federal funds.** The commissioner shall apply for any available grant funds from the federal Center for Substance Abuse Treatment for these pilot projects.

Sec. 9. Minnesota Statutes 2014, section 256B.0621, subdivision 10, is amended to read:

Subd. 10. **Payment rates.** The commissioner shall set payment rates for targeted case management under this subdivision. Case managers may bill according to the following criteria:

(1) for relocation targeted case management, case managers may bill for direct case management activities, including face-to-face ~~and~~, telephone contacts, and interactive video contact in accordance with section 256B.0924, subdivision 4a, in the lesser of:

(i) 180 days preceding an eligible recipient's discharge from an institution; or

(ii) the limits and conditions which apply to federal Medicaid funding for this service;

(2) for home care targeted case management, case managers may bill for direct case management activities, including face-to-face and telephone contacts; and

(3) billings for targeted case management services under this subdivision shall not duplicate payments made under other program authorities for the same purpose.

Sec. 10. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 20, is amended to read:

Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the state agency, medical assistance covers case management services to persons with serious and persistent mental illness and children with severe emotional disturbance. Services provided under this section must meet the relevant standards in sections 245.461 to 245.4887, the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

(b) Entities meeting program standards set out in rules governing family community support services as defined in section 245.4871, subdivision 17, are eligible for medical assistance reimbursement for case management services for children with severe emotional disturbance when these services meet the program standards in Minnesota Rules, parts 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

(c) Medical assistance and MinnesotaCare payment for mental health case management shall be made on a monthly basis. In order to receive payment for an eligible child, the provider must document at least a face-to-face contact with the child, the child's parents, or the child's legal representative. To receive payment for an eligible adult, the provider must document:

(1) at least a face-to-face contact with the adult or the adult's legal representative or a contact by interactive video that meets the requirements of subdivision 20b; or

(2) at least a telephone contact with the adult or the adult's legal representative and document a face-to-face contact or a contact by interactive video that meets the requirements of subdivision 20b with the adult or the adult's legal representative within the preceding two months.

(d) Payment for mental health case management provided by county or state staff shall be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph (b), with separate rates calculated for child welfare and mental health, and within mental health, separate rates for children and adults.

(e) Payment for mental health case management provided by Indian health services or by agencies operated by Indian tribes may be made according to this section or other relevant federally approved rate setting methodology.

(f) Payment for mental health case management provided by vendors who contract with a county or Indian tribe shall be based on a monthly rate negotiated by the host county or tribe. The negotiated rate must not exceed the rate charged by the vendor for the same service to other payers. If the service is provided by a team of contracted vendors, the county or tribe may negotiate a team rate with a vendor who is a member of the team. The team shall determine how to distribute the rate among its members. No reimbursement received by contracted vendors shall be returned to the county or tribe, except to reimburse the county or tribe for advance funding provided by the county or tribe to the vendor.

(g) If the service is provided by a team which includes contracted vendors, tribal staff, and county or state staff, the costs for county or state staff participation in the team shall be included in the rate for county-provided services. In this case, the contracted vendor, the tribal agency, and the county may each receive separate payment for services provided by each entity in the same month. In order to prevent duplication of services, each entity must document, in the recipient's file, the need for team case management and a description of the roles of the team members.

(h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for mental health case management shall be provided by the recipient's county of responsibility, as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds used to match other federal funds. If the service is provided by a tribal agency, the nonfederal share, if any, shall be provided by the recipient's tribe. When this service is paid by the state without a federal share through fee-for-service, 50 percent of the cost shall be provided by the recipient's county of responsibility.

(i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance, general assistance medical care, and MinnesotaCare include mental health case management. When the service is provided through prepaid capitation, the nonfederal share is paid by the state and the county pays no share.

(j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider that does not meet the reporting or other requirements of this section. The county of responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency, is responsible for any federal disallowances. The county or tribe may share this responsibility with its contracted vendors.

(k) The commissioner shall set aside a portion of the federal funds earned for county expenditures under this section to repay the special revenue maximization account under section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

(1) the costs of developing and implementing this section; and

(2) programming the information systems.

(l) Payments to counties and tribal agencies for case management expenditures under this section shall only be made from federal earnings from services provided under this section. When this service is paid by the state without a federal share through fee-for-service, 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors shall include the federal earnings, the state share, and the county share.

(m) Case management services under this subdivision do not include therapy, treatment, legal, or outreach services.

(n) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital, and the recipient's institutional care is paid by medical assistance, payment for case management services under this subdivision is limited to the lesser of:

(1) the last 180 days of the recipient's residency in that facility and may not exceed more than six months in a calendar year; or

(2) the limits and conditions which apply to federal Medicaid funding for this service.

(o) Payment for case management services under this subdivision shall not duplicate payments made under other program authorities for the same purpose.

(p) If the recipient is receiving care in a hospital, nursing facility, or a residential setting licensed under chapter 245A or 245D that is staffed 24 hours per day, seven days per week, mental health targeted case management services must actively support identification of community alternatives and discharge planning for the recipient.

Sec. 11. Minnesota Statutes 2014, section 256B.0625, is amended by adding a subdivision to read:

Subd. 20b. **Mental health targeted case management through interactive video.** (a) Subject to federal approval, contact made for targeted case management by interactive video shall be eligible for payment under section 256B.0924, subdivision 6, if:

(1) the person receiving targeted case management services is residing in:

(i) a hospital;

(ii) a nursing facility; or

(iii) a residential setting licensed under chapter 245A or 245D, or a boarding and lodging establishment or a lodging establishment that provides supportive services or health supervision services according to section 157.17, that is staffed 24 hours per day, seven days per week;

(2) interactive video is in the best interests of the person and is deemed appropriate by the person receiving targeted case management or the person's legal guardian, the case management provider, and the provider operating the setting where the person is residing;

(3) the use of interactive video is approved as part of the person's written personal service or case plan taking into consideration the person's vulnerability and active personal relationships; and

(4) interactive video is used for up to, but not more than, 50 percent of the minimum required face-to-face contacts.

(b) The person receiving targeted case management or the person's legal guardian has the right to choose and consent to the use of interactive video under this subdivision and has the right to refuse the use of interactive video at any time.

(c) The commissioner shall establish criteria that a targeted case management provider must attest to in order to demonstrate the safety or efficacy of delivering the service via interactive video. The attestation may include that the case management provider has:

(1) written policies and procedures specific to interactive video services that are regularly reviewed and updated;

(2) policies and procedures that adequately address client safety before, during, and after the interactive video services are rendered;

(3) established protocols addressing how and when to discontinue interactive video services; and

(4) established a quality assurance process related to interactive video services.

(d) As a condition of payment, the targeted case management provider must document the following for each occurrence of targeted case management provided by interactive video:

(1) the time the service began and the time the service ended, including an a.m. and p.m. designation;

(2) the basis for determining that interactive video is an appropriate and effective means for delivering the service to the person receiving case management services;

(3) the mode of transmission of the interactive video services and records evidencing that a particular mode of transmission was utilized;

(4) the location of the originating site and the distant site; and

(5) compliance with the criteria attested to by the targeted case management provider as provided in paragraph (c).

Sec. 12. Minnesota Statutes 2014, section 256B.0924, is amended by adding a subdivision to read:

Subd. 4a. **Targeted case management through interactive video.** (a) Subject to federal approval, contact made for targeted case management by interactive video shall be eligible for payment under subdivision 6 if:

(1) the person receiving targeted case management services is residing in:

(i) a hospital;

(ii) a nursing facility;

(iii) a residential setting licensed under chapter 245A or 245D, or a boarding and lodging establishment or a lodging establishment that provides supportive services or health supervision services according to section 157.17, that is staffed 24 hours per day, seven days per week;

(2) interactive video is in the best interests of the person and is deemed appropriate by the person receiving targeted case management or the person's legal guardian, the case management provider, and the provider operating the setting where the person is residing;

(3) the use of interactive video is approved as part of the person's written personal service or case plan; and

(4) interactive video is used for up to, but not more than, 50 percent of the minimum required face-to-face contacts.

(b) The person receiving targeted case management or the person's legal guardian has the right to choose and consent to the use of interactive video under this subdivision and has the right to refuse the use of interactive video at any time.

(c) The commissioner shall establish criteria that a targeted case management provider must attest to in order to demonstrate the safety or efficacy of delivering the service via interactive video. The attestation may include that the case management provider has:

(1) written policies and procedures specific to interactive video services that are regularly reviewed and updated;

(2) policies and procedures that adequately address client safety before, during, and after the interactive video services are rendered;

(3) established protocols addressing how and when to discontinue interactive video services; and

(4) established a quality assurance process related to interactive video services.

(d) As a condition of payment, the targeted case management provider must document the following for each occurrence of targeted case management provided by interactive video:

(1) the time the service began and the time the service ended, including an a.m. and p.m. designation;

(2) the basis for determining that interactive video is an appropriate and effective means for delivering the service to the person receiving case management services;

(3) the mode of transmission of the interactive video services and records evidencing that a particular mode of transmission was utilized;

(4) the location of the originating site and the distant site; and

(5) compliance with the criteria attested to by the targeted case management provider as provided in paragraph (c).

Sec. 13. **COMMISSIONER DUTY TO SEEK FEDERAL APPROVAL.**

The commissioner of human services shall seek federal approval that is necessary to implement Minnesota Statutes, sections 256B.0621, subdivision 10, and 256B.0625, subdivision 20, for interactive video contact.

Sec. 14. **RURAL DEMONSTRATION PROJECT.**

(a) Children's mental health collaboratives under Minnesota Statutes, section 245.493, are eligible to apply for grant funding under this section. The commissioner shall solicit proposals and select the proposal that best meets the requirements under paragraph (c). Only one demonstration project may be funded under this section.

(b) The demonstration project must:

(1) support youth served to achieve, within their potential, their personal goals in employment, education, living situation, personal effectiveness, and community life functioning;

(2) build on and streamline transition services by identifying rural youth ages 15 to 25 currently in the mental health system or with emerging mental health conditions;

(3) provide individualized motivational coaching;

(4) build needed social supports;

(5) demonstrate how services can be enhanced for youth to successfully navigate the complexities associated with their unique needs;

(6) utilize all available funding streams;

(7) evaluate the effectiveness of the project; and

(8) compare differences in outcomes and costs to youth without previous access to this project.

(c) The commissioner shall report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over mental health issues on the status and outcomes of the demonstration project by January 15, 2019. The children's mental health collaboratives administering the demonstration project shall collect and report outcome data, per guidelines approved by the commissioner, to support the development of this report.

ARTICLE 6
CHILDREN AND FAMILIES

Section 1. Minnesota Statutes 2014, section 119B.13, subdivision 1, is amended to read:

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

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

(c) The department shall monitor the effect of this paragraph on provider rates. The county shall pay the provider's full charges for every child in care up to the maximum established. The commissioner shall determine the maximum rate for each type of care on an hourly, full-day, and weekly basis, including special needs and disability care. The maximum payment to a provider for one day of care must not exceed the daily rate. The maximum payment to a provider for one week of care must not exceed the weekly rate.

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

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

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

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

EFFECTIVE DATE. This section is effective September 11, 2017.

Sec. 2. **[245A.043] ELECTRONIC APPLICATION; INFORMATION.**

(a) The commissioner, in consultation with child care providers, shall conduct a feasibility study regarding the development of a single, easily accessible Web site that complies with the requirements contained in the federal reauthorization of the federal Child Care Development Fund. In conducting the study, the commissioner shall review current child care licensing processes and regulations in order to determine methods by which the commissioner can streamline processes for current and prospective child care providers including but not limited to applications for licensure, license renewals, and provider record keeping. As part of this review, the commissioner must evaluate the feasibility of developing an online system that would allow child care providers and prospective child care providers to:

(1) access a guide on how to start a child care business;

(2) access all applicable statutes, administrative rules, and agency policies and procedures, including training requirements;

(3) access up-to-date contact information for state and county agency licensing staff;

(4) access information on the availability of grant programs and other resources for providers;

(5) use an online reimbursement tool for payment under the child care assistance programs; and

(6) submit a single electronic application and license renewal, including all supporting documentation required by the commissioner, information related to child care assistance program registration, and application for rating in the quality rating and improvement system.

(b) The commissioner shall submit the feasibility study to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over child care by September 30, 2016.

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

Sec. 3. **[245A.055] NOTIFICATION TO PROVIDER.**

(a) When the county employee responsible for family child care and group family child care licensing conducts a licensing inspection or conducts a home visit, the employee must provide, prior to departure from the residence or facility, a written notification to the licensee of any potential licensing violations noted. The notification must include the condition that constitutes the violation, the action that must be taken to correct the condition, and the time allowed to correct the violation.

(b) Providing this notification to the licensee does not relieve the county employee from notifying the commissioner of the violation as required by statute and administrative rule.

Sec. 4. **[245A.23] POSITIVE SUPPORT STRATEGIES.**

(a) The commissioner of human services, in conjunction with licensed programs that provide group family day care and family day care under Minnesota Rules, chapter 9502, and child care centers licensed under Minnesota Rules, chapter 9503, must review and evaluate the applicability of Minnesota Rules, chapter 9544, the positive support strategies and restrictive interventions rules, to child care programs. The commissioner must consider the undue hardship, including increased cost and reduction in child care services, experienced by child care providers and child care centers as a result of the application of Minnesota Rules, chapter 9544. The commissioner must determine which rules must apply to each type of program, to what extent each rule must apply, and consider granting variances to the requirements to programs that submit a request for a variance. The commissioner must complete this review and evaluation process of the applicability of Minnesota Rules, chapter 9544, to child care programs no later than December 31, 2016. The commissioner must submit a written plan to modify application of rules for child care programs to the house of representatives and senate committees with jurisdiction over child care no later than January 15, 2017.

(b) Until the commissioner has completed the review and evaluation process and submitted a written plan to the legislature required under paragraph (a), programs licensed as family day care and group family day care facilities under Minnesota Rules, chapter 9502, and programs licensed as child care centers under Minnesota Rules, chapter 9503, are exempt from the following rules:

(1) Minnesota Rules, part 9544.0040, functional behavior assessment, unless the child has a case manager under section 256B.092, subdivision 1a, paragraph (e); and

(2) Minnesota Rules, part 9544.0090, staff qualifications and training.

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

Sec. 5. **[245A.55] TRAINING FOR COUNTY LICENSING STAFF ON FAMILY CHILD CARE AND GROUP FAMILY CHILD CARE REQUIREMENTS; SUPERVISION.**

(a) Within the first two months of employment, county staff who license and inspect family child care and group family child care programs must complete at least eight hours of training on state statutes, administrative rules, and department policies related to the licensing and regulation of family child care and group family child care programs. The department must develop the training curriculum to ensure that all county staff who perform licensing and inspection functions receive uniform training. This training must include:

(1) explicit instructions that county staff who license and perform inspections must apply only state statutes, administrative rules, and Department of Human Services policies in the performance of their duties. Training must reinforce that county staff are prohibited from imposing standards or requirements that are not imposed by statute, rule, or approved state policy;

(2) the rights of license holders, including their grievance and appeal rights. This training must include information on the responsibility of the county staff to inform license holders of their rights, including grievance and appeal rights; and

(3) the procedure for county staff to seek clarification from the Department of Human Services prior to issuing a correction order or other notice of violation to a license holder if there is a dispute between the license holder and the county licensor regarding the applicability of a statute or rule to the alleged violation.

(b) To ensure consistency among all licensing staff, the commissioner must develop a procedure by which the department will implement increased training and oversight of county staff who perform licensing functions related to family child care licensing. This procedure must ensure that the commissioner conducts at least biennial reviews of county licensing performance.

(c) Each calendar year, county agency staff who license and regulate family child care providers and group family child care providers and their supervisors must receive notice from the commissioner on new laws enacted or adopted in the previous 12-month period relating to family child care providers and group family child care providers. The commissioner shall provide the notices each year to include information on new laws and disseminate the notices to county agencies.

Sec. 6. Minnesota Statutes 2014, section 256D.051, subdivision 6b, is amended to read:

Subd. 6b. **Federal reimbursement.** (a) Federal financial participation from the United States Department of Agriculture for food stamp employment and training expenditures that are eligible for reimbursement through the food stamp employment and training program are dedicated funds and are annually appropriated to the commissioner of human services for the operation of the food stamp employment and training program.

(b) The appropriation must be used for skill attainment through employment, training, and support services for food stamp participants. By February 15, 2017, the commissioner shall report to the chairs and ranking minority members of the legislative committees having jurisdiction over the food stamp program on the progress of securing additional federal reimbursement dollars under this program.

(c) Federal financial participation for the nonstate portion of food stamp employment and training costs must be paid to the county agency or service provider that incurred the costs.

Sec. 7. Minnesota Statutes 2014, section 518.175, subdivision 5, is amended to read:

Subd. 5. **Modification of parenting plan or order for parenting time.** (a) If a parenting plan or an order granting parenting time cannot be used to determine the number of overnights or overnight equivalents the child has with each parent, the court shall modify the parenting plan or order granting parenting time so that the number of overnights or overnight equivalents the child has with each parent can be determined. For purposes of this section, "overnight equivalents" has the meaning provided in section 518A.36, subdivision 1.

(b) If modification would serve the best interests of the child, the court shall modify the decision-making provisions of a parenting plan or an order granting or denying parenting time, if the modification would not change the child's primary residence. Consideration of a child's best interest includes a child's changing developmental needs.

~~(b)~~ (c) Except as provided in section 631.52, the court may not restrict parenting time unless it finds that:

(1) parenting time is likely to endanger the child's physical or emotional health or impair the child's emotional development; or

(2) the parent has chronically and unreasonably failed to comply with court-ordered parenting time.

A modification of parenting time which increases a parent's percentage of parenting time to an amount that is between 45.1 to 54.9 percent parenting time is not a restriction of the other parent's parenting time.

~~(c)~~ (d) If a parent makes specific allegations that parenting time by the other parent places the parent or child in danger of harm, the court shall hold a hearing at the earliest possible time to determine the need to modify the order granting parenting time. Consistent with subdivision 1a, the court may require a third party, including the local social services agency, to supervise the parenting time or may restrict a parent's parenting time if necessary to protect the other parent or child from harm. If there is an existing order for protection governing the parties, the court shall consider the use of an independent, neutral exchange location for parenting time.

EFFECTIVE DATE. This section is effective August 1, 2018.

Sec. 8. Minnesota Statutes 2015 Supplement, section 518A.26, subdivision 14, is amended to read:

Subd. 14. **Obligor.** "Obligor" means a person obligated to pay maintenance or support. For purposes of ordering medical support under section 518A.41, a parent who has primary physical custody of a child may be an obligor subject to a payment agreement under section 518A.69. If a parent has more than 55 percent court-ordered parenting time, there is a rebuttable presumption that the parent shall have a zero-dollar basic support obligation. A party seeking to overcome this presumption must show, and the court must consider, the following:

(1) a significant income disparity, which may include potential income determined under section 518A.32;

(2) the benefit and detriment to the child and the ability of each parent to meet the needs of the child; and

(3) whether the application of the presumption would have an unjust or inappropriate result.

The presumption of a zero-dollar basic support obligation does not eliminate that parent's obligation to pay child support arrears pursuant to section 518A.60.

EFFECTIVE DATE. This section is effective August 1, 2018.

Sec. 9. Minnesota Statutes 2014, section 518A.34, is amended to read:

518A.34 COMPUTATION OF CHILD SUPPORT OBLIGATIONS.

(a) To determine the presumptive child support obligation of a parent, the court shall follow the procedure set forth in this section.

(b) To determine the obligor's basic support obligation, the court shall:

(1) determine the gross income of each parent under section 518A.29;

(2) calculate the parental income for determining child support (PICS) of each parent, by subtracting from the gross income the credit, if any, for each parent's nonjoint children under section 518A.33;

(3) determine the percentage contribution of each parent to the combined PICS by dividing the combined PICS into each parent's PICS;

(4) determine the combined basic support obligation by application of the guidelines in section 518A.35;

(5) determine ~~the obligor's~~ each parent's share of the combined basic support obligation by multiplying the percentage figure from clause (3) by the combined basic support obligation in clause (4); and

(6) ~~determine the parenting expense adjustment, if any, as~~ apply the parenting expense adjustment formula provided in section 518A.36~~, and adjust the obligor's basic support obligation accordingly~~ to determine the obligor's basic support obligation. ~~If the parenting time of the parties is presumed equal, section 518A.36, subdivision 3, applies to the calculation of the basic support obligation and a determination of which parent is the obligor.~~

(c) If the parents have split custody of the joint children, child support shall be calculated for each joint child as follows:

(1) the court shall determine each parent's basic support obligation under paragraph (b) and shall include the amount of each parent's obligation in the court order. If the basic support calculation results in each parent owing support to the other, the court shall offset the higher basic support obligation with the lower basic support obligation to determine the amount to be paid by the parent with the higher obligation to the parent with the lower obligation. For the purpose of the cost-of-living adjustment required under section 518A.75, the adjustment must be based on each parent's basic support obligation prior to offset. For the purposes of this paragraph, "split custody" means that there are two or more joint children and each parent has at least one joint child more than 50 percent of the time;

(2) if each parent pays all child care expenses for at least one joint child, the court shall calculate child care support for each joint child as provided in section 518A.40. The court shall determine each parent's child care support obligation and include the amount of each parent's obligation in the court order. If the child care support calculation results in each parent owing support to the other, the court shall offset the higher child care support obligation with the lower child care support obligation to determine the amount to be paid by the parent with the higher obligation to the parent with the lower obligation; and

(3) if each parent pays all medical or dental insurance expenses for at least one joint child, medical support shall be calculated for each joint child as provided in section 518A.41. The court shall determine each parent's medical support obligation and include the amount of each parent's obligation in the court order. If the medical support calculation results in each parent owing support to the other, the court shall offset the higher medical support obligation with the lower medical support obligation to determine the amount to be paid by the parent with the higher obligation to the parent with the lower obligation. Unreimbursed and uninsured medical expenses are not included in the presumptive amount of support owed by a parent and are calculated and collected as provided in section 518A.41.

(d) The court shall determine the child care support obligation for the obligor as provided in section 518A.40.

~~(d)~~ (e) The court shall determine the medical support obligation for each parent as provided in section 518A.41. Unreimbursed and uninsured medical expenses are not included in the presumptive amount of support owed by a parent and are calculated and collected as described in section 518A.41.

~~(e)~~ (f) The court shall determine each parent's total child support obligation by adding together each parent's basic support, child care support, and health care coverage obligations as provided in this section.

