

STATE OF MINNESOTA

NINETY-FIRST SESSION — 2019

 TWENTY-THIRD DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 18, 2019

The House of Representatives convened at 3:30 p.m. and was called to order by Melissa Hortman, Speaker of the House.

Prayer was offered by the Reverend Kari Williamson, Lutheran Church of the Cross, Nisswa, Minnesota.

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

The roll was called and the following members were present:

Acomb	Dehn	Heinrich	Lislegard	O'Driscoll	Sundin
Albright	Demuth	Heintzeman	Loeffler	Olson	Swedzinski
Anderson	Dettmer	Her	Long	O'Neill	Tabke
Bahner	Drazkowski	Hertaus	Lucero	Pelowski	Theis
Bahr	Ecklund	Hornstein	Lueck	Persell	Torkelson
Baker	Edelson	Howard	Mahoney	Petersburg	Urdahl
Becker-Finn	Elkins	Huot	Mann	Pierson	Vang
Bennett	Erickson	Johnson	Mariani	Pinto	Vogel
Bernardy	Fabian	Jurgens	Marquart	Poppe	Wagenius
Bierman	Fischer	Kiel	Masin	Poston	Wazlawik
Boe	Freiberg	Klevorn	McDonald	Pryor	Winkler
Brand	Garofalo	Koegel	Mekeland	Quam	Wolgamott
Cantrell	Gomez	Kotzya-Witthuhn	Miller	Richardson	Xiong, J.
Carlson, A.	Green	Koznick	Moller	Robbins	Xiong, T.
Carlson, L.	Gruenhagen	Kresha	Moran	Runbeck	Youakim
Christensen	Gunther	Kunesh-Podein	Morrison	Sandell	Zerwas
Clafin	Haley	Layman	Munson	Sandstede	Spk. Hortman
Considine	Halverson	Lee	Murphy	Sauke	
Daniels	Hamilton	Lesch	Nelson	Schomacker	
Daudt	Hansen	Liebling	Neu	Schultz	
Davids	Hassan	Lien	Noor	Scott	
Davnie	Hausman	Lippert	Nornes	Stephenson	

A quorum was present.

Backer, Franson, Grossell, Nash and West were excused.

Lillie was excused until 4:10 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.

PETITIONS AND COMMUNICATIONS

The following communication was received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

March 12, 2019

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

Dear Speaker Hortman:

I respectfully request the opportunity to address a joint meeting of the Session of the 91st State Legislature on Wednesday, April 3, 2019 at 7:00 p.m. in the House Chamber at the Capitol for the purpose of presenting my State of the State message.

Thank you.

Sincerely,

TIM WALZ
Governor

Winkler moved that an invitation be extended to the Governor to address a Joint Convention of the House of Representatives and the Senate to be held in the House Chamber at 7:00 p.m., Wednesday, April 3, 2019; that the Chief Clerk be instructed to invite the Senate by message to meet in Joint Convention to convene at 6:45 p.m.; that the Governor be advised accordingly; and that the Speaker appoint a committee of five members of the House of Representatives to act with a similar committee to be appointed by the Senate to escort the Governor to the Joint Convention. The motion prevailed.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Halverson from the Committee on Commerce to which was referred:

H. F. No. 3, A bill for an act relating to health care; establishing OneCare Buy-In; establishing outpatient prescription drug program; modifying provisions governing dental administration; modifying provisions governing health care; requiring studies and reports; amending Minnesota Statutes 2018, sections 62J.497, subdivision 1;

256B.0644; 256B.69, subdivisions 6d, 35; 256B.76, subdivisions 2, 4; 256L.03, by adding a subdivision; 256L.11, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 256B; 256L; proposing coding for new law as Minnesota Statutes, chapter 256T; repealing Minnesota Statutes 2018, section 256L.11, subdivision 6a.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Government Operations.

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 142, A bill for an act relating to military affairs; requiring counties to provide pay differential to employees while mobilized in the United States military's reserve component; amending Minnesota Statutes 2018, section 471.975.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 145, A bill for an act relating to transportation; amending a window glazing exception related to prescription or medical needs; amending Minnesota Statutes 2018, section 169.71, subdivision 4.

Reported the same back with the following amendments:

Page 2, line 1, before "Subdivision" insert "(a)"

Page 2, lines 9 to 11, delete the new language

Page 2, lines 12 to 15, reinstate the stricken language and delete the new language

Page 2, after line 25, insert:

"(b) For the purposes of paragraph (a), clause (2), a driver of a vehicle may rely on a prescription or physician's statement of medical need issued to a person not present in the vehicle if:

(1) the prescription or physician's statement of medical need is issued to the driver's parent, child, grandparent, sibling, or spouse;

(2) the prescription or physician's statement of medical need specifies the make, model, and license plate of one or two vehicles that will have tinted windows; and

(3) the driver is in possession of the prescription or physician's statement of medical need.

EFFECTIVE DATE. Paragraph (b) is effective on November 1, 2019.

Sec. 2. **PRESCRIPTION FOR GLAZED WINDOWS.**

Until November 1, 2019, for the purposes of Minnesota Statutes, section 169.71, subdivision 4a, paragraph (b), clause (2), a driver of a vehicle may rely on a prescription or physician's statement of medical need issued to a person not present in the vehicle if:

(1) the prescription or physician's statement of medical need is issued to a family member of the driver; and

(2) the driver is in possession of the prescription or physician's statement of medical need.

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

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 147, A bill for an act relating to human services; allowing community paramedics and community medical response emergency medical technicians to provide telemedicine services; amending Minnesota Statutes 2018, section 256B.0625, subdivision 3b.

Reported the same back with the following amendments:

Page 3, line 1, delete everything after the second comma

Page 3, line 2, delete everything before "or"

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

The report was adopted.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 253, A bill for an act relating to transportation; modifying the special paper products vehicle permit; amending Minnesota Statutes 2018, section 169.864, subdivision 1.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 302, A bill for an act relating to transportation; allowing a person diagnosed with an autism spectrum disorder or a mental health condition to request a disability designation on a driver's license or identification card; amending Minnesota Statutes 2018, section 171.07, subdivision 17.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 171.07, is amended by adding a subdivision to read:

Subd. 6a. **Autism spectrum or mental health identifier.** Upon the written request of the applicant, the department shall issue a driver's license or Minnesota identification card bearing a graphic or written identifier for an autism spectrum disorder, as defined in section 62A.3094, subdivision 1, paragraph (b), or mental health condition. The applicant must submit the written request for the identifier at the time the photograph or electronically produced image is taken. The commissioner must not include any specific medical information on the driver's license or Minnesota identification card."

Correct the title numbers accordingly

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

The report was adopted.

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 342, A bill for an act relating to human services; establishing the Minnesota African American Family Preservation and Child Welfare Disproportionality Act; creating an African American and Disproportionality Child Welfare Oversight Council; requiring a report; appropriating money; amending Minnesota Statutes 2018, section 260C.329, subdivisions 3, 7, 8, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 260; repealing Minnesota Statutes 2018, section 260C.329, subdivision 5.

Reported the same back with the following amendments:

Page 2, lines 4 and 5, delete "any of the black racial groups of"

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

The report was adopted.

Halverson from the Committee on Commerce to which was referred:

H. F. No. 453, A bill for an act relating to agriculture; excluding sales of off-sale alcoholic beverages when determining a food handler license fee; amending Minnesota Statutes 2018, section 28A.16.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 486, A bill for an act relating to health insurance; requiring coverage for hearing aids for individuals older than 18 years of age; amending Minnesota Statutes 2018, section 62Q.675.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 511, A bill for an act relating to local government; repealing the prohibition on local ordinances governing plastic bags and similar items; repealing Minnesota Statutes 2018, section 471.9998.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Halverson from the Committee on Commerce to which was referred:

H. F. No. 533, A bill for an act relating to health; requiring attorney general review and approval of conversion transactions by nonprofit health care entities; requiring all net earnings of a nonprofit health maintenance organization to be used for nonprofit purposes; extending a moratorium on conversion transactions; amending Minnesota Statutes 2018, sections 62D.12, by adding a subdivision; 317A.811, subdivision 1; Laws 2017, First Special Session chapter 6, article 5, section 11; proposing coding for new law in Minnesota Statutes, chapters 62C; 62D.

Reported the same back with the following amendments:

Page 2, after line 2, insert:

"EFFECTIVE DATE. This section is effective July 1, 2019."

Pages 2 to 8, delete sections 2 to 8 and insert:

"Sec. 2. [62C.045] APPLICATION OF OTHER LAWS.

Sections 62D.046 to 62D.047 and Laws 2017, First Special Session chapter 6, article 5, section 11, as amended by section 7 of this act, apply to service plan corporations operating under this chapter.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 3. [62D.046] NONPROFIT HEALTH CARE ENTITY CONVERSIONS; DEFINITIONS.

Subdivision 1. Application. The definitions in this section apply to this section and section 62D.047.

Subd. 2. Commissioner. "Commissioner" means the commissioner of commerce for a nonprofit health care entity that is a nonprofit health service plan corporation operating under chapter 62C, or the commissioner of health for a nonprofit health care entity that is a nonprofit health maintenance organization operating under this chapter.

Subd. 3. **Conversion benefit entity.** "Conversion benefit entity" means a foundation, corporation, limited liability company, trust, partnership, or other entity that receives, in connection with a conversion transaction, the value of any public benefit assets, in accordance with section 62D.047, subdivision 7.

Subd. 4. **Conversion transaction or transaction.** "Conversion transaction" or "transaction" means a transaction otherwise permitted by applicable law in which a nonprofit health care entity:

(1) merges, consolidates, converts, or transfers all or a material amount of its assets to any entity except a corporation that is also exempt under United States Code, title 26, section 501(c)(3);

(2) makes a series of separate transfers within a 24-month period that in the aggregate constitute a transfer of all or a material amount of the nonprofit health care entity's assets to any entity except a corporation that is also exempt under United States Code, title 26, section 501(c)(3); or

(3) adds or substitutes one or more members that effectively transfers the control, responsibility for, or governance of the nonprofit health care entity to any entity except a corporation that is also exempt under United States Code, title 26, section 501(c)(3).

Subd. 5. **Corporation.** "Corporation" has the meaning given in section 317A.011, subdivision 6, and also includes a nonprofit limited liability company organized under section 322C.1101.

Subd. 6. **Director.** "Director" has the meaning given in section 317A.011, subdivision 7.

Subd. 7. **Family member.** "Family member" means a spouse, parent, child, spouse of a child, brother, sister, or spouse of a brother or sister.

Subd. 8. **Full and fair value.** "Full and fair value" means the amount that the public benefit assets of the nonprofit health care entity would be worth if the assets were equal to stock in the nonprofit health care entity, if the nonprofit health care entity was a for-profit corporation, and if the nonprofit health care entity had 100 percent of its stock authorized by the corporation and available for purchase without transfer restrictions. The valuation shall consider market value, investment or earning value, net asset value, goodwill, the amount of donations received, and a control premium, if any.

Subd. 9. **Key employee.** "Key employee" means a person, regardless of title, who:

(1) has responsibilities, power, or influence over an organization similar to those of an officer or director;

(2) manages a discrete segment or activity of the organization that represents ten percent or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or

(3) has or shares authority to control or determine ten percent or more of the organization's capital expenditures, operating budget, or compensation for employees.

Subd. 10. **Material amount.** "Material amount" means the lesser of ten percent of a nonprofit health care entity's total net admitted assets as of December 31 of the preceding year, or \$10,000,000.

Subd. 11. **Member.** "Member" has the meaning given in section 317A.011, subdivision 12.

Subd. 12. **Nonprofit health care entity.** "Nonprofit health care entity" means a nonprofit health service plan corporation operating under chapter 62C, a nonprofit health maintenance organization operating under chapter 62D, a corporation that can effectively exercise control over a nonprofit health service plan corporation or a nonprofit health maintenance organization, or any other entity that is effectively controlled by a corporation operating a nonprofit health service plan corporation or a nonprofit health maintenance organization.

Subd. 13. **Officer.** "Officer" has the meaning given in section 317A.011, subdivision 15.

Subd. 14. **Public benefit assets.** "Public benefit assets" means the entirety of a nonprofit health care entity's assets, whether tangible or intangible, including but not limited to its goodwill and anticipated future revenue.

Subd. 15. **Related organization.** "Related organization" has the meaning given in section 317A.011, subdivision 18.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 4. **[62D.047] NONPROFIT HEALTH CARE ENTITY CONVERSION TRANSACTIONS; REVIEW, NOTICE, APPROVAL.**

Subdivision 1. **Certain conversion transactions prohibited.** A nonprofit health care entity shall not enter into a conversion transaction if a person who has been an officer, director, or key employee of the nonprofit health care entity or of a related organization, or a family member of such a person:

(1) has received or will receive any type of compensation or other financial benefit, directly or indirectly, in connection with the conversion transaction;

(2) has held or will hold, whether guaranteed or contingent, an ownership stake, stock, securities, investment, or other financial interest in an entity to which the nonprofit health care entity transfers public benefit assets in connection with the conversion transaction;

(3) has received or will receive any type of compensation or other financial benefit from an entity to which the nonprofit health care entity transfers public benefit assets in connection with a conversion transaction;

(4) has held or will hold, whether guaranteed or contingent, an ownership stake, stock, securities, investment, or other financial interest in an entity that has or will have a business relationship with an entity to which the nonprofit health care entity transfers public benefit assets in connection with the conversion transaction; or

(5) has received or will receive any type of compensation or other financial benefit from an entity that has or will have a business relationship with an entity to which the nonprofit health care entity transfers public benefit assets in connection with the conversion transaction.

Subd. 2. **Attorney general notice required.** (a) Before entering into a conversion transaction, a nonprofit health care entity must notify the attorney general according to section 317A.811. In addition to the elements listed in section 317A.811, subdivision 1, the notice required by this subdivision must also include an itemization of the nonprofit health care entity's public benefit assets and the valuation the nonprofit health care entity attributes to those assets; a proposed plan for the distribution of the value of those assets to a conversion benefit entity that meets the requirements of subdivision 4; and other information from the nonprofit health care entity or the proposed conversion benefit entity that the attorney general reasonably considers necessary to review the proposed conversion transaction under subdivision 3.

(b) At the time the nonprofit health care entity provides the attorney general with the notice and other information required under this subdivision, the nonprofit health care entity must also provide a copy of the notice and other information required under this subdivision to the commissioner. If the attorney general requests additional information from a nonprofit health care entity in connection with its review of a proposed conversion transaction, the nonprofit health care entity must also provide a copy of this information to the commissioner, at the time this information is provided to the attorney general.

Subd. 3. **Review elements.** (a) The attorney general may approve, conditionally approve, or disapprove a proposed conversion transaction under this section. In determining whether to approve, conditionally approve, or disapprove a proposed transaction, the attorney general, in consultation with the commissioner, shall consider any factors the attorney general considers relevant in evaluating whether the proposed transaction is in the public interest, including whether:

(1) the proposed transaction complies with chapters 317A and 501B and other applicable laws;

(2) the proposed transaction involves or constitutes a breach of charitable trust;

(3) the nonprofit health care entity will receive full and fair value for its public benefit assets;

(4) the value of the public benefit assets to be transferred has been manipulated in a manner that causes or has caused the value of the assets to decrease;

(5) the proceeds of the proposed transaction will be used in a manner consistent with the public benefit for which the assets are held by the nonprofit health care entity;

(6) the proposed transaction will result in a breach of fiduciary duty, as determined by the attorney general, including whether:

(i) conflicts of interest exist related to payments to or benefits conferred upon officers, directors, or key employees of the nonprofit health care entity or a related organization;

(ii) the nonprofit health care entity's directors exercised reasonable care and due diligence in deciding to pursue the transaction, in selecting the entity with which to pursue the transaction, and in negotiating the terms and conditions of the transaction; and

(iii) the nonprofit health care entity's directors considered all reasonably viable alternatives, including any competing offers for its public benefit assets, or alternative transactions;

(7) the transaction will result in financial benefit to a person, including owners, directors, officers, or key employees of the nonprofit health care entity or of the entity to which the nonprofit health care entity proposes to transfer public benefit assets;

(8) the conversion benefit entity meets the requirements in subdivision 4; and

(9) the attorney general and the commissioner have been provided with sufficient information by the nonprofit health care entity to adequately evaluate the proposed transaction and its effects on the public and enrollees, provided the attorney general or commissioner has notified the nonprofit health care entity or the proposed conversion benefit entity if the information provided is insufficient and has provided the nonprofit health care entity or proposed conversion benefit entity with a reasonable opportunity to remedy that insufficiency.

(b) In addition to the elements in paragraph (a), the attorney general shall also consider public comments received under subdivision 5 regarding the proposed conversion transaction and the proposed transaction's likely effect on the availability, accessibility, and affordability of health care services to the public.

(c) In deciding whether to approve, conditionally approve, or disapprove a transaction, the attorney general must consult with the commissioner.

Subd. 4. **Conversion benefit entity requirements.** (a) A conversion benefit entity shall:

(1) be an existing or new, domestic, nonprofit corporation operating under chapter 317A and exempt under United States Code, title 26, section 501(c)(3);

(2) have in place procedures and policies to prohibit conflicts of interest, including but not limited to conflicts of interest relating to any grant-making activities that may benefit:

(i) the directors, officers, or key employees of the conversion benefit entity;

(ii) any entity to which the nonprofit health care entity transfers public benefit assets in connection with a conversion transaction; or

(iii) any directors, officers, or key employees of an entity to which the nonprofit health care entity transfers public benefit assets in connection with a conversion transaction;

(3) operate to benefit the health of the people of this state; and

(4) have in place procedures and policies that prohibit:

(i) an officer, director, or key employee of the nonprofit health care entity from serving as an officer, director, or key employee of the conversion benefit entity for the five-year period following the conversion transaction;

(ii) an officer, director, or key employee of the nonprofit health care entity or of the conversion benefit entity from directly or indirectly benefitting from the conversion transaction; and

(iii) elected or appointed public officials from serving as an officer, director, or key employee of the conversion benefit entity.

(b) A conversion benefit entity shall not make grants or payments or otherwise provide financial benefit to an entity to which a nonprofit health care entity transfers public benefit assets as part of a conversion transaction, or to a related organization of the entity to which the nonprofit health care entity transfers public benefit assets as part of a conversion transaction.

(c) No person who has been an officer, director, or key employee of an entity that has received public benefit assets in connection with a conversion transaction may serve as an officer, director, or key employee of the conversion benefit entity.

(d) The attorney general must review and approve the governance structure of a conversion benefit entity before the conversion benefit entity receives the value of public benefit assets from a nonprofit health care entity. In order to be approved by the attorney general under this paragraph, the conversion benefit entity's governance must be broadly based in the community served by the nonprofit health care entity and must be independent of the entity to which the nonprofit health care entity transfers public benefit assets as part of the conversion transaction. As part of the review of the conversion benefit entity's governance, the attorney general shall hold a public hearing. If the attorney general finds it necessary, a portion of the value of the public benefit assets shall be used to develop a community-based plan for use by the conversion benefit entity.

(e) The attorney general shall establish a community advisory committee for a conversion benefit entity receiving the value of public benefit assets. The members of the community advisory committee must be selected to represent the diversity of the community previously served by the nonprofit health care entity. The community advisory committee shall:

(1) provide a slate of three nominees for each vacancy on the governing board of the conversion benefit entity, from which the remaining board members shall select new members to the board;

(2) provide the governing board with guidance on the health needs of the community previously served by the nonprofit health care entity; and

(3) promote dialogue and information sharing between the conversion benefit entity and the community previously served by the nonprofit health care entity.

Subd. 5. Hearing; public comment; maintenance of record. (a) Before issuing a decision under subdivision 6, the attorney general shall hold one or more hearings and solicit public comments regarding the proposed conversion transaction. No later than 45 days after the attorney general receives notice of a proposed conversion transaction, the attorney general shall hold at least one public hearing in the area served by the nonprofit health care entity, and shall hold as many hearings as necessary in various parts of the state to ensure that each community in the nonprofit health care entity's service area has an opportunity to provide comments on the conversion transaction. Any person may appear and speak at the hearing, file written comments, or file exhibits for the hearing. At least 14 days before the hearing, the attorney general shall provide written notice of the hearing through posting on the attorney general's website, publication in one or more newspapers of general circulation, and notice by means of a public listserv or through other means to all persons who request notice from the attorney general of such hearings. A public hearing is not required if the waiting period under subdivision 6 is waived or is shorter than 45 days in duration. The attorney general may also solicit public comments through other means.

(b) The attorney general shall develop and maintain a summary of written and oral public comments made at a hearing and otherwise received by the attorney general, shall record all questions posed during the public hearing or received by the attorney general, and shall require answers from the appropriate parties. The summary materials, questions, and answers shall be maintained on the attorney general's website, and the attorney general must provide a copy of these materials at no cost to any person who requests them.

Subd. 6. Approval required; period for approval or disapproval; extension. (a) Notwithstanding the time periods in section 15.99 or 317A.811, a nonprofit health care entity shall not enter into a conversion transaction until:

(1) 150 days after the entity has given written notice to the attorney general, unless the attorney general waives all or a part of the waiting period. The attorney general shall establish guidelines for when the attorney general may waive all or part of the waiting period, and must provide public notice if the attorney general waives all or part of the waiting period; and

(2) the nonprofit health care entity obtains approval of the transaction from the attorney general, or obtains conditional approval from the attorney general and satisfies the required conditions.

(b) During the waiting period, the attorney general shall decide whether to approve, conditionally approve, or disapprove the conversion transaction and shall notify the nonprofit health care entity in writing of its decision. If the transaction is disapproved, the notice must include the reasons for the decision. If the transaction is conditionally approved, the notice must specify the conditions that must be met and the reasons for these conditions. The attorney general may extend the waiting period for an additional 90 days by notifying the nonprofit health care entity of the extension in writing.

(c) The time periods under this subdivision shall be suspended while a request from the attorney general for additional information is outstanding.

Subd. 7. **Transfer of value of assets required.** If a proposed conversion transaction is approved or conditionally approved by the attorney general, the nonprofit health care entity shall transfer the entirety of the full and fair value of its public benefit assets to one or more conversion benefit entities as part of the transaction.

Subd. 8. **Assessment of costs.** (a) The nonprofit health care entity must reimburse the attorney general or a state agency for all reasonable and actual costs incurred by the attorney general or the state agency in reviewing the proposed conversion transaction and in exercising enforcement remedies under this section. Costs incurred may include attorney fees at the rate at which the attorney general bills state agencies; costs for retaining actuarial, valuation, or other experts and consultants; and administrative costs. In order to receive reimbursement under this subdivision, the attorney general or state agency must provide the nonprofit health care entity with a statement of costs incurred.

(b) The nonprofit health care entity must remit the total amount listed on the statement to the attorney general or state agency within 30 days after the statement date, unless the entity disputes some or all of the submitted costs. The nonprofit health care entity may dispute the submitted costs by bringing an action in district court to have the court determine the amount of the reasonable and actual costs that must be remitted.

(c) Money remitted to the attorney general or state agency under this subdivision shall be deposited in the general fund in the state treasury and is appropriated to the attorney general or state agency, as applicable, to reimburse the attorney general or state agency for costs paid or incurred under this section.

Subd. 9. **Challenge to disapproval or conditional approval.** If the attorney general disapproves or conditionally approves a conversion transaction, a nonprofit health care entity may bring an action in district court to challenge the disapproval, or any condition of a conditional approval, as applicable. To prevail in such an action, the nonprofit health care entity must clearly establish that the disapproval, or each condition being challenged, as applicable, is arbitrary and capricious and unnecessary to protect the public interest.

Subd. 10. **Penalties; remedies.** The attorney general is authorized to bring an action to unwind a conversion transaction entered into in violation of this section and to recover the amount of any financial benefit received or held in violation of subdivision 1. In addition to this recovery, the officers, directors, and key employees of each entity that is a party to, and who materially participated in, the transaction entered into in violation of this section, may be subject to a civil penalty of up to the greater of the entirety of any financial benefit each officer, director, or key employee derived from the transaction or \$1,000,000, as determined by the court. The attorney general is authorized to enforce this section under section 8.31.

Subd. 11. **Relation to other law.** (a) This section is in addition to, and does not affect or limit any power, remedy, or responsibility of a health maintenance organization, a service plan corporation, a conversion benefit entity, the attorney general, the commissioner of commerce, or commissioner of health under this chapter, chapter 62C, 317A, or 501B, or other law.

(b) Nothing in this section authorizes a nonprofit health care entity to enter into a conversion transaction not otherwise permitted under chapter 317A or 501B or other law.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 5. Minnesota Statutes 2018, section 62D.12, is amended by adding a subdivision to read:

Subd. 8a. **Net earnings.** All net earnings of a nonprofit health maintenance organization shall be devoted to the nonprofit purposes of the health maintenance organization in providing comprehensive health care. A nonprofit health maintenance organization shall not provide for the payment, whether directly or indirectly, of any part of its net earnings to any person as a dividend or rebate, except that the health maintenance organization may make

payments to providers or other persons based on the efficient provision of services or as incentives to provide quality care. The commissioner of health shall, pursuant to this chapter, revoke the certificate of authority of any nonprofit health maintenance organization in violation of this subdivision.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 6. Minnesota Statutes 2018, section 317A.811, is amended by adding a subdivision to read:

Subd. 1a. **Nonprofit health care entity; notice and approval required.** In addition to the requirements of subdivision 1, a nonprofit health care entity as defined in section 62D.046, subdivision 12, is subject to the notice and approval requirements for certain transactions under sections 62D.046 and 62D.047.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 7. Laws 2017, First Special Session chapter 6, article 5, section 11, is amended to read:

Sec. 11. **MORATORIUM ON CONVERSION TRANSACTIONS.**

(a) Notwithstanding Laws 2017, chapter 2, article 2, a nonprofit ~~health~~ service plan corporation operating under Minnesota Statutes, chapter 62C, ~~or~~; a nonprofit health maintenance organization operating under Minnesota Statutes, chapter 62D, as of January 1, 2017; ~~or a direct or indirect parent, subsidiary, or other affiliate of such an entity,~~ may only merge or consolidate with; or convert, or transfer all or a ~~substantial portion~~ material amount of its assets to an entity that is a corporation organized under Minnesota Statutes, chapter 317A. For purposes of this section, "material amount" means the lesser of ten percent of such an entity's total net admitted assets as of December 31 of the preceding year, or \$10,000,000.

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

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

(d) This section expires July 1, ~~2019~~ 2029.

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

Page 8, line 8, delete "8" and insert "7"

Page 8, after line 8, insert:

EFFECTIVE DATE. This section is effective July 1, 2019."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "imposing penalties;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Health and Human Services Policy.

The report was adopted.

Halverson from the Committee on Commerce to which was referred:

H. F. No. 551, A bill for an act relating to human services; modifying provisions governing network adequacy and provider network notifications; imposing administrative penalties; establishing network access standards based on appointment wait times for managed care and county-based purchasing plans; amending Minnesota Statutes 2018, sections 62D.124, subdivision 3, by adding subdivisions; 62D.17, subdivision 1; 62K.075; 62K.10, subdivision 5; 256B.69, by adding a subdivision; 256L.121, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 62K.

Reported the same back with the following amendments:

Page 2, after line 6, insert:

"(c) If, in its waiver application, a health maintenance organization demonstrates to the commissioner that there are no providers of a specific type or specialty in a county, the commissioner may approve a waiver in which the health maintenance organization is allowed to address network inadequacy in that county by providing for patient access to providers of that type or specialty via telemedicine, as defined in section 62A.671, subdivision 9."

Page 2, line 7, delete "(c)" and insert "(d)"

Page 2, line 18, delete "(d)" and insert "(e)"

Page 5, after line 13, insert:

"(c) If, in its waiver application, a health carrier or preferred provider organization demonstrates to the commissioner that there are no providers of a specific type or specialty in a county, the commissioner may approve a waiver in which the health carrier or preferred provider organization is allowed to address network inadequacy in that county by providing for patient access to providers of that type or specialty via telemedicine, as defined in section 62A.671, subdivision 9."

Page 5, line 14, delete "(c)" and insert "(d)"

Page 5, line 28, delete "(d)" and insert "(e)"

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

The report was adopted.

Mariani from the Public Safety and Criminal Justice Reform Finance and Policy Division to which was referred:

H. F. No. 563, A bill for an act relating to child abuse; creating Heaven's Law; directing the commissioner of human services to report to the legislature on information sharing in interstate child protection investigations; requiring an investigation into a future interstate compact on child protection data; requiring that certain information be requested as part of an assessment or investigation; requiring consideration of past maltreatment to determine investigations; amending Minnesota Statutes 2018, section 626.556, subdivisions 10, 10e.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 572, A bill for an act relating to health; establishing loss ratio requirements for health plans; establishing requirements for use of net earnings of nonprofit health maintenance organizations; amending Minnesota Statutes 2018, sections 62A.021, by adding subdivisions; 62D.12, by adding a subdivision; repealing Minnesota Statutes 2018, section 62A.021, subdivisions 1, 3.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 631, A bill for an act relating to public safety; enabling reporting of information related to use of electronic device location tracking warrants; amending Minnesota Statutes 2018, sections 626A.08, subdivision 2; 626A.37, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
GOVERNMENT DATA PRACTICES PROVISIONS

Section 1. Minnesota Statutes 2018, section 13.055, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given to them.

(a) "Breach of the security of the data" means unauthorized acquisition of data maintained by a government entity that compromises the security and classification of the data. Good faith acquisition of or access to government data by an employee, contractor, or agent of a government entity for the purposes of the entity is not a breach of the security of the data, if the government data is not provided to or viewable by an unauthorized person, or accessed for a purpose not described in the procedures required by section 13.05, subdivision 5. For purposes of this paragraph, data maintained by a government entity includes data maintained by a person under a contract with the government entity that provides for the acquisition of or access to the data by an employee, contractor, or agent of the government entity.

(b) "Contact information" means either name and mailing address or name and e-mail address for each individual who is the subject of data maintained by the government entity.

(c) "Unauthorized acquisition" means that a person has obtained, accessed, or viewed government data without the informed consent of the individuals who are the subjects of the data or statutory authority ~~and with the intent to use the data for nongovernmental purposes.~~

(d) "Unauthorized person" means any person who accesses government data without a work assignment that reasonably requires access, or regardless of the person's work assignment, for a purpose not described in the procedures required by section 13.05, subdivision 5.

Sec. 2. Minnesota Statutes 2018, section 13.201, is amended to read:

13.201 RIDESHARE DATA.

The following data on participants, collected by ~~the Minnesota Department of Transportation and the Metropolitan Council~~ a government entity to administer rideshare programs, are classified as private under section 13.02, subdivision 12, or nonpublic under section 13.02, subdivision 9: residential address and telephone number; beginning and ending work hours; current mode of commuting to and from work; place of employment; photograph; biographical information; and type of rideshare service information requested.

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

Sec. 3. Minnesota Statutes 2018, section 13.72, subdivision 19, is amended to read:

Subd. 19. **Transit customer data.** (a) Data on applicants, users, and customers of public transit collected by or through ~~the Metropolitan Council's~~ a government entity's personalized web services or the Metropolitan Council's regional fare collection system are private data on individuals or nonpublic data. As used in this subdivision, the following terms have the meanings given them:

(1) "regional fare collection system" means the fare collection system created and administered by the council that is used for collecting fares or providing fare cards or passes for transit services which includes:

(i) regular route bus service within the metropolitan area and paratransit service, whether provided by the council or by other providers of regional transit service;

(ii) light rail transit service within the metropolitan area;

(iii) rideshare programs administered by the council;

(iv) special transportation services provided under section 473.386; and

(v) commuter rail service;

(2) "personalized web services" means services for which transit service applicants, users, and customers must establish a user account; and

(3) "metropolitan area" means the area defined in section 473.121, subdivision 2.

(b) ~~The council~~ A government entity may disseminate data on user and customer transaction history and fare card use to government entities, organizations, school districts, educational institutions, and employers that subsidize or provide fare cards to their clients, students, or employees. "Data on user and customer transaction history and fare card use" means:

(1) the date a fare card was used;

(2) the time a fare card was used;

(3) the mode of travel;

(4) the type of fare product used; and

(5) information about the date, time, and type of fare product purchased.

Government entities, organizations, school districts, educational institutions, and employers may use customer transaction history and fare card use data only for purposes of measuring and promoting fare card use and evaluating the cost-effectiveness of their fare card programs. If a user or customer requests in writing that the council limit the disclosure of transaction history and fare card use, the council may disclose only the card balance and the date a card was last used.

(c) ~~The council~~ A government entity may disseminate transit service applicant, user, and customer data to another government entity to prevent unlawful intrusion into government electronic systems, or as otherwise provided by law.

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

Sec. 4. Minnesota Statutes 2018, section 171.306, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) As used in this section, the terms in this subdivision have the meanings given them.

(b) "Ignition interlock device" or "device" means equipment that is designed to measure breath alcohol concentration and to prevent a motor vehicle's ignition from being started by a person whose breath alcohol concentration measures 0.02 or higher on the equipment.

(c) "Location tracking capabilities" means the ability of an electronic or wireless device to directly or indirectly identify and transmit its geographic location through the operation of the device either by the provision of a global positioning service (GPS) or the generation of other mapping, locational, or directional services, including cell-site location information (CSLI) service.

(d) "Program participant" means a person who has qualified to take part in the ignition interlock program under this section, and whose driver's license has been:

(1) revoked, canceled, or denied under section 169A.52; 169A.54; 171.04, subdivision 1, clause (10); or 171.177; or

(2) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), or suspended under section 171.187, for a violation of section 609.2113, subdivision 1, clause (2), item (i) or (iii), (3), or (4); subdivision 2, clause (2), item (i) or (iii), (3), or (4); or subdivision 3, clause (2), item (i) or (iii), (3), or (4); or 609.2114, subdivision 2, clause (2), item (i) or (iii), (3), or (4), resulting in bodily harm, substantial bodily harm, or great bodily harm.

(e) "Qualified prior impaired driving incident" has the meaning given in section 169A.03, subdivision 22.

Sec. 5. Minnesota Statutes 2018, section 465.719, subdivision 14, is amended to read:

Subd. 14. **Data classification.** The following data created, collected, or maintained by a corporation subject to this section are classified as private data under section 13.02, subdivision 12, or as nonpublic data under section 13.02, subdivision 9: (1) data relating either (i) to private businesses consisting of financial statements, credit reports, audits, business plans, income and expense projections, customer lists, balance sheets, income tax returns, and design, market, and feasibility studies not paid for with public funds, or (ii) to enterprises operated by the corporation that are in competition with entities offering similar goods and services, so long as the data are not generally known or readily ascertainable by proper means and disclosure of specific data would cause harm to the competitive position of the enterprise or private business, provided that the goods or services do not require a tax levy; and (2) any data identified in ~~sections section 13.201 and 13.72, subdivision 9,~~ collected or received by a transit organization.

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

Sec. 6. Minnesota Statutes 2018, section 626A.08, subdivision 2, is amended to read:

Subd. 2. **Application and orders.** (a) Applications made and warrants issued under this chapter shall be sealed by the judge filed under seal in the district court. Custody of the applications and orders shall be wherever the judge directs. Such applications and orders shall be disclosed only upon a showing of good cause before a judge of the district court and shall not be destroyed except on order of the issuing or denying judge, and in any event shall be kept for ten years.

(b) Notwithstanding paragraph (a), the filing, sealing, and reporting requirements for tracking warrants as defined by section 626A.42, subdivision 1, paragraph (h), are governed by section 626A.42, subdivision 4. However, applications and warrants, or portions of applications and warrants, that do not involve tracking warrants continue to be governed by paragraph (a).

Sec. 7. Minnesota Statutes 2018, section 626A.10, subdivision 1, is amended to read:

Subdivision 1. **Notice of order.** Within a reasonable time but not later than 90 days after the termination of the period of a warrant or extensions thereof, the ~~issuing or denying judge~~ warrant applicant or agency requesting the warrant shall cause to be served, on the persons named in the warrant and the application, and such other parties to intercepted communications as the judge may determine that is in the interest of justice, an inventory which shall include notice of:

- (1) the fact of the issuance of the warrant or the application;
- (2) the date of the issuance and the period of authorized, approved or disapproved interception, or the denial of the application; and
- (3) the fact that during the period wire, electronic, or oral communications were or were not intercepted.

On an ex parte showing to a court of competent jurisdiction that there is a need to continue the investigation and that the investigation would be harmed by service of the inventory at this time, service of the inventory required by this subdivision may be postponed for an additional 90-day period.

Sec. 8. Minnesota Statutes 2018, section 626A.37, subdivision 4, is amended to read:

Subd. 4. **Nondisclosure of existence of pen register, trap and trace device, or mobile tracking device.** (a) An order authorizing or approving the installation and use of a pen register, trap and trace device, or a mobile tracking device must direct that:

- (1) the order be sealed until otherwise ordered by the court; and
- (2) the person owning or leasing the line to which the pen register or a trap and trace device is attached, or who has been ordered by the court to provide assistance to the applicant, not disclose the existence of the pen register, trap and trace device, mobile tracking device, or the existence of the investigation to the listed subscriber, or to any other person, unless or until otherwise ordered by the court.

(b) Paragraph (a) does not apply to an order that involves a tracking warrant as defined by section 626A.42, subdivision 1, paragraph (h). Instead, the filing, sealing, and reporting requirements for those orders are governed by section 626A.42, subdivision 4. However, any portion of an order that does not involve a tracking warrant continues to be governed by paragraph (a).

Sec. 9. Minnesota Statutes 2018, section 626A.381, subdivision 1, is amended to read:

Subdivision 1. **Notice required.** Except as provided in subdivision 2, within a reasonable time not later than 90 days after the filing of an application under section 626A.36, if the application is denied, or of the termination of an order, as extended under section 626A.37, the ~~issuing or denying judge~~ warrant applicant or agency requesting the warrant shall have served on the persons named in the order or application an inventory that includes notice of:

- (1) the fact of the entry of the order or the application;
- (2) the date of the entry and the period of authorized, approved, or disapproved activity under the order, or the denial of the application; and
- (3) the fact that during the period, activity did or did not take place under the order.

Sec. 10. Minnesota Statutes 2018, section 626A.39, subdivision 5, is amended to read:

Subd. 5. **Mobile tracking device.** "Mobile tracking device" means an electronic or mechanical device that permits the tracking of the movement of a person or object. A mobile tracking device does not include a cell site simulator device or any other device used to access the location information of an electronic device, as those terms are defined in 626A.42, subdivision 1.

Sec. 11. Minnesota Statutes 2018, section 626A.42, is amended to read:

626A.42 ELECTRONIC DEVICE LOCATION INFORMATION.

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

- (b) "Electronic communication service" has the meaning given in section 626A.01, subdivision 17.
- (c) "Electronic device" means a device that enables access to or use of an electronic communication service, remote computing service, or location information service.
- (d) "Government entity" means a state or local agency, including but not limited to a law enforcement entity or any other investigative entity, agency, department, division, bureau, board, or commission or an individual acting or purporting to act for or on behalf of a state or local agency.
- (e) "Location information" means information concerning the location of an electronic device that, in whole or in part, is generated or derived from or obtained by the operation of an electronic device.
- (f) "Location information service" means the provision of a global positioning service or other mapping, locational, or directional information service.
- (g) "Remote computing service" has the meaning given in section 626A.34.
- (h) "Tracking warrant" means an order in writing, in the name of the state, signed by a court other than a court exercising probate jurisdiction, directed to a peace officer, granting the officer access to location information of an electronic device using a cell site simulator device or other means.
- (i) "Cell site simulator device" means a device that transmits or receives radio waves or other signals for the purposes of conducting one or more of the following operations:

(1) identifying, locating, or tracking the movements of an electronic device;

(2) intercepting, obtaining, accessing, or forwarding communications, stored data, or metadata from an electronic device;

(3) affecting the hardware or software operations or functions of an electronic device;

(4) forcing transmissions from or connections to an electronic device;

(5) denying an electronic device access to another electronic device, a communication protocol, electronic communication service, or other service; or

(6) spoofing or simulating an electronic device, cell tower, cell site, or service, including, but not limited to, an international phone subscriber identity catcher or other invasive cell phone or telephone surveillance or eavesdropping device that mimics a cell phone tower and sends out signals to cause cell phones in the area to transmit their locations, identifying information, and communications content, or a passive interception device or digital analyzer that does not send signals to an electronic device under surveillance.

A cell site simulator device does not include any device used or installed by an electric utility to the extent such device is only used by the utility to measure electrical usage, to provide service to customers, or to operate the electric grid.

Subd. 2. **Tracking warrant required for location information.** (a) Except as provided in paragraph (b), a government entity may not obtain the location information of an electronic device without a tracking warrant. A tracking warrant granting access to location information must be issued only if the government entity shows that there is probable cause the person who possesses an electronic device is committing, has committed, or is about to commit a crime. An application for a tracking warrant must be made in writing and include:

(1) the identity of the government entity's peace officer making the application, and the officer authorizing the application; and

(2) a full and complete statement of the facts and circumstances relied on by the applicant to justify the applicant's belief that a tracking warrant should be issued, including (i) details as to the particular offense that has been, is being, or is about to be committed, and (ii) the identity of the person, if known, committing the offense whose location information is to be obtained.

(b) A government entity may obtain location information without a tracking warrant:

(1) when the electronic device is reported lost or stolen by the owner;

(2) in order to respond to the user's call for emergency services;

(3) with the informed, affirmative, documented consent of the owner or user of the electronic device;

(4) with the informed, affirmative consent of the legal guardian or next of kin of the owner or user if the owner or user is believed to be deceased or reported missing and unable to be contacted; or

(5) in an emergency situation that involves the risk of death or serious physical harm to a person who possesses an electronic communications device pursuant to sections 237.82 and 237.83.

Subd. 3. **Time period and extensions.** (a) A tracking warrant issued under this section must authorize the collection of location information for a period not to exceed 60 days, or the period of time necessary to achieve the objective of the authorization, whichever is less.

(b) Extensions of a tracking warrant may be granted, but only upon an application for an order and upon the judicial finding required by subdivision 2, paragraph (a). The period of extension must be for a period not to exceed 60 days, or the period of time necessary to achieve the objective for which it is granted, whichever is less.

(c) Paragraphs (a) and (b) apply only to tracking warrants issued for the contemporaneous collection of electronic device location information.

Subd. 4. **Notice; temporary nondisclosure of tracking warrant.** (a) Within a reasonable time but not later than 90 days after the court unseals the tracking warrant under this subdivision, the ~~issuing or denying judge~~ warrant applicant or agency requesting the warrant shall cause to be served on the persons named in the tracking warrant and the application an inventory which shall include notice of:

(1) the fact of the issuance of the tracking warrant or the application;

(2) the date of the issuance and the period of authorized, approved, or disapproved collection of location information, or the denial of the application; and

(3) the fact that during the period location information was or was not collected.

(b) A tracking warrant authorizing collection of location information must direct that:

(1) the tracking warrant be sealed for a period of 90 days or until the objective of the tracking warrant has been accomplished, whichever is shorter; and

(2) the tracking warrant be filed with the court administrator within ten days of the expiration of the tracking warrant.

(c) The prosecutor may request that the tracking warrant, supporting affidavits, and any order granting the request not be filed. An order must be issued granting the request in whole or in part if, from affidavits, sworn testimony, or other evidence, the court finds reasonable grounds exist to believe that filing the tracking warrant may cause the search or a related search to be unsuccessful, create a substantial risk of injury to an innocent person, or severely hamper an ongoing investigation.

(d) The tracking warrant must direct that following the commencement of any criminal proceeding utilizing evidence obtained in or as a result of the search, the supporting application or affidavit must be filed either immediately or at any other time as the court directs. Until such filing, the documents and materials ordered withheld from filing must be retained by the judge or the judge's designee.

Subd. 5. **Report concerning collection of location information.** (a) At the same time as notice is provided under subdivision 4, the issuing or denying judge shall report to the state court administrator:

(1) the fact that a tracking warrant or extension was applied for;

(2) the fact that the tracking warrant or extension was granted as applied for, was modified, or was denied;

(3) the period of collection authorized by the tracking warrant, and the number and duration of any extensions of the tracking warrant;

(4) the offense specified in the tracking warrant or application, or extension of a tracking warrant;

(5) whether the collection required contemporaneous monitoring of an electronic device's location; and

(6) the identity of the applying investigative or peace officer and agency making the application and the person authorizing the application.

(b) On or before November 15 of each even-numbered year, the state court administrator shall transmit to the legislature a report concerning: (1) all tracking warrants authorizing the collection of location information during the two previous calendar years; and (2) all applications that were denied during the two previous calendar years. Each report shall include a summary and analysis of the data required to be filed under this subdivision. The report is public and must be available for public inspection at the Legislative Reference Library and the state court administrator's office and website.

Subd. 6. **Prohibition on use of evidence.** (a) Except as proof of a violation of this section, no evidence obtained in violation of this section shall be admissible in any criminal, civil, administrative, or other proceeding.

(b) Any location information obtained pursuant to this chapter or evidence derived therefrom shall not be received in evidence or otherwise disclosed in any trial, hearing, or other proceeding in a federal or state court unless each party, not less than ten days before the trial, hearing, or proceeding, has been furnished with a copy of the tracking warrant, and accompanying application, under which the information was obtained. This ten-day period may be waived by the judge if the judge finds that it was not possible to furnish a party with the required information ten days before the trial, hearing, or proceeding and that a party will not be prejudiced by the delay in receiving the information.

Sec. 12. **[626A.44] SHORT TITLE.**

Minnesota Statutes, sections 626A.44 to 626A.49, may be cited as the "Minnesota Electronic Communications Privacy Act."

Sec. 13. **[626A.45] DEFINITIONS.**

Subdivision 1. **Scope.** For purposes of sections 626A.44 to 626A.49, the definitions in this section have the meanings given them.

Subd. 2. **Adverse result.** "Adverse result" means any of the following:

(1) danger to the life or physical safety of an individual;

(2) flight from prosecution;

(3) destruction of or tampering with evidence;

(4) intimidation of potential witnesses; or

(5) serious jeopardy to an investigation.

Subd. 3. **Authorized possessor.** "Authorized possessor" means the person in possession of an electronic device when that person is the owner of the device or has been authorized to possess the device by the owner of the device.

Subd. 4. **Electronic communication.** "Electronic communication" means the transfer of signs, signals, writings, images, sounds, data, or intelligence of any nature in whole or in part by a wire, radio, electromagnetic, photoelectric, or photo-optical system.

Subd. 5. **Electronic communication information.** "Electronic communication information" means any information about an electronic communication or the use of an electronic communication service, including but not limited to the contents; sender; recipients; format; precise or approximate location of the sender or recipients at any point during the communication; time or date the communication was created, sent, or received; or any information pertaining to any individual or device participating in the communication, including but not limited to an IP address. Electronic communication information does not include subscriber information under subdivision 13.

Subd. 6. **Electronic communication service.** "Electronic communication service" has the meaning given in section 626A.42, subdivision 1, paragraph (b).

Subd. 7. **Electronic device.** "Electronic device" has the meaning given in section 626A.42, subdivision 1, paragraph (c).

Subd. 8. **Electronic device information.** "Electronic device information" means any information stored on or generated through the operation of an electronic device, including the current and prior locations of the device.

Subd. 9. **Electronic information.** "Electronic information" means electronic communication information or electronic device information.

Subd. 10. **Government entity.** "Government entity" has the meaning given in section 626A.42, subdivision 1, paragraph (d).

Subd. 11. **Service provider.** "Service provider" means a person or entity offering an electronic communication service.

Subd. 12. **Specific consent.** "Specific consent" means consent provided directly to the government entity seeking information, including but not limited to when the government entity is the addressee or intended recipient or a member of the intended audience of an electronic communication. Specific consent does not require that the originator of the communication has actual knowledge that an addressee, intended recipient, or member of the specific audience is a government entity, except where a government employee or agent has taken deliberate steps to hide the employee's or agent's government association.

Subd. 13. **Subscriber information.** "Subscriber information" means the name, street address, telephone number, e-mail address, or similar contact information provided by the subscriber to the provider to establish or maintain an account or communication channel, a subscriber or account number or identifier, the length of service, and the types of services used by a user of or subscriber to a service provider.

Sec. 14. **[626A.46] GOVERNMENT ENTITY PROHIBITIONS; EXCEPTIONS.**

Subdivision 1. **Prohibitions.** Except as provided in this section, a government entity shall not:

(1) compel or incentivize the production of or access to electronic communication information from a service provider;

(2) compel the production of or access to electronic device information from any person or entity other than the authorized possessor of the device; or

(3) access electronic device information by means of physical interaction or electronic communication with the electronic device.

Subd. 2. **Exceptions.** A government entity may:

(1) compel the production of or access to electronic communication information from a service provider, or compel the production of or access to electronic device information from any person or entity other than the authorized possessor of the device only:

(i) pursuant to a search warrant issued under section 626.18 and subject to subdivision 4; or

(ii) pursuant to a wiretap order issued under sections 626A.05 and 626A.06; and

(2) access electronic device information by means of physical interaction or electronic communication with the device only:

(i) pursuant to a search warrant issued pursuant to section 626.18 and subject to subdivision 4;

(ii) pursuant to a wiretap order issued pursuant to sections 626A.05 and 626A.06;

(iii) with the specific consent of the authorized possessor of the device;

(iv) with the specific consent of the owner of the device, only when the device has been reported as lost or stolen; or

(v) if the government entity, in good faith, believes the device to be lost, stolen, or abandoned, provided that the entity shall only access electronic device information in order to attempt to identify, verify, or contact the owner or authorized possessor of the device.

Subd. 3. **Warrant.** (a) A warrant for electronic communication information shall:

(1) describe with particularity the information to be seized by specifying the time periods covered and, as appropriate and reasonable, the target individuals or accounts, the applications or services covered, and the types of information sought;

(2) require that any information obtained through the execution of the warrant that is unrelated to the objective of the warrant be destroyed within 30 days and not subject to further review, use, or disclosure. This clause shall not apply when the information obtained is exculpatory with respect to the targeted individual; and

(3) comply with all other provisions of Minnesota and federal law, including any provisions prohibiting, limiting, or imposing additional requirements on the use of search warrants.

(b) When issuing any warrant or order for electronic information, or upon the petition from the target or recipient of the warrant or order, a court may, at its discretion, appoint a special master charged with ensuring that only information necessary to achieve the objective of the warrant or order is produced or accessed.

Subd. 4. **Service provider; voluntary disclosure.** (a) A service provider may voluntarily disclose electronic communication information or subscriber information when that disclosure is not otherwise prohibited by state or federal law.

(b) If a government entity receives electronic communication information voluntarily provided under subdivision 7, the government entity shall destroy that information within 90 days unless one or more of the following apply:

(1) the entity has or obtains the specific consent of the sender or recipient of the electronic communications about which information was disclosed; or

(2) the entity obtains a court order authorizing the retention of the information.

(c) A court shall issue a retention order upon a finding that the conditions justifying the initial voluntary disclosure persist and the court shall authorize the retention of the information only for so long as those conditions persist, or there is probable cause to believe that the information constitutes evidence that a crime has been committed. Information retained subject to this provision shall not be shared with:

(1) any persons or entities that do not agree to limit their use of the provided information to those purposes contained in the court authorization; and

(2) any persons or entities that:

(i) are not legally obligated to destroy the provided information upon the expiration or rescindment of the court's retention order; or

(ii) do not voluntarily agree to destroy the provided information upon the expiration or rescindment of the court's retention order.

Subd. 5. **Emergency.** If a government entity obtains electronic communication information relating to an emergency involving danger of death or serious physical injury to a person that requires access to the electronic information without delay, the entity shall, within three days after obtaining the electronic information, file with the appropriate court an application for a warrant or order authorizing obtaining the electronic information or a motion seeking approval of the emergency disclosures that shall set forth the facts giving rise to the emergency and, if applicable, a request supported by a sworn affidavit for an order delaying notification under section 626A.47, subdivision 2, paragraph (a). The court shall promptly rule on the application or motion and shall order the immediate destruction of all information obtained, and immediate notification under section 626A.47, subdivision 1, if the notice has not already been given, upon a finding that the facts did not give rise to an emergency or upon rejecting the warrant or order application on any other ground.

Subd. 6. **Subpoena.** This section does not limit the authority of a government entity to use an administrative, grand jury, trial, or civil discovery subpoena to require:

(1) an originator, addressee, or intended recipient of an electronic communication to disclose any electronic communication information associated with that communication;

(2) an entity that provides electronic communications services to its officers, directors, employees, or agents for the purpose of carrying out their duties, to disclose electronic communication information associated with an electronic communication to or from an officer, director, employee, or agent of the entity; or

(3) a service provider to provide subscriber information.

Subd. 7. **Recipient voluntary disclosure.** This section does not prohibit the intended recipient of an electronic communication from voluntarily disclosing electronic communication information concerning that communication to a government entity.

Subd. 8. **Construction.** Nothing in this section shall be construed to expand any authority under Minnesota law to compel the production of or access to electronic information.

Sec. 15. **[626A.47] NOTICES REQUIRED.**

Subdivision 1. **Notice.** Except as otherwise provided in this section, a government entity that executes a warrant or obtains electronic communication information in an emergency under section 626A.46, subdivision 5, shall serve upon, or deliver to by registered or first-class mail, electronic mail, or other means reasonably calculated to be effective, the identified targets of the warrant or emergency request a notice that informs the recipient that information about the recipient has been compelled or requested, and states with reasonable specificity the nature of the government investigation under which the information is sought. The notice shall include a copy of the warrant or a written statement setting forth facts giving rise to the emergency. The notice shall be provided contemporaneously with the execution of a warrant, or, in the case of an emergency, within three days after obtaining the electronic information.

Subd. 2. **Emergency; delay of notice.** (a) When a warrant is sought or electronic communication information is obtained in an emergency under section 626A.46, subdivision 5, the government entity may submit a request supported by a sworn affidavit for an order delaying notification and prohibiting any party providing information from notifying any other party that information has been sought. The court shall issue the order if the court determines that there is reason to believe that notification may have an adverse result, but only for the period of time that the court finds there is reason to believe that the notification may have that adverse result, and not to exceed 90 days. The court may grant extensions of the delay of up to 90 days each.

(b) Upon expiration of the period of delay of the notification, the government entity shall serve upon, or deliver to by registered or first-class mail, electronic mail, or other means reasonably calculated to be effective as specified by the court issuing the order authorizing delayed notification, the identified targets of the warrant, a document that includes the information described in subdivision 1, a copy of all electronic information obtained or a summary of that information, including, at a minimum, the number and types of records disclosed, the date and time when the earliest and latest records were created, and a statement of the grounds for the court's determination to grant a delay in notifying the individual.

Subd. 3. **No identified target.** (a) If there is no identified target of a warrant or emergency request at the time of issuance, the government entity shall submit to the supreme court all of the information required in subdivision 1 within three days of the execution of the warrant or issuance of the request. If an order delaying notice is obtained under subdivision 2, the government entity shall submit to the supreme court all of the information required in subdivision 2, paragraph (b), upon the expiration of the period of delay of the notification.