~~(f)~~ (g) If Social Security benefits or veterans' benefits are received by one parent as a representative payee for a joint child based on the other parent's eligibility, the court shall subtract the amount of benefits from the other parent's net child support obligation, if any.

~~(g)~~ (h) The final child support order shall separately designate the amount owed for basic support, child care support, and medical support. If applicable, the court shall use the self-support adjustment and minimum support adjustment under section 518A.42 to determine the obligor's child support obligation.

EFFECTIVE DATE. This section is effective August 1, 2018.

Sec. 10. Minnesota Statutes 2014, section 518A.36, is amended to read:

518A.36 PARENTING EXPENSE ADJUSTMENT.

Subdivision 1. **General.** (a) The parenting expense adjustment under this section reflects the presumption that while exercising parenting time, a parent is responsible for and incurs costs of caring for the child, including, but not limited to, food, clothing, transportation, recreation, and household expenses. Every child support order shall specify the percentage of parenting time granted to or presumed for each parent. For purposes of this section, the percentage of parenting time means the percentage of time a child is scheduled to spend with the parent during a calendar year according to a court order averaged over a two-year period. Parenting time includes time with the child whether it is designated as visitation, physical custody, or parenting time. The percentage of parenting time may be determined by calculating the number of overnights or overnight equivalents that a ~~child~~ parent spends with a ~~parent, or~~ child pursuant to a court order. For purposes of this section, overnight equivalents are calculated by using a method other than overnights if the parent has significant time periods on separate days where the child is in the parent's physical custody and under the direct care of the parent but does not stay overnight. The court may consider the age of the child in determining whether a child is with a parent for a significant period of time.

(b) If there is not a court order awarding parenting time, the court shall determine the child support award without consideration of the parenting expense adjustment. If a parenting time order is subsequently issued or is issued in the same proceeding, then the child support order shall include application of the parenting expense adjustment.

Subd. 2. **Calculation of parenting expense adjustment.** ~~The obligor is entitled to a parenting expense adjustment calculated as provided in this subdivision. The court shall:~~

~~(1) find the adjustment percentage corresponding to the percentage of parenting time allowed to the obligor below:~~

	~~Percentage Range of Parenting Time~~	~~Adjustment Percentage~~
~~(i)~~	~~less than 10 percent~~	~~no adjustment~~
~~(ii)~~	~~10 percent to 45 percent~~	~~12 percent~~
~~(iii)~~	~~45.1 percent to 50 percent~~	~~presume parenting time is equal~~

~~(2) multiply the adjustment percentage by the obligor's basic child support obligation to arrive at the parenting expense adjustment; and~~

~~(3) subtract the parenting expense adjustment from the obligor's basic child support obligation. The result is the obligor's basic support obligation after parenting expense adjustment.~~

(a) For the purposes of this section, the following terms have the meanings given:

(1) "parent A" means the parent with whom the child or children will spend the least number of overnights under the court order; and

(2) "parent B" means the parent with whom the child or children will spend the greatest number of overnights under the court order.

(b) The court shall apply the following formula to determine which parent is the obligor and calculate the basic support obligation:

(1) raise to the power of three the approximate number of annual overnights the child or children will likely spend with parent A;

(2) raise to the power of three the approximate number of annual overnights the child or children will likely spend with parent B;

(3) multiply the result of clause (1) times parent B's share of the combined basic support obligation as determined in section 518A.34, paragraph (b), clause (5);

(4) multiply the result of clause (2) times parent A's share of the combined basic support obligation as determined in section 518A.34, paragraph (b), clause (5);

(5) subtract the result of clause (4) from the result of clause (3); and

(6) divide the result of clause (5) by the sum of clauses (1) and (2).

(c) If the result is a negative number, parent A is the obligor, the negative number becomes its positive equivalent, and the result is the basic support obligation. If the result is a positive number, parent B is the obligor and the result is the basic support obligation.

Subd. 3. **Calculation of basic support when parenting time ~~presumed~~ is equal.** ~~(a)~~ If the parenting time is equal and the parental incomes for determining child support of the parents also are equal, no basic support shall be paid unless the court determines that the expenses for the child are not equally shared.

~~(b) If the parenting time is equal but the parents' parental incomes for determining child support are not equal, the parent having the greater parental income for determining child support shall be obligated for basic child support, calculated as follows:~~

~~(1) multiply the combined basic support calculated under section 518A.34 by 0.75;~~

~~(2) prorate the amount under clause (1) between the parents based on each parent's proportionate share of the combined PICS; and~~

~~(3) subtract the lower amount from the higher amount.~~

~~The resulting figure is the obligation after parenting expense adjustment for the parent with the greater parental income for determining child support.~~

EFFECTIVE DATE. This section is effective August 1, 2018.

Sec. 11. Minnesota Statutes 2015 Supplement, section 518A.39, subdivision 2, is amended to read:

Subd. 2. **Modification.** (a) The terms of an order respecting maintenance or support may be modified upon a showing of one or more of the following, any of which makes the terms unreasonable and unfair: (1) substantially increased or decreased gross income of an obligor or obligee; (2) substantially increased or decreased need of an obligor or obligee or the child or children that are the subject of these proceedings; (3) receipt of assistance under the AFDC program formerly codified under sections 256.72 to 256.87 or 256B.01 to 256B.40, or chapter 256J or 256K; (4) a change in the cost of living for either party as measured by the Federal Bureau of Labor Statistics; (5) extraordinary medical expenses of the child not provided for under section 518A.41; (6) a change in the availability of appropriate health care coverage or a substantial increase or decrease in health care coverage costs; (7) the addition of work-related or education-related child care expenses of the obligee or a substantial increase or decrease in existing work-related or education-related child care expenses; or (8) upon the emancipation of the child, as provided in subdivision 5.

(b) It is presumed that there has been a substantial change in circumstances under paragraph (a) and the terms of a current support order shall be rebuttably presumed to be unreasonable and unfair if:

(1) the application of the child support guidelines in section 518A.35, to the current circumstances of the parties results in a calculated court order that is at least 20 percent and at least $75 per month higher or lower than the current support order or, if the current support order is less than $75, it results in a calculated court order that is at least 20 percent per month higher or lower;

(2) the medical support provisions of the order established under section 518A.41 are not enforceable by the public authority or the obligee;

(3) health coverage ordered under section 518A.41 is not available to the child for whom the order is established by the parent ordered to provide;

(4) the existing support obligation is in the form of a statement of percentage and not a specific dollar amount;

(5) the gross income of an obligor or obligee has decreased by at least 20 percent through no fault or choice of the party; or

(6) a deviation was granted based on the factor in section 518A.43, subdivision 1, clause (4), and the child no longer resides in a foreign country or the factor is otherwise no longer applicable.

(c) A child support order is not presumptively modifiable solely because an obligor or obligee becomes responsible for the support of an additional nonjoint child, which is born after an existing order. Section 518A.33 shall be considered if other grounds are alleged which allow a modification of support.

(d) If child support was established by applying a parenting expense adjustment or presumed equal parenting time calculation under previously existing child support guidelines and there is no parenting plan or order from which overnights or overnight equivalents can be determined, there is a rebuttable presumption that the established adjustment or calculation shall continue after modification so long as the modification is not based on a change in parenting time. In determining an obligation under previously existing child support guidelines, it is presumed that the court shall:

(1) if a 12 percent parenting expense adjustment was applied, multiply the obligor's share of the combined basic support obligation calculated under section 518A.34, paragraph (b), clause (5), by 0.88; or

(2) if the parenting time was presumed equal but the parents' parental incomes for determining child support were not equal:

(i) multiply the combined basic support obligation under section 518A.34, paragraph (b), clause (5), by 0.075;

(ii) prorate the amount under item (i) between the parents based on each parent's proportionate share of the combined PICS; and

(iii) subtract the lower amount from the higher amount.

(e) On a motion for modification of maintenance, including a motion for the extension of the duration of a maintenance award, the court shall apply, in addition to all other relevant factors, the factors for an award of maintenance under section 518.552 that exist at the time of the motion. On a motion for modification of support, the court:

(1) shall apply section 518A.35, and shall not consider the financial circumstances of each party's spouse, if any; and

(2) shall not consider compensation received by a party for employment in excess of a 40-hour work week, provided that the party demonstrates, and the court finds, that:

(i) the excess employment began after entry of the existing support order;

(ii) the excess employment is voluntary and not a condition of employment;

(iii) the excess employment is in the nature of additional, part-time employment, or overtime employment compensable by the hour or fractions of an hour;

(iv) the party's compensation structure has not been changed for the purpose of affecting a support or maintenance obligation;

(v) in the case of an obligor, current child support payments are at least equal to the guidelines amount based on income not excluded under this clause; and

(vi) in the case of an obligor who is in arrears in child support payments to the obligee, any net income from excess employment must be used to pay the arrearages until the arrearages are paid in full.

~~(e)~~ (f) A modification of support or maintenance, including interest that accrued pursuant to section 548.091, may be made retroactive only with respect to any period during which the petitioning party has pending a motion for modification but only from the date of service of notice of the motion on the responding party and on the public authority if public assistance is being furnished or the county attorney is the attorney of record, unless the court adopts an alternative effective date under paragraph (l). The court's adoption of an alternative effective date under paragraph (l) shall not be considered a retroactive modification of maintenance or support.

~~(f)~~ (g) Except for an award of the right of occupancy of the homestead, provided in section 518.63, all divisions of real and personal property provided by section 518.58 shall be final, and may be revoked or modified only where the court finds the existence of conditions that justify reopening a judgment under the laws of this state, including motions under section 518.145, subdivision 2. The court may impose a lien or charge on the divided property at any time while the property, or subsequently acquired property, is owned by the parties or either of them, for the payment of maintenance or support money, or may sequester the property as is provided by section 518A.71.

~~(g)~~ (h) The court need not hold an evidentiary hearing on a motion for modification of maintenance or support.

~~(h)~~ (i) Sections 518.14 and 518A.735 shall govern the award of attorney fees for motions brought under this subdivision.

~~(i)~~ (j) Except as expressly provided, an enactment, amendment, or repeal of law does not constitute a substantial change in the circumstances for purposes of modifying a child support order.

~~(j) MS 2006 [Expired]~~

(k) On the first modification ~~under the income shares method of calculation~~ following implementation of amended child support guidelines, the modification of basic support may be limited if the amount of the full variance would create hardship for either the obligor or the obligee.

(l) The court may select an alternative effective date for a maintenance or support order if the parties enter into a binding agreement for an alternative effective date.

EFFECTIVE DATE. This section is effective August 1, 2018.

Sec. 12. **[518A.79] CHILD SUPPORT TASK FORCE.**

Subdivision 1. **Establishment; purpose.** There is established the Child Support Task Force for the Department of Human Services. The purpose of the task force is to advise the commissioner of human services on matters relevant to maintaining effective and efficient child support guidelines that will best serve the children of Minnesota and take into account the changing dynamics of families.

Subd. 2. **Members.** (a) The task force must consist of:

(1) two members of the house of representatives, one appointed by the speaker of the house and one appointed by the minority leader;

(2) two members of the senate, one appointed by the majority leader and one appointed by the minority leader;

(3) one representative from the Minnesota County Attorneys Association;

(4) one staff member from the Department of Human Services Child Support Division;

(5) one representative from a tribe with an approved IV-D program appointed by resolution of the Minnesota Indian Affairs Council;

(6) one representative from the Minnesota Family Support Recovery Council;

(7) one child support magistrate, family court referee, or one district court judge or retired judge with experience in child support matters, appointed by the chief justice of the Supreme Court;

(8) four parents, at least two of whom represent diverse cultural and social communities, appointed by the commissioner with equal representation between custodial and noncustodial parents;

(9) one representative from the Minnesota Legal Services Coalition; and

(10) one representative from the Family Law Section of the Minnesota Bar Association.

(b) Section 15.059 governs the Child Support Task Force.

(c) Members of the task force shall be compensated as provided in section 15.059, subdivision 3.

Subd. 3. **Organization.** (a) The commissioner or the commissioner's designee shall convene the first meeting of the task force.

(b) The members of the task force shall annually elect a chair and other officers as the members deem necessary.

(c) The task force shall meet at least three times per year, with one meeting devoted to collecting input from the public.

Subd. 4. **Staff.** The commissioner shall provide support staff, office space, and administrative services for the task force.

Subd. 5. **Duties of the task force.** (a) General duties of the task force include, but are not limited to:

(1) serving in an advisory capacity to the commissioner of human services;

(2) reviewing the effects of implementing the parenting expense adjustment enacted by the 2016 legislature;

(3) at least every four years, preparing for and advising the commissioner on the development of the quadrennial review report;

(4) collecting and studying information and data relating to child support awards; and

(5) conducting a comprehensive review of child support guidelines, economic conditions, and other matters relevant to maintaining effective and efficient child support guidelines.

(b) The task force must review, address, and make recommendations on the following priority issues:

(1) the self-support reserve for custodial and noncustodial parents;

(2) simultaneous child support orders;

(3) obligors who are subject to child support orders in multiple counties;

(4) parents with multiple families;

(5) non-nuclear families, such as grandparents, relatives, and foster parents who are caretakers of children;

(6) standards to apply for modifications; and

(7) updating section 518A.35, subdivision 2, the guideline for basic support.

Subd. 6. **Consultation.** The chair of the task force must consult with the Cultural and Ethnic Communities Leadership Council at least annually on the issues under consideration by the task force.

Subd. 7. **Report and recommendations.** Beginning February 15, 2018, and biennially thereafter, if the task force is extended by the legislature, the commissioner shall prepare and submit to the chairs and ranking minority members of the committees of the house of representatives and the senate with jurisdiction over child support matters a report that summarizes the activities of the task force, issues identified by the task force, methods taken to address the issues, and recommendations for legislative action, if needed.

Subd. 8. **Expiration.** The task force expires June 30, 2019, unless extended by the legislature.

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

Sec. 13. Minnesota Statutes 2014, section 626.558, subdivision 1, is amended to read:

Subdivision 1. **Establishment of team.** A county shall establish a multidisciplinary child protection team that may include, but not be limited to, the director of the local welfare agency or designees, the county attorney or designees, the county sheriff or designees, representatives of health and education, representatives of mental health or other appropriate human service or community-based agencies, and parent groups. As used in this section, a "community-based agency" may include, but is not limited to, schools, social service agencies, family service and mental health collaboratives, children's advocacy centers, early childhood and family education programs, Head Start, or other agencies serving children and families. A member of the team must be designated as the lead person of the team responsible for the planning process to develop standards for its activities with battered women's and domestic abuse programs and services.

Sec. 14. Minnesota Statutes 2014, section 626.558, subdivision 2, is amended to read:

Subd. 2. **Duties of team.** A multidisciplinary child protection team may provide public and professional education, develop resources for prevention, intervention, and treatment, and provide case consultation to the local welfare agency or other interested community-based agencies. The community-based agencies may request case consultation from the multidisciplinary child protection team regarding a child or family for whom the community-based agency is providing services. As used in this section, "case consultation" means a case review process in which recommendations are made concerning services to be provided to the identified children and family. Case consultation may be performed by a committee or subcommittee of members representing human services, including mental health and chemical dependency; law enforcement, including probation and parole; the county attorney; a children's advocacy center; health care; education; community-based agencies and other necessary agencies; and persons directly involved in an individual case as designated by other members performing case consultation.

Sec. 15. Minnesota Statutes 2014, section 626.558, is amended by adding a subdivision to read:

Subd. 4. **Children's advocacy center; definition.** (a) For purposes of this section, "children's advocacy center" means an organization, using a multidisciplinary team approach, whose primary purpose is to provide children who have been the victims of abuse and their nonoffending family members with:

(1) support and advocacy;

(2) specialized medical evaluation;

(3) trauma-focused mental health services; and

(4) forensic interviews.

(b) Children's advocacy centers provide multidisciplinary case review and the tracking and monitoring of case progress.

Sec. 16. **CHILD CARE PROVIDER LIAISON AND ADVOCATE.**

The commissioner of human services must designate a full-time employee of the department to serve as a child care provider liaison and advocate. The child care provider liaison and advocate must be responsive to requests from providers by providing information or assistance in obtaining or renewing licenses, meeting state regulatory requirements, or resolving disputes with state agencies or other political subdivisions.

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

Sec. 17. **LEGISLATIVE TASK FORCE ON CHILD CARE.**

Subdivision 1. **Creation.** A legislative task force on child care is created to review the loss of child care providers in the state, assess affordability issues for providers and parents, and identify areas that need to be addressed by the legislature.

Subd. 2. **Membership.** Task force members shall include:

(1) four members from the house of representatives appointed by the speaker of the house, two from the majority party and two from the minority party; and

(2) four members from the senate appointed by the majority leader, two from the majority party and two from the minority party.

Subd. 3. **Duties.** (a) The task force may:

(1) evaluate factors that contribute to child care costs for providers and families;

(2) assess the child care provider shortage in greater Minnesota;

(3) review the current preservice and in-service training requirements for family child care providers and child care center staff. The review shall include training required for licensure, including staff credentialing for child care center staff positions and the ways in which the training aligns with Minnesota's Career Lattice and Minnesota's Knowledge and Competency Framework for Early Childhood and School-Aged Care Practitioners;

(4) review the availability of training that is in place to meet the training needs of providers, including the content of the training, cost, and delivery methods;

(5) consider creation of a board of child care to be responsible for all matters related to licensing of child care providers, both in-home and center-based programs, and to employ an advocate for child care providers;

(6) review the process of issuing and resolving correction orders issued to child care providers;

(7) consider uniform training requirements for county employees and their supervisors who perform duties related to licensing;

(8) review progress being made by the commissioner of human services to streamline paperwork and reduce redundancies for child care providers;

(9) review the time it takes for the department to provide child care assistance program reimbursement to providers; and

(10) consider options for conducting exit interviews with providers who leave the child care field or choose not to be relicensed.

(b) Task force members may receive input from the commissioners of human services and economic development, providers, and stakeholders to review all action items.

Subd. 4. **Recommendations and report.** The task force, in cooperation with the commissioner of human services, shall issue a report to the legislature and governor by December 31, 2016. The report must contain summary information obtained during the task force meetings and recommendations for additional legislative changes and procedures affecting child care.

EFFECTIVE DATE. This section is effective the day following final enactment and sunsets on December 31, 2016.

Sec. 18. **DIRECTION TO COMMISSIONERS; INCOME AND ASSET EXCLUSION.**

(a) The commissioner of human services shall not count payments made to families by the income and child development in the first three years of life demonstration project as income or assets for purposes of determining or redetermining eligibility for child care assistance programs under Minnesota Statutes, chapter 119B; the Minnesota family investment program, work benefit program, or diversionary work program under Minnesota Statutes, chapter 256J, during the duration of the demonstration.

(b) The commissioner of human services shall not count payments made to families by the income and child development in the first three years of life demonstration project as income for purposes of determining or redetermining eligibility for medical assistance under Minnesota Statutes, chapter 256B, and MinnesotaCare under Minnesota Statutes, chapter 256L.

(c) For the purposes of this section, "income and child development in the first three years of life demonstration project" means a demonstration project funded by the United States Department of Health and Human Services National Institutes of Health to evaluate whether the unconditional cash payments have a causal effect on the cognitive, socioemotional, and brain development of infants and toddlers.

(d) This section shall only be implemented if Minnesota is chosen as a site for the child development in the first three years of life demonstration project, and expires January 1, 2022.

(e) The commissioner of human services shall provide a report to the chairs and ranking minority members of the legislative committees having jurisdiction over human services issues by January 1, 2023, informing the legislature on the progress and outcomes of the demonstration under this section.

EFFECTIVE DATE. Paragraph (b) is effective August 16, 2016, or upon federal approval, whichever is later.

Sec. 19. **REPEALER; HANDS OFF CHILD CARE.**

Minnesota Statutes 2014, sections 179A.50; 179A.51; 179A.52; and 179A.53, are repealed.

ARTICLE 7
HEALTH-RELATED LICENSING GENETIC COUNSELORS

Section 1. **[147F.01] DEFINITIONS.**

Subdivision 1. **Applicability.** For purposes of sections 147F.01 to 147F.17, the terms defined in this section have the meanings given them.

Subd. 2. **ABGC.** "ABGC" means the American Board of Genetic Counseling, a national agency for certification and recertification of genetic counselors, or its successor organization or equivalent.

Subd. 3. **ABMG.** "ABMG" means the American Board of Medical Genetics, a national agency for certification and recertification of genetic counselors, medical geneticists, and Ph.D. geneticists, or its successor organization.

Subd. 4. **ACGC.** "ACGC" means the Accreditation Council for Genetic Counseling, a specialized program accreditation board for educational training programs granting master's degrees or higher in genetic counseling, or its successor organization.

Subd. 5. **Board.** "Board" means the Board of Medical Practice.

Subd. 6. **Eligible status.** "Eligible status" means an applicant who has met the requirements and received approval from the ABGC to sit for the certification examination.

Subd. 7. **Genetic counseling.** "Genetic counseling" means the provision of services described in section 147F.03 to help clients and their families understand the medical, psychological, and familial implications of genetic contributions to a disease or medical condition.

Subd. 8. **Genetic counselor.** "Genetic counselor" means an individual licensed under sections 147F.01 to 147F.17 to engage in the practice of genetic counseling.

Subd. 9. **Licensed physician.** "Licensed physician" means an individual who is licensed to practice medicine under chapter 147.

Subd. 10. **NSGC.** "NSGC" means the National Society of Genetic Counselors, a professional membership association for genetic counselors that approves continuing education programs.

Subd. 11. **Qualified supervisor.** "Qualified supervisor" means any person who is licensed under sections 147F.01 to 147F.17 as a genetic counselor or a physician licensed under chapter 147 to practice medicine in Minnesota.

Subd. 12. **Supervisee.** "Supervisee" means a genetic counselor with a provisional license.

Subd. 13. **Supervision.** "Supervision" means an assessment of the work of the supervisee, including regular meetings and file review, by a qualified supervisor according to the supervision contract. Supervision does not require the qualified supervisor to be present while the supervisee provides services.

Sec. 2. **[147F.03] SCOPE OF PRACTICE.**

The practice of genetic counseling by a licensed genetic counselor includes the following services:

(1) obtaining and interpreting individual and family medical and developmental histories;

(2) determining the mode of inheritance and the risk of transmitting genetic conditions and birth defects;

(3) discussing the inheritance, features, natural history, means of diagnosis, and management of conditions with clients;

(4) identifying, coordinating, ordering, and explaining the clinical implications of genetic laboratory tests and other laboratory studies;

(5) assessing psychosocial factors, including social, educational, and cultural issues;

(6) providing client-centered counseling and anticipatory guidance to the client or family based on their responses to the condition, risk of occurrence, or risk of recurrence;

(7) facilitating informed decision-making about testing and management;

(8) identifying and using community resources that provide medical, educational, financial, and psychosocial support and advocacy; and

(9) providing accurate written medical, genetic, and counseling information for families and health care professionals.