(b) The supreme court shall publish the reports on its website within 90 days of receipt. The supreme court shall redact names or other personal identifying information from the reports.

Subd. 4. **Service provider.** Except as otherwise provided in this section, nothing in sections 626A.45 to 626A.49 shall prohibit or limit a service provider or any other party from disclosing information about any request or demand for electronic information.

Sec. 16. **[626A.48] REMEDIES.**

Subdivision 1. **Suppression.** Any person in a trial, hearing, or proceeding may move to suppress any electronic communication information obtained or retained in violation of the United States Constitution, the Minnesota Constitution, or sections 626A.45 to 626A.49. The motion shall be made, determined, and subject to review according to section 626.21 or 626A.12.

Subd. 2. **Attorney general.** The attorney general may commence a civil action to compel any government entity to comply with the provisions of sections 626A.45 to 626A.49.

Subd. 3. **Petition.** An individual whose information is targeted by a warrant, order, or other legal process that is inconsistent with sections 626A.45 to 626A.49, the Minnesota Constitution, the United States Constitution, or a service provider or any other recipient of the warrant, order, or other legal process, may petition the issuing court to void or modify the warrant, order, or process, or to order the destruction of any information obtained in violation of sections 626A.45 to 626A.49, the Minnesota Constitution, or the United States Constitution.

Subd. 4. **No cause of action.** A Minnesota or foreign corporation, and its officers, employees, and agents, are not subject to any cause of action for providing records, information, facilities, or assistance according to the terms of a warrant, court order, statutory authorization, emergency certification, or wiretap order issued under sections 626A.45 to 626A.49.

Sec. 17. **[626A.49] REPORTS.**

(a) At the same time as notice is provided under section 626A.47, the issuing or denying judge shall report to the state court administrator:

(1) the fact that a warrant or extension was applied for under section 626A.46;

(2) the fact that the warrant or extension was granted as applied for, was modified, or was denied;

(3) the period of collection of electronic communication information authorized by the warrant, and the number and duration of any extensions of the warrant;

(4) the offense specified in the warrant or application, or extension of a warrant;

(5) whether the collection required contemporaneous monitoring of an electronic device's location; and

(6) the identity of the applying investigative or peace officer and agency making the application and the person authorizing the application.

(b) On or before November 15 of each even-numbered year, the state court administrator shall transmit to the legislature a report concerning: (1) all warrants authorizing the collection of electronic communication information during the two previous calendar years; and (2) all applications that were denied during the two previous calendar years. Each report shall include a summary and analysis of the data required to be filed under this section. The report is public and must be available for public inspection at the Legislative Reference Library and the state court administrator's office and website.

(c) Nothing in sections 626A.45 to 626A.49 shall prohibit or restrict a service provider from producing an annual report summarizing the demands or requests it receives under those sections.

Sec. 18. **REPEALER.**

Minnesota Statutes 2018, section 13.72, subdivision 9, is repealed.

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

ARTICLE 2
GENERAL CIVIL LAW PROVISIONS

Section 1. **[181.990] EMPLOYEE USERNAME AND PASSWORD PRIVACY PROTECTION.**

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

(b) "Applicant" means an applicant for employment.

(c) "Employee" means an individual who provides services or labor for an employer for wages or other remuneration.

(d) "Employer" means a person who is acting directly as an employer, or indirectly in the interest of an employer, on behalf of a for-profit, nonprofit, charitable, governmental, or other organized entity in relation to an employee.

(e) "Personal social media account" means an account with an electronic medium or service where users may create, share, and view user-generated content, including but not limited to uploading or downloading videos or still photographs, blogs, video blogs, podcasts, messages, e-mails, or Internet website profiles or locations. Personal social media account does not include: (1) an account opened at an employer's behest, or provided by an employer, and intended to be used solely on behalf of the employer, or (2) an account opened at a school's behest, or provided by a school, and intended to be used solely on behalf of the school.

(f) "Specific content" means data or information on a personal social media account that is identified with sufficient particularity to:

(1) demonstrate prior knowledge of the content's details; and

(2) distinguish the content from other data or information on the account with which it may share similar characteristics.

Subd. 2. Employer access prohibited. (a) An employer shall not:

(1) require, request, or coerce an employee or applicant to disclose the username, password, or any other means of authentication, or to provide access through the username or password, to a personal social media account;

(2) require, request, or coerce an employee or applicant to access a personal social media account in the presence of the employer in a manner that enables the employer to observe the contents of the account; or

(3) compel an employee or applicant to add any person, including the employer, to their list of contacts associated with a personal social media account or require, request, or otherwise coerce an employee or applicant to change the settings that affect a third party's ability to view the contents of a personal social networking account.

(b) The prohibitions in paragraph (a), clauses (1) and (2), do not apply to a law enforcement agency when the law enforcement agency is investigating the background of an applicant for employment. "Law enforcement agency" has the meaning given in section 626.84, subdivision 1, paragraph (f).

Subd. 3. Employer actions prohibited. (a) An employer shall not:

(1) take any action or threaten to take any action to discharge, discipline, or otherwise penalize an employee for an employee's refusal to disclose any information specified in subdivision 2, clause (1), for refusal to take any action specified in subdivision 2, clause (2), or for refusal to add the employer to their list of contacts associated with a personal social media account or to change the settings that affect a third party's ability to view the contents of a personal social media account as specified in subdivision 2, clause (3); or

(2) fail or refuse to hire any applicant as a result of the applicant's refusal to disclose any information specified in subdivision 2, clause (1), for refusal to take any action specified in subdivision 2, clause (2), or for refusal to add the employer to their list of contacts associated with a personal social media account or to change the settings that affect a third party's ability to view the contents of a personal social media account as specified in subdivision 2, clause (3).

(b) The prohibited activity in paragraph (a), clause (2), that related to the prohibited actions in subdivision 2, clauses (1) and (2), does not apply to a law enforcement agency when the law enforcement agency is investigating the background of an applicant for employment. "Law enforcement agency" has the meaning given in section 626.84, subdivision 1, paragraph (f).

Subd. 4. Employer actions permitted. Nothing in this section shall prevent an employer from:

(1) accessing information about an employee or applicant that is publicly available;

(2) complying with state and federal laws, rules, and regulations and the rules of self-regulatory organizations, where applicable;

(3) requesting or requiring an employee or applicant to share specific content that has been reported to the employer, without requesting or requiring an employee or applicant to provide a username, password, or other means of authentication that provides access to a personal social media account, for the purpose of:

(i) ensuring compliance with applicable laws or regulatory requirements;

(ii) investigating an allegation, based on receipt of specific information, of the unauthorized transfer of an employer's proprietary or confidential information or financial data to an employee or applicant's personal social media account; or

(iii) investigating an allegation, based on receipt of specific information, of unlawful harassment in the workplace;

(4) prohibiting an employee or applicant from using a personal social media account for business purposes; or

(5) prohibiting an employee or applicant from accessing or operating a personal social media account during business hours or while on business property.

Subd. 5. Employer protected if access inadvertent; use prohibited. If an employer inadvertently receives the username, password, or other means of authentication that provides access to a personal social media account of an employee or applicant through the use of an otherwise lawful virus scan or firewall that monitors the employer's network or employer-provided devices, the employer is not liable for having the information, but may not use the information to access the personal social media account of the employee or applicant, may not share the information with anyone, and must delete the information immediately or as soon as is reasonably practicable.

Subd. 6. **Enforcement.** Any employer, including its employee or agents, that violates this section shall be subject to legal action for damages or equitable relief, to be brought by any person claiming that a violation of this section has injured the person or the person's reputation. A person so injured is entitled to actual damages, including mental pain and suffering endured on account of violation of the provisions of this section, and reasonable attorney fees and other costs of litigation.

Subd. 7. **Severability.** The provisions in this section are severable. If any part or provision of this section, or the application of this section to any person, entity, or circumstance, is held invalid, the remainder of this section, including the application of the part or provision to other persons, entities, or circumstances, shall not be affected by the holding and shall continue to have force and effect.

EFFECTIVE DATE. This section is effective August 1, 2019, and applies to actions committed on or after that date.

Sec. 2. Minnesota Statutes 2018, section 257.57, subdivision 1, is amended to read:

Subdivision 1. **Actions under section 257.55, subdivision 1, paragraph (a), (b), or (c).** A child, the child's biological mother, or a man presumed to be the child's father under section 257.55, subdivision 1, paragraph (a), (b), or (c) may bring an action:

(1) at any time for the purpose of declaring the existence of the father and child relationship presumed under section 257.55, subdivision 1, paragraph (a), (b), or (c); or

(2) for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, paragraph (a), (b), or (c), only if the action is brought within ~~two~~ three years after the person bringing the action has reason to believe that the presumed father is not the father of the child, ~~but in no event later than three years after the child's birth.~~ However, if the presumed father was divorced from the child's mother and if, on or before the 280th day after the judgment and decree of divorce or dissolution became final, he did not know that the child was born during the marriage or within 280 days after the marriage was terminated, the action is not barred until ~~one year after the child reaches the age of majority or one year~~ three years after the presumed father knows or reasonably should have known of the birth of the child, ~~whichever is earlier.~~ After the presumption has been rebutted, paternity of the child by another man may be determined in the same action, if he has been made a party.

Sec. 3. Minnesota Statutes 2018, section 257.57, subdivision 2, is amended to read:

Subd. 2. **Actions under other paragraphs of section 257.55, subdivision 1.** The child, the mother, or personal representative of the child, the public authority chargeable by law with the support of the child, the personal representative or a parent of the mother if the mother has died or is a minor, a man alleged or alleging himself to be the father, or the personal representative or a parent of the alleged father if the alleged father has died or is a minor may bring an action:

(1) at any time for the purpose of declaring the existence of the father and child relationship presumed under sections 257.55, subdivision 1, paragraph (d), (e), (g), or (h), and 257.62, subdivision 5, paragraph (b), ~~or the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, clause (d);~~

(2) for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, paragraph (d), only if the action is brought within three years from when the presumed father began holding the child out as his own;

(3) for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, paragraph (e) or (g), only if the action is brought within ~~six months~~ three years after the person bringing the action ~~obtains the results of blood or genetic tests that indicate that the presumed father is not the father of the child~~ has reason to believe that the presumed father is not the biological father;

~~(3)~~ (4) for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.62, subdivision 5, paragraph (b), only if the action is brought within three years after the party bringing the action, or the party's attorney of record, has been provided ~~the blood or~~ genetic test results; or

(4) (5) for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.75, subdivision 9, only if the action is brought by the minor signatory within ~~six months~~ three years after the youngest minor signatory reaches the age of 18 ~~or three years after the person bringing the action has reason to believe that the father is not the biological father of the child, whichever is later. In the case of a recognition of parentage executed by two minor signatories, the action to declare the nonexistence of the father and child relationship must be brought within six months after the youngest signatory reaches the age of 18.~~

Sec. 4. Minnesota Statutes 2018, section 257.57, is amended by adding a subdivision to read:

Subd. 7. **Nonexistence of father-child relationship.** (a) An action to declare the nonexistence of the father-child relationship must be personally served on all parties and meet the requirements of either subdivision 1 or 2. An action must be brought by a petition, except that a motion may be filed in an underlying action regarding parentage, custody, or parenting time.

(b) An action to declare the nonexistence of the father-child relationship cannot proceed if the court finds that in a previous proceeding:

(1) the father-child relationship was contested and a court order determined the existence of the father-child relationship; or

(2) the father-child relationship was determined based upon a court order as a result of a stipulation or joint petition of the parties.

(c) Nothing in this subdivision precludes a party from relief under section 518.145, subdivision 2, clauses (1) to (3), if applicable, or the Minnesota Rules of Civil Procedure.

(d) In evaluating whether or not to declare the nonexistence of the father-child relationship, the court must consider, evaluate, and make written findings on the following factors:

(1) the length of time between the paternity adjudication or presumption of paternity and the time that the moving party knew or should have known that the presumed or adjudicated father might not be the biological father;

(2) the length of time during which the presumed or adjudicated father has assumed the role of father of the child;

(3) the facts surrounding the moving party's discovery of the presumed or adjudicated father's possible nonpaternity;

(4) the nature of the relationship between the child and the presumed or adjudicated father;

(5) the current age of the child;

(6) the harm or benefit that may result to the child if the court ends the father-child relationship of the current presumed or adjudicated father;

(7) the nature of the relationship between the child and any presumed or adjudicated father;

(8) the parties' agreement to the nonexistence of the father-child relationship and adjudication of paternity in the same action;

(9) the extent to which the passage of time reduces the chances of establishing paternity of another man and a child support order for that parent;

(10) the likelihood of adjudication of the biological father if not already joined in this action; and

(11) any additional factors deemed to be relevant by the court.

(e) The burden of proof shall be on the petitioner to show by clear and convincing evidence that, after consideration of the factors in paragraph (d), declaring the nonexistence of the father-child relationship is in the child's best interests.

(f) The court may grant the relief in the petition or motion upon finding that:

(1) the moving party has met the requirements of this section;

(2) the genetic testing results were properly conducted in accordance with section 257.62;

(3) the presumed or adjudicated father has not adopted the child;

(4) the child was not conceived by artificial insemination that meets the requirements under section 257.56 or that the presumed or adjudicated father voluntarily agreed to the artificial insemination; and

(5) the presumed or adjudicated father did not act to prevent the biological father of the child from asserting his parental rights with respect to the child.

(g) Upon granting the relief sought in the petition or motion, the court shall order the following:

(1) the father-child relationship has ended and the presumed or adjudicated father's parental rights and responsibilities end upon the granting of the petition;

(2) the presumed or adjudicated father's name shall be removed from the minor child's birth record and a new birth certificate shall be issued upon the payment of any fees;

(3) the presumed or adjudicated father's obligation to pay ongoing child support shall be terminated, effective on the first of the month after the petition or motion was served;

(4) any unpaid child support due prior to service of the petition or motion remains due and owing absent an agreement of all parties including the public authority or the court determines other relief is appropriate under the Rules of Civil Procedure; and

(5) the presumed or adjudicated father has no right to reimbursement of past child support paid to the mother, the public authority, or any other assignee of child support.

The order must include the provisions of section 257.66 if another party to the action is adjudicated as the father of the child.

Sec. 5. Minnesota Statutes 2018, section 257.75, subdivision 4, is amended to read:

Subd. 4. **Action to vacate recognition.** (a) An action to vacate a recognition of paternity may be brought by the mother, father, husband or former husband who executed a joinder, or the child. An action to vacate a recognition of parentage may be brought by the public authority. A mother, father, or husband or former husband who executed a joinder must bring the action within ~~one year of the execution of the recognition or within six months after the person bringing the action obtains the results of blood or genetic tests that indicate that the man who executed the recognition is not the father of the child~~ three years after the person bringing the action has reason to believe that the father is not the biological father of the child. A child must bring an action to vacate within ~~six months~~ three years after the child ~~obtains the result of blood or genetic tests that indicate that~~ has reason to believe the man who executed the recognition is not the biological father of the child, or within one year of reaching the age of majority, whichever is later. If the court finds a prima facie basis for vacating the recognition, the court shall order the child, mother, father, and husband or former husband who executed a joinder to submit to blood genetic tests. If the court issues an order for the taking of blood genetic tests, the court shall require the party seeking to vacate the recognition to make advance payment for the costs of the blood genetic tests, unless the parties agree and the court finds that the previous genetic test results exclude the man who executed the recognition as the biological father of the child. If the party fails to pay for the costs of the blood genetic tests, the court shall dismiss the action to vacate with prejudice. The court may also order the party seeking to vacate the recognition to pay the other party's reasonable attorney fees, costs, and disbursements. If the results of the blood genetic tests establish that the man who executed the recognition is not the father, the court shall vacate the recognition. Notwithstanding the vacation of the recognition, the court may adjudicate the man who executed the recognition under any other applicable paternity presumption under section 257.55. If a recognition is vacated, any joinder in the recognition under subdivision 1a is also vacated. The court shall terminate the obligation of a party to pay ongoing child support based on the recognition. A modification of child support based on a recognition may be made retroactive with respect to any period during which the moving party has pending a motion to vacate the recognition but only from the date of service of notice of the motion on the responding party.

(b) The burden of proof in an action to vacate the recognition is on the moving party. The moving party must request the vacation on the basis of fraud, duress, or material mistake of fact. The legal responsibilities in existence at the time of an action to vacate, including child support obligations, may not be suspended during the proceeding, except for good cause shown.

EFFECTIVE DATE. This section is effective August 1, 2019, and applies to recognition of parentage signed on or after that date.

Sec. 6. Minnesota Statutes 2018, section 518.145, subdivision 2, is amended to read:

Subd. 2. **Reopening.** On motion and upon terms as are just, the court may relieve a party from a judgment and decree, order, or proceeding under this chapter, except for provisions dissolving the bonds of marriage, annulling the marriage, or directing that the parties are legally separated, and may order a new trial or grant other relief as may be just for the following reasons:

- (1) mistake, inadvertence, surprise, or excusable neglect;
- (2) newly discovered evidence which by due diligence could not have been discovered in time to move for a new trial under the Rules of Civil Procedure, rule 59.03;
- (3) fraud, whether denominated intrinsic or extrinsic, misrepresentation, or other misconduct of an adverse party;
- (4) the judgment and decree or order is void; or

(5) the judgment has been satisfied, released, or discharged, or a prior judgment and decree or order upon which it is based has been reversed or otherwise vacated, or it is no longer equitable that the judgment and decree or order should have prospective application.

The motion must be made within a reasonable time, and for a reason under clause (1), (2), or (3), other than a motion to declare the nonexistence of the parent-child relationship, not more than one year after the judgment and decree, order, or proceeding was entered or taken. An action to declare the nonexistence of the father-child relationship must be made within in a reasonable time under clause (1), (2), or (3), and not more than three years after the person bringing the action has reason to believe that the father is not the father of the child. A motion under this subdivision does not affect the finality of a judgment and decree or order or suspend its operation. This subdivision does not limit the power of a court to entertain an independent action to relieve a party from a judgment and decree, order, or proceeding or to grant relief to a party not actually personally notified as provided in the Rules of Civil Procedure, or to set aside a judgment for fraud upon the court.

Sec. 7. Minnesota Statutes 2018, section 518.157, subdivision 1, is amended to read:

Subdivision 1. **Implementation; administration.** (a) By January 1, 1998, the chief judge of each judicial district or a designee shall implement one or more parent education programs within the judicial district for the purpose of educating parents about the impact that divorce, the restructuring of families, and judicial proceedings have upon children and families; methods for preventing parenting time conflicts; and dispute resolution options. The chief judge of each judicial district or a designee may require that children attend a separate education program designed to deal with the impact of divorce upon children as part of the parent education program. Each parent education program must enable persons to have timely and reasonable access to education sessions.

(b) The chief judge of each judicial district shall ensure that the judicial district's website includes information on the parent education program or programs required under this section.

Sec. 8. Minnesota Statutes 2018, section 518.157, subdivision 3, is amended to read:

Subd. 3. **Attendance.** (a) In a proceeding under this chapter where the parties have not agreed to custody or a parenting time is contested schedule, the court shall order the parents of a minor child shall attend to attend or take online a minimum of eight hours in an orientation and education program that meets the minimum standards promulgated by the Minnesota Supreme Court.

(b) In all other proceedings involving custody, support, or parenting time the court may order the parents of a minor child to attend a parent education program.

(c) The program shall provide the court with names of persons who fail to attend the parent education program as ordered by the court. Persons who are separated or contemplating involvement in a dissolution, paternity, custody, or parenting time proceeding may attend a parent education program without a court order.

(d) Unless otherwise ordered by the court, participation in a parent education program must begin before an initial case management conference and within 30 days after the first filing with the court or as soon as practicable after that time based on the reasonable availability of classes for the program for the parent. Parent education programs must offer an opportunity to participate at all phases of a pending or postdecree proceeding.

(e) Upon request of a party and a showing of good cause, the court may excuse the party from attending the program. If past or present domestic abuse, as defined in chapter 518B, is alleged, the court shall not require the parties to attend the same parent education sessions and shall enter an order setting forth the manner in which the parties may safely participate in the program.

(f) Before an initial case management conference for a proceeding under this chapter where the parties have not agreed to custody or parenting time, the court shall notify the parties of their option to resolve disagreements, including the development of a parenting plan, through the use of private mediation.

Sec. 9. Minnesota Statutes 2018, section 518.175, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) In all proceedings for dissolution or legal separation, subsequent to the commencement of the proceeding and continuing thereafter during the minority of the child, the court shall, upon the request of either parent, grant such parenting time on behalf of the child and a parent as will enable the child and the parent to maintain a child to parent relationship that will be in the best interests of the child. The court shall use a rebuttable presumption that it is in the best interests of the child to protect each individual parent-child relationship by maximizing the child's time with each parent. The court, when issuing a parenting time order, may reserve a determination as to the future establishment or expansion of a parent's parenting time. In that event, the best interest standard set forth in subdivision 5, paragraph (a), shall be applied to a subsequent motion to establish or expand parenting time.

(b) If the court finds, after a hearing, that parenting time with a parent is likely to endanger the child's physical, mental, or emotional health or safety or impair the child's emotional development, the court shall restrict parenting time with that parent as to time, place, duration, or supervision and may deny parenting time entirely, as the circumstances warrant. ~~The court shall consider the age of the child and the child's relationship with the parent prior to the commencement of the proceeding.~~

(c) A parent's failure to pay support because of the parent's inability to do so shall not be sufficient cause for denial of parenting time.

(d) The court may provide that a law enforcement officer or other appropriate person will accompany a party seeking to enforce or comply with parenting time.

(e) Upon request of either party, to the extent practicable an order for parenting time must include a specific schedule for regular parenting time, including the frequency and duration of ~~visitation parenting time~~ and visitation parenting time during holidays ~~and~~ vacations, and school breaks, unless parenting time is restricted, denied, or reserved.

(f) The court administrator shall provide a form for a pro se motion regarding parenting time disputes, which includes provisions for indicating the relief requested, an affidavit in which the party may state the facts of the dispute, and a brief description of the parenting time expeditor process under section 518.1751. The form may not include a request for a change of custody. The court shall provide instructions on serving and filing the motion.

(g) ~~In the absence of other evidence, Unless otherwise agreed, there is a rebuttable presumption that a the court shall award each parent is entitled to receive a minimum of 25 50 percent of the parenting time for the child. If it is not practicable to award 50 percent parenting time to each parent, the court shall maximize parenting time for each parent as close as possible to the 50 percent presumption.~~ For purposes of this paragraph, the percentage of parenting time may be determined by calculating the number of overnights that a child spends with a parent or by using a method other than overnights if the parent has significant time periods on separate days when the child is in the parent's physical custody 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.~~

(h) The court must include in a parenting time order the following:

(1) the ability of each parent to comply with the awarded parenting time schedule; and

(2) if a court deviates from the parenting time presumption under paragraph (g) and the parties have not otherwise made a parenting time agreement, the court shall make written findings of fact supported by clear and convincing evidence that the deviation results from one or more of the following:

(i) a parent has a mental illness that was diagnosed by a licensed physician or by a licensed psychologist, and the mental illness endangers the safety of the child based on the opinion of the licensed physician or the licensed psychologist treating the parent;

(ii) a parent refuses or fails to complete a chemical dependency evaluation or assessment ordered by a court, or a parent refuses or fails to complete chemical dependency recommendations as ordered by a licensed physician or by a licensed drug or alcohol counselor;

(iii) domestic abuse, as defined in section 518B.01, subdivision 2, or a qualified domestic violence-related offense, as defined in section 609.02, subdivision 16, between the parents or between a parent and the child;

(iv) a parent is unable to care for the child 50 percent of the time because of the parent's inability to modify the parent's schedule to accommodate having a child 50 percent of the time. An inability to modify a parent's schedule includes but is not limited to work, school, child care, or medical appointment scheduling conflicts that prevent a parent from maintaining parenting time with a child to accommodate the presumption under this section. A parent's provision for safe alternative care when the parent is not available during the parent's scheduled parenting time is not an inability of a parent to participate in a parenting time schedule under this paragraph;

(v) a parent's repeated willful failure to comply with parenting time awarded pursuant to a temporary order;

(vi) the distance required to travel between each parent's residence is so great that it makes the parenting time presumption impractical to meet;

(vii) the child has a diagnosed medical or educational special need that cannot be accommodated by the parenting time presumption; or

(viii) a child protection finding that the child is currently not safe under a parent's care.

(i) In assessing whether to deviate from the parenting time presumption in paragraph (g), the court shall consider that a reduction in a parent's parenting time may impair the parent's ability to parent the child, which may have negative impacts on the child.

(j) If a child does not have a relationship with a parent due to an absence of one year or more with minimal or no contact with the child, or if the child is one year old or younger, the court may order a gradual increase in parenting time. If the court orders a gradual increase in parenting time, the gradual increase shall only be in effect for a period of six months or less, at which time the order shall provide for a parenting time schedule based on the parenting time presumption in paragraph (g).

(k) The court shall not limit parenting time for a parent based solely on the age of the child. If the child is five years old or younger at the time the parenting time schedule is established and the order does not provide for equal parenting time, the order must include a provision for a possible future modification of the parenting time order.

(l) The court shall not consider the gender of a parent or a parent's marital or relationship status in making parenting time determinations under this section.

(m) An award of parenting time of up to 53 percent for one parent and not below 47 percent for the other parent does not constitute a deviation from the parenting time presumption in paragraph (g).

(n) In awarding parenting time, the court shall evaluate whether:

(1) one parent has engaged in unwarranted interference between the child and the other parent;

(2) one parent has made false allegations of domestic abuse; and

(3) one parent has chronically denied or minimized parenting time to the other parent in order to gain advantage in custody matters.

Sec. 10. Minnesota Statutes 2018, section 524.5-118, subdivision 1, is amended to read:

Subdivision 1. **When required; exception.** (a) The court shall require a background study under this section:

(1) before the appointment of a guardian or conservator, unless a background study has been done on the person under this section within the previous two years; and

(2) once every two years after the appointment, if the person continues to serve as a guardian or conservator.

(b) The background study must include:

(1) criminal history data from the Bureau of Criminal Apprehension, other criminal history data held by the commissioner of human services, and data regarding whether the person has been a perpetrator of substantiated maltreatment of a vulnerable adult or minor;

(2) criminal history data from the National Criminal Records Repository if the proposed guardian or conservator has not resided in Minnesota for the previous ten years or if the Bureau of Criminal Apprehension information received from the commissioner of human services under subdivision 2, paragraph (b), indicates that the subject is a multistate offender or that the individual's multistate offender status is undetermined; and

(3) state licensing agency data if a search of the database or databases of the agencies listed in subdivision 2a shows that the proposed guardian or conservator has ever held a professional license directly related to the responsibilities of a professional fiduciary from an agency listed in subdivision 2a that was conditioned, suspended, revoked, or canceled.

(c) If the guardian or conservator is not an individual, the background study must be done on all individuals currently employed by the proposed guardian or conservator who will be responsible for exercising powers and duties under the guardianship or conservatorship.

(d) If the court determines that it would be in the best interests of the ward or protected person to appoint a guardian or conservator before the background study can be completed, the court may make the appointment pending the results of the study, however, the background study must then be completed as soon as reasonably possible after appointment, no later than 30 days after appointment.

(e) The fee for conducting a background study for appointment of a professional guardian or conservator must be paid by the guardian or conservator. In other cases, the fee must be paid as follows:

(1) if the matter is proceeding in forma pauperis, the fee is an expense for purposes of section 524.5-502, paragraph (a);

(2) if there is an estate of the ward or protected person, the fee must be paid from the estate; or

(3) in the case of a guardianship or conservatorship of the person that is not proceeding in forma pauperis, the court may order that the fee be paid by the guardian or conservator or by the court.

(f) The requirements of this subdivision do not apply if the guardian or conservator is:

(1) a state agency or county;

(2) a parent or guardian of a proposed ward or protected person who has a developmental disability, if:

(i) the parent or guardian has raised the proposed ward or protected person in the family home until the time the petition is filed, unless or the proposed ward enters a licensed facility prior to turning 18 years of age and the parent or guardian has raised the proposed ward until the time the proposed ward entered the facility; and

(ii) counsel appointed for the proposed ward or protected person under section 524.5-205, paragraph (d); 524.5-304, paragraph (b); 524.5-405, paragraph (a); or 524.5-406, paragraph (b), recommends does not recommend a background study; or

(3) a bank with trust powers, bank and trust company, or trust company, organized under the laws of any state or of the United States and which is regulated by the commissioner of commerce or a federal regulator.

EFFECTIVE DATE. This section is effective August 1, 2019, and applies to background checks required on or after that date."

Delete the title and insert:

"A bill for an act relating to civil law; modifying certain data privacy provisions; enabling reporting of information related to use of electronic device location tracking warrants; prohibiting access by a government entity to electronic communication held by a service provider or other third party unless certain procedures are followed; providing certain limits on data retention; providing remedies; protecting applicant's and employee's personal usernames and passwords from access by employers; providing for civil enforcement; modifying the statute of limitations for nonpaternity actions; providing procedures for actions to declare nonpaternity; requiring the court to provide certain notices; modifying requirements for parent education program; modifying parenting time presumptions; requiring findings for parenting time schedules; amending the background study requirements for parents of proposed wards; requiring a report; amending Minnesota Statutes 2018, sections 13.055, subdivision 1; 13.201; 13.72, subdivision 19; 171.306, subdivision 1; 257.57, subdivisions 1, 2, by adding a subdivision; 257.75, subdivision 4; 465.719, subdivision 14; 518.145, subdivision 2; 518.157, subdivisions 1, 3; 518.175, subdivision 1; 524.5-118, subdivision 1; 626A.08, subdivision 2; 626A.10, subdivision 1; 626A.37, subdivision 4; 626A.381, subdivision 1; 626A.39, subdivision 5; 626A.42; proposing coding for new law in Minnesota Statutes, chapters 181; 626A; repealing Minnesota Statutes 2018, section 13.72, subdivision 9."

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

The report was adopted.

Youakim from the Committee on Education Policy to which was referred:

H. F. No. 761, A bill for an act relating to education; assigning authority for pupil transportation for certain homeless students; appropriating money; amending Minnesota Statutes 2018, section 120A.20, subdivision 2.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Mariani from the Public Safety and Criminal Justice Reform Finance and Policy Division to which was referred:

H. F. No. 901, A bill for an act relating to public safety; adding violations of domestic abuse no contact orders to the list of conduct that can be admitted into evidence; amending Minnesota Statutes 2018, section 634.20.

Reported the same back with the recommendation that the bill be re-referred to the Judiciary Finance and Civil Law Division.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 921, A bill for an act relating to health care; requiring commissioner of human services to contract with dental administrators to administer dental services to recipients of medical assistance and MinnesotaCare; proposing coding for new law in Minnesota Statutes, chapter 256B.

Reported the same back with the following amendments:

Page 1, line 9, delete "up to two dental administrators" and insert "a dental administrator"

Page 2, delete lines 2 and 3

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

The report was adopted.

Halverson from the Committee on Commerce to which was referred:

H. F. No. 994, A bill for an act relating to economic development; creating the Venture SE Minnesota Diversification revolving loan program; appropriating money.

Reported the same back with the following amendments:

Page 3, after line 31, insert:

"(b) When undertaking promotional activities, the commissioner must use and coordinate with one or more nonprofit organizations that work directly with businesses and investors to grow an entrepreneurial ecosystem of greater Minnesota or minority-owned and women-owned businesses."

Reletter the paragraphs in sequence

Page 4, line 16, after the first period, insert "Of this appropriation, \$250,000 must be used for promotional activities under section 2, subdivision 5, paragraph (b)."

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

The report was adopted.

Youakim from the Committee on Education Policy to which was referred:

H. F. No. 1111, A bill for an act relating to education; clarifying postsecondary enrollment options eligibility; amending Minnesota Statutes 2018, section 124D.09, subdivision 3.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 1246, A bill for an act relating to health; establishing the Prescription Drug Price Transparency Act; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 151.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1257, A bill for an act relating to health care coverage; requiring prescription drug benefit transparency and disclosure; amending Minnesota Statutes 2018, section 256B.69, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 1258, A bill for an act relating to human services; establishing a task force on childhood trauma-informed policy and practices; requiring reports.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[256E.245] TASK FORCE ON CHILDHOOD TRAUMA-INFORMED POLICY AND PRACTICES.**

Subdivision 1. Establishment. The commissioner of human services must establish and appoint a task force on trauma-informed policy and practices to prevent and reduce children's exposure to adverse childhood experiences (ACEs) consisting of the following members:

(1) the commissioners of human services, public safety, health, and education or the commissioners' designees;

(2) two members representing law enforcement with expertise in juvenile justice;

(3) two members representing county social services agencies;

(4) four members of the legislature, two members of the senate, one appointed by the majority leader and one appointed by the minority leader, and two members of the house of representatives, one appointed by the speaker of the house and one appointed by the minority leader;

(5) two members representing tribal social services providers;

(6) two members with expertise in prekindergarten through grade 12 education;

(7) three licensed health care professionals with expertise in the neurobiology of childhood development representing public health, mental health, and primary health;

(8) one member representing family service or children's mental health collaboratives;

(9) two parents who had ACEs;

(10) two experts in childhood trauma-informed policies and ACEs;

(11) two ombudspersons from the Minnesota Office of Ombudsperson for Families; and

(12) representatives of any other group the commissioner of human services deems appropriate to complete the duties of the task force.

Subd. 2. **Staff.** The commissioner of human services must provide meeting space, support staff, and administrative services for the task force.

Subd. 3. **Duties.** The task force must perform the following duties:

(1) engage the human services, education, public health, juvenile justice, and criminal justice systems in the creation of trauma-informed policy and practices in each of these systems to prevent and reduce ACEs and to support the health and well-being of all families; and

(2) identify social determinants of the health and well-being of all families and recommend solutions to eliminate racial and ethnic disparities in the state.

Subd. 4. **Report.** The task force must submit a report on the results of its duties outlined in subdivision 3 and any policy recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services, public safety, judiciary, and education by January 15 of each year.

Subd. 5. **Expiration.** The task force expires June 30, 2025.

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

Correct the title numbers accordingly

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

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 1287, A bill for an act relating to human services; establishing a parenting with a disability support services pilot project; requiring a report; appropriating money.

Reported the same back with the following amendments:

Page 2, line 18, delete "must" and insert "may" and delete "a different PCA than" and insert "the same PCA as"

Page 4, line 2, delete "and"

Page 4, line 4, delete the period and insert a semicolon

Page 4, after line 4, insert:

"(5) one member representing child protection professionals, appointed by the commissioner of human services; and

(6) one member representing child welfare professionals, appointed by the commissioner of human services."

Page 4, after line 16, insert:

"**EFFECTIVE DATE.** Subdivisions 1 to 7 are effective July 20, 2020. Subdivision 8 is effective July 1, 2019."

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1340, A bill for an act relating to insurance; requiring parity between mental health benefits and other medical benefits; requiring accountability from the commissioners of health and commerce; amending Minnesota Statutes 2018, sections 62Q.01, by adding a subdivision; 62Q.47.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 1381, A bill for an act relating to health; establishing the community solutions for healthy child development grant program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 1500, A bill for an act relating to transportation; modifying requirements for a noncompliant driver's license or Minnesota identification card and making related changes, including on eligibility, proof of lawful presence, primary and secondary documentation, discrimination, voter registration, and data practices; making technical changes; appropriating money; amending Minnesota Statutes 2018, sections 13.6905, by adding a subdivision; 171.04, subdivision 5; 171.06, subdivision 3, by adding subdivisions; 171.07, subdivisions 1, 3; 171.12, subdivisions 7a, 9, by adding subdivisions; 201.061, subdivision 3; 363A.28, by adding a subdivision; repealing Minnesota Statutes 2018, section 171.015, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
LICENSES AND IDENTIFICATION CARDS

Section 1. Minnesota Statutes 2018, section 171.04, subdivision 5, is amended to read:

Subd. 5. **Temporary lawful admission.** The commissioner is prohibited from issuing a driver's license or Minnesota identification card to an applicant ~~whose~~ having a lawful temporary admission period, as demonstrated under section 171.06, subdivision 3, paragraph (b), clause (2), that expires within 30 days of the date of the application.

Sec. 2. Minnesota Statutes 2018, section 171.06, subdivision 3, is amended to read:

Subd. 3. **Contents of application; other information.** (a) An application must:

(1) state the full name, date of birth, sex, and either (i) the residence address of the applicant, or (ii) designated address under section 5B.05;

(2) as may be required by the commissioner, contain a description of the applicant and any other facts pertaining to the applicant, the applicant's driving privileges, and the applicant's ability to operate a motor vehicle with safety;

(3) state:

(i) the applicant's Social Security number; or

(ii) if the applicant does not have a Social Security number and is applying for a Minnesota identification card, instruction permit, or class D provisional or driver's license, that the applicant ~~certifies that the applicant~~ is not eligible for a Social Security number;

(4) contain a notification to the applicant of the availability of a living will/health care directive designation on the license under section 171.07, subdivision 7; and

(5) contain spaces where the applicant may:

(i) request a veteran designation on the license under section 171.07, subdivision 15, and the driving record under section 171.12, subdivision 5a;

(ii) indicate a desire to make an anatomical gift under paragraph (d); and

(iii) as applicable, designate document retention as provided under section 171.12, subdivision 3c.

(b) Applications must be accompanied by satisfactory evidence demonstrating:

(1) identity, date of birth, and any legal name change if applicable; and

(2) for driver's licenses and Minnesota identification cards that meet all requirements of the REAL ID Act:

(i) principal residence address in Minnesota, including application for a change of address, unless the applicant provides a designated address under section 5B.05;

(ii) Social Security number, or related documentation as applicable; and

(iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.

(c) An application for an enhanced driver's license or enhanced identification card must be accompanied by:

(1) satisfactory evidence demonstrating the applicant's full legal name and United States citizenship; and

(2) a photographic identity document.

Sec. 3. Minnesota Statutes 2018, section 171.06, is amended by adding a subdivision to read:

Subd. 7. **Noncompliant license or identification card; lawful status.** (a) A person is not required to demonstrate United States citizenship or lawful presence in the United States in order to obtain a noncompliant driver's license or identification card.

(b) Minnesota Rules, part 7410.0410, or successor rules, does not apply for a noncompliant driver's license or identification card.

Sec. 4. Minnesota Statutes 2018, section 171.06, is amended by adding a subdivision to read:

Subd. 8. **Noncompliant license or identification card; general requirements.** (a) A document submitted under this subdivision or subdivision 9 or 10 must be legible and unaltered, an original or a copy certified by the issuing agency, and accompanied by a certified translation or an affidavit of translation into English if the document is not in English.

(b) A document submitted under this subdivision or subdivision 9 or 10 must (1) be issued to or provided for the applicant, and (2) include the applicant's name.

(c) If the applicant's current legal name is different from the name on a document submitted under subdivision 9 or 10, the applicant must submit:

(1) a certified copy of a court order that specifies the applicant's name change;

(2) a certified copy of the applicant's certificate of marriage;

(3) a certified copy of a divorce decree or dissolution of marriage that specifies the applicant's name change, issued by a court; or

(4) similar documentation of a lawful change of name as determined by the commissioner.

(d) The commissioner must establish a process to grant a waiver from the requirements under this subdivision and subdivisions 9 and 10.

Sec. 5. Minnesota Statutes 2018, section 171.06, is amended by adding a subdivision to read:

Subd. 9. **Noncompliant license or identification card; primary documents.** (a) For a noncompliant driver's license or identification card, primary documents under Minnesota Rules, part 7410.0400, subpart 2, or successor rules, include the following:

(1) a noncompliant driver's license or identification card that is current or has been expired for five years or less;

(2) an unexpired foreign passport or a foreign consular identification document that bears a photograph of the applicant; and

(3) a certified birth certificate issued by a foreign jurisdiction.

(b) A document submitted under this subdivision must contain security features that make the document as impervious to alteration as is reasonably practicable in its design and quality of material and technology.

(c) For purposes of this subdivision and subdivision 10, "foreign" means a jurisdiction that is not, and is not within, the United States, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, or a territory of the United States.

(d) Submission of more than one primary document is not required under this subdivision.

Sec. 6. Minnesota Statutes 2018, section 171.06, is amended by adding a subdivision to read:

Subd. 10. **Noncompliant license or identification card; secondary documents.** (a) For a noncompliant driver's license or identification card, secondary documents under Minnesota Rules, part 7410.0400, subpart 3, or successor rules, include the following:

(1) a second document listed under subdivision 9, paragraph (a);

(2) a notice of action on or proof of submission of a completed Application for Asylum and for Withholding of Removal issued by the United States Department of Homeland Security, Form I-589;

(3) a certificate of eligibility for nonimmigrant student status issued by United States Department of Homeland Security, Form I-20;

(4) a certificate of eligibility for exchange visitor status issued by the United States Department of State, Form DS-2019;

(5) a Deferred Action for Childhood Arrival approval notice issued by United States Department of Homeland Security;

(6) an employment authorization document issued by the United States Department of Homeland Security, Form I-688, Form I-688A, Form I-688B, or Form I-766;

(7) a document issued by the Social Security Administration with an individual taxpayer identification number;

(8) mortgage documents for the applicant's residence;

(9) a filed property deed or title for the applicant's residence;

(10) a United States high school identification card with a certified transcript from the school;

(11) a Minnesota college or university identification card with a certified transcript from the college or university;

(12) a Social Security card;

(13) a Minnesota unemployment insurance benefit statement issued no more than 90 days before the application;

(14) a valid identification card for health benefits or an assistance or social services program;

(15) a Minnesota vehicle certificate of title issued no more than 12 months before the application;

(16) an unexpired Selective Service card;

(17) military orders that are still in effect at the time of application;

(18) a certified copy of the applicant's certificate of marriage;

(19) a certified copy of a court order that specifies the applicant's name change;

(20) a certified copy of a divorce decree or dissolution of marriage that specifies the applicant's name change, issued by a court;

(21) any of the following documents issued by a foreign jurisdiction:

(i) a driver's license that is current or has been expired for five years or less;

(ii) a high school, college, or university student identification card with a certified transcript from the school;

(iii) an official high school, college, or university transcript that includes the applicant's date of birth and a photograph of the applicant at the age the record was issued; and

(iv) a federal electoral photographic card issued on or after January 1, 1991; and

(22) additional documents as determined by the commissioner.

(b) A document submitted as a primary document under subdivision 9, paragraph (a), clause (3), may not be submitted as a secondary document under this subdivision.

(c) Submission of more than one secondary document is not required under this subdivision.

Sec. 7. Minnesota Statutes 2018, section 171.07, subdivision 1, is amended to read:

Subdivision 1. **License; contents and design.** (a) Upon the payment of the required fee, the department shall issue to every qualifying applicant a license designating the type or class of vehicles the applicant is authorized to drive as applied for. This license must bear: (1) a distinguishing number assigned to the licensee; (2) the licensee's full name and date of birth; (3) either (i) the licensee's residence address, or (ii) the designated address under section 5B.05; (4) a description of the licensee in a manner as the commissioner deems necessary; (5) the usual signature of the licensee; and (6) designations and markings as provided in this section. No license is valid unless it bears the usual signature of the licensee. Every license must bear a colored photograph or an electronically produced image of the licensee.

(b) If the United States Postal Service will not deliver mail to the applicant's residence address as listed on the license, then the applicant shall provide verification from the United States Postal Service that mail will not be delivered to the applicant's residence address and that mail will be delivered to a specified alternate mailing address. When an applicant provides an alternate mailing address under this subdivision, the commissioner shall use the alternate mailing address in lieu of the applicant's residence address for all notices and mailings to the applicant.

(c) Every license issued to an applicant under the age of 21 must be of a distinguishing color and plainly marked "Under-21."

(d) A license issued to an applicant age 65 or over must be plainly marked "senior" if requested by the applicant.

(e) Except for an enhanced driver's license or a noncompliant license, a license must bear a distinguishing indicator for compliance with requirements of the REAL ID Act.

(f) A noncompliant license must:

(1) be marked "not for federal identification" on the face and in the machine-readable portion; and

(2) have a unique design or color indicator for purposes of the REAL ID Act.

(g) A noncompliant license issued under any of the following circumstances must be marked "not for voting" on the back side and must bear no other indication regarding lawful presence of the license holder:

(1) the application is for first-time issuance of a license in Minnesota, and the applicant has not demonstrated United States citizenship;

(2) the applicant's most recently issued noncompliant license or identification card is marked as required under this paragraph or subdivision 3, paragraph (g), and the applicant has not demonstrated United States citizenship; or

(3) the applicant submits a document that identifies a temporary lawful status or admission period.

(h) A REAL ID compliant license issued to a person with temporary lawful status or admission period must be marked "temporary" on the face and in the machine-readable portion.

~~(i)~~ (i) A license must display the licensee's full name or no fewer than 39 characters of the name. Any necessary truncation must begin with the last character of the middle name and proceed through the second letter of the middle name, followed by the last character of the first name and proceeding through the second letter of the first name.

Sec. 8. Minnesota Statutes 2018, section 171.07, subdivision 3, is amended to read:

Subd. 3. **Identification card; content and design; fee.** (a) Upon payment of the required fee, the department shall issue to every qualifying applicant a Minnesota identification card. The department may not issue a Minnesota identification card to an individual who has a driver's license, other than a limited license. The department may not issue an enhanced identification card to an individual who is under 16 years of age, not a resident of this state, or not a citizen of the United States of America. The card must bear: (1) a distinguishing number assigned to the applicant; (2) a colored photograph or an electronically produced image of the applicant; (3) the applicant's full name and date of birth; (4) either (i) the licensee's residence address, or (ii) the designated address under section 5B.05; (5) a description of the applicant in the manner as the commissioner deems necessary; (6) the usual signature of the applicant; and (7) designations and markings provided under this section.

(b) If the United States Postal Service will not deliver mail to the applicant's residence address as listed on the Minnesota identification card, then the applicant shall provide verification from the United States Postal Service that mail will not be delivered to the applicant's residence address and that mail will be delivered to a specified alternate mailing address. When an applicant provides an alternate mailing address under this subdivision, the commissioner shall use the alternate mailing address in lieu of the applicant's residence address for all notices and mailings to the applicant.

(c) Each identification card issued to an applicant under the age of 21 must be of a distinguishing color and plainly marked "Under-21."

(d) Each Minnesota identification card must be plainly marked "Minnesota identification card - not a driver's license."

(e) Except for an enhanced identification card or a noncompliant identification card, a Minnesota identification card must bear a distinguishing indicator for compliance with requirements of the REAL ID Act.

(f) A noncompliant identification card must:

(1) be marked "not for federal identification" on the face and in the machine-readable portion; and

(2) have a unique design or color indicator for purposes of the REAL ID Act.

(g) A noncompliant identification card issued under any of the following circumstances must be marked "not for voting" on the back side and must bear no other indication regarding lawful presence of the identification card holder:

(1) the application is for first-time issuance of a Minnesota identification card, and the applicant has not demonstrated United States citizenship;

(2) the applicant's most recently issued noncompliant license or identification card is marked as required under this paragraph or subdivision 1, paragraph (g), and the applicant has not demonstrated United States citizenship; or

(3) the applicant submits a document that identifies a temporary lawful status or admission period.

(h) A Minnesota REAL ID compliant identification card issued to a person with temporary lawful status or admission period must be marked "temporary" on the face and in the machine-readable portion.

~~(i)~~ (i) A Minnesota identification card must display the cardholder's full name or no fewer than 39 characters of the name. Any necessary truncation must begin with the last character of the middle name and proceed through the second letter of the middle name, followed by the last character of the first name and proceeding through the second letter of the first name.

~~(j)~~ (j) The fee for a Minnesota identification card is 50 cents when issued to a person who is developmentally disabled, as defined in section 252A.02, subdivision 2; a physically disabled person, as defined in section 169.345, subdivision 2; or, a person with mental illness, as described in section 245.462, subdivision 20, paragraph (c).

Sec. 9. **APPROPRIATIONS.**

(a) \$267,000 in fiscal year 2019 is appropriated from the general fund to the commissioner of public safety to implement the requirements of this act. This is a onetime appropriation and is available until June 30, 2020.

(b) \$76,000 in fiscal year 2020 and \$77,000 in fiscal year 2021 are appropriated from the general fund to the commissioner of human rights for purposes of Minnesota Statutes, sections 171.12 and 363A.28, subdivision 11. The base is \$77,000 in each year for fiscal years 2022 and 2023.

EFFECTIVE DATE. Paragraph (a) is effective the day following final enactment. Paragraph (b) is effective July 1, 2019.

Sec. 10. **REPEALER.**

Minnesota Statutes 2018, section 171.015, subdivision 7, is repealed.

Sec. 11. **EFFECTIVE DATE.**

Unless provided otherwise, this act is effective August 1, 2019, for driver's license and Minnesota identification card applications and issuance on or after that date.

ARTICLE 2
RIGHTS AND PROTECTIONS

Section 1. Minnesota Statutes 2018, section 13.6905, is amended by adding a subdivision to read:

Subd. 36. Noncompliant license or identification card; lawful status. Data on certain noncompliant driver's licenses or identification cards are governed by section 171.12, subdivisions 11 and 12.

Sec. 2. Minnesota Statutes 2018, section 171.12, subdivision 7a, is amended to read:

Subd. 7a. Disclosure of personal information. (a) The commissioner shall disclose personal information where the use is related to the operation of a motor vehicle or to public safety. The use of personal information is related to public safety if it concerns the physical safety or security of drivers, vehicles, pedestrians, or property. The commissioner may refuse to disclose data under this subdivision when the commissioner concludes that the requester is likely to use the data for illegal, improper, or noninvestigative purposes. Nothing in this paragraph authorizes disclosure of data restricted under subdivision 11.

(b) The commissioner shall disclose personal information to the secretary of state for the purpose of increasing voter registration and improving the accuracy of voter registration records in the statewide voter registration system. The secretary of state may not retain data provided by the commissioner under this subdivision for more than 60 days.

Sec. 3. Minnesota Statutes 2018, section 171.12, subdivision 9, is amended to read:

Subd. 9. Driving record disclosure to law enforcement. Except as restricted under subdivision 11, the commissioner shall also furnish driving records, without charge, to chiefs of police, county sheriffs, prosecuting attorneys, and other law enforcement agencies with the power to arrest.

Sec. 4. Minnesota Statutes 2018, section 171.12, is amended by adding a subdivision to read:

Subd. 11. Certain data on noncompliant license or identification card; department and agents. (a) The commissioner must not share or disseminate outside of the division of the department administering driver licensing any data on individuals indicating or otherwise having the effect of identifying that the individual applied for, was denied, or was issued a noncompliant driver's license or identification card without demonstrating United States citizenship or lawful presence in the United States.

(b) A driver's license agent must not share or disseminate, other than to the division of the department administering driver licensing, any data on individuals indicating or otherwise having the effect of identifying that the individual applied for, was denied, or was issued a noncompliant driver's license or identification card without demonstrating United States citizenship or lawful presence in the United States.

(c) Data under paragraphs (a) and (b) includes but is not limited to information related to documents submitted under section 171.06, subdivision 8, 9, or 10.

(d) Notwithstanding any law to the contrary, this subdivision prohibits the commissioner and a driver's license agent from sharing or disseminating the data described in paragraphs (a) to (c) with any entity otherwise authorized to obtain data under subdivision 7, any political subdivision, any state agency as defined in section 13.02, subdivision 17, or any federal entity.

Sec. 5. Minnesota Statutes 2018, section 171.12, is amended by adding a subdivision to read:

Subd. 12. **Certain data on noncompliant license or identification card; criminal justice.** (a) A criminal justice agency, as defined in section 13.02, subdivision 3a, must not take any action on the basis of a marking under section 171.07, subdivision 1, paragraph (g), or 3, paragraph (g).

(b) The prohibition in paragraph (a) includes but is not limited to:

(1) criminal investigation;

(2) detention, search, or arrest;

(3) evaluation of citizenship or immigration status; and

(4) recording, maintenance, sharing, or disseminating data indicating or otherwise having the effect of identifying that the individual was issued a noncompliant driver's license or identification card under section 171.06, subdivision 7.

(c) Nothing in this subdivision prevents a criminal justice agency from the performance of official duties independent of using the data described in paragraph (a).

Sec. 6. Minnesota Statutes 2018, section 171.12, is amended by adding a subdivision to read:

Subd. 13. **Noncompliant license or identification card; nondiscrimination.** It is a violation under sections 363A.09, 363A.11, 363A.12, and 363A.13, to discriminate against a person because the person:

(1) applied for, was denied, or was issued a noncompliant driver's license or identification card without demonstrating United States citizenship or lawful presence in the United States; or

(2) presents a noncompliant driver's license or identification card marked as provided in section 171.07, subdivision 1, paragraph (g), or 3, paragraph (g).

Sec. 7. Minnesota Statutes 2018, section 171.12, is amended by adding a subdivision to read:

Subd. 14. **Civil penalty.** (a) A person or entity is subject to a civil penalty if the person or entity:

(1) shares or disseminates any data in violation of subdivision 11 or 12;

(2) shares or disseminates any data described in subdivision 11 or 12 in violation of state or federal law or policies of the department; or

(3) performs an act in violation of subdivision 13.

(b) Consistent with the provisions of chapter 14, the commissioner of human rights may impose a civil penalty in an amount up to \$10,000, if upon investigation and determination under the authority granted in section 363A.06 the commissioner determines a violation under this subdivision has occurred. This penalty is in addition to any rights available or duties imposed under section 363A.28.

Sec. 8. Minnesota Statutes 2018, section 363A.28, is amended by adding a subdivision to read:

Subd. 11. **National origin discrimination; evidence.** Discrimination prohibited by this chapter that is based on application for a noncompliant driver's license or identification card without demonstrating United States citizenship or lawful presence in the United States, or based on use of a noncompliant driver's license or identification card marked as provided in section 171.07, subdivision 1, paragraph (g), or 3, paragraph (g), is prima facie evidence of national origin discrimination.