Sec. 3. **[147F.05] UNLICENSED PRACTICE PROHIBITED; PROTECTED TITLES AND RESTRICTIONS ON USE.**

Subdivision 1. **Protected titles.** No individual may use the title "genetic counselor," "licensed genetic counselor," "gene counselor," "genetic consultant," "genetic assistant," "genetic associate," or any words, letters, abbreviations, or insignia indicating or implying that the individual is eligible for licensure by the state as a genetic counselor unless the individual has been licensed as a genetic counselor according to sections 147F.01 to 147F.17.

Subd. 2. **Unlicensed practice prohibited.** Effective January 1, 2018, no individual may practice genetic counseling unless the individual is licensed as a genetic counselor sections 147F.01 to 147F.17 except as otherwise provided under sections 147F.01 to 147F.17.

Subd. 3. **Other practitioners.** (a) Nothing in sections 147F.01 to 147F.17 shall be construed to prohibit or restrict the practice of any profession or occupation licensed or registered by the state by an individual duly licensed or registered to practice the profession or occupation or to perform any act that falls within the scope of practice of the profession or occupation.

(b) Nothing in sections 147F.01 to 147F.17 shall be construed to require a license under sections 147F.01 to 147F.17 for:

(1) an individual employed as a genetic counselor by the federal government or a federal agency if the individual is providing services under the direction and control of the employer;

(2) a student or intern, having graduated within the past six months, or currently enrolled in an ACGC-accredited genetic counseling educational program providing genetic counseling services that are an integral part of the student's or intern's course of study, are performed under the direct supervision of a licensed genetic counselor or physician who is on duty in the assigned patient care area, and the student is identified by the title "genetic counseling intern";

(3) a visiting ABGC- or ABMG-certified genetic counselor working as a consultant in this state who permanently resides outside of the state, or the occasional use of services from organizations from outside of the state that employ ABGC- or ABMG-certified genetic counselors. This is limited to practicing for 30 days total within one calendar year. Certified genetic counselors from outside of the state working as a consultant in this state must be licensed in their state of residence if that credential is available; or

(4) an individual who is licensed to practice medicine under chapter 147.

Subd. 4. **Sanctions.** An individual who violates this section is guilty of a misdemeanor and shall be subject to sanctions or actions according to section 214.11.

Sec. 4. **[147F.07] LICENSURE REQUIREMENTS.**

Subdivision 1. **General requirements for licensure.** To be eligible for licensure, an applicant, with the exception of those seeking licensure by reciprocity under subdivision 2, must submit to the board:

(1) a completed application on forms provided by the board along with all fees required under section 147F.17. The applicant must include:

(i) the applicant's name, Social Security number, home address and telephone number, and business address and telephone number if currently employed;

(ii) the name and location of the genetic counseling or medical program the applicant completed;

(iii) a list of degrees received from other educational institutions;

(iv) a description of the applicant's professional training;

(v) a list of registrations, certifications, and licenses held in other jurisdictions;

(vi) a description of any other jurisdiction's refusal to credential the applicant;

(vii) a description of all professional disciplinary actions initiated against the applicant in any jurisdiction; and

(viii) any history of drug or alcohol abuse, and any misdemeanor or felony conviction;

(2) evidence of graduation from an education program accredited by the ACGC or its predecessor or successor organization;

(3) a verified copy of a valid and current certification issued by the ABGC or ABMG as a certified genetic counselor, or by the ABMG as a certified medical geneticist;

(4) additional information as requested by the board, including any additional information necessary to ensure that the applicant is able to practice with reasonable skill and safety to the public;

(5) a signed statement verifying that the information in the application is true and correct to the best of the applicant's knowledge and belief; and

(6) a signed waiver authorizing the board to obtain access to the applicant's records in this or any other state in which the applicant completed an educational program or engaged in the practice of genetic counseling.

Subd. 2. **Licensure by reciprocity.** To be eligible for licensure by reciprocity, the applicant must hold a current genetic counselor or medical geneticist registration or license in another state, the District of Columbia, or a territory of the United States, whose standards for registration or licensure are at least equivalent to those of Minnesota, and must:

(1) submit the application materials and fees as required by subdivision 1, clauses (1), (2), and (4) to (6);

(2) provide a verified copy from the appropriate government body of a current registration or license for the practice of genetic counseling in another jurisdiction that has initial registration or licensing requirements equivalent to or higher than the requirements in subdivision 1; and

(3) provide letters of verification from the appropriate government body in each jurisdiction in which the applicant holds a registration or license. Each letter must state the applicant's name, date of birth, registration or license number, date of issuance, a statement regarding disciplinary actions, if any, taken against the applicant, and the terms under which the registration or license was issued.

Subd. 3. **Licensure by equivalency.** (a) The board may grant a license to an individual who does not meet the certification requirements in subdivision 1 but who has been employed as a genetic counselor for a minimum of ten years and provides the following documentation to the board no later than February 1, 2018:

(1) proof of a master's or higher degree in genetics or related field of study from an accredited educational institution;

(2) proof that the individual has never failed the ABGC or ABMG certification examination;

(3) three letters of recommendation, with at least one from an individual eligible for licensure under sections 147F.01 to 147F.17, and at least one from an individual certified as a genetic counselor by the ABGC or ABMG or an individual certified as a medical geneticist by the ABMG. An individual who submits a letter of recommendation must have worked with the applicant in an employment setting during the past ten years and must attest to the applicant's competency; and

(4) documentation of the completion of 100 hours of NSGC-approved continuing education credits within the past five years.

(b) This subdivision expires February 1, 2018.

Subd. 4. **License expiration.** A genetic counselor license shall be valid for one year from the date of issuance.

Subd. 5. **License renewal.** To be eligible for license renewal, a licensed genetic counselor must submit to the board:

(1) a renewal application on a form provided by the board;

(2) the renewal fee required under section 147F.17;

(3) evidence of compliance with the continuing education requirements in section 147F.11; and

(4) any additional information requested by the board.

Sec. 5. **[147F.09] BOARD ACTION ON APPLICATIONS FOR LICENSURE.**

(a) The board shall act on each application for licensure according to paragraphs (b) to (d).

(b) The board shall determine if the applicant meets the requirements for licensure under section 147F.07. The board may investigate information provided by an applicant to determine whether the information is accurate and complete.

(c) The board shall notify each applicant in writing of action taken on the application, the grounds for denying licensure if a license is denied, and the applicant's right to review the board's decision under paragraph (d).

(d) Applicants denied licensure may make a written request to the board, within 30 days of the board's notice, to appear before the advisory council and for the advisory council to review the board's decision to deny the applicant's license. After reviewing the denial, the advisory council shall make a recommendation to the board as to whether the denial shall be affirmed. Each applicant is allowed only one request for review per licensure period.

Sec. 6. **[147F.11] CONTINUING EDUCATION REQUIREMENTS.**

(a) A licensed genetic counselor must complete a minimum of 25 hours of NSGC- or ABMG-approved continuing education units every two years. If a licensee's renewal term is prorated to be more or less than one year, the required number of continuing education units is prorated proportionately.

(b) The board may grant a variance to the continuing education requirements specified in this section if a licensee demonstrates to the satisfaction of the board that the licensee is unable to complete the required number of educational units during the renewal term. The board may allow the licensee to complete the required number of continuing education units within a time frame specified by the board. In no case shall the board allow the licensee to complete less than the required number of continuing education units.

Sec. 7. **[147F.13] DISCIPLINE; REPORTING.**

For purposes of sections 147F.01 to 147F.17, licensed genetic counselors and applicants are subject to sections 147.091 to 147.162.

Sec. 8. **[147F.15] LICENSED GENETIC COUNSELOR ADVISORY COUNCIL.**

Subdivision 1. **Membership.** The board shall appoint a five-member Licensed Genetic Counselor Advisory Council. One member must be a licensed physician with experience in genetics, three members must be licensed genetic counselors, and one member must be a public member.

Subd. 2. **Organization.** The advisory council shall be organized and administered as provided in section 15.059.

Subd. 3. **Duties.** The advisory council shall:

(1) advise the board regarding standards for licensed genetic counselors;

(2) provide for distribution of information regarding licensed genetic counselor practice standards;

(3) advise the board on enforcement of sections 147F.01 to 147F.17;

(4) review applications and recommend granting or denying licensure or license renewal;

(5) advise the board on issues related to receiving and investigating complaints, conducting hearings, and imposing disciplinary action in relation to complaints against licensed genetic counselors; and

(6) perform other duties authorized for advisory councils by chapter 214, as directed by the board.

Subd. 4. **Expiration.** Notwithstanding section 15.059, the advisory council does not expire.

Sec. 9. **[147F.17] FEES.**

Subdivision 1. **Fees.** Fees are as follows:

(1) license application fee, $200;

(2) initial licensure and annual renewal, $150;

(3) provisional license fee, $150; and

(4) late fee, $75.

Subd. 2. **Proration of fees.** The board may prorate the initial license fee. All licensees are required to pay the full fee upon license renewal.

Subd. 3. **Penalty for late renewals.** An application for registration renewal submitted after the deadline must be accompanied by a late fee in addition to the required fees.

Subd. 4. **Nonrefundable fees.** All fees are nonrefundable.

Subd. 5. **Deposit.** Fees collected by the board under this section shall be deposited in the state government special revenue fund.

MASSAGE AND BODYWORK THERAPY ACT

Sec. 10. **[148.981] CITATION.**

Sections 148.981 to 148.9886 may be cited as the "Minnesota Massage and Bodywork Therapy Act."

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 11. **[148.982] DEFINITIONS.**

Subdivision 1. **Applicability.** The definitions in this section apply to sections 148.981 to 148.9885.

Subd. 2. **Advertise.** "Advertise" means to publish, display, broadcast, or disseminate information by any means that can be reasonably construed as an advertisement.

Subd. 3. **Advisory council.** "Advisory council" means the Registered Massage and Bodywork Therapist Advisory Council established under section 148.9861.

Subd. 4. **Applicant.** "Applicant" means an individual applying for registration or renewal according to sections 148.981 to 148.9886.

Subd. 5. **Board.** "Board" means the Minnesota Board of Nursing.

Subd. 6. **Client.** "Client" means a recipient of massage and bodywork therapy services.

Subd. 7. **Competency exam.** "Competency exam" means a massage and bodywork therapy competency assessment that is approved by the board and is psychometrically valid, based on a job task analysis, and administered by a national testing organization.

Subd. 8. **Contact hour.** "Contact hour" means an instructional session of at least 50 consecutive minutes, excluding coffee breaks, registration, meals without a speaker, and social activities.

Subd. 9. **Credential.** "Credential" means a license, registration, or certification.

Subd. 10. **Health care provider.** "Health care provider" means a person who has a state credential to provide one or more of the following services: medical as defined in section 147.081, chiropractic as defined in section 148.01, podiatry as defined in section 153.01, dentistry as defined in section 150A.01, physical therapy as defined in section 148.65, or other state-credentialed providers.

Subd. 11. **Massage and bodywork therapy.** "Massage and bodywork therapy" means a health care service involving systematic and structured touch and palpation, and pressure and movement of the muscles, tendons, ligaments, and fascia, in order to reduce muscle tension, relieve soft tissue pain, improve circulation, increase flexibility, increase activity of the parasympathetic branch of the autonomic nervous system, or to promote general wellness, by use of the techniques and applications described in section 148.983. This definition applies to massage and bodywork therapy performed by individuals registered under sections 148.981 to 148.9886, and does not apply to practitioners who provide complementary and alternative health care under chapter 146A.

Subd. 12. **Municipality.** "Municipality" means a county, town, or home rule charter or statutory city.

Subd. 13. **Physical agent modality.** "Physical agent modality" means modalities that use the properties of light, water, temperature, sound, and electricity to produce a response in soft tissue.

Subd. 14. **Practice of massage and bodywork therapy.** "Practice of massage and bodywork therapy" means to engage professionally for compensation or as a volunteer in massage and bodywork therapy or the instruction of professional technique coursework. This definition applies to massage and bodywork therapy performed by individuals registered under sections 148.981 to 148.9886, and does not apply to practitioners who provide complementary and alternative health care under chapter 146A.

Subd. 15. **Professional organization.** "Professional organization" means an organization that represents massage and bodywork therapists, was established before the year 2005, offers professional liability insurance as a benefit of membership, has an established code of professional ethics, and is board approved.

Subd. 16. **Registered massage and bodywork therapist or registrant.** "Registered massage and bodywork therapist" or "registrant" means a health care provider registered according to sections 148.981 to 148.9886, for the practice of massage and bodywork therapy.

Subd. 17. **State.** "State" means any state in the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or Guam; or any Canadian province or similar political subdivision of a foreign country; except "this state" means the state of Minnesota.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 12. **[148.983] MASSAGE AND BODYWORK THERAPY.**

(a) For purposes of sections 148.981 to 148.9886, the practice of massage and bodywork therapy by a registered massage and bodywork therapist includes the following:

(1) use of any or all of the following techniques using the hands, forearms, elbows, knees, or feet, or handheld, nonpuncturing, mechanical, or electrical devices that mimic or enhance the actions of the human hands: effleurage or gliding; petrissage or kneading; vibration and jostling; friction; tapotement or percussion; compression; fascial manipulation; passive stretching within the normal anatomical range of motion; and

(2) application and use of any of the following: oils, lotions, gels, rubbing alcohol, or powders for the purpose of lubricating the skin to be massaged; creams, with the exception of prescription medicinal creams; hot or cold stones; essential oils as used in aromatherapy for inhalation or diluted for topical application; salt glows and wraps; or heat or ice.

(b) The practice of massage and bodywork therapy does not include any of the following:

(1) diagnosing any illness or disease;

(2) altering a course of recommended massage and bodywork therapy when recommended by a state-credentialed health care provider without first consulting that health care provider;

(3) prescription of drugs or medicines;

(4) intentional adjustment, manipulation, or mobilization of abnormal articulations, neurological disturbances, structural alterations, biomechanical alterations as described in section 148.01, including by means of a high-velocity, low-amplitude thrusting force or by means of manual therapy or mechanical therapy for the manipulation or adjustment of joint articulation as defined in section 146.23; or

(5) application of physical agent modalities, needles that puncture the skin, or injection therapy.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 13. **[148.984] LIMITATIONS ON PRACTICE.**

If a reasonably prudent massage and bodywork therapist finds a client's medical condition is beyond the scope of practice established by sections 148.981 to 148.9886, or by rules of the board for a registered massage and bodywork therapist, the massage and bodywork therapist must refer the client to a health care provider as defined in sections 148.981 to 148.9885, but is not prohibited from comanaging the client.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 14. **[148.985] PROTECTED TITLES AND RESTRICTIONS ON USE.**

Subdivision 1. **Designation.** An individual regulated by sections 148.981 to 148.9886, is designated as a "registered massage and bodywork therapist" or "RMBT."

Subd. 2. **Title protection.** Effective July 1, 2017, no individual may use the title "registered massage and bodywork therapist," or use, in connection with the individual's name, the letters "RMBT," or any other titles, words, letters, abbreviations, or insignia indicating or implying that the individual is registered or eligible for registration by this state as a registered massage therapist unless the individual has been registered under sections 148.981 to 148.9886.

Subd. 3. **Identification of registrants.** (a) A massage and bodywork therapist registered according to sections 148.981 to 148.9886 shall be identified as a "registered massage and bodywork therapist." If not written in full, this must be designated as "RMBT."

(b) The board may adopt rules for the implementation of this section, including the identification of terms or references that may be used only by registered massage and bodywork therapists as necessary to protect the public.

(c) A massage and bodywork therapist who is credentialed by another state, or who holds a certification from organizations, agencies, or educational providers may advertise using those terms or letters to indicate that credential, provided that the credentialing body is clearly identified.

Subd. 4. **Other health care providers.** Nothing in sections 148.981 to 148.9886 may be construed to prohibit, restrict the practice of, or require massage and bodywork therapy registration of any of the following:

(1) a health care provider credentialed by this state, using massage and bodywork therapy techniques within the scope of the provider's credential, provided the provider does not advertise or imply that they are registered according to sections 148.981 to 148.9886; or

(2) a practitioner who is engaged in providing complementary and alternative health care practices as defined in section 146A.01, subdivision 4, provided that the practitioner does not advertise or imply that they are registered according to sections 148.981 to 148.9886.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 15. **[148.986] POWERS OF BOARD.**

The board, acting with the advice of the advisory council, shall issue registrations to duly qualified applicants and shall exercise the following powers and duties:

(1) adopt rules, including standards of practice and a professional code of ethics, consistent with the law, as may be necessary to enable the board to implement the provisions of sections 148.981 to 148.9886;

(2) assign duties to the advisory council that are necessary to implement the provisions of sections 148.981 to 148.9886;

(3) approve or conduct a competency exam;

(4) enforce sections 148.981 to 148.9886, including by causing the prosecution for violations of section 148.9882 by a registrant or applicant; impose discipline as described in section 148.9882, and incur any necessary expense;

(5) maintain a record of names and addresses of registrants;

(6) keep a permanent record of all its proceedings;

(7) distribute information regarding massage and bodywork therapy standards, including applications and forms necessary to carry into effect the provisions of sections 148.981 to 148.9886;

(8) take action on applications according to section 148.9881; and

(9) employ and establish the duties of necessary personnel.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 16. **[148.9861] REGISTERED MASSAGE AND BODYWORK THERAPIST ADVISORY COUNCIL.**

Subdivision 1. **Creation; membership.** (a) The Registered Massage and Bodywork Therapist Advisory Council is created and is composed of five members appointed by the board. All members must have resided in this state for at least three years prior to appointment. The advisory council consists of:

(1) two public members, as defined in section 214.02;

(2) three members who, except for initial appointees, are registered massage and bodywork therapists. Initial appointees must practice massage and bodywork therapy. An initial appointee shall be removed from the council if the appointee does not obtain registration under section 148.987 within a reasonable time after registration procedures are established.

(b) A person may not be appointed to serve more than two consecutive full terms.

(c) No more than one member of the advisory council may be an owner or administrator of a massage and bodywork therapy education provider.

Subd. 2. **Vacancies.** When a vacancy occurs for a member who is a registered massage and bodywork therapist, the board may appoint a member from among qualified candidates or from a list of nominees submitted by professional organizations that contains twice the number of nominees as vacancies. The board may fill vacancies occurring on the advisory council for unexpired terms according to this section. Members shall retain membership until a qualified successor is appointed.

Subd. 3. **Administration.** The advisory council shall be organized and administered under section 15.059. The council shall not expire.

Subd. 4. **Duties.** The advisory council shall advise the board regarding:

(1) establishment of standards of practice and a code of ethics for registered massage and bodywork therapists;

(2) distribution of information regarding massage and bodywork standards;

(3) enforcement of sections 148.981 to 148.9886;

(4) applications and recommendations of applicants for registration or registration renewal;

(5) complaints and recommendations regarding disciplinary matters and proceedings according to sections 214.10; 214.103; and 214.13, subdivisions 6 and 7;

(6) approval or creation of a competency exam granting status as an approved education provider; and

(7) performance of other duties of advisory councils under chapter 214, or as directed by the board.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 17. **[148.987] REGISTRATION REQUIREMENTS.**

Subdivision 1. **Registration.** To be eligible for registration according to sections 148.981 to 148.9886, an applicant must:

(1) pay applicable fees;

(2) submit to a criminal background check and pay the fees associated with obtaining the criminal background check. The background check shall be conducted in accordance with section 214.075; and

(3) file a written application on a form provided by the board that includes:

(i) the applicant's name, Social Security number, home address and telephone number, business address and telephone number, and business setting;

(ii) proof, as required by the board, of:

(A) having obtained a high school diploma or its equivalent;

(B) being 18 years of age or older;

(C) current cardiopulmonary resuscitation and first aid certification;

(D) current professional liability insurance coverage, with a minimum of $1,000,000 of coverage per occurrence; and

(E) proof, as required by the board, that the applicant has completed a postsecondary course of study that included a minimum of 500 contact hours of combined massage and bodywork therapy, theory, and practice training consisting of at least:

i. 120 combined hours of science, including anatomy and physiology, kinesiology, pathology, hygiene, and standard precautions; and

ii. 340 combined clinical and practice hours, including massage and bodywork therapy techniques; supervised practice; professional ethics and standards of practice; business and legal practices related to massage and bodywork therapy; and history, theory, and research related to massage and bodywork therapy;

(iii) unless registered under subdivision 3 or 4, successful completion of a competency exam;

(iv) a list of credentials or memberships held in this state or other states or from private credentialing or professional organizations;

(v) a description of any other state or municipality's refusal to credential the applicant;

(vi) a description of all professional disciplinary actions initiated against the applicant in any jurisdiction;

(vii) any history of drug or alcohol abuse;

(viii) any misdemeanor or felony conviction;

(ix) additional information as requested by the board;

(x) the applicant's signature on a statement that the information in the application is true and correct to the best of the applicant's knowledge; and

(xi) the applicant's signature on a waiver authorizing the board to obtain access to the applicant's records in this state or any other state in which the applicant has engaged in the practice of massage and bodywork therapy.

Subd. 2. **Registration prohibited.** The board shall deny an application for registration if an applicant:

(1) has been convicted in this state of any of the following crimes, or of equivalent crimes in another state:

(i) prostitution as defined under section 609.321, 609.324, or 609.3242;

(ii) human trafficking as defined under section 609.282, 609.283, or 609.322;

(iii) criminal sexual conduct under sections 609.342 to 609.3451, or 609.3453; or

(iv) a violent crime as defined under section 611A.08, subdivision 6;

(2) is a registered sex offender under section 243.166;

(3) has been subject to disciplinary action under section 146A.09 or similar provision under the laws of another state, if the board determines such a denial is necessary to protect the public; or

(4) is charged with or under investigation for a complaint in this state or any state that would constitute a violation of statutes or rules established for the practice of massage and bodywork therapy in this state, and the charge or complaint has not been resolved in favor of the applicant.

Subd. 3. **Registration by endorsement.** (a) To be eligible for registration by endorsement, an applicant shall:

(1) meet the requirements for registration in subdivision 1, clauses (1), (2), and (3), items (iv) to (xi); and

(2) provide proof of a current and unrestricted equivalent credential in another state that has qualifications at least equivalent to the requirements of sections 148.981 to 148.9886. The proof shall include records as required by rules of the board.