ARTICLE 3 ELECTIONS

Section 1. Minnesota Statutes 2018, section 201.061, subdivision 3, is amended to read:

Subd. 3. **Election day registration.** (a) An individual who is eligible to vote may register on election day by appearing in person at the polling place for the precinct in which the individual maintains residence, by completing a registration application, making an oath in the form prescribed by the secretary of state and providing proof of residence. An individual may prove residence for purposes of registering by:

(1) presenting a driver's license or Minnesota identification card issued pursuant to section 171.07 that is not marked as provided in section 171.07, subdivision 1, paragraph (g), or 3, paragraph (g);

(2) presenting any document approved by the secretary of state as proper identification;

(3) presenting one of the following:

(i) a current valid student identification card from a postsecondary educational institution in Minnesota, if a list of students from that institution has been prepared under section 135A.17 and certified to the county auditor in the manner provided in rules of the secretary of state; or

(ii) a current student fee statement that contains the student's valid address in the precinct together with a picture identification card; or

(4) having a voter who is registered to vote in the precinct, or an employee employed by and working in a residential facility in the precinct and vouching for a resident in the facility, sign an oath in the presence of the election judge vouching that the voter or employee personally knows that the individual is a resident of the precinct. A voter who has been vouched for on election day may not sign a proof of residence oath vouching for any other individual on that election day. A voter who is registered to vote in the precinct may sign up to eight proof-of-residence oaths on any election day. This limitation does not apply to an employee of a residential facility described in this clause. The secretary of state shall provide a form for election judges to use in recording the number of individuals for whom a voter signs proof-of-residence oaths on election day. The form must include space for the maximum number of individuals for whom a voter may sign proof-of-residence oaths. For each

proof-of-residence oath, the form must include a statement that the individual: (i) is registered to vote in the precinct or is an employee of a residential facility in the precinct, (ii) personally knows that the voter is a resident of the precinct, and (iii) is making the statement on oath. The form must include a space for the voter's printed name, signature, telephone number, and address.

The oath required by this subdivision and Minnesota Rules, part 8200.9939, must be attached to the voter registration application.

(b) The operator of a residential facility shall prepare a list of the names of its employees currently working in the residential facility and the address of the residential facility. The operator shall certify the list and provide it to the appropriate county auditor no less than 20 days before each election for use in election day registration.

(c) "Residential facility" means transitional housing as defined in section 256E.33, subdivision 1; a supervised living facility licensed by the commissioner of health under section 144.50, subdivision 6; a nursing home as defined in section 144A.01, subdivision 5; a residence registered with the commissioner of health as a housing with services establishment as defined in section 144D.01, subdivision 4; a veterans home operated by the board of directors of the Minnesota Veterans Homes under chapter 198; a residence licensed by the commissioner of human services to provide a residential program as defined in section 245A.02, subdivision 14; a residential facility for persons with a developmental disability licensed by the commissioner of human services under section 252.28; setting authorized to provide housing support as defined in section 256I.03, subdivision 3; a shelter for battered women as defined in section 611A.37, subdivision 4; or a supervised publicly or privately operated shelter or dwelling designed to provide temporary living accommodations for the homeless.

(d) For tribal band members, an individual may prove residence for purposes of registering by:

(1) presenting an identification card issued by the tribal government of a tribe recognized by the Bureau of Indian Affairs, United States Department of the Interior, that contains the name, address, signature, and picture of the individual; or

(2) presenting an identification card issued by the tribal government of a tribe recognized by the Bureau of Indian Affairs, United States Department of the Interior, that contains the name, signature, and picture of the individual and also presenting one of the documents listed in Minnesota Rules, part 8200.5100, subpart 2, item B.

(e) A county, school district, or municipality may require that an election judge responsible for election day registration initial each completed registration application.

Sec. 2. **COUNTY NOTIFICATION; ELECTION JUDGE TRAINING.**

(a) The secretary of state shall inform each county auditor that a driver's license or Minnesota identification card must not be used or accepted for voter registration purposes under Minnesota Statutes, section 201.061, if it is marked as provided in Minnesota Statutes, section 171.07, subdivision 1, paragraph (g), or 3, paragraph (g).

(b) Each county auditor must inform all election officials and election judges hired for an election that driver's licenses and Minnesota identification cards identified under paragraph (a) must not be used or accepted for voter registration purposes under Minnesota Statutes, section 201.061. County auditors and municipal clerks must include this information in all election judge training courses.

EFFECTIVE DATE. This section is effective January 1, 2020."

Delete the title and insert:

"A bill for an act relating to transportation; modifying requirements for a noncompliant driver's license or Minnesota identification card and making related changes, including on eligibility, proof of lawful presence, primary and secondary documentation, discrimination, voter registration, and data practices; making technical changes; appropriating money; amending Minnesota Statutes 2018, sections 13.6905, by adding a subdivision; 171.04, subdivision 5; 171.06, subdivision 3, by adding subdivisions; 171.07, subdivisions 1, 3; 171.12, subdivisions 7a, 9, by adding subdivisions; 201.061, subdivision 3; 363A.28, by adding a subdivision; repealing Minnesota Statutes 2018, section 171.015, subdivision 7."

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1523, A bill for an act relating to human services; directing commissioner of human services to establish a prescription drug purchasing program; specifying program authority and eligibility requirements; proposing coding for new law in Minnesota Statutes, chapter 256B.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2018, section 62J.23, subdivision 2, is amended to read:

Subd. 2. **Restrictions.** (a) From July 1, 1992, until rules are adopted by the commissioner under this section, the restrictions in the federal Medicare antikickback statutes in section 1128B(b) of the Social Security Act, United States Code, title 42, section 1320a-7b(b), and rules adopted under the federal statutes, apply to all persons in the state, regardless of whether the person participates in any state health care program.

(b) Nothing in paragraph (a) shall be construed to prohibit an individual from receiving a discount or other reduction in price or a limited-time free supply or samples of a prescription drug, medical supply, or medical equipment offered by a pharmaceutical manufacturer, medical supply or device manufacturer, health plan company, or pharmacy benefit manager, so long as:

(1) the discount or reduction in price is provided to the individual in connection with the purchase of a prescription drug, medical supply, or medical equipment prescribed for that individual;

(2) it otherwise complies with the requirements of state and federal law applicable to enrollees of state and federal public health care programs;

(3) the discount or reduction in price does not exceed the amount paid directly by the individual for the prescription drug, medical supply, or medical equipment; and

(4) the limited-time free supply or samples are provided by a physician or pharmacist, as provided by the federal Prescription Drug Marketing Act.

For purposes of this paragraph, "prescription drug" includes prescription drugs that are administered through infusion, and related services and supplies.

(c) No benefit, reward, remuneration, or incentive for continued product use may be provided to an individual or an individual's family by a pharmaceutical manufacturer, medical supply or device manufacturer, or pharmacy benefit manager, except that this prohibition does not apply to:

(1) activities permitted under paragraph (b);

(2) a pharmaceutical manufacturer, medical supply or device manufacturer, health plan company, or pharmacy benefit manager providing to a patient, at a discount or reduced price or free of charge, ancillary products necessary for treatment of the medical condition for which the prescription drug, medical supply, or medical equipment was prescribed or provided; and

(3) a pharmaceutical manufacturer, medical supply or device manufacturer, health plan company, or pharmacy benefit manager providing to a patient a trinket or memento of insignificant value.

(d) Nothing in this subdivision shall be construed to prohibit a health plan company from offering a tiered formulary with different co-payment or cost-sharing amounts for different drugs."

Renumber the sections in sequence

Correct the title numbers accordingly

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1535, A bill for an act relating to human services; establishing an enhanced asthma care services benefit for medical assistance; providing for medical assistance coverage of certain products to reduce asthma triggers; amending Minnesota Statutes 2018, sections 256B.04, subdivision 14; 256B.0625, subdivision 31, by adding a subdivision.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1542, A bill for an act relating to health; allowing homeless youth to obtain certain vital records without paying fees; providing for Minnesota identification card issuance to homeless youth; establishing a homeless youth state training and systems alignment task force; appropriating money; amending Minnesota Statutes 2018, sections 144.212, by adding a subdivision; 144.225, subdivision 7, by adding a subdivision; 144.226, by adding a subdivision; 171.06, by adding a subdivision; 171.07, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 256K.45, subdivision 2, is amended to read:

Subd. 2. **Homeless youth report.** The commissioner shall prepare a biennial report, beginning in February 2015, which provides meaningful information to the legislative committees having jurisdiction over the issue of homeless youth, that includes, but is not limited to: (1) a list of the areas of the state with the greatest need for services and housing for homeless youth, and the level and nature of the needs identified; (2) details about grants made, including shelter-linked youth mental health grants under section 256K.46; (3) the distribution of funds throughout the state based on population need; (4) follow-up information, if available, on the status of homeless youth and whether they have stable housing two years after services are provided; and (5) any other outcomes for populations served to determine the effectiveness of the programs and use of funding.

Sec. 2. **[256K.46] SHELTER-LINKED YOUTH MENTAL HEALTH GRANT PROGRAM.**

Subdivision 1. **Establishment and authority.** (a) The commissioner of human services shall make grants to provide mental health services to homeless or sexually exploited youth. To be eligible, housing providers must partner with community-based mental health practitioners to provide a continuum of mental health services, including short-term crisis response, support for youth in longer-term housing settings, and ongoing relationships to support youth in other housing arrangements in the community for homeless or sexually exploited youth.

(b) The commissioner shall consult with the commissioner of management and budget to identify evidence-based mental health services for youth and give priority in awarding grants to proposals that include evidence-based mental health services for youth.

(c) The commissioner may make two-year grants under this section.

(d) Money appropriated for this section must be expended on activities described under subdivision 4, technical assistance, and capacity building to meet the greatest need on a statewide basis. The commissioner shall provide outreach, technical assistance, and program development support to increase capacity of new and existing service providers to better meet needs statewide, particularly in areas where shelter-linked youth mental health services have not been established, especially in greater Minnesota.

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

(b) "Commissioner" means the commissioner of human services, unless otherwise indicated.

(c) "Housing provider" means a shelter, housing program, or other entity providing services under the Homeless Youth Act in section 256K.45 and the Safe Harbor for Sexually Exploited Youth Act in section 145.4716.

(d) "Mental health practitioner" has the meaning given in section 245.462, subdivision 17.

(e) "Youth" has the meanings given for "homeless youth," "youth at risk for homelessness," and "runaway" in section 256K.45, subdivision 1a, "sexually exploited youth" in section 260C.007, subdivision 31, and "youth eligible for services" in section 145.4716, subdivision 3.

Subd. 3. **Eligibility.** An eligible applicant for shelter-linked youth mental health grants under subdivision 1 is a housing provider that:

(1) demonstrates that the provider received targeted trauma training focused on sexual exploitation and adolescent experiences of homelessness; and

(2) partners with a community-based mental health practitioner who has demonstrated experience or access to training regarding adolescent development and trauma-informed responses.

Subd. 4. **Allowable grant activities.** (a) Grant recipients may conduct the following activities with community-based mental health practitioners:

(1) develop programming to prepare youth to receive mental health services;

(2) provide on-site mental health services, including group skills and therapy sessions. Grant recipients are encouraged to use evidence-based mental health services;

(3) provide mental health case management, as defined in section 256B.0625, subdivision 20; and

(4) consult, train, and educate housing provider staff regarding mental health. Grant recipients are encouraged to provide staff with access to a mental health crisis line 24 hours a day, seven days a week.

(b) Only after assisting participants with obtaining health insurance coverage for which the participant is eligible, and only after mental health practitioners bill covered services to medical assistance or health plan companies, grant recipients may use grant funds to fill gaps in insurance coverage for mental health services.

(c) Grant funds may be used for purchasing equipment, connection charges, on-site coordination, set-up fees, and site fees to deliver shelter-linked youth mental health services defined in this subdivision via telemedicine consistent with section 256B.0625, subdivision 3b.

Subd. 5. **Reporting.** Grant recipients shall report annually on the use of shelter-linked youth mental health grants to the commissioner by December 31, beginning in 2020. Each report shall include the name and location of the grant recipient, the amount of each grant, the youth mental health services provided, and the number of youth receiving services. The commissioner shall determine the form required for the report and may specify additional reporting requirements. The commissioner shall include the shelter-linked youth mental health services program in the biennial report required under section 256K.45, subdivision 2.

Sec. 3. DIRECTION TO COMMISSIONER; HOMELESS YOUTH ACCESS TO BIRTH RECORDS AND MINNESOTA IDENTIFICATION CARDS.

No later than January 15, 2020, the commissioner of human services, in consultation with the commissioners of health and public safety, shall report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the Homeless Youth Act with recommendations, including proposed legislation on providing homeless youth with access to birth records and Minnesota identification cards at no cost.

Sec. 4. APPROPRIATION.

Subdivision 1. **Shelter-linked youth mental health grants.** \$..... in fiscal year 2020 and \$..... in fiscal year 2021 are appropriated from the general fund to the commissioner of human services for shelter-linked youth mental health grants under Minnesota Statutes, section 256K.46.

Subd. 2. **Grant evaluations.** (a) \$..... in fiscal year 2020 and \$..... in fiscal year 2021 are appropriated from the general fund to the commissioner of management and budget to evaluate grant recipients' use of evidence-based mental health services for youth. This is a onetime appropriation.

(b) Notwithstanding Minnesota Statutes, section 256K.46, subdivision 1, paragraph (b), in fiscal year 2020 and fiscal year 2021 only, the commissioner of human services may award grants to applicants proposing services that are theory-based or promising practices. In fiscal year 2020 and fiscal year 2021, the commissioner of management

and budget, in consultation with the Department of Human Services, shall conduct program evaluations using experimental or quasi-experimental designs for projects under Minnesota Statutes, section 256K.46, that use theory-based or promising practices. Grant recipients must consult with the commissioner of management and budget and implement the projects to facilitate the program evaluation and collect and report the information needed to complete the program evaluation. The commissioner of management and budget, under Minnesota Statutes, section 15.08, may obtain additional relevant data to support the experimental or quasi-experimental program evaluation.

Subd. 3. **Homeless Youth Act.** \$5,619,000 in fiscal year 2020 and \$5,619,000 in fiscal year 2021 are appropriated from the general fund to the commissioner of human services for purposes of the Homeless Youth Act under Minnesota Statutes, section 256K.45. This appropriation must be used to fund the full continuum of services under Minnesota Statutes, section 256K.45, however, priority must be given to fund activities related to providing mobile case management and housing for young families. This appropriation is added to the base.

EFFECTIVE DATE. This section is effective July 1, 2019."

Delete the title and insert:

"A bill for an act relating to human services; establishing the shelter-linked youth mental health grant program; requiring reports; appropriating money; amending Minnesota Statutes 2018, section 256K.45, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 256K."

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

The report was adopted.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 1545, A bill for an act relating to motor vehicles; modifying certain color requirements for school bus body standards; amending Minnesota Statutes 2018, section 169.4503, subdivision 5.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 1649, A bill for an act relating to transportation; providing for third-party testing for school bus companies; amending Minnesota Statutes 2018, section 171.01, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 171.

Reported the same back with the following amendments:

Page 2, line 1, after the period, insert "A third-party testing program may be reimbursed by the tested driver's school district or company."

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

The report was adopted.

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 1661, A bill for an act relating to agriculture; allowing Minnesota hemp growers to sell Minnesota grown hemp to manufacturers in the medical cannabis program; amending Minnesota Statutes 2018, sections 18K.02, subdivision 3; 18K.03; 152.22, by adding a subdivision; 152.25, subdivision 4; 152.29, subdivisions 1, 2, 3a; 152.31; 152.36, subdivision 2.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Youakim from the Committee on Education Policy to which was referred:

H. F. No. 1711, A bill for an act relating to education; superintendents; making various nonsubstantive style and form changes; amending Minnesota Statutes 2018, section 123B.143, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1
GENERAL EDUCATION

Section 1. Minnesota Statutes 2018, section 120A.20, subdivision 2, is amended to read:

Subd. 2. **Education, residence, and transportation of homeless.** (a) Notwithstanding subdivision 1, a district must not deny free admission to a homeless pupil solely because the district cannot determine that the pupil is a resident of the district.

(b) The school district of residence for a homeless pupil shall be the school district in which the parent or legal guardian resides, unless: (1) parental rights have been terminated by court order; (2) the parent or guardian is not living within the state; or (3) the parent or guardian having legal custody of the child is an inmate of a Minnesota correctional facility or is a resident of a halfway house under the supervision of the commissioner of corrections. If any of clauses (1) to (3) apply, the school district of residence shall be the school district in which the pupil resided when the qualifying event occurred. If no other district of residence can be established, the school district of residence shall be the school district in which the pupil currently resides. If there is a dispute between school districts regarding residency, the district of residence is the district designated by the commissioner of education.

(c) Except as provided in paragraph (d), the serving district is responsible for transporting a homeless pupil to and from the pupil's district of residence. The district may transport from a permanent home in another district but only through the end of the academic school year. When a pupil is enrolled in a charter school, the district or school that provides transportation for other pupils enrolled in the charter school is responsible for providing transportation. When a homeless ~~student~~ pupil with or without an individualized education program attends a public school other than an independent or special school district or charter school, the district of residence is responsible for transportation.

(d) For a homeless pupil with an individualized education plan enrolled in a program authorized by an intermediate school district, special education cooperative, service cooperative, or education district, the serving district at the time of the pupil's enrollment in the program remains responsible for transporting that pupil for the remainder of the school year, unless the initial serving district and the current serving district mutually agree that the current serving district is responsible for transporting the homeless pupil.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 2. **[120A.21] ENROLLMENT OF A STUDENT IN FOSTER CARE.**

Within seven school days of a student's placement in foster care and each placement thereafter, a student who is placed in foster care must remain enrolled in the school the student is enrolled in at the time of placement if it is in the student's best interests, or be enrolled in a new school district. Pursuant to section 124D.08, subdivision 2b, if the student's foster care placement is in another district, the student may remain enrolled in the prior district.

Sec. 3. Minnesota Statutes 2018, section 120A.35, is amended to read:

120A.35 ABSENCE FROM SCHOOL FOR RELIGIOUS OBSERVANCE.

Reasonable efforts must be made by a school district to accommodate any pupil who wishes to be excused from a curricular activity for a religious observance. A school board must provide annual notice to parents of the school district's policy relating to a pupil's absence from school for a religious observance. A school board may satisfy the notice requirement by including the notice in a student handbook containing school policies or by posting the notice on the district website.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 4. Minnesota Statutes 2018, section 120A.40, is amended to read:

120A.40 SCHOOL CALENDAR.

(a) Except for learning programs during summer, flexible learning year programs authorized under sections 124D.12 to 124D.127, and learning year programs under section 124D.128, a district must not commence an elementary or secondary school year before Labor Day, except as provided under paragraph (b). Days devoted to teachers' workshops may be held before Labor Day. Districts that enter into cooperative agreements are encouraged to adopt similar school calendars.

(b) A district may begin the school year on any day before Labor Day:

- (1) to accommodate a construction or remodeling project of \$400,000 or more affecting a district school facility;
- (2) if the district has an agreement under section 123A.30, 123A.32, or 123A.35 with a district that qualifies under clause (1); or
- (3) if the district agrees to the same schedule with a school district in an adjoining state.

(c) A school board may consider the community's religious observances when adopting an annual school calendar.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 5. Minnesota Statutes 2018, section 123A.64, is amended to read:

123A.64 DUTY TO MAINTAIN ELEMENTARY AND SECONDARY SCHOOLS.

Each district must maintain classified elementary and secondary schools, ~~grades 1~~ kindergarten through grade 12, unless the district is exempt according to section 123A.61 or 123A.62, has made an agreement with another district or districts as provided in sections 123A.30, 123A.32, or sections 123A.35 to 123A.43, or 123A.17, subdivision 7, has received a grant under sections 123A.441 to 123A.445, or has formed a cooperative under section 123A.482. A district that has an agreement according to sections 123A.35 to 123A.43 or 123A.32 must operate a school with the number of grades required by those sections. A district that has an agreement according to section 123A.30 or 123A.17, subdivision 7, or has received a grant under sections 123A.441 to 123A.445 must operate a school for the grades not included in the agreement, but not fewer than three grades.

EFFECTIVE DATE. This section is effective for the 2020-2021 school year and later.

Sec. 6. Minnesota Statutes 2018, section 123B.143, subdivision 1, is amended to read:

Subdivision 1. **Contract; duties.** (a) All districts maintaining a classified secondary school must employ a superintendent who ~~shall be~~ must serve as an ex officio nonvoting member of the school board. The authority for selection and employment of a superintendent must be vested in the board in all cases.

(b) An individual employed by a board as a superintendent ~~shall~~ must have an initial employment contract for a period of time no longer than three years from the date of employment. Any subsequent employment contract must not exceed a period of three years. A board, at its discretion, may or may not renew an employment contract. A board must not, by action or inaction, extend the duration of an existing employment contract. Beginning 365 days prior to the expiration date of an existing employment contract, a board may negotiate and enter into a subsequent employment contract to take effect upon the expiration of the existing contract. A subsequent contract must be contingent upon the employee completing the terms of an existing contract. If a contract between a board and a superintendent is terminated prior to the date specified in the contract, the board may not enter into another superintendent contract with that same individual that has a term that extends beyond the date specified in the terminated contract.

(c) A board may terminate a superintendent during the term of an employment contract for any of the grounds specified in section 122A.40, subdivision 9 or 13. A superintendent ~~shall~~ must not rely upon an employment contract with a board to assert any other continuing contract rights in the position of superintendent under section 122A.40. Notwithstanding the provisions of sections 122A.40, subdivision 10 or 11, 123A.32, 123A.75, or any other law to the contrary, no individual ~~shall have~~ has a right to employment as a superintendent based on order of employment in any district.

(d) If two or more districts enter into an agreement for the purchase or sharing of the services of a superintendent, the contracting districts have the absolute right to select one of the individuals employed to serve as superintendent in one of the contracting districts and no individual has a right to employment as the superintendent to provide all or part of the services based on order of employment in a contracting district.

(e) The superintendent of a district ~~shall~~ must perform the following:

(1) visit and supervise the schools in the district, report and make recommendations about their condition when advisable or on request by the board;

(2) recommend to the board employment and dismissal of teachers;

(3) annually evaluate each school principal assigned responsibility for supervising a school building within the district, consistent with section 123B.147, subdivision 3, paragraph (b);

(4) superintend school grading practices and examinations for promotions;

(5) make reports required by the commissioner; and

(6) perform other duties prescribed by the board.

Sec. 7. Minnesota Statutes 2018, section 123B.41, subdivision 2, is amended to read:

Subd. 2. **Textbook.** (a) "Textbook" means any book or book substitute, including electronic books as well as other printed materials delivered electronically, which a pupil uses as a text or text substitute in a particular class or program in the school regularly attended and a copy of which is expected to be available for the individual use of each pupil in this class or program. Textbook includes an online book with an annual subscription cost. Textbook includes a teacher's edition, teacher's guide, or other materials that accompany a textbook that a pupil uses when the teacher's edition, teacher's guide, or other teacher materials are packaged physically or electronically with textbooks for student use.

(b) For purposes of calculating the annual nonpublic pupil aid entitlement for textbooks, the term shall be limited to books, workbooks, or manuals, whether bound or in loose-leaf form, as well as electronic books and other printed materials delivered electronically, intended for use as a principal source of study material for a given class or a group of students.

(c) For purposes of sections 123B.40 to 123B.48, the terms "textbook" and "software or other educational technology" include only such secular, neutral, and nonideological materials as are available, used by, or of benefit to Minnesota public school pupils.

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

Sec. 8. Minnesota Statutes 2018, section 123B.41, subdivision 5, is amended to read:

Subd. 5. **Individualized instructional or cooperative learning materials.** (a) "Individualized instructional or cooperative learning materials" means educational materials which:

~~(a)~~ (1) are designed primarily for individual pupil use or use by pupils in a cooperative learning group in a particular class or program in the school the pupil regularly attends, including teacher materials that accompany materials that a pupil uses;

~~(b)~~ (2) are secular, neutral, nonideological and not capable of diversion for religious use; and

~~(c)~~ (3) are available, used by, or of benefit to Minnesota public school pupils.

(b) Subject to the requirements in ~~clauses (a), (b), and (c)~~ paragraph (a), "individualized instructional or cooperative learning materials" include, but are not limited to, the following if they do not fall within the definition of "textbook" in subdivision 2: published materials; periodicals; documents; pamphlets; photographs; reproductions; pictorial or graphic works; prerecorded video programs; prerecorded tapes, cassettes and other sound recordings; manipulative materials; desk charts; games; study prints and pictures; desk maps; models; learning kits; blocks or cubes; flash cards; individualized multimedia systems; prepared instructional computer software programs; choral and band sheet music; electronic books and other printed materials delivered electronically; and CD-Rom.

(c) "Individualized instructional or cooperative learning materials" do not include instructional equipment, instructional hardware, or ordinary daily consumable classroom supplies.

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

Sec. 9. Minnesota Statutes 2018, section 123B.42, subdivision 3, is amended to read:

Subd. 3. **Cost; limitation.** (a) The cost per pupil of the textbooks, individualized instructional or cooperative learning materials, software or other educational technology, and standardized tests provided for in this section for each school year must not exceed the statewide average expenditure per pupil, adjusted pursuant to ~~clause paragraph~~ (b), by the Minnesota public elementary and secondary schools for textbooks, individualized instructional materials and standardized tests as computed and established by the department by February 1 of the preceding school year from the most recent public school year data then available.

(b) The cost computed in ~~clause paragraph~~ (a) shall be increased by an inflation adjustment equal to the percent of increase in the formula allowance, pursuant to section 126C.10, subdivision 2, from the second preceding school year to the current school year. ~~Notwithstanding the amount of the formula allowance for fiscal years 2015 and 2016 in section 126C.10, subdivision 2, the commissioner shall use the amount of the formula allowance for the current year minus \$414 in determining the inflation adjustment for fiscal years 2015 and 2016.~~

(c) The commissioner shall allot to the districts or intermediary service areas the total cost for each school year of providing or loaning the textbooks, individualized instructional or cooperative learning materials, software or other educational technology, and standardized tests for the pupils in each nonpublic school. The allotment shall not exceed the product of the statewide average expenditure per pupil, according to ~~clause paragraph~~ (a), adjusted pursuant to ~~clause paragraph~~ (b), multiplied by the number of nonpublic school pupils who make requests pursuant to this section and who are enrolled as of September 15 of the current school year.

Sec. 10. Minnesota Statutes 2018, section 123B.49, subdivision 4, is amended to read:

Subd. 4. **Board control of extracurricular activities.** (a) The board ~~may~~ **must** take charge of and control all extracurricular activities of the teachers and children of the public schools in the district. Extracurricular activities means all direct and personal services for pupils for their enjoyment that are managed and operated under the guidance of an adult or staff member. The board shall allow all resident pupils receiving instruction in a home school as defined in section 123B.36, subdivision 1, paragraph (a), to be eligible to fully participate in extracurricular activities on the same basis as public school students.

(b) Extracurricular activities have all of the following characteristics:

- (1) they are not offered for school credit nor required for graduation;
- (2) they are generally conducted outside school hours, or if partly during school hours, at times agreed by the participants, and approved by school authorities;
- (3) the content of the activities is determined primarily by the pupil participants under the guidance of a staff member or other adult.

~~(c) If the board does not take charge of and control extracurricular activities, these activities shall be self-sustaining with all expenses, except direct salary costs and indirect costs of the use of school facilities, met by dues, admissions, or other student fund-raising events. The general fund must reflect only those salaries directly related to and readily identified with the activity and paid by public funds. Other revenues and expenditures for extra-curricular activities must be recorded according to the Manual for Activity Fund Accounting. Extracurricular activities not under board control must have an annual financial audit and must also be audited annually for compliance with this section.~~

~~(d) If the board takes charge of and controls extracurricular activities,~~ (c) Any or all costs of these activities may be provided from school revenues and all revenues and expenditures for these activities shall be recorded in the same manner as other revenues and expenditures of the district.

~~(e) If the board takes charge of and controls extracurricular activities,~~ (d) The teachers or pupils in the district must not participate in such activity, nor shall the school name or any allied name be used in connection therewith, except by consent and direction of the board.

(e) A school district must reserve revenue raised for extracurricular activities and spend the revenue only for extracurricular activities.

Sec. 11. Minnesota Statutes 2018, section 126C.126, is amended to read:

126C.126 USE OF GENERAL EDUCATION REVENUE FOR ~~ALL-DAY~~ KINDERGARTEN AND PREKINDERGARTEN.

A school district may spend general education revenue on extended time kindergarten and prekindergarten programs. At the school board's discretion, the district may use revenue generated by the ~~all-day~~ kindergarten pupil count under section 126C.05, subdivision 1, paragraph (d), to meet the needs of three- and four-year-olds in the district. ~~A school district may not use these funds on programs for three and four year old children while maintaining a fee based all day kindergarten program.~~

EFFECTIVE DATE. This section is effective for the 2020-2021 school year and later.

Sec. 12. **[127A.20] EVIDENCE-BASED EDUCATION GRANTS.**

Subdivision 1. **Purpose and applicability.** The purpose of this section is to create a process to describe, measure, and report on the effectiveness of any prekindergarten through grade 12 grant programs funded in whole or in part through funds appropriated by the legislature to the commissioner of education for grants to organizations. The evidence-based evaluation required by this section applies to all grants awarded by the commissioner of education on or after July 1, 2019.

Subd. 2. **Goals.** Each applicant for a grant awarded by the commissioner of education must include in the grant application a statement of the goals of the grant. To the extent practicable, the goals must be aligned to the state's world's best workforce and the federally required Every Student Succeeds Act accountability systems.

Subd. 3. **Strategies and data.** Each applicant must include in the grant application a description of the strategies that will be used to meet the goals specified in the application. The applicant must also include a plan to collect data to measure the effectiveness of the strategies outlined in the grant application.

Subd. 4. **Reporting.** Within 180 days of the end of the grant period, each grant recipient must compile a report that describes the data that was collected and evaluate the effectiveness of the strategies. The evidence-based report may identify or propose alternative strategies based on the results of the data. The report must be submitted to the commissioner of education and to the chairs and ranking minority members of the legislative committees with jurisdiction over prekindergarten through grade 12 education. The report must be filed with the Legislative Reference Library according to section 3.195.

Subd. 5. **Grant defined.** For purposes of this section, a grant means money appropriated from the state general fund to the commissioner of education for distribution to the grant recipients.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 13. **SCHOOL START DATE FOR THE 2020-2021 AND 2021-2022 SCHOOL YEARS ONLY.**

Notwithstanding Minnesota Statutes, section 120A.40, or any other law to the contrary, for the 2020-2021 school year only, school districts may begin the school year on August 31, and for the 2021-2022 school year only, school districts may begin the school year on August 30.

Sec. 14. **REPEALER.**

Minnesota Statutes 2018, section 127A.14, is repealed.

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

ARTICLE 2
EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2018, section 5A.03, subdivision 2, is amended to read:

Subd. 2. **Placing Minnesota students in travel abroad programs.** (a) A school district or charter school with enrolled students who participate in a foreign exchange or study or other travel abroad program or whose enrolled students participate in a foreign exchange or study or other travel abroad program under a written agreement between the district or charter school and the program provider must use a form developed by the Department of Education to annually report to the department by November 1 the following data from the previous school year:

(1) the number of Minnesota student deaths that occurred while Minnesota students were participating in the foreign exchange or study or other travel abroad program and that resulted from Minnesota students participating in the program;

(2) the number of Minnesota students hospitalized due to accidents and the illnesses that occurred while Minnesota students were participating in the foreign exchange or study or other travel abroad program and that resulted from Minnesota students participating in the program; and

(3) the name and type of the foreign exchange or study or other travel abroad program and the city or region where the reported death, hospitalization due to accident, or the illness occurred.

(b) School districts and charter schools must ask but must not require enrolled eligible students and the parents or guardians of other enrolled students who complete a foreign exchange or study or other travel abroad program to disclose the information under paragraph (a).

(c) When reporting the data under paragraph (a), a school district or charter school may supplement the data with a brief explanatory statement. The Department of Education annually must aggregate and publish the reported data on the department website in a format that facilitates public access to the aggregated data and include links to both the United States Department of State's Consular Information Program that informs the public of conditions abroad that may affect students' safety and security and the publicly available reports on sexual assaults and other criminal acts affecting students participating in a foreign exchange or study or other travel abroad program.

(d) School districts and charter schools with enrolled students who participate in foreign exchange or study or other travel abroad programs under a written agreement between the district or charter school and the program provider are encouraged to adopt policies supporting the programs and to include program standards in their policies to ensure students' health and safety.

(e) To be eligible under this subdivision to provide a foreign exchange or study or other travel abroad program to Minnesota students enrolled in a school district or charter school, a program provider annually must register with the secretary of state and provide the following information on a form developed by the secretary of state: the name, address, and telephone number of the program provider, its chief executive officer, and the person within the provider's organization who is primarily responsible for supervising programs within the state; the program provider's unified business identification number, if any; whether the program provider is exempt from federal income tax; a list of the program provider's placements in foreign countries for the previous school year including the number of Minnesota students placed, where Minnesota students were placed, and the length of their placement; the terms and limits of the medical and accident insurance available to cover participating students and the process for filing a claim; and the signatures of the program provider's chief executive officer and the person primarily responsible for supervising Minnesota students' placements in foreign countries. If the secretary of state determines the registration is complete, the secretary of state shall file the registration and the program provider is registered. Registration with the secretary of state must not be considered or represented as an endorsement of the program provider by the secretary of state. The secretary of state annually must publish on its website aggregated data under paragraph (c) received from the Department of Education.

(f) Program providers, annually by August 1, must provide the data required under paragraph (a), clauses (1) to (3), to the districts and charter schools with enrolled students participating in the provider's program.

(g) The Department of Education must publish the information it has under paragraph (c), but it is not responsible for any errors or omissions in the information provided to it by a school district or charter school. A school district or charter school is not responsible for omissions in the information provided to it by students and programs.

Sec. 2. Minnesota Statutes 2018, section 120A.22, subdivision 5, is amended to read:

Subd. 5. **Ages and terms.** (a) Every child between ~~seven~~ six and 17 years of age must receive instruction unless the child has graduated. Every child under the age of ~~seven~~ six who is enrolled in ~~a half-day kindergarten, or a full-day kindergarten program on alternate days, or other kindergarten programs shall~~ must receive instruction for the hours established for that program. Except as provided in subdivision 6, a parent may withdraw a child under the age of ~~seven~~ six from enrollment at any time.

(b) A school district by annual board action may require children subject to this subdivision to receive instruction in summer school. A district that acts to require children to receive instruction in summer school ~~shall~~ must establish at the time of its action the criteria for determining which children must receive instruction.

(c) A pupil 16 years of age or older who meets the criteria of section 124D.68, subdivision 2, and under clause (5) of that subdivision has been excluded or expelled from school or under clause (11) of that subdivision has been chronically truant may be referred to an area learning center. Such referral may be made only after consulting the principal, area learning center director, student, and parent or guardian and only if, in the school administrator's professional judgment, the referral is in the best educational interest of the pupil. Nothing in this paragraph limits a pupil's eligibility to apply to enroll in other eligible programs under section 124D.68.

EFFECTIVE DATE. This section is effective for the 2020-2021 school year and later.

Sec. 3. Minnesota Statutes 2018, section 120A.22, subdivision 6, is amended to read:

Subd. 6. **Children under ~~seven~~ age six.** (a) Once a pupil under the age of ~~seven~~ six is enrolled in kindergarten or a higher grade in a public school, the pupil is subject to the compulsory attendance provisions of this chapter and section 120A.34, unless the board of the district in which the pupil is enrolled has a policy that exempts children under ~~seven~~ six from this subdivision.

(b) In a district in which children under ~~seven~~ the age of six are subject to compulsory attendance under this subdivision, paragraphs (c) to (e) apply.

(c) A parent or guardian may withdraw the pupil from enrollment in the school for good cause by notifying the district. Good cause includes, but is not limited to, enrollment of the pupil in another school, as defined in subdivision 4, or the immaturity of the child.

(d) When the pupil enrolls, the enrolling official must provide the parent or guardian who enrolls the pupil with a written explanation of the provisions of this subdivision.

(e) A pupil under the age of ~~seven~~ six who is withdrawn from enrollment in the public school under paragraph (c) is no longer subject to the compulsory attendance provisions of this chapter.

(f) In a district that had adopted a policy to exempt children under ~~seven~~ the age of six from this subdivision, the district's chief attendance officer must keep the truancy enforcement authorities supplied with a copy of the board's current policy certified by the clerk of the board.

EFFECTIVE DATE. This section is effective for the 2020-2021 school year and later.

Sec. 4. Minnesota Statutes 2018, section 120A.22, subdivision 11, is amended to read:

Subd. 11. **Assessment of performance.** (a) Each year the performance of every child ages ~~seven~~ six through 16 and every child ages 16 through 17 for which an initial report was filed pursuant to section 120A.24, subdivision 1, after the child is 16 and who is not enrolled in a public school must be assessed using a nationally norm-referenced standardized achievement examination. The superintendent of the district in which the child receives instruction and the person in charge of the child's instruction must agree about the specific examination to be used and the administration and location of the examination.

(b) To the extent the examination in paragraph (a) does not provide assessment in all of the subject areas in subdivision 9, the parent must assess the child's performance in the applicable subject area. This requirement applies only to a parent who provides instruction and does not meet the requirements of subdivision 10, clause (1), (2), or (3).

(c) If the results of the assessments in paragraphs (a) and (b) indicate that the child's performance on the total battery score is at or below the 30th percentile or one grade level below the performance level for children of the same age, the parent must obtain additional evaluation of the child's abilities and performance for the purpose of determining whether the child has learning problems.

(d) A child receiving instruction from a nonpublic school, person, or institution that is accredited by an accrediting agency, recognized according to section 123B.445, or recognized by the commissioner, is exempt from the requirements of this subdivision.

EFFECTIVE DATE. This section is effective for the 2020-2021 school year and later.

Sec. 5. Minnesota Statutes 2018, section 120A.24, subdivision 1, is amended to read:

Subdivision 1. **Reports to superintendent.** (a) The person or nonpublic school in charge of providing instruction to a child must submit to the superintendent of the district in which the child resides the name, birth date, and address of the child; the annual tests intended to be used under section 120A.22, subdivision 11, if required; the name of each instructor; and evidence of compliance with one of the requirements specified in section 120A.22, subdivision 10:

- (1) by October 1 of the first school year the child receives instruction after reaching the age of ~~seven~~ six;
- (2) within 15 days of when a parent withdraws a child from public school after age ~~seven~~ six to provide instruction in a nonpublic school that is not accredited by a state-recognized accredited agency;
- (3) within 15 days of moving out of a district; and
- (4) by October 1 after a new resident district is established.

(b) The person or nonpublic school in charge of providing instruction to a child between the ages of ~~seven~~ six and 16 and every child ages 16 through 17 for which an initial report was filed pursuant to this subdivision after the child is 16 must submit, by October 1 of each school year, a letter of intent to continue to provide instruction under this section for all students under the person's or school's supervision and any changes to the information required in paragraph (a) for each student.

(c) The superintendent may collect the required information under this section through an electronic or web-based format, but must not require electronic submission of information under this section from the person in charge of reporting under this subdivision.

EFFECTIVE DATE. This section is effective for the 2020-2021 school year and later.

Sec. 6. Minnesota Statutes 2018, section 120B.024, subdivision 1, is amended to read:

Subdivision 1. **Graduation requirements.** Students ~~beginning 9th grade in the 2011-2012 school year and later~~ must successfully complete the following high school level credits for graduation:

- (1) four credits of language arts sufficient to satisfy all of the academic standards in English language arts;
- (2) three credits of mathematics, including an algebra II credit or its equivalent, sufficient to satisfy all of the academic standards in mathematics;
- (3) an algebra I credit by the end of 8th grade sufficient to satisfy all of the 8th grade standards in mathematics;
- (4) three credits of science, including at least one credit of biology, one credit of chemistry or physics, and one elective credit of science. The combination of credits under this clause must be sufficient to satisfy (i) all of the academic standards in either chemistry or physics and (ii) all other academic standards in science;
- (5) three and one-half credits of social studies, including credit for a course in government and citizenship, which must include instruction on diverse cultures, in either 11th or 12th grade for students beginning 9th grade in the 2020-2021 school year and later, and a combination of other credits encompassing at least United States history, geography, ~~government and citizenship~~, world history, and economics sufficient to satisfy all of the academic standards in social studies;
- (6) one credit of the arts sufficient to satisfy all of the state or local academic standards in the arts; ~~and~~
- (7) for students beginning 9th grade in the 2020-2021 school year and later, a minimum of ~~seven~~ six and one-half elective credits; and
- (8) for students beginning 9th grade in the 2020-2021 school year and later, at least one-half credit for a course in personal finance.

Sec. 7. Minnesota Statutes 2018, section 120B.11, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section and section 120B.10, the following terms have the meanings given them.

(a) "Instruction" means methods of providing learning experiences that enable a student to meet state and district academic standards and graduation requirements including applied and experiential learning.

(b) "Civic life" means public engagement activities consistent with section 120B.30, subdivision 1, paragraph (r).

~~(b)~~ (c) "Curriculum" means district or school adopted programs and written plans for providing students with learning experiences that lead to expected knowledge and skills and career and college readiness.

~~(c)~~ (d) "World's best workforce" means striving to: meet school readiness goals; have all third grade students achieve grade-level literacy; close the academic achievement gap among all racial and ethnic groups of students and between students living in poverty and students not living in poverty; have all students attain career and college readiness before graduating from high school; and have all students graduate from high school.

~~(d)~~ (e) "Experiential learning" means learning for students that includes career exploration through a specific class or course or through work-based experiences such as job shadowing, mentoring, entrepreneurship, service learning, volunteering, internships, other cooperative work experience, youth apprenticeship, or employment.

Sec. 8. Minnesota Statutes 2018, section 120B.11, subdivision 2, is amended to read:

Subd. 2. **Adopting plans and budgets.** A school board, at a public meeting, ~~shall~~ must adopt a comprehensive, long-term strategic plan to support and improve teaching and learning that is aligned with creating the world's best workforce and includes:

(1) clearly defined district and school site goals and benchmarks for instruction and student achievement for all student subgroups identified in section 120B.35, subdivision 3, paragraph (b), clause (2);

(2) a process to assess and evaluate each student's progress toward meeting state and local academic standards, assess and identify students to participate in gifted and talented programs and accelerate their instruction, and adopt early-admission procedures consistent with section 120B.15, and identifying the strengths and weaknesses of instruction in pursuit of student and school success and curriculum affecting students' progress and growth toward career and college readiness and leading to the world's best workforce;

(3) a system to periodically review and evaluate the effectiveness of all instruction and curriculum, taking into account strategies and best practices, student outcomes, school principal evaluations under section 123B.147, subdivision 3, students' access to effective teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of enrolled students under section 120B.35, subdivision 3, paragraph (b), clause (2), and teacher evaluations under section 122A.40, subdivision 8, or 122A.41, subdivision 5;

(4) strategies for improving instruction, curriculum, and student achievement, including: (i) the English and, where practicable, the native language development and the academic achievement of English learners and (ii) for all learners, access to culturally relevant or ethnic studies curriculum using culturally responsive methodologies;

(5) a process to examine the equitable distribution of teachers and strategies to ensure children from low-income and minority children families, families of color, and American Indian families are not taught at higher rates than other children by inexperienced, ineffective, or out-of-field teachers;

(6) education effectiveness practices that integrate high-quality instruction; rigorous curriculum; technology; inclusive and respectful learning and work environments for all students, families, and employees; and a collaborative professional culture that ~~develops and supports~~ retains qualified, racially, and ethnically diverse staff effective at working with diverse students while developing and supporting teacher quality, performance, and effectiveness; and

(7) an annual budget for continuing to implement the district plan.

EFFECTIVE DATE. This section is effective for all strategic plans reviewed and updated after the day following final enactment.

Sec. 9. Minnesota Statutes 2018, section 120B.11, subdivision 3, is amended to read:

Subd. 3. **District advisory committee.** (a) Each school board ~~shall~~ must establish an advisory committee to ensure active community participation in all phases of planning and improving the instruction and curriculum affecting state and district academic standards, consistent with subdivision 2. A district advisory committee, to the extent possible, ~~shall~~ must reflect the diversity of the district and its school sites, include teachers, parents, support staff, students, and other community residents, and provide translation to the extent appropriate and practicable. The district advisory committee ~~shall~~ must pursue community support to accelerate the academic and native literacy and achievement of English learners with varied needs, from young children to adults, consistent with section 124D.59, subdivisions 2 and 2a. The district may establish site teams as subcommittees of the district advisory committee under subdivision 4.

(b) The district advisory committee ~~shall~~ must recommend to the school board:

(1) rigorous academic standards;

(2) student achievement goals and measures consistent with subdivision 1a and sections 120B.022, subdivisions 1a and 1b, and 120B.35;

(3) district assessments;

(4) means to improve students' equitable access to effective and more diverse teachers;

(5) strategies to ensure the curriculum and learning and work environments are inclusive and respectful toward all racial and ethnic groups; and

(6) program evaluations.

(c) School sites may expand upon district evaluations of instruction, curriculum, assessments, or programs. Whenever possible, parents and other community residents ~~shall~~ must comprise at least two-thirds of advisory committee members.

Sec. 10. Minnesota Statutes 2018, section 120B.12, subdivision 2, is amended to read:

Subd. 2. **Identification; report.** (a) Each school district ~~shall~~ must identify before the end of kindergarten, grade 1, and grade 2 all students who are not reading at grade level ~~before the end of the current school year and shall~~. Students identified as not reading at grade level by the end of kindergarten, grade 1, and grade 2 must be screened for characteristics of dyslexia.

(b) identify Students in grade 3 or higher who demonstrate a reading difficulty to a classroom teacher must be screened for characteristics of dyslexia, unless a different reason for the reading difficulty has been identified.

(c) Reading assessments in English, and in the predominant languages of district students where practicable, must identify and evaluate students' areas of academic need related to literacy. The district also must monitor the progress and provide reading instruction appropriate to the specific needs of English learners. The district must use a locally adopted, developmentally appropriate, and culturally responsive assessment and annually report summary assessment results to the commissioner by July 1.

(d) The district also must annually report to the commissioner by July 1 a summary of the district's efforts to screen and identify students with:

(1) dyslexia, using screening tools such as those recommended by the department's dyslexia specialist; or

(2) convergence insufficiency disorder.

~~(b)~~ (e) A student identified under this subdivision must be provided with alternate instruction under section 125A.56, subdivision 1.

EFFECTIVE DATE. This section is effective July 1, 2020.

Sec. 11. Minnesota Statutes 2018, section 120B.30, subdivision 1, is amended to read:

Subdivision 1. **Statewide testing.** (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, consistent with subdivision 1a, shall include in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed as computer-adaptive reading and mathematics assessments for students that are aligned with the state's required academic standards under section 120B.021, include multiple choice questions, and are administered annually to all students in grades 3 through 8. State-developed high school tests aligned with the state's required academic standards under section 120B.021 and administered to all high school students in a subject other than writing must include multiple choice questions. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year.

(1) Students enrolled in grade 8 through the 2009-2010 school year are eligible to be assessed under (i) the graduation-required assessment for diploma in reading, mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraphs (c), clauses (1) and (2), and (d), (ii) the WorkKeys job skills assessment, (iii) the Compass college placement test, (iv) the ACT assessment for college admission, (v) a nationally recognized armed services vocational aptitude test.

(2) Students enrolled in grade 8 in the 2010-2011 or 2011-2012 school year are eligible to be assessed under (i) the graduation-required assessment for diploma in reading, mathematics, or writing under Minnesota Statutes 2012, section 120B.30, subdivision 1, paragraph (c), clauses (1) and (2), (ii) the WorkKeys job skills assessment, (iii) the Compass college placement test, (iv) the ACT assessment for college admission, (v) a nationally recognized armed services vocational aptitude test.

(3) For students under clause (1) or (2), a school district may substitute a score from an alternative, equivalent assessment to satisfy the requirements of this paragraph.

(b) The state assessment system must be aligned to the most recent revision of academic standards as described in section 120B.023 in the following manner:

(1) mathematics;

(i) grades 3 through 8 beginning in the 2010-2011 school year; and

(ii) high school level beginning in the 2013-2014 school year;

(2) science; grades 5 and 8 and at the high school level beginning in the 2011-2012 school year; and

(3) language arts and reading; grades 3 through 8 and high school level beginning in the 2012-2013 school year.

(c) For students enrolled in grade 8 in the 2012-2013 school year and later, students' state graduation requirements, based on a longitudinal, systematic approach to student education and career planning, assessment, instructional support, and evaluation, include the following:

(1) achievement and career and college readiness in mathematics, reading, and writing, consistent with paragraph (k) and to the extent available, to monitor students' continuous development of and growth in requisite knowledge and skills; analyze students' progress and performance levels, identifying students' academic strengths and diagnosing areas where students require curriculum or instructional adjustments, targeted interventions, or remediation; and, based on analysis of students' progress and performance data, determine students' learning and instructional needs and the instructional tools and best practices that support academic rigor for the student; and

(2) consistent with this paragraph and section 120B.125, age-appropriate exploration and planning activities and career assessments to encourage students to identify personally relevant career interests and aptitudes and help students and their families develop a regularly reexamined transition plan for postsecondary education or employment without need for postsecondary remediation.

Based on appropriate state guidelines, students with an individualized education program may satisfy state graduation requirements by achieving an individual score on the state-identified alternative assessments.

(d) Expectations of schools, districts, and the state for career or college readiness under this subdivision must be comparable in rigor, clarity of purpose, and rates of student completion.

A student under paragraph (c), clause (1), must receive targeted, relevant, academically rigorous, and resourced instruction, which may include a targeted instruction and intervention plan focused on improving the student's knowledge and skills in core subjects so that the student has a reasonable chance to succeed in a career or college without need for postsecondary remediation. Consistent with sections 120B.13, 124D.09, 124D.091, 124D.49, and related sections, an enrolling school or district must actively encourage a student in grade 11 or 12 who is identified as academically ready for a career or college to participate in courses and programs awarding college credit to high school students. Students are not required to achieve a specified score or level of proficiency on an assessment under this subdivision to graduate from high school.

(e) Though not a high school graduation requirement, students are encouraged to participate in a nationally recognized college entrance exam. To the extent state funding for college entrance exam fees is available, a district must pay the cost, one time, for an interested student in grade 11 or 12 who is eligible for a free or reduced-price meal, to take a nationally recognized college entrance exam before graduating. A student must be able to take the exam under this paragraph at the student's high school during the school day and at any one of the multiple exam administrations available to students in the district. A district may administer the ACT or SAT or both the ACT and SAT to comply with this paragraph. If the district administers only one of these two tests and a free or reduced-price meal eligible student opts not to take that test and chooses instead to take the other of the two tests, the student may take the other test at a different time or location and remains eligible for the examination fee reimbursement. Notwithstanding sections 123B.34 to 123B.39, a school district may require a student that is not eligible for a free or reduced-price meal to pay the cost of taking a nationally recognized college entrance exam. The district must waive the cost for a student unable to pay.

(f) The commissioner and the chancellor of the Minnesota State Colleges and Universities must collaborate in aligning instruction and assessments for adult basic education students and English learners to provide the students with diagnostic information about any targeted interventions, accommodations, modifications, and supports they need so that assessments and other performance measures are accessible to them and they may seek postsecondary education or employment without need for postsecondary remediation. When administering formative or summative assessments used to measure the academic progress, including the oral academic development, of English learners and inform their instruction, schools must ensure that the assessments are accessible to the students and students have the modifications and supports they need to sufficiently understand the assessments.

(g) Districts and schools, on an annual basis, must use career exploration elements to help students, beginning no later than grade 9, and their families explore and plan for postsecondary education or careers based on the students' interests, aptitudes, and aspirations. Districts and schools must use timely regional labor market information and partnerships, among other resources, to help students and their families successfully develop, pursue, review, and revise an individualized plan for postsecondary education or a career. This process must help increase students' engagement in and connection to school, improve students' knowledge and skills, and deepen students' understanding of career pathways as a sequence of academic and career courses that lead to an industry-recognized credential, an associate's degree, or a bachelor's degree and are available to all students, whatever their interests and career goals.

(h) A student who demonstrates attainment of required state academic standards, which include career and college readiness benchmarks, on high school assessments under subdivision 1a is academically ready for a career or college and is encouraged to participate in courses awarding college credit to high school students. Such courses and programs may include sequential courses of study within broad career areas and technical skill assessments that extend beyond course grades.

(i) As appropriate, students through grade 12 must continue to participate in targeted instruction, intervention, or remediation and be encouraged to participate in courses awarding college credit to high school students.

(j) In developing, supporting, and improving students' academic readiness for a career or college, schools, districts, and the state must have a continuum of empirically derived, clearly defined benchmarks focused on students' attainment of knowledge and skills so that students, their parents, and teachers know how well students must perform to have a reasonable chance to succeed in a career or college without need for postsecondary remediation. The commissioner, in consultation with local school officials and educators, and Minnesota's public postsecondary institutions must ensure that the foundational knowledge and skills for students' successful performance in postsecondary employment or education and an articulated series of possible targeted interventions are clearly identified and satisfy Minnesota's postsecondary admissions requirements.

(k) For students in grade 8 in the 2012-2013 school year and later, a school, district, or charter school must record on the high school transcript a student's progress toward career and college readiness, and for other students as soon as practicable.

(l) The school board granting students their diplomas may formally decide to include a notation of high achievement on the high school diplomas of those graduating seniors who, according to established school board criteria, demonstrate exemplary academic achievement during high school.

(m) The 3rd through 8th grade computer-adaptive assessment results and high school test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must establish empirically derived benchmarks on adaptive assessments in grades 3 through 8. The commissioner, in consultation with the chancellor of the Minnesota State Colleges and Universities, must establish empirically derived benchmarks on the high school tests that reveal a trajectory toward career and college readiness consistent with section 136F.302, subdivision 1a. The commissioner must disseminate to the public the computer-adaptive assessments and high school test results upon receiving those results.

(n) The grades 3 through 8 computer-adaptive assessments and high school tests must be aligned with state academic standards. The commissioner shall determine the testing process and the order of administration. The statewide results shall be aggregated at the site and district level, consistent with subdivision 1a.

(o) The commissioner shall include the following components in the statewide public reporting system:

(1) uniform statewide computer-adaptive assessments of all students in grades 3 through 8 and testing at the high school levels that provides appropriate, technically sound accommodations or alternate assessments;

(2) educational indicators that can be aggregated and compared across school districts and across time on a statewide basis, including average daily attendance, high school graduation rates, and high school drop-out rates by age and grade level;

(3) state results on the American College Test; and

(4) state results from participation in the National Assessment of Educational Progress so that the state can benchmark its performance against the nation and other states, and, where possible, against other countries, and contribute to the national effort to monitor achievement.

(p) For purposes of statewide accountability, "career and college ready" means a high school graduate has the knowledge, skills, and competencies to successfully pursue a career pathway, including postsecondary credit leading to a degree, diploma, certificate, or industry-recognized credential and employment. Students who are career and college ready are able to successfully complete credit-bearing coursework at a two- or four-year college or university or other credit-bearing postsecondary program without need for remediation.

(q) For purposes of statewide accountability, "cultural competence," "cultural competency," or "culturally competent" means the ability of families and educators to interact effectively with people of different cultures, native languages, and socioeconomic backgrounds.

(r) For purposes of statewide accountability, an understanding of "civic life" means student learning experiences that include public engagement activities such as: (1) volunteering as an election judge; (2) serving as a poll watcher; (3) contacting public officials on a matter of public interest; (4) writing a letter to the editor; (5) registering to vote or participating in a nonpartisan voter registration drive; or (6) other public interest activities authorized by the school board, including but not limited to: (i) volunteering on a matter of political interest; (ii) participating in a nonprofit organization; or (iii) participating in a charity event.