(b) Registrations issued by endorsement shall expire on the same schedule and be renewed by the same procedures as registrations issued under subdivision 1.

Subd. 4. **Registration by grandfathering.** (a) To be eligible for registration by grandfathering, an applicant shall:

(1) meet the requirements for registration in subdivision 1, clauses (1), (2), and (3), items (iv) to (xi); and

(2) provide documentation as specified by the board demonstrating the applicant has met at least one of the following qualifications:

(i) successful completion of at least 500 hours of supervised classroom and hands-on instruction relating to massage and bodywork therapy;

(ii) successful completion of a competency exam;

(iii) evidence of experience in the practice of massage and bodywork therapy for at least two of the previous five years immediately preceding application; or

(iv) active membership in a professional organization for at least two of the previous five years immediately preceding application.

(b) Registrations issued by grandfathering shall expire and be renewed on the same schedule and by the same procedures as registrations issued under subdivision 1.

(c) This subdivision is effective for two years after the first date the board has made applications available.

Subd. 5. **Temporary permit.** A temporary permit to practice as a registered massage and bodywork therapist may be issued to an applicant eligible for registration under subdivision 1, 3, or 4, if the application for registration is complete, all applicable requirements in this section have been met, and applicable fees have been paid. The temporary permit remains valid until the board takes action on the applicant's application.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 18. **[148.9871] EXPIRATION AND RENEWAL.**

Subdivision 1. **Registration expiration.** Registrations issued according to this chapter expire annually.

Subd. 2. **Renewal.** To be eligible for registration renewal, a registrant must annually, or as determined by the board:

(1) complete a renewal application on a form provided by the board;

(2) submit applicable fees; and

(3) submit any additional information requested by the board to clarify information presented in the renewal application. The information must be submitted within 30 days after the board's request, or the renewal request is canceled.

Subd. 3. **Change of address.** A registrant who changes addresses must inform the board within 30 days, in writing, of the change of address. Notices or other correspondence mailed to or served on a registrant at the registrant's current address on file shall be considered as having been received by the registrant.

Subd. 4. **Registration renewal notice.** At least 60 days before the registration renewal date, the board shall send out a renewal notice to the last known address of the registrant on file. The notice must include a renewal application and a notice of fees required for renewal. It must also inform the registrant that registration will expire without further action by the board if an application for registration renewal is not received before the deadline for renewal. The registrant's failure to receive this notice shall not relieve the registrant of the obligation to meet the deadline and other requirements for registration renewal. Failure to receive this notice is not grounds for challenging expiration of registered status.

Subd. 5. **Renewal deadline.** The renewal application and fee must be postmarked on or before October 1 of the year of renewal or as determined by the board. If the postmark is illegible, the application shall be considered timely if received by the third working day after the deadline.

Subd. 6. **Inactive status and return to active status.** (a) A registration may be placed in inactive status upon application to the board by the registrant and upon payment of an inactive status fee.

(b) A registrant seeking restoration to active status from inactive status must pay the current renewal fees and all unpaid back inactive fees. The registrant must meet the criteria for renewal under subdivision 7 prior to submitting an application to regain registered status. If the registrant has been in inactive status for more than five years, a qualifying score on a competency exam is required.

Subd. 7. **Registration following lapse of registration status for two years or less.** In order for an individual whose registration status has lapsed for two years or less, to regain registration status, the individual must:

(1) apply for registration renewal according to subdivision 2; and

(2) submit applicable fees for the period not registered, including the fee for late renewal.

Subd. 8. **Cancellation due to nonrenewal.** The board shall not renew, reissue, reinstate, or restore a registration that has lapsed and has not been renewed within two years. A registrant whose registration is canceled for nonrenewal must obtain a new registration by applying for initial registration and fulfilling all requirements then in existence for initial registration as a massage and bodywork therapist.

Subd. 9. **Cancellation of registration in good standing.** (a) A registrant holding active registration as a massage and bodywork therapist in this state may, upon approval of the board, be granted registration cancellation if the board is not investigating the person as a result of a complaint or information received or if the board has not begun disciplinary proceedings against the registrant. Such action by the board shall be reported as a cancellation of registration in good standing.

(b) A registrant who receives board approval for registration cancellation is not entitled to a refund of any registration fees paid for the registration period in which cancellation of the registration occurred.

(c) To obtain registration after cancellation, an applicant must obtain a new registration by applying for initial registration and fulfilling the requirements then in existence for obtaining initial registration according to sections 148.981 to 148.9886.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 19. **[148.9881] BOARD ACTION ON APPLICATIONS.**

(a) The board shall act on each application for registration or renewal according to paragraphs (b) and (d).

(b) The board or advisory council shall determine if the applicant meets the requirements for registration or renewal under section 148.987 or 148.9871. The board or advisory council may investigate information provided by an applicant to determine whether the information is accurate and complete, and may request additional information or documentation.

(c) The board shall notify each applicant, in writing, of action taken on the application, the grounds for denying registration if registration is denied, and the applicant's right to review under paragraph (d).

(d) An applicant denied registration may make a written request to the board, within 30 days of the board's notice, to appear before the advisory council and for the advisory council to review the board's decision to deny the applicant's registration. After reviewing the denial, the advisory council shall make a recommendation to the board as to whether the denial shall be affirmed. Each applicant is allowed only one request for review per registration period.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 20. **[148.9882] GROUNDS FOR DISCIPLINARY ACTION.**

Subdivision 1. **Grounds listed.** (a) The board may deny, revoke, suspend, limit, or condition the registration of a registrant or registered massage and bodywork therapist, or may otherwise discipline a registrant. The fact that massage and bodywork therapy may be considered a less customary approach to health care shall not constitute the basis for disciplinary action per se.

(b) The following are grounds for disciplinary action, regardless of whether injury to a client is established:

(1) failing to demonstrate the qualifications or to satisfy the requirements for registration contained in sections 148.981 to 148.9886, or rules of the board. In the case of an applicant, the burden of proof is on the applicant to demonstrate the qualifications or satisfy the requirements;

(2) advertising in a false, fraudulent, deceptive, or misleading manner, including, but not limited to:

(i) advertising or holding oneself out as a "registered massage and bodywork therapist" or any abbreviation or derivative thereof to indicate such a title, when such registration is not valid or current for any reason;

(ii) advertising or holding oneself out as a "licensed massage and bodywork therapist" or any abbreviation or derivative thereof to indicate such a title, unless the registrant currently holds a valid state license in another state and provided that the state is clearly identified;

(iii) advertising a service, the provision of which would constitute a violation of this chapter or rules established by the board; and

(iv) using fraud, deceit, or misrepresentation when communicating with the general public, health care providers, or other business professionals;

(3) falsifying information in a massage and bodywork therapy registration or renewal application or attempting to obtain registration, registration renewal, or reinstatement by fraud, deception, or misrepresentation, or aiding and abetting any of these acts;

(4) engaging in conduct with a client that is sexual or may reasonably be interpreted by the client as sexual, or in any verbal behavior that is seductive or sexually demeaning to a client, or engaging in sexual exploitation of a client, without regard to who initiates such behaviors;

(5) committing an act of gross malpractice, negligence, or incompetency, or failing to practice massage and bodywork therapy with the level of care, skill, and treatment that is recognized by a reasonably prudent massage and bodywork therapist as being acceptable under similar conditions and circumstances;

(6) having an actual or potential inability to practice massage and bodywork therapy with reasonable skill and safety to clients by reason of illness, as a result of any mental or physical condition, or use of alcohol, drugs, chemicals, or any other material. Being adjudicated as mentally incompetent, mentally ill, a chemically dependent person, or a person dangerous to the public by a court of competent jurisdiction, inside or outside of this state, may be considered as evidence of an inability to practice massage and bodywork therapy;

(7) being the subject of disciplinary action as a massage and bodywork therapist by another state or jurisdiction where the board or advisory council determines that the cause of the disciplinary action would be a violation under this state's statutes or rules of the board if the violation had occurred in this state;

(8) failing to notify the board of revocation or suspension of a credential, or any other disciplinary action taken by this or any other state, territory, or country, including any restrictions on the right to practice; or the surrender or voluntary termination of a credential during a board investigation of a complaint, as part of a disciplinary order, or while under a disciplinary order;

(9) conviction of a crime, including a finding or verdict of guilt, an admission of guilt, or a no-contest plea, in any court in Minnesota or any other jurisdiction in the United States, reasonably related to engaging in massage and bodywork therapy practices. Conviction, as used in this clause, includes a conviction of an offense which, if committed in this state, would be deemed a felony, gross misdemeanor, or misdemeanor, without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilty is made or returned but the adjudication of guilt is either withheld or not entered;

(10) if a registrant is on probation, failing to abide by terms of that probation;

(11) practicing or offering to practice beyond the scope of the practice of massage and bodywork therapy;

(12) managing client records and information improperly, including, but not limited to failing to maintain adequate client records, comply with a client's request made according to sections 144.291 to 144.298, or furnish a client record or report required by law;

(13) revealing a privileged communication from or relating to a client except when otherwise required or permitted by law;

(14) providing massage and bodywork therapy services that are linked to the financial gain of a referral source;

(15) obtaining money, property, or services from a client, other than reasonable fees for services provided to the client, through the use of undue influence, harassment, duress, deception, or fraud;

(16) engaging in abusive or fraudulent billing practices, including violations of federal Medicare and Medicaid laws or state medical assistance laws;

(17) failing to consult with a client's health care provider who prescribed a course of massage and bodywork therapy treatment if the treatment needs to be altered from the original written order to conform with standards in the massage and bodywork therapy field or the registrant's level of training or experience;

(18) failing to cooperate with an investigation of the board or its representatives, including failing to respond fully and promptly to any question raised by or on behalf of the board relating to the subject of the investigation, failing to execute all releases requested by the board, failing to provide copies of client records, as reasonably requested by the board to assist in its investigation, and failing to appear at conferences or hearings scheduled by the board or its staff;

(19) interfering with an investigation or disciplinary proceeding, including by willful misrepresentation of facts or by the use of threats or harassment to prevent a person from providing evidence in a disciplinary proceeding or any legal action;

(20) violating a statute, rule, order, or agreement for corrective action that the board issued or is otherwise authorized or empowered to enforce;

(21) aiding or abetting a person in violating sections 148.981 to 148.9886;

(22) failing to report to the board other massage and bodywork therapists who commit violations of sections 148.981 to 148.9886; and

(23) failing to notify the board, in writing, of the entry of a final judgment by a court of competent jurisdiction against the registrant for malpractice of massage and bodywork therapy, or any settlement by the registrant in response to charges or allegations of malpractice of massage and bodywork therapy. The notice must be provided to the board within 60 days after the entry of a judgment, and must contain the name of the court, case number, and the names of all parties to the action.

Subd. 2. **Evidence.** In disciplinary actions alleging a violation of subdivision 1, a copy of the judgment or proceeding under the seal of the court administrator or of the administrative agency that entered the same shall be admissible into evidence without further authentication and shall constitute prima facie evidence of the violation.

Subd. 3. **Examination; access to medical data.** The board may take the actions described in section 148.261, subdivision 5, if it has probable cause to believe that grounds for disciplinary action exist under subdivision 1, paragraph (b), clause (6). The requirements and limitations described in section 148.261, subdivision 5, shall apply.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 21. **[148.9883] DISCIPLINE; REPORTING.**

For purposes of sections 148.981 to 148.9886, registered massage and bodywork therapists and applicants are subject to sections 148.262 to 148.266.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 22. **[148.9884] EFFECT ON MUNICIPAL ORDINANCES.**

Subdivision 1. **License authority.** The provisions of sections 148.981 to 148.9886 preempt the licensure and regulation of registered massage and bodywork therapists by a municipality, including, without limitation, conducting a criminal background investigation and examination of a massage and bodywork therapist or applicant for a municipality's credential to practice massage and bodywork therapy.

Subd. 2. **Municipal regulation.** Nothing in sections 148.981 to 148.9886 shall be construed to limit a municipality from:

(1) requiring a massage business establishment to obtain a business license or permit in order to transact business in the jurisdiction regardless of whether the massage business establishment is operated by a registered or unregistered massage and bodywork therapist;

(2) enforcing the provisions of health codes related to communicable diseases;

(3) requiring a criminal background check of any unregistered massage and bodywork therapist applying for a license to conduct massage and bodywork therapy in the municipality; and

(4) otherwise regulating massage business establishments by ordinance regardless of whether the massage business establishment is operated by a registered or unregistered massage and bodywork therapist.

Subd. 3. **Prosecuting authority.** A municipality may prosecute violations of sections 148.981 to 148.9886, a local ordinance, or any other law by a registered or unregistered massage and bodywork therapist in its jurisdiction.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 23. **[148.9885] FEES.**

Subdivision 1. **Fees.** Fees are as follows:

(1) initial registration with application fee must not exceed $285;

(2) annual registration renewal fee must not exceed $185;

(3) duplicate registration certificate, $15;

(4) late fee, $50;

(5) inactive status and inactive to active status reactivation, $50;

(6) temporary permit, $50; and

(7) returned check, $35.

Subd. 2. **Penalty fee for late renewals.** An application for registration renewal submitted after the deadline must be accompanied by a late fee in addition to the required fees.

Subd. 3. **Nonrefundable fees.** All of the fees in subdivision 1 are nonrefundable.

Subd. 4. **Deposit.** Fees collected by the board under this section shall be deposited into the state government special revenue fund.

Subd. 5. **Special assessment fee.** A special assessment fee not to exceed $..... shall be assessed annually upon registration renewal until the fee revenue equals the board's expenditures for registration activities under sections 148.981 to 148.9886.

EFFECTIVE DATE. This section is effective August 1, 2016.

Sec. 24. **[148.9886] EXCHANGING INFORMATION.**

The board shall report to the Office of Complementary and Alternative Health Practices all revocations or suspensions of registered massage and bodywork therapists. Upon request by the Office of Complementary and Alternative Health Practices, the board may share all complaint, investigatory, and disciplinary data relating to a previously or currently registered massage and bodywork therapist.

EFFECTIVE DATE. This section is effective August 1, 2016.

SPOKEN LANGUAGE HEALTH CARE INTERPRETER

Sec. 25. **[148.9981] DEFINITIONS.**

Subdivision 1. **Applicability.** The definitions in this section apply to sections 148.9981 to 148.9987.

Subd. 2. **Advisory council.** "Advisory council" means the Spoken Language Health Care Interpreter Advisory Council established in section 148.9986.

Subd. 3. **Code of ethics.** "Code of ethics" means the National Code of Ethics for Interpreters in Health Care, as published by the National Council on Interpreting in Health Care or its successor, or the International Medical Interpreters Association or its successor.

Subd. 4. **Commissioner.** "Commissioner" means the commissioner of health.

Subd. 5. **Common languages.** "Common languages" mean the ten most frequent languages without regard to dialect in Minnesota for which interpreters are listed on the registry.

Subd. 6. **Interpreting standards of practice.** "Interpreting standards of practice" means the interpreting standards of practice in health care as published by the National Council on Interpreting in Health Care or its successor, or the International Medical Interpreters Association or its successor.

Subd. 7. **Registry.** "Registry" means a database of spoken language health care interpreters in Minnesota who have met the qualifications described under section 148.9982, subdivision 2, 3, 4, or 5, which shall be maintained by the commissioner of health.

Subd. 8. **Remote interpretation.** "Remote interpretation" means providing spoken language interpreting services via a telephone or by video conferencing.

Subd. 9. **Spoken language health care interpreter or interpreter.** "Spoken language health care interpreter" or "interpreter" means an individual who receives compensation or other remuneration for providing spoken language interpreter services for patients with limited English proficiency within a medical setting either by face-to-face interpretation or remote interpretation.

Subd. 10. **Spoken language interpreting services.** "Spoken language interpreting services" means the conversion of one spoken language into another by an interpreter for the purpose of facilitating communication between a patient and a health care provider who do not share a common spoken language.

Sec. 26. **[148.9982] REGISTRY.**

Subdivision 1. **Establishment.** (a) By July 1, 2017, the commissioner of health shall establish and maintain a registry for spoken language health care interpreters. The registry shall contain four separate tiers based on different qualification standards for education and training.

(b) An individual who wants to be listed on the registry must submit an application to the commissioner on a form provided by the commissioner along with all applicable fees required under section 148.9987. The form must include the applicant's name; Social Security number; business address and telephone number, or home address and telephone number if the applicant has a home office; the applicant's employer or the agencies with which the applicant is affiliated; the employer's or agencies' addresses and telephone numbers; and the languages the applicant is qualified to interpret.

(c) Upon receipt of the application, the commissioner shall determine if the applicant meets the requirements for the applicable registry tier. The commissioner may request further information from the applicant if the information provided is not complete or accurate. The commissioner shall notify the applicant of action taken on the application, and if the application is denied, the grounds for denying the application.

(d) If the commissioner denies an application, the applicant may apply for a lower tier or may reapply for the same tier at a later date. If an applicant applies for a different tier or reapplies for the same tier, the applicant must submit with the new application the applicable fees under section 148.9987.

(e) Applicants who qualify for different tiers for different languages shall only be required to complete one application and submit with the application the fee associated with the highest tier for which the applicant is applying.

(f) The commissioner may request, as deemed necessary, additional information from an applicant to determine or verify qualifications or collect information to manage the registry or monitor the field of health care interpreting.

Subd. 2. **Tier 1 requirements.** The commissioner shall include on the tier 1 registry an applicant who meets the following requirements:

(1) is at least 18 years of age;

(2) passes an examination approved by the commissioner on basic medical terminology in English;

(3) passes an examination approved by the commissioner on interpreter ethics and standards of practice; and

(4) affirms by signature, including electronic signature, that the applicant has read the code of ethics and interpreting standards of practice identified on the registry Web site and agrees to abide by them.

Subd. 3. **Tier 2 requirements.** The commissioner shall include on the tier 2 registry an applicant who meets the requirements for tier 1 described under subdivision 2 and who:

(1) effective July 1, 2017, to June 30, 2018, provides proof of successfully completing a training program for medical interpreters approved by the commissioner that is, at a minimum, 40 hours in length; or

(2) effective July 1, 2018, provides proof of successfully completing a training program for medical interpreters approved by the commissioner that is equal in length to the number of hours required by the Certification Commission for Healthcare Interpreters (CCHI) or National Council on Interpreting in Health Care (NCIHC) or their successors. If the number of hours required by CCHI or its successor and the number of hours required by the NCIHC or its successor differ, the number of hours required to qualify for the registry shall be the greater of the two. A training program of 40 hours or more approved by the commissioner and completed prior to July 1, 2017, may count toward the number of hours required.

Subd. 4. **Tier 3 requirements.** The commissioner shall include on the tier 3 registry an applicant who meets the requirements for tier 1 described under subdivision 2 and who:

(1) has a national certification in health care interpreting that does not include a performance examination from a certifying organization approved by the commissioner; or

(2) provides proof of successfully completing an interpreting certification program from an accredited United States academic institution approved by the commissioner that is, at a minimum, 18 semester credits.

Subd. 5. **Tier 4 requirements.** (a) The commissioner shall include on the tier 4 registry an applicant who meets the requirements for tier 1 described under subdivision 2 and who:

(1) has a national certification from a certifying organization approved by the commissioner in health care interpreting that includes a performance examination in the non-English language in which the interpreter is registering to interpret; or

(2)(i) has an associate's degree or higher in interpreting from an accredited United States academic institution. The degree and institution must be approved by the commissioner and the degree must include a minimum of three semester credits in medical terminology or medical interpreting; and

(ii) has achieved a score of "advanced mid" or higher on the American Council on the Teaching of Foreign Languages Oral Proficiency Interview in a non-English language in which the interpreter is registering to interpret.

(b) The commissioner, in consultation with the advisory council, may approve alternative means of meeting oral proficiency requirements for tier 4 for languages in which the American Council of Teaching of Foreign Languages Oral Proficiency Interview is not available.

(c) The commissioner, in consultation with the advisory council, may approve a degree from an educational institution from a foreign country as meeting the associate's degree requirement in paragraph (a), clause (2). The commissioner may assess the applicant a fee to cover the cost of foreign credential evaluation services approved by the commissioner, in consultation with the advisory council, and any additional steps necessary to process the application. Any assessed fee must be paid by the interpreter before the interpreter will be registered.

Subd. 6. **Change of name and address.** Registered spoken language health care interpreters who change their name, address, or e-mail address must inform the commissioner in writing of the change within 30 days. All notices or other correspondence mailed to the interpreter's address or e-mail address on file with the commissioner shall be considered as having been received by the interpreter.

Subd. 7. **Data.** Section 13.41 applies to government data of the commissioner on applicants and registered interpreters.

Sec. 27. **[148.9983] RENEWAL.**

Subdivision 1. **Registry period.** Listing on the registry is valid for a one-year period. To renew inclusion on the registry, an interpreter must submit:

(1) a renewal application on a form provided by the commissioner;

(2) a continuing education report on a form provided by the commissioner as specified under section 148.9985; and

(3) the required fees under section 148.9987.

Subd. 2. **Notice.** (a) Sixty days before the registry expiration date, the commissioner shall send out a renewal notice to the spoken language health care interpreter's last known address or e-mail address on file with the commissioner. The notice must include an application for renewal and the amount of the fee required for renewal. If the interpreter does not receive the renewal notice, the interpreter is still required to meet the deadline for renewal to qualify for continuous inclusion on the registry.

(b) An application for renewal must be received by the commissioner or postmarked at least 30 calendar days before the registry expiration date.

Subd. 3. **Late fee.** A renewal application submitted after the renewal deadline date must include the late fee specified in section 148.9987. Fees for late renewal shall not be prorated.

Subd. 4. **Lapse in renewal.** An interpreter whose registry listing has been expired for a period of one year or longer must submit a new application to be listed on the registry instead of a renewal application.

Sec. 28. **[148.9984] DISCIPLINARY ACTIONS; OVERSIGHT OF COMPLAINTS.**

Subdivision 1. **Prohibited conduct.** (a) The following conduct is prohibited and is grounds for disciplinary or corrective action:

(1) failure to provide spoken language interpreting services consistent with the code of ethics and interpreting standards of practice, or performance of the interpretation in an incompetent or negligent manner;

(2) conviction of a crime, including a finding or verdict of guilt, an admission of guilt, or a no-contest plea, in any court in Minnesota or any other jurisdiction in the United States, demonstrably related to engaging in spoken language health care interpreter services. Conviction includes a conviction for an offense which, if committed in this state, would be deemed a felony;

(3) conviction of violating any state or federal law, rule, or regulation that directly relates to the practice of spoken language health care interpreters;

(4) adjudication as mentally incompetent or as a person who is dangerous to self or adjudication pursuant to chapter 253B as chemically dependent, developmentally disabled, mentally ill and dangerous to the public, or as a sexual psychopathic personality or sexually dangerous person;

(5) violation or failure to comply with an order issued by the commissioner;

(6) obtaining money, property, services, or business from a client through the use of undue influence, excessive pressure, harassment, duress, deception, or fraud;

(7) revocation of the interpreter's national certification as a result of disciplinary action brought by the national certifying body;

(8) failure to perform services with reasonable judgment, skill, or safety due to the use of alcohol or drugs or other physical or mental impairment;

(9) engaging in conduct likely to deceive, defraud, or harm the public;

(10) demonstrating a willful or careless disregard for the health, welfare, or safety of a client;

(11) failure to cooperate with the commissioner or advisory council in an investigation or to provide information in response to a request from the commissioner or advisory council;

(12) aiding or abetting another person in violating any provision of sections 148.9981 to 148.9987; and

(13) release or disclosure of a health record in violation of sections 144.291 to 144.298.

(b) In disciplinary actions alleging a violation of paragraph (a), clause (2), (3), or (4), a copy of the judgment or proceeding under seal of the court administrator, or of the administrative agency that entered the same, is admissible into evidence without further authentication and constitutes prima facie evidence of its contents.

Subd. 2. **Complaints.** The commissioner may initiate an investigation upon receiving a complaint or other oral or written communication that alleges or implies a violation of subdivision 1. In the receipt, investigation, and hearing of a complaint that alleges or implies a violation of subdivision 1, the commissioner shall follow the procedures in section 214.10.

Subd. 3. **Disciplinary actions.** If the commissioner finds that an interpreter who is listed on the registry has violated any provision of sections 148.9981 to 148.9987, the commissioner may take any one or more of the following actions:

(1) remove the interpreter from the registry;

(2) impose limitations or conditions on the interpreter's practice, impose rehabilitation requirements, or require practice under supervision; or

(3) censure or reprimand the interpreter.

Subd. 4. **Reinstatement requirements after disciplinary action.** Interpreters who have been removed from the registry may request and provide justification for reinstatement. The requirements of sections 148.9981 to 148.9987 for registry renewal and any other conditions imposed by the commissioner must be met before the interpreter may be reinstated on the registry.

Sec. 29. **[148.9985] CONTINUING EDUCATION.**

Subdivision 1. **Course approval.** The advisory council shall approve continuing education courses and training. A course that has not been approved by the advisory council may be submitted, but may be disapproved by the commissioner. If the course is disapproved, it shall not count toward the continuing education requirement. The interpreter must complete the following hours of continuing education during each one-year registry period:

(1) for tier 2 interpreters, a minimum of four contact hours of continuing education;

(2) for tier 3 interpreters, a minimum of six contact hours of continuing education; and

(3) for tier 4 interpreters, a minimum of eight contact hours of continuing education.

Contact hours shall be prorated for interpreters who are assigned a registry cycle of less than one year.

Subd. 2. **Continuing education verification.** Each spoken language health care interpreter shall submit with a renewal application a continuing education report on a form provided by the commissioner that indicates that the interpreter has met the continuing education requirements of this section. The form shall include the following information:

(1) the title of the continuing education activity;

(2) a brief description of the activity;

(3) the sponsor, presenter, or author;

(4) the location and attendance dates;

(5) the number of contact hours; and

(6) the interpreter's notarized affirmation that the information is true and correct.

Subd. 3. **Audit.** The commissioner or advisory council may audit a percentage of the continuing education reports based on a random selection.

Sec. 30. **[148.9986] SPOKEN LANGUAGE HEALTH CARE INTERPRETER ADVISORY COUNCIL.**

Subdivision 1. **Establishment.** The commissioner shall appoint 12 members to a Spoken Language Health Care Interpreter Advisory Council consisting of the following members:

(1) three members who are interpreters listed on the roster prior to July 1, 2017, or on the registry after July 1, 2017, and who are Minnesota residents. Of these members, each must be an interpreter for a different language; at least one must have a national certification credential; and at least one must have been listed on the roster prior to July 1, 2017, or on the registry after July 1, 2017, as an interpreter in a language other than the common languages and must have completed a training program for medical interpreters approved by the commissioner that is, at a minimum, 40 hours in length;

(2) three members representing limited English proficient (LEP) individuals, of these members, two must represent LEP individuals who are proficient in a common language and one must represent LEP individuals who are proficient in a language that is not one of the common languages;

(3) one member representing a health plan company;

(4) one member representing a Minnesota health system who is not an interpreter;

(5) one member representing an interpreter agency;

(6) one member representing an interpreter training program or postsecondary educational institution program providing interpreter courses or skills assessment;

(7) one member who is affiliated with a Minnesota-based or Minnesota chapter of a national or international organization representing interpreters; and

(8) one member who is a licensed direct care health provider.

Subd. 2. **Organization.** The advisory council shall be organized and administered under section 15.059.

Subd. 3. **Duties.** The advisory council shall:

(1) advise the commissioner on issues relating to interpreting skills, ethics, and standards of practice, including reviewing and recommending changes to the examinations identified in section 148.9982, subdivision 2, on basic medical terminology in English and interpreter ethics and interpreter standards of practice;

(2) advise the commissioner on recommended changes to accepted spoken language health care interpreter qualifications, including degree and training programs and performance examinations;

(3) address barriers for interpreters to gain access to the registry, including barriers to interpreters of uncommon languages and interpreters in rural areas;

(4) advise the commissioner on methods for identifying gaps in interpreter services in rural areas and make recommendations to address interpreter training and funding needs;

(5) inform the commissioner on emerging issues in the spoken language health care interpreter field;

(6) advise the commissioner on training and continuing education programs;

(7) provide for distribution of information regarding interpreter standards and resources to help interpreters qualify for higher registry tier levels;

(8) make recommendations for necessary statutory changes to Minnesota interpreter law;

(9) compare the annual cost of administering the registry and the annual total collection of registration fees and advise the commissioner, if necessary, to recommend an adjustment to the registration fees;

(10) identify barriers to meeting tier requirements and make recommendations to the commissioner for addressing these barriers;

(11) identify and make recommendations to the commissioner for Web distribution of patient and provider education materials on working with an interpreter and on reporting interpreter behavior as identified in section 148.9984; and

(12) review and update as necessary the process for determining common languages.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 31. **[148.9987] FEES.**

Subdivision 1. **Fees.** (a) The initial and renewal application fees for interpreters listed on the registry shall be established by the commissioner not to exceed $90.

(b) The renewal late fee for the registry shall be established by the commissioner not to exceed $30.

(c) If the commissioner must translate a document to verify whether a foreign degree qualifies for registration for tier 4, the commissioner may assess a fee equal to the actual cost of translation and additional effort necessary to process the application.

Subd. 2. **Nonrefundable fees.** The fees in this section are nonrefundable.

Subd. 3. **Deposit.** Fees received under sections 148.9981 to 148.9987 shall be deposited in the state government special revenue fund.

Sec. 32. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 18a, is amended to read:

Subd. 18a. **Access to medical services.** (a) Medical assistance reimbursement for meals for persons traveling to receive medical care may not exceed $5.50 for breakfast, $6.50 for lunch, or $8 for dinner.

(b) Medical assistance reimbursement for lodging for persons traveling to receive medical care may not exceed $50 per day unless prior authorized by the local agency.

(c) Regardless of the number of employees that an enrolled health care provider may have, medical assistance covers sign and ~~oral~~ spoken language health care interpreter services when provided by an enrolled health care provider during the course of providing a direct, person-to-person covered health care service to an enrolled recipient with limited English proficiency or who has a hearing loss and uses interpreting services. Coverage for ~~face-to-face oral language~~ spoken language health care interpreter services shall be provided only if the ~~oral language~~ spoken language health care interpreter used by the enrolled health care provider is listed ~~in~~ on the ~~registry or~~ roster established under section 144.058 or the registry established under sections 148.9981 to 148.9987. Beginning July 1, 2018, coverage for spoken language health care interpreter services shall be provided only if the spoken language health care interpreter used by the enrolled health care provider is listed on the registry established under sections 148.9981 to 148.9987.

Sec. 33. **STRATIFIED MEDICAL ASSISTANCE REIMBURSEMENT SYSTEM FOR SPOKEN LANGUAGE HEALTH CARE INTERPRETERS.**

(a) The commissioner of human services, in consultation with the commissioner of health, the Spoken Language Health Care Interpreter Advisory Council established under Minnesota Statutes, section 148.9986, and representatives from the interpreting stakeholder community at large, shall study and make recommendations for creating a tiered reimbursement system for the Minnesota public health care programs for spoken language health care interpreters based on the different tiers of the spoken language health care interpreters registry established by the commissioner of health under Minnesota Statutes, sections 148.9981 to 148.9987.

(b) The commissioner of human services shall submit the proposed reimbursement system, including the fiscal costs for the proposed system to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over health and human services policy and finance by January 15, 2017.

(c) The commissioner of health, in consultation with the Spoken Language Health Care Interpreter Advisory Council, shall review the fees established under Minnesota Statutes, section 148.9987, and make recommendations based on the results of the study and recommendations under paragraph (a) whether the fees are established at an

appropriate level, including whether specific fees should be established for each tier of the registry instead of one uniform fee for all tiers. The total fees collected must be sufficient to recover the costs of the spoken language health care registry. If the commissioner recommends different fees for the tier, the commissioner shall submit the proposed fees to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance by January 15, 2018.

Sec. 34. **INITIAL SPOKEN LANGUAGE HEALTH CARE ADVISORY COUNCIL MEETING.**

The commissioner of health shall convene the first meeting of the Spoken Language Health Care Advisory Council by October 1, 2016.

Sec. 35. **SPOKEN LANGUAGE HEALTH CARE INTERPRETER REGISTRY FEES.**

Notwithstanding Minnesota Statutes, section 148.9987, paragraph (a), the initial and renewal fees for interpreters listed on the spoken language health care registry shall be $50 between the period of July 1, 2017, through June 30, 2018, and shall be $70 between the period of July 1, 2018, through June 30, 2019. Beginning July 1, 2019, the fees shall be in accordance with Minnesota Statutes, section 148.9987.

Sec. 36. **APPROPRIATION.**

$357,000 in fiscal year 2017 is appropriated from the state government special revenue fund to the commissioner of health for the spoken language health care interpreter registry. This amount includes $280,000 for onetime start-up costs for the registry that is available until June 30, 2019. The base for this appropriation is $241,000 in fiscal year 2018 and $156,000 in fiscal year 2019.

$25,000 in fiscal year 2017 is appropriated from the state government special revenue fund to the commissioner of human services to study and submit a proposed stratified medical assistance reimbursement system for spoken language health care interpreters.

Sec. 37. **REPEALER.**

Minnesota Statutes 2014, section 144.058, is repealed effective July 1, 2018.

MINNESOTA ORTHOTIST, PROSTHETIST, AND PEDORTHIST PRACTICE ACT

Sec. 38. **[153B.10] SHORT TITLE.**

Chapter 153B may be cited as the "Minnesota Orthotist, Prosthetist, and Pedorthist Practice Act."

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 39. **[153B.15] DEFINITIONS.**

Subdivision 1. **Application.** For purposes of this act, the following words have the meanings given.

Subd. 2. **Advisory council.** "Advisory council" means the Orthotics, Prosthetics, and Pedorthics Advisory Council established under section 153B.25.

Subd. 3. **Board.** "Board" means the Board of Podiatric Medicine.

Subd. 4. **Custom-fabricated device.** "Custom-fabricated device" means an orthosis, prosthesis, or pedorthic device for use by a patient that is fabricated to comprehensive measurements or a mold or patient model in accordance with a prescription and which requires on-site or in-person clinical and technical judgment in its design, fabrication, and fitting.

Subd. 5. **Licensed orthotic-prosthetic assistant.** "Licensed orthotic-prosthetic assistant" or "assistant" means a person, licensed by the board, who is educated and trained to participate in comprehensive orthotic and prosthetic care while under the supervision of a licensed orthotist or licensed prosthetist. Assistants may perform orthotic and prosthetic procedures and related tasks in the management of patient care. The assistant may fabricate, repair, and maintain orthoses and prostheses. The use of the title "orthotic-prosthetic assistant" or representations to the public is limited to a person who is licensed under this chapter as an orthotic-prosthetic assistant.

Subd. 6. **Licensed orthotic fitter.** "Licensed orthotic fitter" or "fitter" means a person licensed by the board who is educated and trained in providing certain orthoses, and is trained to conduct patient assessments, formulate treatment plans, implement treatment plans, perform follow-up, and practice management pursuant to a prescription. An orthotic fitter must be competent to fit certain custom-fitted, prefabricated, and off-the-shelf orthoses as follows:

(1) cervical orthoses, except those used to treat an unstable cervical condition;

(2) prefabricated orthoses for the upper and lower extremities, except those used in:

(i) the initial or acute treatment of long bone fractures and dislocations;

(ii) therapeutic shoes and inserts needed as a result of diabetes; and

(iii) functional electrical stimulation orthoses;

(3) prefabricated spinal orthoses, except those used in the treatment of scoliosis or unstable spinal conditions, including halo cervical orthoses; and

(4) trusses.

The use of the title "orthotic fitter" or representations to the public is limited to a person who is licensed under this chapter as an orthotic fitter.

Subd. 7. **Licensed orthotist.** "Licensed orthotist" means a person licensed by the board who is educated and trained to practice orthotics, which includes managing comprehensive orthotic patient care pursuant to a prescription. The use of the title "orthotist" or representations to the public is limited to a person who is licensed under this chapter as an orthotist.

Subd. 8. **Licensed pedorthist.** "Licensed pedorthist" means a person licensed by the board who is educated and trained to manage comprehensive pedorthic patient care and who performs patient assessments, formulates and implements treatment plans, and performs follow-up and practice management pursuant to a prescription. A pedorthist may fit, fabricate, adjust, or modify devices within the scope of the pedorthist's education and training. Use of the title "pedorthist" or representations to the public is limited to a person who is licensed under this chapter as a pedorthist.

Subd. 9. **Licensed prosthetist.** "Licensed prosthetist" means a person licensed by the board who is educated and trained to manage comprehensive prosthetic patient care, and who performs patient assessments, formulates and implements treatment plans, and performs follow-up and practice management pursuant to a prescription. Use of the title "prosthetist" or representations to the public is limited to a person who is licensed under this chapter as a prosthetist.

Subd. 10. **Licensed prosthetist orthotist.** "Licensed prosthetist orthotist" means a person licensed by the board who is educated and trained to manage comprehensive prosthetic and orthotic patient care, and who performs patient assessments, formulates and implements treatment plans, and performs follow-up and practice management pursuant to a prescription. Use of the title "prosthetist orthotist" or representations to the public is limited to a person who is licensed under this chapter as a prosthetist orthotist.

Subd. 11. **NCOPE.** "NCOPE" means National Commission on Orthotic and Prosthetic Education, an accreditation program that ensures educational institutions and residency programs meet the minimum standards of quality to prepare individuals to enter the orthotic, prosthetic, and pedorthic professions.

Subd. 12. **Orthosis.** "Orthosis" means an external device that is custom-fabricated or custom-fitted to a specific patient based on the patient's unique physical condition and is applied to a part of the body to help correct a deformity, provide support and protection, restrict motion, improve function, or relieve symptoms of a disease, syndrome, injury, or postoperative condition.

Subd. 13. **Orthotics.** "Orthotics" means the science and practice of evaluating, measuring, designing, fabricating, assembling, fitting, adjusting, or servicing an orthosis pursuant to a prescription. The practice of orthotics includes providing the initial training necessary for fitting an orthotic device for the support, correction, or alleviation of neuromuscular or musculoskeletal dysfunction, disease, injury, or deformity.

Subd. 14. **Over-the-counter.** "Over-the-counter" means a prefabricated, mass-produced item that is prepackaged, requires no professional advice or judgment in size selection or use, and is currently available at retail stores without a prescription. Over-the-counter items are not regulated by this act.

Subd. 15. **Off-the-shelf.** "Off-the-shelf" means a prefabricated device sized or modified for the patient's use pursuant to a prescription and which requires changes to be made by a qualified practitioner to achieve an individual fit, such as requiring the item to be trimmed, bent, or molded with or without heat, or requiring any other alterations beyond self adjustment.

Subd. 16. **Pedorthic device.** "Pedorthic device" means below-the-ankle partial foot prostheses for transmetatarsal and more distal amputations, foot orthoses, and subtalar-control foot orthoses to control the range of motion of the subtalar joint. A prescription is required for any pedorthic device, modification, or prefabricated below-the-knee orthosis addressing a medical condition that originates at the ankle or below. Pedorthic devices do not include nontherapeutic inlays or footwear regardless of method of manufacture; unmodified, nontherapeutic over-the-counter shoes; or prefabricated foot care products.

Subd. 17. **Pedorthics.** "Pedorthics" means the science and practice of evaluating, measuring, designing, fabricating, assembling, fitting, adjusting, or servicing a pedorthic device pursuant to a prescription for the correction or alleviation of neuromuscular or musculoskeletal dysfunction, disease, injury, or deformity. The practice of pedorthics includes providing patient care and services pursuant to a prescription to prevent or ameliorate painful or disabling conditions of the foot and ankle.

Subd. 18. **Prescription.** "Prescription" means an order deemed medically necessary by a physician, podiatric physician, osteopathic physician, or a licensed health care provider who has authority in this state to prescribe orthotic and prosthetic devices, supplies, and services.

Subd. 19. **Prosthesis.** "Prosthesis" means a custom-designed, fabricated, fitted, or modified device to treat partial or total limb loss for purposes of restoring physiological function or cosmesis. Prosthesis does not include artificial eyes, ears, fingers, or toes; dental appliances; external breast prosthesis; or cosmetic devices that do not have a significant impact on the musculoskeletal functions of the body.

Subd. 20. **Prosthetics.** "Prosthetics" means the science and practice of evaluating, measuring, designing, fabricating, assembling, fitting, adjusting, or servicing a prosthesis pursuant to a prescription. It includes providing the initial training necessary to fit a prosthesis in order to replace external parts of a human body lost due to amputation, congenital deformities, or absence.

Subd. 21. **Resident.** "Resident" means a person who has completed a NCOPE-approved education program in orthotics or prosthetics and is receiving clinical training in a residency accredited by NCOPE.

Subd. 22. **Residency.** "Residency" means a minimum of an NCOPE-approved program to acquire practical clinical training in orthotics and prosthetics in a patient care setting.

Subd. 23. **Supervisor.** "Supervisor" means the licensed orthotist, prosthetist, or pedorthist who oversees and is responsible for the delivery of appropriate, effective, ethical, and safe orthotic, prosthetic, or pedorthic patient care.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 40. **[153B.20] EXCEPTIONS.**

Nothing in this chapter shall prohibit:

(1) a physician, osteopathic physician, or podiatric physician licensed by the state of Minnesota from providing services within the physician's scope of practice;

(2) a professional regulated in this state, including but not limited to physical therapists and occupational therapists, from providing services within the professional's scope of practice;

(3) the practice of orthotics, prosthetics, or pedorthics by a person who is employed by the federal government or any bureau, division, or agency of the federal government while in the discharge of the employee's official duties;

(4) the practice of orthotics, prosthetics, or pedorthics by:

(i) a student enrolled in an accredited or approved orthotics, prosthetics, or pedorthics education program who is performing activities required by the program;

(ii) a resident enrolled in an NCOPE-accredited residency program; or

(iii) a person working in a qualified, supervised work experience or internship who is obtaining the clinical experience necessary for licensure under this chapter; or

(5) an orthotist, prosthetist, prosthetist orthotist, pedorthist, assistant, or fitter who is licensed in another state or territory of the United States or in another country that has equivalent licensure requirements as approved by the board from providing services within the professional's scope of practice subject to this paragraph, if the individual is qualified and has applied for licensure under this chapter. The individual shall be allowed to practice for no longer than six months following the filing of the application for licensure, unless the individual withdraws the application for licensure or the board denies the license.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 41. **[153B.25] ORTHOTICS, PROSTHETICS, AND PEDORTHICS ADVISORY COUNCIL.**

Subdivision 1. **Creation; membership.** (a) There is established an Orthotics, Prosthetics, and Pedorthics Advisory Council which shall consist of seven voting members appointed by the board. Five members shall be licensed and practicing orthotists, prosthetists, or pedorthists. Each profession shall be represented on the advisory council. One member shall be a Minnesota-licensed doctor of podiatric medicine who is also a member of the Board of Podiatric Medicine, and one member shall be a public member.

(b) The council shall be organized and administered under section 15.059.

Subd. 2. **Duties.** The advisory council shall:

(1) advise the board on enforcement of the provisions contained in this chapter;

(2) review reports of investigations or complaints relating to individuals and make recommendations to the board as to whether a license should be denied or disciplinary action taken against an individual;

(3) advise the board regarding standards for licensure of professionals under this chapter; and

(4) perform other duties authorized for advisory councils by chapter 214, as directed by the board.

Subd. 3. **Chair.** The council must elect a chair from among its members.

Subd. 4. **Administrative provisions.** The Board of Podiatric Medicine must provide meeting space and administrative services for the council.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 42. **[153B.30] LICENSURE.**

Subdivision 1. **Application.** An application for a license shall be submitted to the board in the format required by the board and shall be accompanied by the required fee, which is nonrefundable.

Subd. 2. **Qualifications.** (a) To be eligible for licensure as an orthotist, prosthetist, or prosthetist orthotist, an applicant shall meet orthotist, prosthetist, or prosthetist orthotist certification requirements of either the American Board for Certification in Orthotics, Prosthetics, and Pedorthics or the Board of Certification/Accreditation requirements in effect at the time of the individual's application for licensure and be in good standing with the certifying board.

(b) To be eligible for licensure as a pedorthist, an applicant shall meet the pedorthist certification requirements of either the American Board for Certification in Orthotics, Prosthetics, and Pedorthics or the Board of Certification/Accreditation that are in effect at the time of the individual's application for licensure and be in good standing with the certifying board.

(c) To be eligible for licensure as an orthotic or prosthetic assistant, an applicant shall meet the orthotic or prosthetic assistant certification requirements of the American Board for Certification in Orthotics, Prosthetics, and Pedorthics that are in effect at the time of the individual's application for licensure and be in good standing with the certifying board.