Sec. 12. Minnesota Statutes 2018, section 120B.36, subdivision 1, is amended to read:

Subdivision 1. **School performance reports and public reporting.** (a) The commissioner shall report:

(1) student academic performance data under section 120B.35, subdivisions 2 and 3;

(2) the percentages of students showing low, medium, and high growth under section 120B.35, subdivision 3, paragraph (b);

(3) school safety and student engagement and connection under section 120B.35, subdivision 3, paragraph (d);

(4) rigorous coursework under section 120B.35, subdivision 3, paragraph (c);

(5) the percentage of students under section 120B.35, subdivision 3, paragraph (b), clause (2), whose progress and performance levels are meeting career and college readiness benchmarks under sections 120B.30, subdivision 1, and 120B.35, subdivision 3, paragraph (e);

(6) longitudinal data on the progress of eligible districts in reducing disparities in students' academic achievement and realizing racial and economic integration under section 124D.861;

(7) the acquisition of English, and where practicable, native language academic literacy, including oral academic language, and the academic progress of all English learners enrolled in a Minnesota public school course or program who are currently or were previously counted as English learners under section 124D.59;

(8) the percentage of students who graduated in the previous school year who correctly answered at least 30 of 50 civics test questions in accordance with section 120B.02, subdivision 3;

(9) two separate student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes of determining these ratios;

(10) staff characteristics excluding salaries;

(11) student enrollment demographics;

(12) foster care status, including all students enrolled in a Minnesota public school course or program who are currently or were previously in foster care, student homelessness, and district mobility; and

(13) extracurricular activities.

(b) The school performance report for a school site and a school district must include school performance reporting information and calculate proficiency rates as required by the most recently reauthorized Elementary and Secondary Education Act.

(c) The commissioner shall develop, annually update, and post on the department website school performance reports consistent with paragraph (a) and section 120B.11.

(d) The commissioner must make available performance reports by the beginning of each school year.

(e) A school or district may appeal its results in a form and manner determined by the commissioner and consistent with federal law. The commissioner's decision to uphold or deny an appeal is final.

(f) School performance data are nonpublic data under section 13.02, subdivision 9, until the commissioner publicly releases the data. The commissioner shall annually post school performance reports to the department's public website no later than September 1, except that in years when the reports reflect new performance standards, the commissioner shall post the school performance reports no later than October 1.

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

Sec. 13. Minnesota Statutes 2018, section 121A.41, is amended by adding a subdivision to read:

Subd. 12. Nonexclusionary disciplinary policies and practices; alternatives to pupil removal and dismissal.
"Nonexclusionary disciplinary policies and practices" means policies and practices that are alternatives to removing a pupil from class or dismissing a pupil from school, including evidence-based positive behavioral interventions and supports, social and emotional services, school-linked mental health services, counseling services, social work

services, referrals for special education or 504 evaluations, academic screening for Title I services or reading interventions, and alternative education services. Nonexclusionary disciplinary policies and practices require school officials to intervene in, redirect, and support a pupil's behavior before removing a pupil from class or beginning dismissal proceedings. Nonexclusionary disciplinary policies and practices include but are not limited to the policies and practices under sections 120B.12; 121A.031, subdivision 4, paragraph (a), clause (1); 121A.575, clauses (1) and (2); 121A.61, subdivision 3, paragraph (q); 122A.627, clause (3); and 123A.56.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 14. Minnesota Statutes 2018, section 121A.41, is amended by adding a subdivision to read:

Subd. 13. **Pupil withdrawal agreements.** "Pupil withdrawal agreements" means a verbal or written agreement between a school or district administrator and a pupil's parent or guardian to withdraw a student from the school district to avoid expulsion or exclusion dismissal proceedings. The duration of the withdrawal agreement may be no longer than 12 months.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 15. Minnesota Statutes 2018, section 121A.45, subdivision 1, is amended to read:

Subdivision 1. **Provision of alternative programs.** No school shall dismiss any pupil without attempting to ~~provide alternative educational services~~ use nonexclusionary disciplinary policies and practices before a dismissal proceedings proceeding or a pupil withdrawal agreement, except where it appears that the pupil will create an immediate and substantial danger to self or to surrounding persons or property.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 16. Minnesota Statutes 2018, section 121A.46, is amended by adding a subdivision to read:

Subd. 5. **Suspensions exceeding five consecutive school days.** A school administrator must ensure that when a pupil is suspended for more than five consecutive school days, alternative education services are provided.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 17. Minnesota Statutes 2018, section 121A.46, is amended by adding a subdivision to read:

Subd. 6. **Minimum education services.** School officials must give a suspended pupil a reasonable opportunity to complete all school work assigned during the pupil's suspension and to receive full credit for satisfactorily completing the assignments. The school principal or other person having administrative control of the school building or program is encouraged to designate a district or school employee as a liaison to work with the pupil's teachers to allow the suspended pupil to (1) receive timely course materials and other information, and (2) complete daily and weekly assignments and receive teachers' feedback. Nothing in this subdivision limits the teacher's authority to assign alternative work for the completion of assignments during a suspension.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 18. Minnesota Statutes 2018, section 121A.47, subdivision 2, is amended to read:

Subd. 2. **Written notice.** Written notice of intent to take action ~~shall~~ must:

(a) (1) be served upon the pupil and the pupil's parent or guardian personally or by mail;

- (b) (2) contain a complete statement of the facts, a list of the witnesses and a description of their testimony;
- (c) (3) state the date, time, and place of the hearing;
- (d) (4) be accompanied by a copy of sections 121A.40 to 121A.56;
- (e) (5) describe ~~alternative educational services~~ the nonexclusionary disciplinary policies and practices accorded the pupil in an attempt to avoid the expulsion proceedings; and
- (f) (6) inform the pupil and parent or guardian of the right to:
 - (1) (i) have a representative of the pupil's own choosing, including legal counsel, at the hearing. The district ~~shall~~ must advise the pupil's parent or guardian that free or low-cost legal assistance may be available and that a legal assistance resource list is available from the Department of Education and is posted on its website;
 - (2) (ii) examine the pupil's records before the hearing;
 - (3) (iii) present evidence; and
 - (4) (iv) confront and cross-examine witnesses.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 19. Minnesota Statutes 2018, section 121A.47, subdivision 14, is amended to read:

Subd. 14. **Admission or readmission plan.** (a) A school administrator ~~shall~~ must prepare and enforce an admission or readmission plan for any pupil who is excluded or expelled from school. The plan ~~may include~~ must address measures to improve the pupil's behavior, ~~including~~ and may include completing a character education program, consistent with section 120B.232, subdivision 1, ~~and social and emotional learning, counseling, social work services, mental health services, referrals for special education or 504 evaluation, and evidence-based academic interventions.~~ The plan must require parental involvement in the admission or readmission process, and may indicate the consequences to the pupil of not improving the pupil's behavior.

(b) The definition of suspension under section 121A.41, subdivision 10, does not apply to a student's dismissal from school for one school day or less, except as provided under federal law for a student with a disability. Each suspension action may include a readmission plan. A readmission plan must provide, where appropriate, alternative education services, which must not be used to extend the student's current suspension period. Consistent with section 125A.091, subdivision 5, a readmission plan must not obligate a parent or guardian to provide psychotropic drugs to their student as a condition of readmission. School officials must not use the refusal of a parent or guardian to consent to the administration of psychotropic drugs to their student or to consent to a psychiatric evaluation, screening or examination of the student as a ground, by itself, to prohibit the student from attending class or participating in a school-related activity, or as a basis of a charge of child abuse, child neglect or medical or educational neglect.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 20. Minnesota Statutes 2018, section 121A.53, subdivision 1, is amended to read:

Subdivision 1. **Exclusions and expulsions; student withdrawals; physical assaults.** Consistent with subdivision 2, the school board must report through the department electronic reporting system each exclusion or expulsion ~~and,~~ each physical assault of a district employee by a ~~student~~ pupil, and each pupil withdrawal agreement

within 30 days of the effective date of the dismissal action, pupil withdrawal, or assault to the commissioner of education. This report must include a statement of ~~alternative educational services~~ nonexclusionary disciplinary policies and practices, or other sanction, intervention, or resolution in response to the assault given the pupil and the reason for, the effective date, and the duration of the exclusion or expulsion or other sanction, intervention, or resolution. The report must also include the ~~student's~~ pupil's age, grade, gender, race, and special education status.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 21. Minnesota Statutes 2018, section 121A.55, is amended to read:

121A.55 POLICIES TO BE ESTABLISHED.

(a) The commissioner of education shall promulgate guidelines to assist each school board. Each school board ~~shall~~ must establish uniform criteria for dismissal and adopt written policies and rules to effectuate the purposes of sections 121A.40 to 121A.56. The policies ~~shall~~ must include nonexclusionary disciplinary policies and practices consistent with section 121A.41, subdivision 12, and emphasize preventing dismissals through early detection of problems ~~and shall~~. The policies must be designed to address students' inappropriate behavior from recurring.

(b) The policies shall recognize the continuing responsibility of the school for the education of the pupil during the dismissal period. The school is responsible for ensuring that the alternative educational services, if provided to the pupil ~~wishes to take advantage of them, must be~~ are adequate to allow the pupil to make progress ~~towards~~ toward meeting the graduation standards adopted under section 120B.02 ~~and~~, help prepare the pupil for readmission, and are consistent with section 121A.46, subdivision 6.

(c) For expulsion and exclusion dismissals, as well as pupil withdrawal agreements as defined in section 121A.41, subdivision 13:

(1) the school district's continuing responsibility includes reviewing the pupil's school work and grades on a quarterly basis to ensure the pupil is on track for readmission with the pupil's peers. School districts must communicate on a regular basis with the pupil's parent or guardian to ensure the pupil is completing the work assigned through the alternative educational services;

(2) if school-linked mental health services are provided in the district under section 245.4889, pupils continue to be eligible for those services until they are enrolled in a new district; and

(3) the school district must provide to the pupil's parent or guardian a list of mental health and counseling services that offer free or sliding fee services. The list must also be posted on the district's website.

~~(b)~~ (d) An area learning center under section 123A.05 may not prohibit an expelled or excluded pupil from enrolling solely because a district expelled or excluded the pupil. The board of the area learning center may use the provisions of the Pupil Fair Dismissal Act to exclude a pupil or to require an admission plan.

~~(e)~~ (e) Each school district shall develop a policy and report it to the commissioner on the appropriate use of peace officers and crisis teams to remove students who have an individualized education program from school grounds.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 22. **[121A.80] STUDENT JOURNALISM; STUDENT EXPRESSION.**

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

(b) "School-sponsored media" means material that is:

(1) prepared, wholly or substantially written, published, broadcast, or otherwise disseminated by a student journalist enrolled in a school district or charter school;

(2) distributed or generally made available to students in the school; and

(3) prepared by a student journalist under the supervision of a student media adviser.

School-sponsored media does not include material prepared solely for distribution or transmission in the classroom in which the material is produced.

(c) "School official" means a school principal under section 123B.147 or other person having administrative control or supervision of a school.

(d) "Student journalist" means a school district or charter school student in grades 6 through 12 who gathers, compiles, writes, edits, photographs, records, or otherwise prepares information for dissemination in school-sponsored media.

(e) "Student media adviser" means a person a school district or charter school employs, appoints, or designates to supervise student journalists or provide instruction relating to school-sponsored media.

Subd. 2. **Student journalists; protected conduct.** (a) Except as provided in subdivision 3, a student journalist has the right to exercise freedom of speech and freedom of the press in school-sponsored media regardless of whether the school-sponsored media receives financial support from the school or district, uses school equipment or facilities in its production, or is produced as part of a class or course in which the student journalist is enrolled. Consistent with subdivision 3, a student journalist has the right to determine the news, opinion, feature, and advertising content of school-sponsored media. A school district or charter school must not discipline a student journalist for exercising rights or freedoms under this paragraph or the First Amendment of the United States Constitution.

(b) A school district or charter school must not retaliate or take adverse employment action against a student media adviser for supporting a student journalist exercising rights or freedoms under paragraph (a) or the First Amendment of the United States Constitution.

(c) Notwithstanding the rights or freedoms of this subdivision or the First Amendment of the United States Constitution, nothing in this section inhibits a student media adviser from teaching professional standards of English and journalism to student journalists.

Subd. 3. **Unprotected expression.** (a) This section does not authorize or protect student expression that: (1) is defamatory; (2) is profane, harassing, threatening, or intimidating; (3) constitutes an unwarranted invasion of privacy; (4) violates federal or state law; (5) causes a material and substantial disruption of school activities; or (6) is directed to inciting or producing imminent lawless action on school premises or the violation of lawful school policies or rules, including a policy adopted in accordance with section 121A.03 or 121A.031.

(b) A school or district must not authorize any prior restraint of school-sponsored media except under paragraph (a).

Subd. 4. **Student journalist policy.** School districts and charter schools must adopt and post a student journalist policy consistent with this section.

EFFECTIVE DATE. This section is effective for the 2019-2020 school year and later.

Sec. 23. Minnesota Statutes 2018, section 124D.02, subdivision 1, is amended to read:

Subdivision 1. **Kindergarten instruction.** ~~(a) The board may establish and maintain one or more kindergartens for the instruction of children and after July 1, 1974, shall~~ must provide kindergarten instruction ~~for free of charge to~~ all eligible children, ~~either in the district or in another district. All children to be eligible for kindergarten must be~~ A child is eligible for kindergarten if the child is at least five years of age on September 1 of the calendar year in which the school year commences. ~~In addition all children selected, or is admitted~~ under an early admissions policy established by the school board ~~may be admitted.~~

(b) If established, a board-adopted early admissions policy must describe the process and procedures for comprehensive evaluation in cognitive, social, and emotional developmental domains to help determine the child's ability to meet kindergarten grade expectations and progress to first grade in the subsequent year. The comprehensive evaluation must use valid and reliable instrumentation, be aligned with state kindergarten expectations, and include a parent report and teacher observations of the child's knowledge, skills, and abilities. The early admissions policy must be made available to parents in an accessible format and is subject to review by the commissioner of education. The evaluation is subject to section 127A.41.

(c) Nothing in this section shall prohibit a school district from establishing Head Start, prekindergarten, or nursery school classes for children below kindergarten age. Any school board with evidence that providing kindergarten will cause an extraordinary hardship on the school district may apply to the commissioner of education for an exception.

EFFECTIVE DATE. This section is effective for the 2020-2021 school year and later.

Sec. 24. Minnesota Statutes 2018, section 124D.09, subdivision 3, is amended to read:

Subd. 3. **Definitions.** For purposes of this section, the following terms have the meanings given to them.

(a) "Eligible institution" means a Minnesota public postsecondary institution, a private, nonprofit two-year trade and technical school granting associate degrees, an opportunities industrialization center accredited by ~~the North Central Association of Colleges and Schools~~ a United States Department of Education recognized accrediting agency, or a private, residential, two-year or four-year, liberal arts, degree-granting college or university located in Minnesota.

(b) "Course" means a course or program.

(c) "Concurrent enrollment" means nonsectarian courses in which an eligible pupil under subdivision 5 or 5b enrolls to earn both secondary and postsecondary credits, are taught by a secondary teacher or a postsecondary faculty member, and are offered at a high school for which the district is eligible to receive concurrent enrollment program aid under section 124D.091.

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

Sec. 25. Minnesota Statutes 2018, section 124D.165, subdivision 2, is amended to read:

Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship, parents or guardians must meet the following eligibility requirements:

(1) have an eligible child; and

(2) have income equal to or less than 185 percent of federal poverty level income in the current calendar year, or be able to document their child's current participation in the free and reduced-price lunch program or Child and Adult Care Food Program, National School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act of 2007; Minnesota family investment program under chapter 256J; child care assistance programs under chapter 119B; the supplemental nutrition assistance program; or placement in foster care under section 260C.212. Parents or guardians are not required to provide income verification under this clause if the child is an eligible child under paragraph (b), clause (4) or (5).

(b) An "eligible child" means a child who has not yet enrolled in kindergarten and is:

(1) at least three but not yet five years of age on September 1 of the current school year;

(2) a sibling from birth to age five of a child who has been awarded a scholarship under this section provided the sibling attends the same program as long as funds are available;

(3) the child of a parent under age 21 who is pursuing a high school degree or a course of study for a high school equivalency test; ~~or~~

~~(4) homeless, in foster care, or in need of child protective services.~~

(4) a child in need of protective services or in foster care as defined under section 260C.007; or

(5) designated as homeless under the federal McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434a.

(c) A child who has received a scholarship under this section must continue to receive a scholarship each year until that child is eligible for kindergarten under section 120A.20 and as long as funds are available.

(d) Early learning scholarships may not be counted as earned income for the purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota family investment program under chapter 256J, child care assistance programs under chapter 119B, or Head Start under the federal Improving Head Start for School Readiness Act of 2007.

(e) A child from an adjoining state whose family resides at a Minnesota address as assigned by the United States Postal Service, who has received developmental screening under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district, and whose family meets the criteria of paragraph (a) is eligible for an early learning scholarship under this section.

Sec. 26. Minnesota Statutes 2018, section 124D.34, subdivision 2, is amended to read:

Subd. 2. **Creation of foundation.** There is created the Minnesota Foundation for Student Organizations. The purpose of the foundation is to promote ~~vocational career and technical~~ student organizations and applied leadership opportunities in Minnesota public and nonpublic schools through public-private partnerships. The foundation is a nonprofit organization. The board of directors of the foundation and activities of the foundation are under the direction of the commissioner of education.

Sec. 27. Minnesota Statutes 2018, section 124D.34, subdivision 3, is amended to read:

Subd. 3. **Board of directors.** The board of directors of the Minnesota Foundation for Student Organizations consists of:

(1) seven members appointed by the board of directors of the ~~school-to-work~~ career and technical student organizations and chosen so that each represents one of the following career areas: agriculture, family and consumer sciences, service occupations, health occupations, marketing, business, and technical/industrial;

(2) seven members from business, industry, and labor appointed by the governor to staggered terms and chosen so that each represents one of the following career areas: agriculture, family and consumer sciences, service occupations, health occupations, marketing, business, and technical/industrial;

(3) five students or alumni of ~~school-to-work~~ career and technical student organizations representing diverse career areas, three from secondary student organizations, and two from postsecondary student organizations. The students or alumni shall be appointed by the criteria and process agreed upon by the executive directors of the ~~student-to-work~~ career and technical organizations; and

(4) four members from education appointed by the governor to staggered terms and chosen so that each represents one of the following groups: school district level administrators, secondary school administrators, middle school administrators, and postsecondary administrators.

Executive directors of ~~vocational~~ career and technical education student organizations are ex officio, nonvoting members of the board.

Sec. 28. Minnesota Statutes 2018, section 124D.34, subdivision 4, is amended to read:

Subd. 4. **Foundation programs.** The foundation shall advance applied leadership and intracurricular ~~vocational~~ career and technical learning experiences for students. These may include, but are not limited to:

(1) recognition programs and awards for students demonstrating excellence in applied leadership;

(2) summer programs for student leadership, career development, applied academics, and mentorship programs with business and industry;

(3) recognition programs for teachers, administrators, and others who make outstanding contributions to ~~school-to-work~~ career and technical programs;

(4) outreach programs to increase the involvement of urban and suburban students;

(5) organized challenges requiring cooperation and competition for secondary and postsecondary students;

(6) assistance and training to community teams to increase career awareness and empowerment of youth as community leaders; and

(7) assessment and activities in order to plan for and implement continuous improvement.

To the extent possible, the foundation shall make these programs available to students in all parts of the state.

Sec. 29. Minnesota Statutes 2018, section 124D.34, subdivision 5, is amended to read:

Subd. 5. **Powers and duties.** The foundation may:

(1) identify and plan common goals and priorities for the various ~~school-to-work~~ career and technical student organizations in Minnesota;

(2) publish brochures or booklets relating to the purposes of the foundation and collect reasonable fees for the publications;

(3) seek and receive public and private money, grants, and in-kind services and goods from nonstate sources for the purposes of the foundation, without complying with section 16A.013, subdivision 1;

(4) contract with consultants on behalf of the ~~school-to-work~~ career and technical student organizations;

(5) plan, implement, and expend money for awards and other forms of recognition for ~~school-to-work~~ career and technical student programs; and

(6) identifying an appropriate name for the foundation.

Sec. 30. Minnesota Statutes 2018, section 124D.34, subdivision 8, is amended to read:

Subd. 8. **Public funding.** The state shall identify and secure appropriate funding for the basic staffing of the foundation and individual student ~~school-to-work~~ career and technical student organizations at the state level.

Sec. 31. Minnesota Statutes 2018, section 124D.34, subdivision 12, is amended to read:

Subd. 12. **Student organizations.** Individual boards of ~~vocational~~ career and technical education student organizations shall continue their operations in accordance with section 124D.355 and applicable federal law.

Sec. 32. Minnesota Statutes 2018, section 124D.78, subdivision 2, is amended to read:

Subd. 2. **Resolution of concurrence.** Prior to March 1, the school board or American Indian school must submit to the department a copy of a resolution adopted by the American Indian education parent advisory committee. The copy must be signed by the chair of the committee and must state whether the committee concurs with the educational programs for American Indian students offered by the school board or American Indian school. If the committee does not concur with the educational programs, the reasons for nonconcurrence and recommendations shall be submitted directly to the school board with the resolution. By resolution, the board must respond in writing within 60 days, in cases of nonconcurrence, to each recommendation made by the committee and state its reasons for not implementing the recommendations.

Sec. 33. Minnesota Statutes 2018, section 124E.13, subdivision 3, is amended to read:

Subd. 3. **Affiliated nonprofit building corporation.** (a) An affiliated nonprofit building corporation may purchase, expand, or renovate an existing facility to serve as a school or may construct a new school facility. An affiliated nonprofit building corporation may only serve one charter school. A charter school may organize an affiliated nonprofit building corporation if the charter school:

(1) has operated for at least six consecutive years;

(2) as of June 30, has a net positive unreserved general fund balance in the preceding three fiscal years;

- (3) has long-range strategic and financial plans that include enrollment projections for at least five years;
- (4) completes a feasibility study of facility options that outlines the benefits and costs of each option; and
- (5) has a plan that describes project parameters and budget.

(b) An affiliated nonprofit building corporation under this subdivision must:

(1) be incorporated under section 317A;

(2) comply with applicable Internal Revenue Service regulations, including regulations for "supporting organizations" as defined by the Internal Revenue Service;

(3) post on the school website the name, mailing address, bylaws, minutes of board meetings, and names of the current board of directors of the affiliated nonprofit building corporation;

(4) submit to the commissioner a copy of its annual audit by December 31 of each year; and

(5) comply with government data practices law under chapter 13.

(c) An affiliated nonprofit building corporation must not serve as the leasing agent for property or facilities it does not own. A charter school that leases a facility from an affiliated nonprofit building corporation that does not own the leased facility is ineligible to receive charter school lease aid. The state is immune from liability resulting from a contract between a charter school and an affiliated nonprofit building corporation.

(d) The board of directors of the charter school must ensure the affiliated nonprofit building corporation complies with all applicable legal requirements. The charter school's authorizer must oversee the efforts of the board of directors of the charter school to ensure legal compliance of the affiliated building corporation. A school's board of directors that fails to ensure the affiliated nonprofit building corporation's compliance violates its responsibilities and an authorizer must consider that failure when evaluating the charter school.

ARTICLE 3 TEACHERS

Section 1. [120B.117] INCREASING THE PERCENTAGE OF TEACHERS OF COLOR AND AMERICAN INDIAN TEACHERS IN MINNESOTA.

Subdivision 1. Purpose. In order to address students' and families' persistent inequitable access to diverse teachers, this section sets short-term and long-term state goals for increasing the percentage of teachers of color and American Indian teachers in Minnesota toward ensuring all students have equitable access to effective and diverse teachers who reflect the diversity of students. The goals and report required under this section are also important for meeting state goals for the world's best workforce under section 120B.11, achievement and integration under section 124D.861, and higher education attainment under section 135A.012, all of which have been established to close persistent opportunity and achievement gaps that limit students' success in school and life and impede the state's economic growth.

Subd. 2. Equitable access to diverse teachers. The percentage of teachers who are of color or American Indian in Minnesota should increase at least two percentage points per year to have a teaching workforce that more closely reflects the state's increasingly diverse student population and ensure all students have equitable access to effective and diverse teachers by 2040.

Subd. 3. **Rights not created.** The attainment goal in this section is not to the exclusion of any other goals and does not confer a right or create a claim for any person.

Subd. 4. **Reporting.** Beginning in 2019 and every odd-numbered year thereafter, the Professional Educator Licensing and Standards Board must collaborate with the Department of Education and the Office of Higher Education to collate and summarize reports from the programs they each administer and any other programs receiving state appropriations that have or include an explicit purpose of increasing the racial and ethnic diversity of the state's teacher workforce to more closely reflect the diversity of students. The report must include programs under sections 122A.2451, 122A.59, 122A.63, 122A.70, 124D.09, 124D.861, 136A.1275, and 136A.1791, along with any other programs or initiatives that receive state appropriations to address the shortage of teachers of color and American Indian teachers. The board must report on the effectiveness of state-funded programs to increase the recruitment, preparation, licensing, hiring, and retention of racially and ethnically diverse teachers and the state's progress toward meeting or exceeding the goals of this section. The report must also include recommendations for state policy and funding needed to achieve the goals of this section, as well as plans for sharing the report and activities of grant recipients, and opportunities among grant recipients of various programs to share effective practices with each other. The 2019 report must include a recommendation of whether or not a state advisory council should be established to address the shortage of racially and ethnically diverse teachers and what the composition and charge of such an advisory council would be if established. The board must consult with the state Indian Affairs and ethnic councils along with other community and stakeholder groups, including students of color, in developing the report. By October 1 of each odd-numbered year, the board must submit the report to the chairs and ranking minority members of the legislative committees with jurisdiction over education and higher education policy and finance. The report must be available to the public on the board's website.

Sec. 2. Minnesota Statutes 2018, section 122A.06, subdivision 2, is amended to read:

Subd. 2. **Teacher.** "Teacher" means a classroom teacher or other similar professional employee required to hold a license or permission from the Professional Educator Licensing and Standards Board.

Sec. 3. Minnesota Statutes 2018, section 122A.06, subdivision 5, is amended to read:

Subd. 5. **Field.** A "field," "licensure area," or "subject area" means the content area in which a teacher may become licensed to teach.

Sec. 4. Minnesota Statutes 2018, section 122A.06, subdivision 7, is amended to read:

Subd. 7. **Teacher preparation program.** "Teacher preparation program" means a program approved by the Professional Educator Licensing and Standards Board for the purpose of preparing individuals for a specific teacher licensure field in Minnesota. ~~Teacher preparation programs include traditional programs delivered by postsecondary institutions, alternative teacher preparation programs, and nonconventional teacher preparation programs.~~

Sec. 5. Minnesota Statutes 2018, section 122A.06, subdivision 8, is amended to read:

Subd. 8. **Teacher preparation program provider.** "Teacher preparation program provider" or "unit" means an entity that has primary responsibility for overseeing and delivering a teacher preparation program. Teacher preparation program providers include postsecondary institutions and alternative teacher preparation providers aligned to section 122A.2451.

Sec. 6. Minnesota Statutes 2018, section 122A.07, subdivision 1, is amended to read:

Subdivision 1. **Appointment of members.** The Professional Educator Licensing and Standards Board consists of ~~14~~ 14 members appointed by the governor, with the advice and consent of the senate. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements are as provided in sections 214.07 to 214.09. No member may be reappointed for more than one additional term.