(d) To be eligible for licensure as an orthotic fitter, an applicant shall meet the orthotic fitter certification requirements of either the American Board for Certification in Orthotics, Prosthetics, and Pedorthics or the Board of Certification/Accreditation that are in effect at the time of the individual's application for licensure and be in good standing with the certifying board.

Subd. 3. **License term.** A license to practice is valid for a term of up to 24 months beginning on January 1 or commencing after initially fulfilling the license requirements and ending on December 31 of the following year.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 43. **[153B.35] EMPLOYMENT BY AN ACCREDITED FACILITY; SCOPE OF PRACTICE.**

A licensed orthotist, prosthetist, pedorthist, assistant, or orthotic fitter may provide limited, supervised patient care services beyond their licensed scope of practice if all of the following conditions are met:

(1) the licensee is employed by a patient care facility that is accredited by a national accrediting organization in orthotics, prosthetics, and pedorthics;

(2) written objective criteria are documented by the accredited facility to describe the knowledge and skills required by the licensee to demonstrate competency to provide additional specific and limited patient care services that are outside the licensee's scope of practice;

(3) the licensee provides patient care only at the direction of a supervisor who is licensed as an orthotist, pedorthist, or prosthetist who is employed by the facility to provide the specific patient care or services that are outside the licensee's scope of practice; and

(4) the supervised patient care occurs in compliance with facility accreditation standards.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 44. **[153B.40] CONTINUING EDUCATION.**

Subdivision 1. **Requirement.** Each licensee shall obtain the number of continuing education hours required by the certifying board to maintain certification status pursuant to the specific license category.

Subd. 2. **Proof of attendance.** A licensee must submit to the board proof of attendance at approved continuing education programs during the license renewal period in which it was attended in the form of a certificate, statement of continuing education credits from the American Board for Certification in Orthotics, Prosthetics, and Pedorthics or the Board of Certification/Accreditation, descriptive receipt, or affidavit. The board may conduct random audits.

Subd. 3. **Extension of continuing education requirements.** For good cause, a licensee may apply to the board for a six-month extension of the deadline for obtaining the required number of continuing education credits. No more than two consecutive extensions may be granted. For purposes of this subdivision, "good cause" includes unforeseen hardships such as illness, family emergency, or military call-up.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 45. **[153B.45] LICENSE RENEWAL.**

Subdivision 1. **Submission of license renewal application.** A licensee must submit to the board a license renewal application on a form provided by the board together with the license renewal fee. The completed form must be postmarked no later than January 1 in the year of renewal. The form must be signed by the licensee in the place provided for the renewal applicant's signature, include evidence of participation in approved continuing education programs, and any other information as the board may reasonably require.

Subd. 2. **Renewal application postmarked after January 1.** A renewal application postmarked after January 1 in the renewal year shall be returned to the licensee for addition of the late renewal fee. A license renewal application postmarked after January 1 in the renewal year is not complete until the late renewal fee has been received by the board.

Subd. 3. **Failure to submit renewal application.** (a) At any time after January 1 of the applicable renewal year, the board shall send notice to a licensee who has failed to apply for license renewal. The notice shall be mailed to the licensee at the last address on file with the board and shall include the following information:

(1) that the licensee has failed to submit application for license renewal;

(2) the amount of renewal and late fees;

(3) information about continuing education that must be submitted in order for the license to be renewed;

(4) that the licensee must respond within 30 calendar days after the notice was sent by the board; and

(5) that the licensee may voluntarily terminate the license by notifying the board or may apply for license renewal by sending the board a completed renewal application, license renewal and late fees, and evidence of compliance with continuing education requirements.

(b) Failure by the licensee to notify the board of the licensee's intent to voluntarily terminate the license or to submit a license renewal application shall result in expiration of the license and termination of the right to practice. The expiration of the license and termination of the right to practice shall not be considered disciplinary action against the licensee.

(c) A license that has been expired under this subdivision may be reinstated.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 46. **[153B.50] NAME AND ADDRESS CHANGE.**

(a) A licensee who has changed names must notify the board in writing within 90 days and request a revised license. The board may require official documentation of the legal name change.

(b) A licensee must maintain with the board a correct mailing address to receive board communications and notices. A licensee who has changed addresses must notify the board in writing within 90 days. Mailing a notice by United States mail to a licensee's last known mailing address constitutes valid mailing.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 47. **[153B.55] INACTIVE STATUS.**

(a) A licensee who notifies the board in the format required by the board may elect to place the licensee's credential on inactive status and shall be excused from payment of renewal fees until the licensee notifies the board in the format required by the board of the licensee's plan to return to practice.

(b) A person requesting restoration from inactive status shall be required to pay the current renewal fee and comply with section 153B.45.

(c) A person whose license has been placed on inactive status shall not practice in this state.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 48. **[153B.60] LICENSE LAPSE DUE TO MILITARY SERVICE.**

A licensee whose license has expired while on active duty in the armed forces of the United States, with the National Guard while called into service or training, or while in training or education preliminary to induction into military service may have the licensee's license renewed or restored without paying a late fee or license restoration fee if the licensee provides verification to the board within two years of the termination of service obligation.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 49. **[153B.65] ENDORSEMENT.**

The board may license, without examination and on payment of the required fee, an applicant who is an orthotist, prosthetist, prosthetist orthotist, pedorthist, assistant, or fitter who is certified by the American Board for Certification in Orthotics, Prosthetics, and Pedorthics or a national certification organization with educational, experiential, and testing standards equal to or higher than the licensing requirements in Minnesota.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 50. **[153B.70] GROUNDS FOR DISCIPLINARY ACTION.**

(a) The board may refuse to issue or renew a license, revoke or suspend a license, or place on probation or reprimand a licensee for one or any combination of the following:

(1) making a material misstatement in furnishing information to the board;

(2) violating or intentionally disregarding the requirements of this chapter;

(3) conviction of a crime, including a finding or verdict of guilt, an admission of guilt, or a no-contest plea, in this state or elsewhere, reasonably related to the practice of the profession. Conviction, as used in this clause, includes a conviction of an offense which, if committed in this state, would be deemed a felony, gross misdemeanor, or misdemeanor, without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilty is made or returned but the adjudication of guilt is either withheld or not entered;

(4) making a misrepresentation in order to obtain or renew a license;

(5) displaying a pattern of practice or other behavior that demonstrates incapacity or incompetence to practice;

(6) aiding or assisting another person in violating the provisions of this chapter;

(7) failing to provide information within 60 days in response to a written request from the board, including documentation of completion of continuing education requirements;

(8) engaging in dishonorable, unethical, or unprofessional conduct;

(9) engaging in conduct of a character likely to deceive, defraud, or harm the public;

(10) inability to practice due to habitual intoxication, addiction to drugs, or mental or physical illness;

(11) being disciplined by another state or territory of the United States, the federal government, a national certification organization, or foreign nation, if at least one of the grounds for the discipline is the same or substantially equivalent to one of the grounds in this section;

(12) directly or indirectly giving to or receiving from a person, firm, corporation, partnership, or association a fee, commission, rebate, or other form of compensation for professional services not actually or personally rendered;

(13) incurring a finding by the board that the licensee, after the licensee has been placed on probationary status, has violated the conditions of the probation;

(14) abandoning a patient or client;

(15) willfully making or filing false records or reports in the course of the licensee's practice including, but not limited to, false records or reports filed with state or federal agencies;

(16) willfully failing to report child maltreatment as required under the Maltreatment of Minors Act, section 626.556; or

(17) soliciting professional services using false or misleading advertising.

(b) A license to practice is automatically suspended if (1) a guardian of a licensee is appointed by order of a court pursuant to sections 524.5-101 to 524.5-502, for reasons other than the minority of the licensee, or (2) the licensee is committed by order of a court pursuant to chapter 253B. The license remains suspended until the licensee is restored to capacity by a court and, upon petition by the licensee, the suspension is terminated by the board after a hearing. The licensee may be reinstated to practice, either with or without restrictions, by demonstrating clear and convincing evidence of rehabilitation. The regulated person is not required to prove rehabilitation if the subsequent court decision overturns previous court findings of public risk.

(c) If the board has probable cause to believe that a licensee or applicant has violated paragraph (a), clause (10), it may direct the person to submit to a mental or physical examination. For the purpose of this section, every person is deemed to have consented to submit to a mental or physical examination when directed in writing by the board and to have waived all objections to the admissibility of the examining physician's testimony or examination report on the grounds that the testimony or report constitutes a privileged communication. Failure of a regulated person to submit to an examination when directed constitutes an admission of the allegations against the person, unless the failure was due to circumstances beyond the person's control, in which case a default and final order may be entered without the taking of testimony or presentation of evidence. A regulated person affected under this paragraph shall at reasonable intervals be given an opportunity to demonstrate that the person can resume the competent practice of the regulated profession with reasonable skill and safety to the public. In any proceeding under this paragraph, neither the record of proceedings nor the orders entered by the board shall be used against a regulated person in any other proceeding.

(d) In addition to ordering a physical or mental examination, the board may, notwithstanding section 13.384 or 144.293, or any other law limiting access to medical or other health data, obtain medical data and health records relating to a licensee or applicant without the person's or applicant's consent if the board has probable cause to believe that a licensee is subject to paragraph (a), clause (10). The medical data may be requested from a provider as defined in section 144.291, subdivision 2, paragraph (i), an insurance company, or a government agency, including the Department of Human Services. A provider, insurance company, or government agency shall comply with any written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released pursuant to a written request under this subdivision, unless the information is false and the provider giving the information knew, or had reason to know, the information was false. Information obtained under this subdivision is private data on individuals as defined in section 13.02.

(e) If the board issues an order of immediate suspension of a license, a hearing must be held within 30 days of the suspension and completed without delay.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 51. **[153B.75] INVESTIGATION; NOTICE AND HEARINGS.**

The board has the authority to investigate alleged violations of this chapter, conduct hearings, and impose corrective or disciplinary action as provided in section 214.103.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 52. **[153B.80] UNLICENSED PRACTICE.**

Subdivision 1. **License required.** Effective January 1, 2018, no individual shall practice as an orthotist, prosthetist, prosthetist orthotist, pedorthist, orthotic or prosthetic assistant, or orthotic fitter, unless the individual holds a valid license issued by the board under this chapter, except as permitted under section 153B.20 or 153B.35.

Subd. 2. **Designation.** No individual shall represent themselves to the public as a licensed orthotist, prosthetist, prosthetist orthotist, pedorthist, orthotic or prosthetic assistant, or an orthotic fitter, unless the individual is licensed under this chapter.

Subd. 3. **Penalties.** Any individual who violates this section is guilty of a misdemeanor. The board shall have the authority to seek a cease and desist order against any individual who is engaged in the unlicensed practice of a profession regulated by the board under this chapter.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 53. **[153B.85] FEES.**

(a) The application fee for initial licensure shall not exceed $600.

(b) The biennial renewal fee for a license to practice as an orthotist, prosthetist, prosthetist orthotist, or pedorthist shall not exceed $600.

(c) The biennial renewal fee for a license to practice as an assistant or a fitter shall not exceed $300.

(d) For the first renewal period following initial licensure, the renewal fee is the fee specified in paragraph (b) or (c), prorated to the nearest dollar that is represented by the ratio of the number of days the license is held in the initial licensure period to 730 days.

(e) The fee for license restoration shall not exceed $600.

(f) The fee for late license renewal is the license renewal fee in effect at the time of renewal plus $100.

(g) The fee for license verification shall not exceed $30.

(h) The fee to obtain a list of licensees shall not exceed $25.

(i) No fee may be refunded for any reason.

EFFECTIVE DATE. This section is effective July 1, 2016.

Sec. 54. **FIRST APPOINTMENTS, FIRST MEETING, AND FIRST CHAIR OF THE ORTHOTICS, PROSTHETICS, AND PEDORTHICS ADVISORY COUNCIL.**

The Board of Podiatric Medicine shall make its first appointments authorized under Minnesota Statutes, section 153B.25, to the Orthotics, Prosthetics, and Pedorthics Advisory Council, by September 1, 2016. The board shall designate four of its first appointees to serve terms that are coterminous with the governor. The chair of the Board of Podiatric Medicine or the chair's designee shall convene the first meeting of the council by November 1, 2016. The council must elect a chair from among its members at the first meeting of the council.

EFFECTIVE DATE. This section is effective July 1, 2016.

ARTICLE 8
CONFORMING AMENDMENTS

Section 1. Minnesota Statutes 2014, section 146A.06, subdivision 3, is amended to read:

Subd. 3. **Exchanging information.** (a) The office shall establish internal operating procedures for:

(1) exchanging information with state boards; agencies, including the Office of Ombudsman for Mental Health and Developmental Disabilities; health-related and law enforcement facilities; departments responsible for licensing health-related occupations, facilities, and programs; and law enforcement personnel in this and other states; and

(2) coordinating investigations involving matters within the jurisdiction of more than one regulatory agency.

(b) The procedures for exchanging information must provide for the forwarding to the entities described in paragraph (a), clause (1), of information and evidence, including the results of investigations, that are relevant to matters within the regulatory jurisdiction of the organizations in paragraph (a). The data have the same classification in the hands of the agency receiving the data as they have in the hands of the agency providing the data.

(c) The office shall establish procedures for exchanging information with other states regarding disciplinary action against unlicensed complementary and alternative health care practitioners.

(d) The office shall forward to another governmental agency any complaints received by the office that do not relate to the office's jurisdiction but that relate to matters within the jurisdiction of the other governmental agency. The agency to which a complaint is forwarded shall advise the office of the disposition of the complaint. A complaint or other information received by another governmental agency relating to a statute or rule that the office is empowered to enforce must be forwarded to the office to be processed in accordance with this section.

(e) The office shall furnish to a person who made a complaint a description of the actions of the office relating to the complaint.

(f) The office shall report to the Board of Nursing all final disciplinary actions against individuals practicing massage and bodywork as unlicensed complementary and alternative health practitioners. Upon request by the Board of Nursing, the office may share all complaint, investigatory, and disciplinary data regarding a named individual who has practiced or is practicing massage and bodywork as an unlicensed complementary and complementary and alternative health practitioner.

Sec. 2. Minnesota Statutes 2014, section 146A.09, is amended by adding a subdivision to read:

Subd. 8. **Registered massage and bodywork therapists.** No person whose registration as a massage and bodywork therapist under sections 148.981 to 148.9886 has been suspended or revoked by the Board of Nursing may practice as an unlicensed complementary and alternative health care practitioner under Minnesota Statutes, chapter 146A, during a period of suspension or revocation.

Sec. 3. **[325F.816] MUNICIPAL OR CITY BUSINESS LICENSE; MASSAGE.**

An individual who is issued a municipal or city business license to practice massage is prohibited from advertising as a licensed massage and bodywork therapist unless the individual has received a professional credential from another state, is current in licensure, and remains in good standing under the credentialing state's requirements.

Sec. 4. **EFFECTIVE DATE.**

This article is effective August 1, 2016.

ARTICLE 9
HUMAN SERVICES FORECAST ADJUSTMENTS

Section 1. **HUMAN SERVICES APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2015, chapter 71, article 13, from the general fund or any fund named to the Department of Human Services for the purposes specified in this article, to be available for the fiscal year indicated for each purpose. The figures "2016" and "2017" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017.

	APPROPRIATIONS Available for the Year Ending June 30	
	2016	**2017**
Sec. 2. **COMMISSIONER OF HUMAN SERVICES**		
Subdivision 1. **Total Appropriation**	**$(615,912,000)**	**$(518,891,000)**

Appropriations by Fund

	2016	2017
General Fund	(307,806,000)	(246,029,000)
Health Care Access Fund	(289,770,000)	(277,101,000)
Federal TANF	(18,336,000)	4,239,000

Subd. 2. **Forecasted Programs**

(a) **MFIP/DWP**

Appropriations by Fund

General Fund	9,833,000	(8,799,000)
Federal TANF	(20,225,000)	4,212,000

(b) **MFIP Child Care Assistance**	(23,094,000)	(7,760,000)
(c) **General Assistance**	(2,120,000)	(1,078,000)
(d) **Minnesota Supplemental Aid**	(1,613,000)	(1,650,000)
(e) **Group Residential Housing**	(8,101,000)	(7,954,000)
(f) **Northstar Care for Children**	2,231,000	4,496,000
(g) **MinnesotaCare**	(227,821,000)	(230,027,000)

These appropriations are from the health care access fund.

(h) **Medical Assistance**

Appropriations by Fund		
General Fund	(294,773,000)	(243,700,000)
Health Care Access Fund	(61,949,000)	(47,074,000)

(i) **Alternative Care Program**	-0-	-0-
(j) **CCDTF Entitlements**	9,831,000	20,416,000
Subd. 3. **Technical Activities**	1,889,000	27,000

These appropriations are from the federal TANF fund.

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

ARTICLE 10
HEALTH AND HUMAN SERVICES APPROPRIATIONS

Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2015, chapter 71, article 14, to the agencies and for the purposes specified in this article. The appropriations are from the general fund or other named fund and are available for the fiscal years indicated for each purpose. The figures "2016" and "2017" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2016, are effective the day following final enactment unless a different effective date is explicit.

	APPROPRIATIONS Available for the Year Ending June 30	
	2016	**2017**
Sec. 2. **COMMISSIONER OF HUMAN SERVICES**		
Subdivision 1. **Total Appropriation**	**-0-**	**(3,032,000)**

	Appropriations by Fund	
	2016	2017
General	-0-	(2,147,000)
State Government Special Revenue	-0-	-0-
Health Care Access	-0-	(885,000)
Federal TANF	-0-	-0-

Subd. 2. **Central Office Operations**

(a) **Operations**

	Appropriations by Fund	
General	-0-	(10,971,000)
State Government Special Revenue	-0-	-0-
Health Care Access	-0-	-0-

Base Adjustment. The general fund base is reduced by $11,853,000 in fiscal year 2018 and $11,650,000 in fiscal year 2019.

(b) **Children and Families** -0- -0-

(c) **Health Care**

	Appropriations by Fund	
General	-0-	162,000
Health Care Access	-0-	(943,000)

Waiver to Allow MinnesotaCare-Eligible Persons to Purchase Coverage Through Qualified Health Plans. $213,000 in fiscal year 2017 from the health care access fund is for the commissioner to request a waiver to allow persons eligible for MinnesotaCare to instead purchase coverage from a qualified health plan and access advanced premium tax credits and cost-sharing reductions. This is a onetime appropriation.

Base Adjustment. The general fund base is increased by $142,000 in fiscal years 2018 and 2019. The health care access fund base is reduced by $1,142,000 in fiscal year 2018 and $1,153,000 in fiscal year 2019.

(d) **Continuing Care** -0- 201,000

Long-Term Care Simulation Model. (a) $200,000 in fiscal year 2017 is for the commissioner of human resources to develop a Minnesota-specific long-term care financing microsimulation model. This is a onetime appropriation. The commissioner shall ensure that the model:

(1) predicts the needs and future utilization of long-term care services and supports for Minnesotans based on demographic and economic factors; and

(2) estimates the costs of care under various funding scenarios, including voluntary programs, to determine the impact of various financing options on state funds, out-of-pocket expenses, Medicare, and other insurance and financing products.

(b) The commissioner shall use the appropriation in paragraph (a) to create and implement the model to:

(1) predict the cost of long-term care under various public and private financing options, including voluntary programs; and

(2) determine the most appropriate options for the state.

(c) The commissioner shall report by January 15, 2018, to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health and human services policy and finance on the development of the long-term care simulation model.

(d) Notwithstanding any contrary provision in this article, paragraphs (a) to (c) expire January 15, 2018.

(e) **Community Supports** -0- 74,000

Base Adjustment. The general fund base is increased by $543,000 in fiscal year 2018 and $503,000 in fiscal year 2019.

Subd. 3. **Forecasted Programs**

(a) **MFIP/DWP**

Appropriations by Fund

General	-0-
Federal TANF	-0-

(b) **MFIP Child Care Assistance** -0- -0-

(c) **General Assistance** -0- -0-

(d) **MN Supplemental Assistance** -0- -0-

(e) **Group Residential Housing** -0- -0-

(f) **Northstar Care for Children** -0- -0-

(g) **MinnesotaCare** -0- 58,000

These appropriations are from the health care access fund.

(h) **Medical Assistance**

Appropriations by Fund		
General	-0-	252,000
Health Care Access	-0-	-0-

(i) **Alternative Care** -0- -0-

(j) **CD Treatment Fund** -0- 3,792,000

Transfer. Notwithstanding Minnesota Statutes, section 254B.06, subdivision 1, the commissioner shall transfer up to $2,000,000, if available, in fiscal year 2017 only, from the consolidated chemical dependency treatment fund administrative account in the special revenue fund to the general fund.

Subd. 4. **Grant Programs**

(a) **Support Services Grants** -0- -0-

(b) **BSF Child Care Assistance Grants** -0- -0-

Base Adjustment. The general fund base is increased by $174,000 in fiscal year 2018 and $232,000 in fiscal year 2019.

(c) **Child Care Development Grants** -0- -0-

(d) **Child Support Enforcement Grants** -0- -0-

(e) **Children's Services Grants** -0- -0-

(f) **Children and Community Service Grants** -0- 1,400,000

White Earth Band of Ojibwe Human Services Initiative Project. $1,400,000 in fiscal year 2017 is for a grant to the White Earth Band of Ojibwe for the direct implementation and administrative costs of the White Earth Human Services Initiative Project authorized under Laws 2011, First Special Session chapter 9, article 9, section 18. This is a onetime appropriation.

(g) **Children and Economic Support Grants** -0- 934,000

Safe Harbor. $934,000 in fiscal year 2017 from the general fund is for emergency shelter and transitional and long-term housing beds for sexually exploited youth and youth at risk of sexual exploitation, and for statewide youth outreach workers to connect sexually exploited youth with shelter and services.

(h) **Health Care Grants**	-0-	-0-
(i) **Other Long-Term Care Grants**	-0-	-0-
(j) **Aging and Adult Services Grants**	-0-	40,000

Advanced In-Home Activity Monitoring Systems. $40,000 in fiscal year 2017 from the general fund is for a grant to a local research organization with expertise in identifying current and potential support systems and examining the capacity of those systems to meet the needs of the growing population of elderly persons, to conduct a comprehensive assessment of current literature, past research, and an environmental scan of the field related to advanced in-home activity monitoring systems for elderly persons. The commissioner must report the results of the assessment by January 15, 2017, to the legislative committees and divisions with jurisdiction over health and human services policy and finance.

Base Adjustment. The general fund base is increased by $40,000 in fiscal years 2018 and 2019.

(k) **Deaf and Hard-of-Hearing Grants**	-0-	-0-
(l) **Disabilities Grants**	-0-	-0-
(m) **Adult Mental Health Grants**	-0-	394,000

Mental Health Pilot Project. $394,000 in fiscal year 2017 from the general fund is for a grant to the Zumbro Valley Health Center. The grant shall be used to continue a pilot project to test an integrated behavioral health care coordination model. The grant recipient must report measurable outcomes to the commissioner of human services by December 1, 2018. This appropriation does not expire and is available through June 30, 2018.

(n) **Child Mental Health Grants**	-0-	600,000

Children's Mental Health Collaboratives. $600,000 in fiscal year 2017 from the general fund is for a children's mental health grant under Minnesota Statutes, section 245.4889, for a rural demonstration project to assist transition-aged youth and young adults with emotional behavioral disturbance or mental illnesses in making a successful transition into adulthood. This is a onetime appropriation.

(o) **Chemical Dependency Treatment Support Grants**	-0-	975,000

Peer Specialists. $800,000 in fiscal year 2017 from the general fund is for grants to recovery community organizations to train, hire, and supervise peer specialists to work with underserved

populations as part of the continuum of care for substance use disorders. Recovery community organizations located in Rochester, Moorhead, and the Twin Cities metropolitan area are eligible to receive grant funds.

Recovery Community Organizations. $175,000 in fiscal year 2017 from the general fund is for a grant to recovery community organizations to create and implement a public relations campaign specific to reducing the stigma associated with substance use disorders. Recovery community organizations located in Rochester, Moorhead, and the Twin Cities metropolitan area are eligible to receive grant funds.

Base Adjustment. The general fund base is increased by $800,000 in fiscal years 2018 and 2019.

Subd. 5. **DCT State-Operated Services**

(a) **DCT State-Operated Services Mental Health**	-0-	-0-
(b) **DCT State-Operated Services Enterprise Services**	-0-	-0-
(c) **DCT State-Operated Services Minnesota Security Hospital**	-0-	-0-
Subd. 6. **DCT Minnesota Sex Offender Program**	-0-	-0-
Subd. 7. **Technical Activities**	-0-	-0-

Sec. 3. **COMMISSIONER OF HEALTH**

Subdivision 1. **Total Appropriation**	**$-0-**	**$1,813,000**

Appropriations by Fund

	2016	2017
General	-0-	315,000
Health Care Access	-0-	1,000,000
State Government Special Revenue	-0-	498,000

The appropriation modifications for each purpose are shown in subdivisions 2 and 3.

Subd. 2. **Health Improvement**

Appropriations by Fund

General	-0-	315,000
Health Care Access	-0-	1,000,000
State Government Special Revenue	-0-	498,000

Greater Minnesota Family Residency Program. $1,000,000 in fiscal year 2017 from the health care access fund is for the commissioner of health to award grants for the greater Minnesota family residency program.

Reporting on Health Care Costs and Volume. $250,000 in fiscal year 2017 from the general fund is for the commissioner of health to expand public reporting on average cost and volume information for procedures, tests, and services from clinics, medical groups, and hospitals for those procedures, tests, and services that the commissioner determines most impact the quality of care and patient outcomes under Minnesota Statutes, section 62U.02. The commissioner may contract with an external vendor in conducting the work.

Base Adjustments. The general fund base is increased by $2,094,000 in fiscal years 2018 and 2019. The health care access fund base is increased by $1,000,000 in fiscal years 2018 and 2019.

Subd. 3. **Health Protection**	-0-	-0-
Sec. 4. **HEALTH-RELATED BOARDS**		
Subdivision 1. **Total Appropriation**	**$-0-**	**$354,000**

This appropriation is from the state government special revenue fund.

Subd. 2. **Genetic Counselors**	-0-	22,000
Subd. 3. **Board of Nursing**	-0-	257,000
Subd. 4. **Board of Podiatric Medicine**	-0-	75,000
Sec. 5. **EMS REGULATORY BOARD**	**$70,000**	**$55,000**

EMS Technology. Of these appropriations:

(1) $34,000 in fiscal year 2016 and $34,000 in fiscal year 2017 are for annual support, maintenance, and hosting of the comprehensive electronic licensing and agency operations software solution;

(2) $21,000 in fiscal year 2016 and $21,000 in fiscal year 2017 are for annual support, maintenance, and housing of the MNSTAR prehospital patient care report database; and

(3) $15,000 in fiscal year 2016 is for the board to purchase four 800-megahertz handheld radios to be used by field staff to meet board responsibilities for emergency communications during a regional or statewide emergency.

This provision is effective the day following final enactment.

Sec. 6. **OMBUDSMAN FOR MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES** **$-0-** **$250,000**

These funds are for two positions for the Jensen Settlement and Minnesota's Olmstead Plan System Division, for oversight and systematic monitoring for the Jensen and Olmstead implementation plans and to fulfill the duties as a consultant to the court and all parties, as appointed by the federal court.

Sec. 7. Laws 2015, chapter 71, article 14, section 2, subdivision 5, as amended by Laws 2015, First Special Session chapter 6, section 1, is amended to read:

Subd. 5. **Grant Programs**

The amounts that may be spent from this appropriation for each purpose are as follows:

(a) **Support Services Grants**

	Appropriations by Fund	
General	13,133,000	8,715,000
Federal TANF	96,311,000	96,311,000

(b) **Basic Sliding Fee Child Care Assistance Grants** 48,439,000 51,559,000

Basic Sliding Fee Waiting List Allocation. Notwithstanding Minnesota Statutes, section 119B.03, $5,413,000 in fiscal year 2016 is to reduce the basic sliding fee program waiting list as follows:

(1) The calendar year 2016 allocation shall be increased to serve families on the waiting list. To receive funds appropriated for this purpose, a county must have:

(i) a waiting list in the most recent published waiting list month;

(ii) an average of at least ten families on the most recent six months of published waiting list; and

(iii) total expenditures in calendar year 2014 that met or exceeded 80 percent of the county's available final allocation.

(2) Funds shall be distributed proportionately based on the average of the most recent six months of published waiting lists to counties that meet the criteria in clause (1).

(3) Allocations in calendar years 2017 and beyond shall be calculated using the allocation formula in Minnesota Statutes, section 119B.03.

(4) The guaranteed floor for calendar year 2017 shall be based on the revised calendar year 2016 allocation.

Base Level Adjustment. The general fund base is increased by $810,000 in fiscal year 2018 and increased by $821,000 in fiscal year 2019.

(c) **Child Care Development Grants**	1,737,000	1,737,000
(d) **Child Support Enforcement Grants**	50,000	50,000

(e) **Children's Services Grants**

Appropriations by Fund		
General	39,015,000	38,665,000
Federal TANF	140,000	140,000

Safe Place for Newborns. $350,000 from the general fund in fiscal year 2016 is to distribute information on the Safe Place for Newborns law in Minnesota to increase public awareness of the law. This is a onetime appropriation.

Child Protection. $23,350,000 in fiscal year 2016 and $23,350,000 in fiscal year 2017 are to address child protection staffing and services under Minnesota Statutes, section 256M.41. $1,650,000 in fiscal year 2016 and $1,650,000 in fiscal year 2017 are for child protection grants to address child welfare disparities under Minnesota Statutes, section 256E.28. Of the fiscal year 2017 appropriation to address child protection staffing and services in 2017 only, $1,600,000 is for a grant to the White Earth Band of Ojibwe for purposes of delivering child welfare services.

Title IV-E Adoption Assistance. Additional federal reimbursement to the state as a result of the Fostering Connections to Success and Increasing Adoptions Act's expanded eligibility for title IV-E adoption assistance is appropriated to the commissioner for postadoption services, including a parent-to-parent support network.

Adoption Assistance Incentive Grants. Federal funds available during fiscal years 2016 and 2017 for adoption incentive grants are appropriated to the commissioner for postadoption services, including a parent-to-parent support network.

(f) **Children and Community Service Grants**	56,301,000	56,301,000
(g) **Children and Economic Support Grants**	26,778,000	26,966,000

Mobile Food Shelf Grants. (a) $1,000,000 in fiscal year 2016 and $1,000,000 in fiscal year 2017 are for a grant to Hunger Solutions. This is a onetime appropriation and is available until June 30, 2017.

(b) Hunger Solutions shall award grants of up to $75,000 on a competitive basis. Grant applications must include:

(1) the location of the project;

(2) a description of the mobile program, including size and scope;

(3) evidence regarding the unserved or underserved nature of the community in which the project is to be located;

(4) evidence of community support for the project;

(5) the total cost of the project;

(6) the amount of the grant request and how funds will be used;

(7) sources of funding or in-kind contributions for the project that will supplement any grant award;

(8) a commitment to mobile programs by the applicant and an ongoing commitment to maintain the mobile program; and

(9) any additional information requested by Hunger Solutions.

(c) Priority may be given to applicants who:

(1) serve underserved areas;

(2) create a new or expand an existing mobile program;

(3) serve areas where a high amount of need is identified;

(4) provide evidence of strong support for the project from citizens and other institutions in the community;

(5) leverage funding for the project from other private and public sources; and

(6) commit to maintaining the program on a multilayer basis.

Homeless Youth Act. At least $500,000 of the appropriation for the Homeless Youth Act must be awarded to providers in greater Minnesota, with at least 25 percent of this amount for new applicant providers. The commissioner shall provide outreach and technical assistance to greater Minnesota providers and new providers to encourage responding to the request for proposals.

Stearns County Veterans Housing. $85,000 in fiscal year 2016 and $85,000 in fiscal year 2017 are for a grant to Stearns County to provide administrative funding in support of a service provider serving veterans in Stearns County. The administrative funding

grant may be used to support group residential housing services, corrections-related services, veteran services, and other social services related to the service provider serving veterans in Stearns County.

Safe Harbor. $800,000 in fiscal year 2016 and $800,000 in fiscal year 2017 are from the general fund for emergency shelter and transitional and long-term housing beds for sexually exploited youth and youth at risk of sexual exploitation. Of this appropriation, $150,000 in fiscal year 2016 and $150,000 in fiscal year 2017 are from the general fund for statewide youth outreach workers connecting sexually exploited youth and youth at risk of sexual exploitation with shelter and services.

Minnesota Food Assistance Program. Unexpended funds for the Minnesota food assistance program for fiscal year 2016 do not cancel but are available for this purpose in fiscal year 2017.

Base Level Adjustment. The general fund base is decreased by $816,000 in fiscal year 2018 and is decreased by $606,000 in fiscal year 2019.

(h) **Health Care Grants**

Appropriations by Fund		
General	536,000	2,482,000
Health Care Access	3,341,000	3,465,000

Grants for Periodic Data Matching for Medical Assistance and MinnesotaCare. Of the general fund appropriation, $26,000 in fiscal year 2016 and $1,276,000 in fiscal year 2017 are for grants to counties for costs related to periodic data matching for medical assistance and MinnesotaCare recipients under Minnesota Statutes, section 256B.0561. The commissioner must distribute these grants to counties in proportion to each county's number of cases in the prior year in the affected programs.

Base Level Adjustment. The general fund base is increased by $1,637,000 in fiscal year 2018 and increased by $1,229,000 in fiscal year 2019.

(i) **Other Long-Term Care Grants** 1,551,000 3,069,000

Transition Populations. $1,551,000 in fiscal year 2016 and $1,725,000 in fiscal year 2017 are for home and community-based services transition grants to assist in providing home and community-based services and treatment for transition populations under Minnesota Statutes, section 256.478.

Base Level Adjustment. The general fund base is increased by $156,000 in fiscal year 2018 and by $581,000 in fiscal year 2019.

(j) **Aging and Adult Services Grants** 28,463,000 28,162,000

Dementia Grants. $750,000 in fiscal year 2016 and $750,000 in fiscal year 2017 are for the Minnesota Board on Aging for regional and local dementia grants authorized in Minnesota Statutes, section 256.975, subdivision 11.

(k) **Deaf and Hard-of-Hearing Grants** 2,225,000 2,375,000

Deaf, Deafblind, and Hard-of-Hearing Grants. $350,000 in fiscal year 2016 and $500,000 in fiscal year 2017 are for deaf and hard-of-hearing grants. The funds must be used to increase the number of deafblind Minnesotans receiving services under Minnesota Statutes, section 256C.261, and to provide linguistically and culturally appropriate mental health services to children who are deaf, deafblind, and hard-of-hearing. This is a onetime appropriation.

Base Level Adjustment. The general fund base is decreased by $500,000 in fiscal year 2018 and by $500,000 in fiscal year 2019.

(l) **Disabilities Grants** 20,820,000 20,858,000

State Quality Council. $573,000 in fiscal year 2016 and $600,000 in fiscal year 2017 are for the State Quality Council to provide technical assistance and monitoring of person-centered outcomes related to inclusive community living and employment. The funding must be used by the State Quality Council to assure a statewide plan for systems change in person-centered planning that will achieve desired outcomes including increased integrated employment and community living.

(m) **Adult Mental Health Grants**

Appropriations by Fund		
General	69,992,000	71,244,000
Health Care Access	1,575,000	2,473,000
Lottery Prize	1,733,000	1,733,000

Funding Usage. Up to 75 percent of a fiscal year's appropriation for adult mental health grants may be used to fund allocations in that portion of the fiscal year ending December 31.

Culturally Specific Mental Health Services. $100,000 in fiscal year 2016 is for grants to nonprofit organizations to provide resources and referrals for culturally specific mental health services to Southeast Asian veterans born before 1965 who do not qualify for services available to veterans formally discharged from the United States armed forces.

Problem Gambling. $225,000 in fiscal year 2016 and $225,000 in fiscal year 2017 are from the lottery prize fund for a grant to the state affiliate recognized by the National Council on Problem Gambling. The affiliate must provide services to increase public awareness of problem gambling, education, and training for individuals and organizations providing effective treatment services to problem gamblers and their families, and research related to problem gambling.

Sustainability Grants. $2,125,000 in fiscal year 2016 and $2,125,000 in fiscal year 2017 are for sustainability grants under Minnesota Statutes, section 256B.0622, subdivision 11.

Beltrami County Mental Health Services Grant. $1,000,000 in fiscal year 2016 and $1,000,000 in fiscal year 2017 are from the general fund for a grant to Beltrami County to fund the planning and development of a comprehensive mental health services program under article 2, section 41, Comprehensive Mental Health Program in Beltrami County. This is a onetime appropriation.

Base Level Adjustment. The general fund base is increased by $723,000 in fiscal year 2018 and by $723,000 in fiscal year 2019. The health care access fund base is decreased by $1,723,000 in fiscal year 2018 and by $1,723,000 in fiscal year 2019.

(n) **Child Mental Health Grants** 23,386,000 24,313,000

Services and Supports for First Episode Psychosis. $177,000 in fiscal year 2017 is for grants under Minnesota Statutes, section 245.4889, to mental health providers to pilot evidence-based interventions for youth at risk of developing or experiencing a first episode of psychosis and for a public awareness campaign on the signs and symptoms of psychosis. The base for these grants is $236,000 in fiscal year 2018 and $301,000 in fiscal year 2019.

Adverse Childhood Experiences. The base for grants under Minnesota Statutes, section 245.4889, to children's mental health and family services collaboratives for adverse childhood experiences (ACEs) training grants and for an interactive Web site connection to support ACEs in Minnesota is $363,000 in fiscal year 2018 and $363,000 in fiscal year 2019.

Funding Usage. Up to 75 percent of a fiscal year's appropriation for child mental health grants may be used to fund allocations in that portion of the fiscal year ending December 31.

Base Level Adjustment. The general fund base is increased by $422,000 in fiscal year 2018 and is increased by $487,000 in fiscal year 2019.

(o) **Chemical Dependency Treatment Support Grants**	1,561,000	1,561,000

Chemical Dependency Prevention. $150,000 in fiscal year 2016 and $150,000 in fiscal year 2017 are for grants to nonprofit organizations to provide chemical dependency prevention programs in secondary schools. When making grants, the commissioner must consider the expertise, prior experience, and outcomes achieved by applicants that have provided prevention programming in secondary education environments. An applicant for the grant funds must provide verification to the commissioner that the applicant has available and will contribute sufficient funds to match the grant given by the commissioner. This is a onetime appropriation.

Fetal Alcohol Syndrome Grants. $250,000 in fiscal year 2016 and $250,000 in fiscal year 2017 are for grants to be administered by the Minnesota Organization on Fetal Alcohol Syndrome to provide comprehensive, gender-specific services to pregnant and parenting women suspected of or known to use or abuse alcohol or other drugs. This appropriation is for grants to no fewer than three eligible recipients. Minnesota Organization on Fetal Alcohol Syndrome must report to the commissioner of human services annually by January 15 on the grants funded by this appropriation. The report must include measurable outcomes for the previous year, including the number of pregnant women served and the number of toxic-free babies born.

Base Level Adjustment. The general fund base is decreased by $150,000 in fiscal year 2018 and by $150,000 in fiscal year 2019.

Sec. 8. Laws 2015, chapter 71, article 14, section 4, subdivision 1, is amended to read:

Subdivision 1. **Total Appropriation**	**$ ~~19,707,000~~**	**$ ~~19,597,000~~**
	19,902,000	**19,852,000**

This appropriation is from the state government special revenue fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

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

Sec. 9. Laws 2015, chapter 71, article 14, section 4, subdivision 3, is amended to read:

Subd. 3. **Board of Dentistry**	~~2,192,000~~	~~2,206,000~~
	1,342,000	1,342,000

~~This appropriation includes $864,000 in fiscal year 2016 and $878,000 in fiscal year 2017 for the health professional services program.~~

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

Sec. 10. Laws 2015, chapter 71, article 14, section 4, subdivision 5, is amended to read:

Subd. 5. **Board of Marriage and Family Therapy**	~~234,000~~ 274,000	~~237,000~~ 287,000

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

Sec. 11. Laws 2015, chapter 71, article 14, section 4, subdivision 10, is amended to read:

Subd. 10. **Board of Pharmacy**	~~2,847,000~~ 2,962,000	~~2,888,000~~ 3,033,000

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

Sec. 12. Laws 2015, chapter 71, article 14, section 4, subdivision 11, is amended to read:

Subd. 11. **Board of Physical Therapy**	~~354,000~~ 1,244,000	~~359,000~~ 1,283,000

Health Professional Services Program. Of this appropriation, $850,000 in fiscal year 2016 and $864,000 in fiscal year 2017 from the state government special revenue fund are for the health professional services program.

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

Sec. 13. Laws 2015, chapter 71, article 14, section 9, is amended to read:

Sec. 9. **COMMISSIONER OF COMMERCE**	**$ ~~210,000~~** **-0-**	**$ ~~213,000~~** **-0-**

The commissioner of commerce shall develop a proposal to allow individuals to purchase qualified health plans outside of MNsure directly from health plan companies and to allow eligible individuals to receive advanced premium tax credits and cost-sharing reductions when purchasing qualified health plans outside of MNsure.

Sec. 14. **EXPIRATION OF UNCODIFIED LANGUAGE.**

All uncodified language contained in this article expires on June 30, 2017, unless a different expiration date is explicit.

Sec. 15. **EFFECTIVE DATE.**

This article is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state government; making supplemental appropriations for human services, health, and related boards; modifying provisions governing continuing care, health care, MNsure, Department of Health programs, chemical and mental health services, children and family services, health licensing boards, and

miscellaneous health and human services programs; making technical changes; adjusting rates for nursing facilities in border cities; dental payment rate, and child care assistance for cities located in multiple counties; creating licenses relating to orthotics, genetic counselors, and massage and body therapy; requiring reports; modifying fees; appropriating money; amending Minnesota Statutes 2014, sections 13.3805, by adding a subdivision; 62J.495, subdivision 4; 62J.496, subdivision 1; 62V.04, subdivisions 2, 3, 4; 62V.05, subdivision 2, by adding a subdivision; 62V.11, by adding a subdivision; 119B.13, subdivision 1; 144.05, by adding a subdivision; 144.293, subdivision 2; 144A.071, subdivisions 4c, 4d; 144A.073, subdivisions 13, 14, by adding a subdivision; 144A.471, subdivision 9; 144A.611, subdivisions 1, 2, by adding a subdivision; 144A.75, subdivisions 5, 6, 8, by adding a subdivision; 145.4716, subdivision 2, by adding a subdivision; 146A.06, subdivision 3; 146A.09, by adding a subdivision; 149A.50, subdivision 2; 157.15, subdivision 14; 245.99, subdivision 2; 254B.03, subdivision 4; 254B.04, subdivision 2a; 254B.06, subdivision 2, by adding a subdivision; 256.01, by adding a subdivision; 256B.042, by adding a subdivision; 256B.0621, subdivision 10; 256B.0625, by adding subdivisions; 256B.0644; 256B.0924, by adding a subdivision; 256B.15, subdivisions 1a, 2, by adding a subdivision; 256D.051, subdivision 6b; 256L.02, by adding a subdivision; 327.14, subdivision 9; 518.175, subdivision 5; 518A.34; 518A.36; 609.3241; 626.558, subdivisions 1, 2, by adding a subdivision; Minnesota Statutes 2015 Supplement, sections 62V.03, subdivision 2; 144.4961, subdivisions 3, 4, 5, 6, 8, by adding a subdivision; 144A.75, subdivision 13; 145.4131, subdivision 1; 149A.92, subdivision 1; 245.735, subdivisions 3, 4; 256B.059, subdivision 5; 256B.0625, subdivisions 17a, 18a, 20, 64; 256B.431, subdivision 36; 256B.441, subdivisions 13, 53, 66; 256B.76, subdivision 2; 256B.766; 518A.26, subdivision 14; 518A.39, subdivision 2; Laws 2015, chapter 71, article 8, section 24; article 14, sections 2, subdivision 5, as amended; 4, subdivisions 1, 3, 5, 10, 11; 9; proposing coding for new law in Minnesota Statutes, chapters 45; 62V; 144; 145; 148; 245A; 254B; 256B; 325F; 518A; proposing coding for new law as Minnesota Statutes, chapters 147F; 153B; repealing Minnesota Statutes 2014, sections 62V.01; 62V.02; 62V.03, subdivisions 1, 3; 62V.04; 62V.05, subdivisions 1, 2, 3, 4, 5, 9, 10; 62V.06; 62V.07; 62V.08; 62V.09; 62V.10; 62V.11, subdivisions 1, 2, 4; 144.058; 149A.92, subdivision 11; 179A.50; 179A.51; 179A.52; 179A.53; Minnesota Statutes 2015 Supplement, sections 62V.03, subdivision 2; 62V.05, subdivisions 6, 7, 8, 11; 62V.051; Minnesota Rules, parts 7700.0010; 7700.0020; 7700.0030; 7700.0040; 7700.0050; 7700.0060; 7700.0070; 7700.0080; 7700.0090; 7700.0100; 7700.0101; 7700.0105."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Davids from the Committee on Taxes to which was referred:

H. F. No. 3858, A bill for an act relating to education finance; providing funding and policy for early childhood and family, prekindergarten through grade 12, and adult education, including general education, education excellence, charter schools, special education, early childhood education, self-sufficiency, lifelong learning, and state agencies; appropriating money; amending Minnesota Statutes 2014, sections 120A.22, subdivision 12; 120A.42; 120B.02, by adding a subdivision; 120B.021, subdivisions 1, 3; 120B.11, subdivisions 1a, 2, 5; 120B.15; 120B.35; 120B.36, as amended; 121A.53; 121A.61, subdivision 1; 121A.64; 122A.07, subdivision 2; 122A.09, subdivision 10, by adding a subdivision; 122A.14, subdivision 9; 122A.16; 122A.18, subdivisions 7c, 8; 122A.21, subdivision 1, by adding a subdivision; 122A.245, subdivision 8; 122A.31, subdivision 3; 122A.40, subdivision 10; 122A.41, by adding a subdivision; 122A.4144; 122A.416; 122A.42; 122A.72, subdivision 5; 123A.24, subdivision 2; 123B.49, subdivision 4; 123B.571, subdivision 2; 123B.60, subdivision 1; 123B.71, subdivision 8; 123B.79, subdivisions 5, 8, 9; 124D.111, by adding a subdivision; 124D.13, subdivisions 1, 5, 9; 124D.135, subdivisions 5, 7; 124D.15, subdivisions 1, 3a, 15; 124D.16, subdivisions 3, 5; 124D.165, as amended; 124D.52, subdivisions 1, 2; 124D.55; 124D.59, by adding a subdivision; 124D.861, subdivision 1, by adding a subdivision; 124D.896; 125A.091, subdivision 11; 125A.0942, subdivision 4; 126C.10, subdivision 24; 126C.15, subdivision 3; 126C.40, subdivision 5; 126C.63, subdivision 7; 127A.095; 127A.353, subdivision 4; 127A.41, subdivision 2; 127A.45,

subdivision 6a; 127A.51; 129C.10, subdivision 1; Minnesota Statutes 2015 Supplement, sections 120B.021, subdivision 4; 120B.125; 120B.30, subdivisions 1, 1a; 120B.31, subdivision 4; 122A.21, subdivision 2; 122A.30; 122A.414, subdivisions 1, 2, 2b; 122A.415, subdivision 3; 122A.60, subdivision 4; 123B.53, subdivision 1; 123B.595, subdivisions 4, 7, 8, 9, 10, 11, by adding a subdivision; 124D.16, subdivision 2; 124D.231, subdivision 2; 124D.73, subdivision 4; 124E.05, subdivisions 4, 5, 7; 124E.10, subdivisions 1, 5; 124E.16, subdivision 2; 125A.08; 125A.083; 125A.0942, subdivision 3; 125A.11, subdivision 1; 125A.21, subdivision 3; 125A.63, subdivision 4; 125A.76, subdivision 2c; 125A.79, subdivision 1; 126C.10, subdivisions 1, 13a; 126C.15, subdivisions 1, 2; 126C.48, subdivision 8; 127A.05, subdivision 6; 127A.47, subdivision 7; 136F.302, subdivision 1; Laws 2010, chapter 396, section 7; Laws 2011, First Special Session chapter 11, article 4, section 8; Laws 2012, chapter 263, section 1, as amended; Laws 2013, chapter 116, article 7, section 19, as amended; Laws 2015, chapter 69, article 1, section 3, subdivision 28; Laws 2015, First Special Session chapter 3, article 1, section 27, subdivisions 2, 4, 5, 6, 7, 9; article 2, section 70, subdivisions 2, 3, 4, 5, 6, 7, 11, 12; article 3, section 15, subdivision 3; article 4, sections 4; 9, subdivision 2; article 5, section 30, subdivisions 2, 3, 5; article 6, section 13, subdivisions 2, 3, 6, 7; article 7, section 7, subdivisions 2, 3, 4; article 9, section 8, subdivisions 5, 6, 7, 9; article 10, section 3, subdivision 2; article 11, section 3, subdivisions 2, 3; article 12, section 4; proposing coding for new law in Minnesota Statutes, chapters 119A; 122A; 124D; 127A; 129C; 136F; repealing Minnesota Statutes 2014, sections 120B.299, subdivision 5; 122A.40, subdivision 11; 122A.41, subdivision 14; 122A.413, subdivision 3; 122A.74; 123B.60, subdivision 2; 123B.79, subdivisions 2, 6; Minnesota Statutes 2015 Supplement, section 122A.413, subdivisions 1, 2; Minnesota Rules, part 3535.0110, subparts 6, 7, 8.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Hoppe from the Committee on Commerce and Regulatory Reform to which was referred:

S. F. No. 1523, A bill for an act relating to commerce; regulating health coverages; modifying coverages; amending Minnesota Statutes 2014, sections 62A.3075; 62A.65, subdivision 3; 62L.05, subdivision 9; 62L.08, by adding a subdivision; 62Q.18; 62Q.73, subdivision 3.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

SECOND READING OF SENATE BILLS

S. F. No. 1523 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Norton introduced:

H. F. No. 3939, A bill for an act relating to higher education; requiring College Possible to hire demographically representative coaches and provide additional training; amending Laws 2015, chapter 69, article 1, section 3, subdivision 19.

The bill was read for the first time and referred to the Committee on Higher Education Policy and Finance.

Mullery introduced:

H. F. No. 3940, A bill for an act relating to economic development; providing for southeast Asian liaison staff at the Northside Workforce Center; appropriating money.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

Mullery introduced:

H. F. No. 3941, A bill for an act relating to economic development; providing grants for the Asian Economic Development Association; appropriating money.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

Mullery introduced:

H. F. No. 3942, A bill for an act relating to youth workforce development; providing grants for summer camp programs for Asian youth; appropriating money.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

Murphy, E., introduced:

H. F. No. 3943, A bill for an act relating to health; repealing requirements for recording and reporting abortion data and data on abortion complications; repealing Minnesota Statutes 2014, sections 145.4131, subdivisions 2, 3; 145.4132; 145.4133; 145.4134; 145.4135; 145.4136; Minnesota Statutes 2015 Supplement, section 145.4131, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Sanders introduced:

H. F. No. 3944, A bill for an act relating to health; requiring rulemaking on indoor radon licensure and work standards; allowing local governments to require inspections or permits; amending Minnesota Statutes 2015 Supplement, section 144.4961, subdivision 3, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy.

Runbeck, Rarick, Daniels and O'Driscoll introduced:

H. F. No. 3945, A bill for an act relating to state government; requiring reporting on state grants to nonprofits; requiring reporting of information on nonprofits receiving state grants; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy.

Hausman introduced:

H. F. No. 3946, A bill for an act relating to natural resources; imposing restrictions on permits to mine sulfide ore bodies; proposing coding for new law in Minnesota Statutes, chapter 93.

The bill was read for the first time and referred to the Committee on Mining and Outdoor Recreation Policy.

CALENDAR FOR THE DAY

H. F. No. 2994, A bill for an act relating to workers' compensation; reinsurance; modifying retention limits; amending Minnesota Statutes 2014, section 79.34, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Albright	Davids	Hansen	Loeffler	Newton	Scott
Allen	Dean, M.	Hausman	Lohmer	Nornes	Selcer
Anderson, C.	Dehn, R.	Hertaus	Loon	Norton	Simonson
Anderson, M.	Dettmer	Hilstrom	Loonan	O'Driscoll	Slocum
Anderson, P.	Drazkowski	Hoppe	Lucero	O'Neill	Smith
Anderson, S.	Ecklund	Hortman	Lueck	Pelowski	Swedzinski
Anzelc	Erhardt	Howe	Mack	Peppin	Theis
Applebaum	Erickson	Isaacson	Mahoney	Persell	Thissen
Atkins	Fabian	Johnson, B.	Marquart	Petersburg	Torkelson
Backer	Fenton	Johnson, C.	Masin	Peterson	Uglem
Baker	Fischer	Johnson, S.	McDonald	Pierson	Urdahl
Barrett	Flanagan	Kahn	McNamara	Pinto	Vogel
Bennett	Franson	Kiel	Metsa	Poppe	Wagenius
Bernardy	Freiberg	Knoblach	Miller	Quam	Ward
Bly	Garofalo	Koznick	Moran	Rarick	Whelan
Carlson	Green	Kresha	Mullery	Rosenthal	Wills
Christensen	Gruenhagen	Laine	Murphy, E.	Runbeck	Yarusso
Clark	Gunther	Lesch	Murphy, M.	Sanders	Youakim
Considine	Hackbarth	Liebling	Nash	Schoen	Zerwas
Cornish	Hamilton	Lien	Nelson	Schomacker	Spk. Daudt
Daniels	Hancock	Lillie	Newberger	Schultz	

The bill was passed and its title agreed to.

The Speaker called Garofalo to the Chair.

H. F. No. 3252 was reported to the House.

Newberger moved to amend H. F. No. 3252, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2014, section 82.59, subdivision 5, is amended to read:

Subd. 5. **Waivers.** The commissioner may grant a waiver of the real estate licensing experience requirement for the broker's examination to a qualified applicant for a waiver.

(a) A qualified applicant for a waiver is an individual who:

(1) has a degree in real estate from an accredited college or university;

(2) is a licensed practicing attorney whose practice involves real estate law; or

(3) is a public officer whose official duties involve real estate law or real estate transactions.

(b) The commissioner shall grant a waiver of the real estate licensing experience requirement for the broker's examination to a qualified individual whose license lapsed or became ineffective and who applies for the waiver. The qualified individual shall not be required to pay a fee or charge for applying for the waiver or retaking the examination. The qualified individual may retake the examination under the terms of the waiver. For purposes of this paragraph, "qualified individual" means: (1) an active duty military member on the date of license cancellation or the date by which a timely renewal must have been made; (2) the spouse of an active duty military member on the date of license cancellation or the date by which a timely renewal must have been made; or (3) a veteran or spouse of a veteran who has left service in the two years preceding the date of license cancellation or the date by which a timely renewal must have been made, and has confirmation of an honorable or general discharge status.

If a waiver is granted under this paragraph, the commissioner shall not assess or retain any fine or penalty arising from the related licensing action.

~~(b)~~ (c) A request for a waiver shall be submitted to the commissioner in writing on a form prescribed by the commissioner and be accompanied by documents necessary to evidence qualification as set forth in paragraph (a).

~~(c)~~ (d) The waiver will lapse if the applicant fails to successfully complete the broker's examination within one year from the date of the granting of the waiver.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies to a qualified individual whose license was canceled before, on, or after that date."

Delete the title and insert:

"A bill for an act relating to commerce; requiring qualified active duty military members and veterans and spouses to receive a licensing experience waiver for the broker's examination; amending Minnesota Statutes 2014, section 82.59, subdivision 5."

The motion prevailed and the amendment was adopted.

H. F. No. 3252, A bill for an act relating to commerce; requiring qualified active duty military members and veterans and spouses to receive a licensing experience waiver for the broker's examination; amending Minnesota Statutes 2014, section 82.59, subdivision 5.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Albright	Davids	Hansen	Loeffler	Newton	Scott
Allen	Dean, M.	Hausman	Lohmer	Nornes	Selcer
Anderson, C.	Dehn, R.	Hertaus	Loon	Norton	Simonson
Anderson, M.	Dettmer	Hilstrom	Loonan	O'Driscoll	Slocum
Anderson, P.	Drazkowski	Hoppe	Lucero	O'Neill	Smith
Anderson, S.	Ecklund	Hortman	Lueck	Pelowski	Swedzinski
Anzelc	Erhardt	Howe	Mack	Peppin	Theis
Applebaum	Erickson	Isaacson	Mahoney	Persell	Thissen
Atkins	Fabian	Johnson, B.	Marquart	Petersburg	Torkelson
Backer	Fenton	Johnson, C.	Masin	Peterson	Uglem
Baker	Fischer	Johnson, S.	McDonald	Pierson	Urdahl
Barrett	Flanagan	Kahn	McNamara	Pinto	Vogel
Bennett	Franson	Kiel	Metsa	Poppe	Wagenius
Bernardy	Freiberg	Knoblach	Miller	Quam	Ward
Bly	Garofalo	Koznick	Moran	Rarick	Whelan
Carlson	Green	Kresha	Mullery	Rosenthal	Wills
Christensen	Gruenhagen	Laine	Murphy, E.	Runbeck	Yarusso
Clark	Gunther	Lesch	Murphy, M.	Sanders	Youakim
Considine	Hackbarth	Liebling	Nash	Schoen	Zerwas
Cornish	Hamilton	Lien	Nelson	Schomacker	Spk. Daudt
Daniels	Hancock	Lillie	Newberger	Schultz	

The bill was passed, as amended, and its title agreed to.

H. F. No. 3281, A bill for an act relating to lawful gambling; providing for raffle boards; amending Minnesota Statutes 2014, sections 297E.02, subdivisions 6a, 7; 349.2125, subdivision 1; 349.2127, subdivisions 2, 3, 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Albright	Applebaum	Bly	Davids	Erickson	Garofalo
Allen	Atkins	Carlson	Dean, M.	Fabian	Green
Anderson, C.	Backer	Christensen	Dehn, R.	Fenton	Gruenhagen
Anderson, M.	Baker	Clark	Dettmer	Fischer	Gunther
Anderson, P.	Barrett	Considine	Drazkowski	Flanagan	Hackbarth
Anderson, S.	Bennett	Cornish	Ecklund	Franson	Hamilton
Anzelc	Bernardy	Daniels	Erhardt	Freiberg	Hancock

Hansen	Koznick	Mahoney	Newberger	Quam	Theis
Hausman	Kresha	Mariani	Newton	Rarick	Thissen
Hertaus	Laine	Marquart	Nornes	Rosenthal	Torkelson
Hilstrom	Lesch	Masin	Norton	Runbeck	Uglem
Hoppe	Liebling	McDonald	O'Driscoll	Sanders	Urdahl
Hortman	Lien	McNamara	O'Neill	Schoen	Vogel
Howe	Lillie	Metsa	Pelowski	Schomacker	Wagenius
Isaacson	Loeffler	Miller	Peppin	Schultz	Ward
Johnson, B.	Lohmer	Moran	Persell	Scott	Whelan
Johnson, C.	Loon	Mullery	Petersburg	Selcer	Wills
Johnson, S.	Loonan	Murphy, E.	Peterson	Simonson	Yarusso
Kahn	Lucero	Murphy, M.	Pierson	Slocum	Youakim
Kiel	Lueck	Nash	Pinto	Smith	Zerwas
Knoblach	Mack	Nelson	Poppe	Swedzinski	Spk. Daudt

The bill was passed and its title agreed to.

H. F. No. 3102, A bill for an act relating to lawful gambling; modifying provisions relating to gambling managers; providing for certain raffles; increasing prize limits; prescribing local regulation; amending Minnesota Statutes 2014, sections 349.12, subdivision 19, by adding subdivisions; 349.13; 349.168, subdivision 1; 349.17, by adding a subdivision; 349.213, subdivision 1; Minnesota Statutes 2015 Supplement, sections 349.12, subdivisions 18, 21a; 349.173; 349.211, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Albright	Davids	Hansen	Loeffler	Newberger	Schultz
Allen	Dean, M.	Hausman	Lohmer	Newton	Scott
Anderson, C.	Dehn, R.	Hertaus	Loon	Nornes	Selcer
Anderson, M.	Dettmer	Hilstrom	Loonan	Norton	Simonson
Anderson, P.	Drazkowski	Hoppe	Lucero	O'Driscoll	Slocum
Anderson, S.	Ecklund	Hortman	Lueck	O'Neill	Smith
Anzelc	Erhardt	Howe	Mack	Pelowski	Swedzinski
Applebaum	Erickson	Isaacson	Mahoney	Peppin	Theis
Atkins	Fabian	Johnson, B.	Mariani	Persell	Thissen
Backer	Fenton	Johnson, C.	Marquart	Petersburg	Torkelson
Baker	Fischer	Johnson, S.	Masin	Peterson	Uglem
Barrett	Flanagan	Kahn	McDonald	Pierson	Urdahl
Bennett	Franson	Kiel	McNamara	Pinto	Vogel
Bernardy	Freiberg	Knoblach	Metsa	Poppe	Wagenius
Bly	Garofalo	Koznick	Miller	Quam	Ward
Carlson	Green	Kresha	Moran	Rarick	Whelan
Christensen	Gruenhagen	Laine	Mullery	Rosenthal	Wills
Clark	Gunther	Lesch	Murphy, E.	Runbeck	Yarusso
Considine	Hackbarth	Liebling	Murphy, M.	Sanders	Youakim
Cornish	Hamilton	Lien	Nash	Schoen	Zerwas
Daniels	Hancock	Lillie	Nelson	Schomacker	Spk. Daudt

The bill was passed and its title agreed to.

MOTION TO FIX TIME TO CONVENE

Peppin moved that when the House adjourns today it adjourn until 12:15 p.m., Wednesday, April 20, 2016. The motion prevailed.

MOTIONS AND RESOLUTIONS

Pinto moved that his name be stricken as an author on H. F. No. 291. The motion prevailed.

Masin moved that her name be stricken as an author on H. F. No. 644. The motion prevailed.

Pelowski moved that the name of Schoen be added as an author on H. F. No. 731. The motion prevailed.

Urdahl moved that the name of Schoen be added as an author on H. F. No. 982. The motion prevailed.

Schultz moved that the names of Schoen; Davnie; Dehn, R., and Johnson, S., be added as authors on H. F. No. 1449. The motion prevailed.

Persell moved that the name of Schoen be added as an author on H. F. No. 1734. The motion prevailed.

Bernardy moved that the name of Schoen be added as an author on H. F. No. 2036. The motion prevailed.

Applebaum moved that the name of Schoen be added as an author on H. F. No. 2097. The motion prevailed.

Anzelc moved that the name of Schoen be added as an author on H. F. No. 2175. The motion prevailed.

Hilstrom moved that the name of Schoen be added as an author on H. F. No. 2228. The motion prevailed.

Freiberg moved that the name of Schoen be added as an author on H. F. No. 2495. The motion prevailed.

Hansen moved that the names of Lillie, Atkins and Persell be added as authors on H. F. No. 2532. The motion prevailed.

Howe moved that the name of Schoen be added as an author on H. F. No. 2554. The motion prevailed.

Metsa moved that the name of Ecklund be added as an author on H. F. No. 2566. The motion prevailed.

McNamara moved that the name of Schoen be added as an author on H. F. No. 2595. The motion prevailed.

Newton moved that the name of Schoen be added as an author on H. F. No. 2624. The motion prevailed.

Dean, M., moved that the name of Murphy, E., be added as an author on H. F. No. 2628. The motion prevailed.

McNamara moved that the name of Schoen be added as an author on H. F. No. 2667. The motion prevailed.

Slocum moved that the name of Schoen be added as an author on H. F. No. 2712. The motion prevailed.

Halverson moved that the name of Schoen be added as an author on H. F. No. 2727. The motion prevailed.

McNamara moved that the name of Schoen be added as an author on H. F. No. 2842. The motion prevailed.

Hansen moved that the name of Schoen be added as an author on H. F. No. 2880. The motion prevailed.

Pinto moved that the name of Pugh be added as an author on H. F. No. 2976. The motion prevailed.

Torkelson moved that the name of Bennett be added as an author on H. F. No. 3000. The motion prevailed.

Zerwas moved that the name of Schoen be added as an author on H. F. No. 3048. The motion prevailed.

Lillie moved that the name of Schoen be added as an author on H. F. No. 3064. The motion prevailed.

O'Neill moved that the name of Clark be added as an author on H. F. No. 3065. The motion prevailed.

Backer moved that the name of Schoen be added as an author on H. F. No. 3235. The motion prevailed.

Kresha moved that the name of Schoen be added as an author on H. F. No. 3269. The motion prevailed.

Fabian moved that the name of Schoen be added as an author on H. F. No. 3341. The motion prevailed.

Moran moved that the name of Schoen be added as an author on H. F. No. 3445. The motion prevailed.

Atkins moved that the name of Schoen be added as an author on H. F. No. 3506. The motion prevailed.

Fabian moved that the name of Kiel be added as an author on H. F. No. 3508. The motion prevailed.

Sanders moved that the name of Schoen be added as an author on H. F. No. 3549. The motion prevailed.

Allen moved that the name of Schoen be added as an author on H. F. No. 3579. The motion prevailed.

Cornish moved that the name of Schoen be added as an author on H. F. No. 3584. The motion prevailed.

Albright moved that the name of Schoen be added as an author on H. F. No. 3729. The motion prevailed.

Loon moved that the name of Erickson be added as an author on H. F. No. 3858. The motion prevailed.

Pinto moved that the name of Schoen be added as an author on H. F. No. 3914. The motion prevailed.

Mahoney moved that the name of Halverson be added as an author on H. F. No. 3922. The motion prevailed.

Davnie moved that the name of Fischer be added as an author on H. F. No. 3936. The motion prevailed.

O'Driscoll moved that H. F. No. 2991, now on the General Register, be re-referred to the Committee on Ways and Means. The motion prevailed.

Hoppe moved that H. F. No. 3384, now on the General Register, be re-referred to the Committee on Ways and Means. The motion prevailed.

SUSPENSION OF RULES

Pursuant to rule 4.30, Kresha moved that the rules be so far suspended so that H. F. No. 3305 be recalled from the Committee on Health and Human Services Finance, be given its second reading and be placed on the General Register. The motion prevailed.

SECOND READING OF HOUSE BILLS

H. F. No. 3305 was read for the second time.

MOTIONS AND RESOLUTIONS

SUSPENSION OF RULES

Pursuant to rule 4.30, Slocum moved that the rules be so far suspended so that H. F. No. 2625 be recalled from the Committee on Public Safety and Crime Prevention Policy and Finance, be given its second reading and be placed on the General Register. The motion prevailed.

SECOND READING OF HOUSE BILLS

H. F. No. 2625 was read for the second time.

ADJOURNMENT

Peppin moved that the House adjourn. The motion prevailed, and Speaker pro tempore Garofalo declared the House stands adjourned until 12:15 p.m., Wednesday, April 20, 2016.

PATRICK D. MURPHY, Chief Clerk, House of Representatives