Sec. 7. Minnesota Statutes 2018, section 122A.07, subdivision 2, is amended to read:

Subd. 2. **Eligibility; board composition.** Each nominee, other than a public nominee, must be selected on the basis of professional experience and knowledge of teacher education, accreditation, and licensure. The board must be composed of:

(1) ~~six~~ eight teachers who are currently teaching in a Minnesota school or who were teaching at the time of the appointment, have at least five years of teaching experience, and were not serving in an administrative function at a school district or school when appointed. The ~~six~~ eight teachers must include the following:

(i) one teacher in a charter school;

(ii) one teacher from the seven-county metropolitan area, as defined in section 473.121, subdivision 2;

(iii) one teacher from outside the seven-county metropolitan area;

(iv) one teacher from a related service category licensed by the board;

(v) one special education teacher; and

(vi) three teachers that represent current or emerging trends in education;

~~(vi)~~ (2) one teacher from educator currently teaching in a Minnesota-approved teacher preparation program; who has previously taught for at least five years in a birth through grade 12 setting;

~~(2)~~ (3) one superintendent that alternates each term between a superintendent from the seven-county metropolitan area, as defined in section 473.121, subdivision 2, and a superintendent from outside the metropolitan area;

~~(3)~~ (4) one school district human resources director;

~~(4)~~ (5) one administrator of a cooperative unit under section 123A.24, subdivision 2, who oversees a special education program and who has previously taught for at least five years in a birth through grade 12 setting;

~~(5)~~ (6) one principal that alternates each term between an elementary and a secondary school principal; and

~~(6)~~ (7) one member of the public that may be a current or former school board member.

Sec. 8. Minnesota Statutes 2018, section 122A.07, subdivision 4a, is amended to read:

Subd. 4a. **Administration.** (a) The executive director of the board ~~shall~~ must be the chief administrative officer for the board but ~~shall~~ must not be a member of the board. The executive director ~~shall~~ must maintain the records of the board, account for all fees received by the board, supervise and direct employees servicing the board, and perform other services as directed by the board.

(b) The Department of Administration must provide administrative support in accordance with section 16B.371. The commissioner of administration must assess the board for services it provides under this section.

~~(c) The Department of Education must provide suitable offices and other space to the board at reasonable cost until January 1, 2020. Thereafter, the board may contract with either the Department of Education or the Department of Administration for the provision of suitable offices and other space, joint conference and hearing facilities, and examination rooms.~~

Sec. 9. Minnesota Statutes 2018, section 122A.07, is amended by adding a subdivision to read:

Subd. 6. Public employer compensation reduction prohibited. The public employer of a member must not reduce the member's compensation or benefits for the member's absence from employment when engaging in the business of the board.

Sec. 10. Minnesota Statutes 2018, section 122A.09, subdivision 9, is amended to read:

Subd. 9. Professional Educator Licensing and Standards Board must adopt rules. (a) The Professional Educator Licensing and Standards Board must adopt rules subject to the provisions of chapter 14 to implement sections 120B.363, 122A.05 to 122A.09, 122A.092, 122A.16, 122A.17, 122A.18, 122A.181, 122A.182, 122A.183, 122A.184, 122A.185, 122A.187, 122A.188, 122A.20, 122A.21, 122A.23, 122A.2451, 122A.26, 122A.28, and 122A.29.

(b) The board must adopt rules relating to fields of licensure, including a process for granting permission to a licensed teacher to teach in a field that is different from the teacher's field of licensure without change to the teacher's license tier level.

(c) The board must adopt rules relating to the grade levels that a licensed teacher may teach.

(d) If a rule adopted by the board is in conflict with a session law or statute, the law or statute prevails. Terms adopted in rule must be clearly defined and must not be construed to conflict with terms adopted in statute or session law.

(e) The board must include a description of a proposed rule's probable effect on teacher supply and demand in the board's statement of need and reasonableness under section 14.131.

(f) The board must adopt rules only under the specific statutory authority.

Sec. 11. Minnesota Statutes 2018, section 122A.091, subdivision 1, is amended to read:

Subdivision 1. Teacher and administrator preparation and performance data; report. (a) The Professional Educator Licensing and Standards Board and the Board of School Administrators, in cooperation with board-adopted teacher or administrator preparation programs, annually must collect and report summary data on teacher and administrator preparation and performance outcomes, consistent with this subdivision. The Professional Educator Licensing and Standards Board and the Board of School Administrators annually by June 1 must update and post the reported summary preparation and performance data on teachers and administrators from the preceding school years on a website hosted jointly by the boards.

(b) Publicly reported summary data on teacher preparation programs must include:

(1) student entrance requirements for each Professional Educator Licensing and Standards Board-approved program, including grade point average for enrolling students in the preceding year;

(2) the average board-adopted skills examination or ACT or SAT scores of students entering the program in the preceding year;

(3) summary data on faculty qualifications, including at least the content areas of faculty undergraduate and graduate degrees and their years of experience either as kindergarten through grade 12 classroom teachers or school administrators;

(4) the average time resident and nonresident program graduates in the preceding year needed to complete the program;

(5) the current number and percentage of students by program who graduated, received a standard Minnesota teaching license, and were hired to teach full time in their licensure field in a Minnesota district or school in the preceding year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

(6) the number of content area credits and other credits by undergraduate program that students in the preceding school year needed to complete to graduate;

(7) students' pass rates on skills and subject matter exams required for graduation in each program and licensure area in the preceding school year;

(8) survey results measuring student and graduate program completer satisfaction with the program in the preceding school year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

(9) a standard measure of the satisfaction of school principals or supervising teachers with the student teachers program completer assigned to a school or supervising teacher; and

(10) information under subdivision 3, paragraphs (a) and (b).

Program reporting must be consistent with subdivision 2.

(c) Publicly reported summary data on administrator preparation programs approved by the Board of School Administrators must include:

(1) summary data on faculty qualifications, including at least the content areas of faculty undergraduate and graduate degrees and the years of experience either as kindergarten through grade 12 classroom teachers or school administrators;

(2) the average time program graduates in the preceding year needed to complete the program;

(3) the current number and percentage of students who graduated, received a standard Minnesota administrator license, and were employed as an administrator in a Minnesota school district or school in the preceding year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual;

(4) the number of credits by graduate program that students in the preceding school year needed to complete to graduate;

(5) survey results measuring student, graduate, and employer satisfaction with the program in the preceding school year disaggregated by race, except when disaggregation would not yield statistically reliable results or would reveal personally identifiable information about an individual; and

(6) information under subdivision 3, paragraphs (c) and (d).

Program reporting must be consistent with section 122A.14, subdivision 10.

Sec. 12. Minnesota Statutes 2018, section 122A.092, subdivision 5, is amended to read:

Subd. 5. **Reading strategies.** (a) All ~~colleges and universities~~ preparation providers approved by the Professional Educator Licensing and Standards Board to prepare persons for classroom teacher licensure must include in their teacher preparation programs research-based best practices in reading, consistent with section 122A.06, subdivision 4, that enables the licensure candidate to teach reading in the candidate's content areas. Teacher candidates must be instructed in using students' native languages as a resource in creating effective differentiated instructional strategies for English learners developing literacy skills. These colleges and universities also must prepare early childhood and elementary teacher candidates for Tier 3 and Tier 4 teaching licenses under sections 122A.183 and 122A.184, respectively, for the portion of the examination under section 122A.185, subdivision 1, paragraph (c), covering assessment of reading instruction.

(b) Board-approved teacher preparation programs for teachers of elementary education must require instruction in applying comprehensive, scientifically based, and balanced reading instruction programs that:

(1) teach students to read using foundational knowledge, practices, and strategies consistent with section 122A.06, subdivision 4, so that all students achieve continuous progress in reading; and

(2) teach specialized instruction in reading strategies, interventions, and remediations that enable students of all ages and proficiency levels to become proficient readers.

(c) Nothing in this section limits the authority of a school district to select a school's reading program or curriculum.

Sec. 13. Minnesota Statutes 2018, section 122A.092, subdivision 6, is amended to read:

Subd. 6. **Technology strategies.** All ~~colleges and universities~~ preparation providers approved by the Professional Educator Licensing and Standards Board to prepare persons for classroom teacher licensure must include in their teacher preparation programs the knowledge and skills teacher candidates need to engage students with technology and deliver digital and blended learning and curriculum.

Sec. 14. Minnesota Statutes 2018, section 122A.17, is amended to read:

122A.17 VALIDITY OF CERTIFICATES OR LICENSES.

~~(a)~~ A rule adopted by the Board of Teaching or the Professional Educator Licensing and Standards Board must not affect the validity of certificates or licenses to teach in effect on July 1, 1974, or the rights and privileges of the holders thereof, except that any such certificate or license may be suspended or revoked for any of the causes and by the procedures specified by law.

~~(b) All teacher licenses in effect on January 1, 2018, shall remain valid for one additional year after the date the license is scheduled to expire.~~

Sec. 15. Minnesota Statutes 2018, section 122A.175, subdivision 2, is amended to read:

Subd. 2. **Background check account.** An educator licensure background check account is created in the special revenue fund. ~~The Department of Education, the Professional Educator Licensing and Standards Board, and the Board of School Administrators must deposit all payments submitted by license applicants for criminal background checks conducted by the Bureau of Criminal Apprehension in the educator licensure background check account. Amounts in the account are annually appropriated to the commissioner of education for payment to the superintendent of the Bureau of Criminal Apprehension~~ Professional Educator Licensing and Standards Board for the costs of background checks on applicants for licensure.

Sec. 16. Minnesota Statutes 2018, section 122A.18, subdivision 7c, is amended to read:

Subd. 7c. **Temporary military license.** The Professional Educator Licensing and Standards Board shall establish a temporary license in accordance with section 197.4552 for teaching. The fee for a temporary license under this subdivision shall be ~~\$87.90 for an online application or \$86.40 for a paper application~~ \$57. The board must provide candidates for a license under this subdivision with information regarding the tiered licensure system provided in sections 122A.18 to 122A.184.

Sec. 17. Minnesota Statutes 2018, section 122A.18, subdivision 8, is amended to read:

Subd. 8. **Background checks.** (a) The Professional Educator Licensing and Standards Board and the Board of School Administrators must ~~request~~ obtain a criminal history background check ~~from the superintendent of the Bureau of Criminal Apprehension~~ on all first-time teaching applicants for licenses under their jurisdiction. Applicants must include with their licensure applications:

(1) an executed criminal history consent form, including fingerprints; and

(2) ~~a money order or cashier's check payable to the Bureau of Criminal Apprehension for the fee for conducting the criminal history~~ payment to conduct the background check.

(b) ~~The superintendent of~~ background check for all first-time teaching applicants for licenses must include a review of information from the Bureau of Criminal Apprehension ~~shall perform the background check required under paragraph (a) by retrieving, including~~ criminal history data as defined in section 13.87, and shall ~~must~~ also ~~conduct a search~~ include a review of the national criminal records repository. The superintendent ~~of the Bureau of Criminal Apprehension~~ is authorized to exchange fingerprints with the Federal Bureau of Investigation for purposes of the criminal history check. The superintendent shall recover the cost to the bureau of a background check through the fee charged to the applicant under paragraph (a).

~~(e) The Professional Educator Licensing and Standards Board or the Board of School Administrators may issue a license pending completion of a background check under this subdivision, but must notify the individual and the school district or charter school employing the individual that the individual's license may be revoked based on the result of the background check.~~

(c) The Professional Educator Licensing and Standards Board may contract with the commissioner of human services to conduct background checks and obtain background check data required under this chapter.

Sec. 18. Minnesota Statutes 2018, section 122A.18, subdivision 10, is amended to read:

Subd. 10. **Licensure via portfolio.** (a) The Professional Educator Licensing and Standards Board must adopt rules establishing a process for an eligible candidate to obtain ~~any teacher~~ a Tier 3 license ~~under subdivision 1,~~ or to add a licensure field, via portfolio. The portfolio licensure application process must be consistent with the requirements in this subdivision.

(b) A candidate for a Tier 3 license via portfolio must submit to the board one portfolio demonstrating pedagogical competence and one portfolio demonstrating content competence.

(c) A candidate seeking to add a licensure field via portfolio must submit to the board one portfolio demonstrating content competence for each licensure field the candidate seeks to add.

(d) The board must notify a candidate who submits a portfolio under paragraph (b) or (c) within 90 calendar days after the portfolio is received whether or not the portfolio is approved. If the portfolio is not approved, the board must immediately inform the candidate how to revise the portfolio to successfully demonstrate the requisite competence. The candidate may resubmit a revised portfolio at any time and the board must approve or disapprove the revised portfolio within 60 calendar days of receiving it.

~~(e) A candidate must pay to the board a \$300 fee for the first portfolio submitted for review and a \$200 fee for any portfolio submitted subsequently. The revenue generated from the fee must be deposited in an education licensure portfolio account in the special revenue fund. The fees are nonrefundable for applicants not qualifying for a license. The board may waive or reduce fees for candidates based on financial need. a fee for a portfolio in accordance with section 122A.21, subdivision 4.~~

Sec. 19. Minnesota Statutes 2018, section 122A.181, subdivision 3, is amended to read:

Subd. 3. **Term of license and renewal.** (a) The Professional Educator Licensing and Standards Board must issue an initial Tier 1 license for a term of one year. A Tier 1 license may be renewed subject to paragraphs (b) and (c). The board may submit written comments to the district or charter school that requested the renewal regarding the candidate.

(b) The Professional Educator Licensing and Standards Board must renew a Tier 1 license if:

(1) the district or charter school requesting the renewal demonstrates that it has posted the teacher position but was unable to hire an acceptable teacher with a Tier 2, 3, or 4 license for the position;

(2) the teacher holding the Tier 1 license took a content examination in accordance with section 122A.185 and submitted the examination results to the teacher's employing district or charter school within one year of the board approving the request for the initial Tier 1 license; and

(3) the teacher holding the Tier 1 license participated in cultural competency training consistent with section 120B.30, subdivision 1, paragraph (q), within one year of the board approving the request for the initial Tier 1 license.

The requirement in clause (2) does not apply to a teacher that teaches a class in a career and technical education or career pathways course of study.

~~(c) A Tier 1 license must not be renewed more than three times one time, unless the requesting district or charter school can show good cause for additional renewals. A Tier 1 license issued to teach (1) a class or course in a career and technical education or career pathway course of study or (2) in a shortage area, as defined in section 122A.06, subdivision 6, may be renewed without limitation.~~

Sec. 20. Minnesota Statutes 2018, section 122A.181, subdivision 5, is amended to read:

Subd. 5. **Limitations on license.** (a) A Tier 1 license is limited to the content matter indicated on the application for the initial Tier 1 license under subdivision 1, clause (2), and limited to the district or charter school that requested the initial Tier 1 license.

(b) A Tier 1 license does not bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, clause (a).

~~(c) A Tier 1 license does not bring an individual within the definition of a teacher under section 179A.03, subdivision 18.~~

Sec. 21. Minnesota Statutes 2018, section 122A.182, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) The Professional Educator Licensing and Standards Board must approve a request from a district or charter school to issue a Tier 2 license in a specified content area to a candidate if:

(1) the candidate meets the educational or professional requirements in paragraph (b) or (c);

(2) the candidate:

~~(i) has completed the coursework required under subdivision 2;~~

~~(ii) (i) is enrolled in a Minnesota-approved teacher preparation program, including an alternative preparation program under section 122A.2451 or a state-approved teacher preparation program if no licensure program exists in Minnesota; or~~

~~(iii) has a master's degree in the specified content area (ii) has completed a state-approved teacher preparation program but does not meet the requirements for a Tier 3 license; and~~

(3) the district or charter school demonstrates that a criminal background check under section 122A.18, subdivision 8, has been completed on the candidate.

(b) A candidate for a Tier 2 license must have a bachelor's degree to teach a class outside a career and technical education or career pathways course of study.

(c) A candidate for a Tier 2 license must have one of the following credentials in a relevant content area to teach a class or course in a career and technical education or career pathways course of study:

(1) an associate's degree;

(2) a professional certification; or

(3) five years of relevant work experience.

Sec. 22. Minnesota Statutes 2018, section 122A.182, subdivision 3, is amended to read:

Subd. 3. **Term of license and renewal.** The Professional Educator Licensing and Standards Board must issue an initial Tier 2 license for a term of two years. A Tier 2 license may be renewed ~~three~~ two times. Before a Tier 2 license is renewed for the first time, a teacher holding a Tier 2 license must participate in cultural competency training consistent with section 120B.30, subdivision 1, paragraph (q). The board must issue rules setting forth the conditions for additional renewals after the initial license has been renewed ~~three~~ two times.

Sec. 23. Minnesota Statutes 2018, section 122A.183, subdivision 2, is amended to read:

Subd. 2. **Coursework.** A candidate for a Tier 3 license must meet the coursework requirement by demonstrating one of the following:

(1) completion of a Minnesota-approved teacher preparation program;

(2) completion of a state-approved teacher preparation program that includes field-specific student teaching equivalent to field-specific student teaching in Minnesota-approved teacher preparation programs. The field-specific student teaching requirement does not apply to a candidate that has two years of teaching experience;

(3) submission of a content-specific licensure portfolio; or

(4) a professional teaching license from another state, evidence that the candidate's license is in good standing, and two years of teaching experience; ~~or.~~

~~(5) three years of teaching experience under a Tier 2 license and evidence of summative teacher evaluations that did not result in placing or otherwise keeping the teacher on an improvement process pursuant to section 122A.40, subdivision 8, or section 122A.41, subdivision 5.~~

Sec. 24. Minnesota Statutes 2018, section 122A.183, subdivision 4, is amended to read:

Subd. 4. **Mentorship and evaluation.** A teacher holding a Tier 3 license must participate in ~~the employing district or charter school's~~ a mentorship and evaluation program, including an individual growth and development plan. A teacher holding a Tier 3 license may satisfy the mentorship requirement by participating in a mentorship program during the teacher's first year in a new district or charter school, including a school year when the teacher held a Tier 1 or Tier 2 license. No teacher holding a Tier 3 license may be required to serve as a mentor to another teacher in order to fulfill this requirement.

Sec. 25. Minnesota Statutes 2018, section 122A.184, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** The Professional Educator Licensing and Standards Board must issue a Tier 4 license to a candidate who provides information sufficient to demonstrate all of the following:

(1) the candidate meets all requirements for a Tier 3 license under section 122A.183, and has completed a teacher preparation program under section 122A.183, subdivision 2, clause (1) or (2);

(2) the candidate has at least three years of teaching experience in Minnesota; and

(3) the candidate has obtained a passing score on all required licensure exams under section 122A.185; ~~and.~~

~~(4) the candidate's most recent summative teacher evaluation did not result in placing or otherwise keeping the teacher in an improvement process pursuant to section 122A.40, subdivision 8, or 122A.41, subdivision 5.~~

Sec. 26. Minnesota Statutes 2018, section 122A.184, subdivision 3, is amended to read:

Subd. 3. **Mentorship and evaluation.** A teacher holding a Tier 4 license must participate in ~~the employing district or charter school's~~ a mentorship and evaluation program, including an individual growth and development plan. A teacher holding a Tier 4 license may satisfy the mentorship requirement by participating in a mentorship program during the teacher's first year in a new district or charter school, including a school year when the teacher held a Tier 1, 2, or 3 license. No teacher holding a Tier 4 license may be required to serve as a mentor to another teacher in order to fulfill this requirement.

Sec. 27. Minnesota Statutes 2018, section 122A.185, subdivision 1, is amended to read:

Subdivision 1. **Tests.** (a) The Professional Educator Licensing and Standards Board must adopt rules requiring a candidate to demonstrate a passing score on a board-adopted examination of skills in reading, writing, and mathematics before being granted a Tier 4 teaching license under section 122A.184 to provide direct instruction to pupils in elementary, secondary, or special education programs. An employing school or district may verify through satisfactory overall job performance a Tier 3 teacher's skills in reading, writing, and mathematics for teaching in the licensure field so the teacher may obtain a Tier 4 license. Candidates may obtain a Tier 1, Tier 2, or Tier 3 license to provide direct instruction to pupils in elementary, secondary, or special education programs if candidates meet the

other requirements in section 122A.181, 122A.182, or 122A.183, respectively. All testing centers must provide monthly opportunities for untimed skills examinations and must advertise those opportunities on the test registration website.

(b) The board must adopt rules requiring candidates for Tier 3 and Tier 4 licenses to pass an examination or performance assessment of general pedagogical knowledge and examinations of licensure field specific content. The content examination requirement does not apply if no relevant content exam exists. All testing centers must provide monthly opportunities for untimed pedagogy and content examinations and must advertise those opportunities on the test registration website.

(c) Candidates for initial Tier 3 and Tier 4 licenses to teach elementary students must pass test items assessing the candidates' knowledge, skill, and ability in comprehensive, scientifically based reading instruction under section 122A.06, subdivision 4, knowledge and understanding of the foundations of reading development, development of reading comprehension and reading assessment and instruction, and the ability to integrate that knowledge and understanding into instruction strategies under section 122A.06, subdivision 4.

(d) The requirement to pass a board-adopted reading, writing, and mathematics skills examination does not apply to nonnative English speakers, as verified by qualified Minnesota school district personnel or Minnesota higher education faculty, who, after meeting the content and pedagogy requirements under this subdivision, apply for a teaching license to provide direct instruction in their native language or world language instruction under section 120B.022, subdivision 1.

EFFECTIVE DATE. This section is effective January 1, 2020.

Sec. 28. Minnesota Statutes 2018, section 122A.187, subdivision 3, is amended to read:

Subd. 3. **Professional growth.** (a) Applicants for license renewal for a Tier 3 or Tier 4 license under sections 122A.183 and 122A.184, respectively, who have been employed as a teacher during the renewal period of the expiring license, as a condition of license renewal, must present to their local continuing education and relicensure committee or other local relicensure committee evidence of work that demonstrates professional reflection and growth in best teaching practices, ~~including among other things, cultural competence in accordance with section 120B.30, subdivision 1, paragraph (q), and practices in meeting the varied needs of English learners, from young children to adults under section 124D.59, subdivisions 2 and 2a.~~ A teacher may satisfy the requirements of this paragraph by submitting the teacher's most recent summative evaluation or improvement plan under section 122A.40, subdivision 8, or 122A.41, subdivision 5.

(b) The Professional Educator Licensing and Standards Board must ensure that its teacher relicensing requirements include paragraph (a).

Sec. 29. Minnesota Statutes 2018, section 122A.187, is amended by adding a subdivision to read:

Subd. 7. **Cultural competency training.** The Professional Educator Licensing and Standards Board must adopt rules that require all licensed teachers who are renewing a Tier 3 or Tier 4 teaching license under sections 122A.183 and 122A.184, respectively, to include in the renewal requirements cultural competency training and meeting the varied needs of English learners from young children to adults under section 124D.59, subdivisions 2 and 2a.

Sec. 30. Minnesota Statutes 2018, section 122A.19, subdivision 4, is amended to read:

Subd. 4. **Teacher preparation programs.** (a) For the purpose of licensing bilingual and English as a second language teachers, the board may approve teacher preparation programs ~~at colleges or universities~~ designed for their training.

(b) Programs that prepare English as a second language teachers must provide instruction in implementing research-based practices designed specifically for English learners. The programs must focus on developing English learners' academic language proficiency in English, including oral academic language, giving English learners meaningful access to the full school curriculum, developing culturally relevant teaching practices appropriate for immigrant students, and providing more intensive instruction and resources to English learners with lower levels of academic English proficiency and varied needs, consistent with section 124D.59, subdivisions 2 and 2a.

Sec. 31. Minnesota Statutes 2018, section 122A.20, subdivision 1, is amended to read:

Subdivision 1. **Grounds for revocation, suspension, or denial.** (a) The Professional Educator Licensing and Standards Board or Board of School Administrators, whichever has jurisdiction over a teacher's licensure, may, on the written complaint of the school board employing a teacher, a teacher organization, or any other interested person, issue nondisciplinary corrective action, refuse to issue, refuse to renew, suspend, or revoke a teacher's license to teach for any of the following causes:

- (1) immoral character or conduct;
- (2) failure, without justifiable cause, to teach for the term of the teacher's contract;
- (3) gross inefficiency or willful neglect of duty;
- (4) failure to meet licensure requirements; ~~or~~
- (5) fraud or misrepresentation in obtaining a license; or
- (6) engagement in any sexual conduct or contact with a student.

The written complaint must specify the nature and character of the charges.

(b) The Professional Educator Licensing and Standards Board or Board of School Administrators, whichever has jurisdiction over a teacher's licensure, shall refuse to issue, refuse to renew, or automatically revoke a teacher's license to teach without the right to a hearing upon receiving a certified copy of a conviction showing that the teacher has been convicted of:

- (1) child abuse, as defined in section 609.185, provided that a conviction for a violation of section 609.224, subdivisions 1 and 2, assault in the fifth degree, or 609.2242, subdivisions 1 and 2, domestic assault, must not result in the automatic revocation of a teacher's license;
- (2) sex trafficking in the first degree under section 609.322, subdivision 1;
- (3) sex trafficking in the second degree under section 609.322, subdivision 1a;
- (4) engaging in hiring, ~~or agreeing to hire a minor to engage in prostitution, or housing an unrelated minor engaged in prostitution~~ under section 609.324, ~~subdivision subdivisions 1, and 1a;~~
- (5) criminal sexual abuse conduct under section 609.342, 609.343, 609.344, 609.345, or 609.3451, subdivision 3, ~~or;~~
- (6) indecent exposure under section 617.23, ~~subdivision subdivisions 2 and 3;~~
- (7) solicitation of children to engage in sexual conduct or communication of sexually explicit materials to children under section 609.352;

(8) interference with privacy under section 609.746 or stalking under section 609.749 and the victim was a minor;

(9) using minors in a sexual performance under section 617.246;

(10) possessing pornographic works involving a minor under section 617.247; or

(11) any other offense not listed in this paragraph that requires the person to register as a predatory offender under section 243.166, or a crime under a similar law of another state or the United States. The board shall send notice of this licensing action to the district in which the teacher is currently employed.

(c) A person whose license to teach has been revoked, not issued, or not renewed under paragraph (b), may petition the board to reconsider the licensing action if the person's conviction for child abuse or sexual abuse is reversed by a final decision of the court of appeals or the supreme court or if the person has received a pardon for the offense. The petitioner shall attach a certified copy of the appellate court's final decision or the pardon to the petition. Upon receiving the petition and its attachment, the board shall schedule and hold a disciplinary hearing on the matter under section 214.10, subdivision 2, unless the petitioner waives the right to a hearing. If the board finds that, notwithstanding the reversal of the petitioner's criminal conviction or the issuance of a pardon, the petitioner is disqualified from teaching under paragraph (a), clause (1), the board shall affirm its previous licensing action. If the board finds that the petitioner is not disqualified from teaching under paragraph (a), clause (1), it shall reverse its previous licensing action.

(d) The Professional Educator Licensing and Standards Board or Board of School Administrators, whichever has jurisdiction over a teacher's licensure, must review and may refuse to issue, refuse to renew, or revoke a teacher's license to teach, upon receiving a certified copy of a conviction showing that the teacher has been convicted of:

(1) a qualified, domestic violence-related offense as defined in section 609.02, subdivision 16; or

(2) embezzlement of public funds under section 609.54, clause (1) or (2).

If an offense included in clause (1) or (2) is already included in paragraph (b), the provisions of paragraph (b) apply to the conduct.

(e) The Professional Educator Licensing and Standards Board or Board of School Administrators, whichever has jurisdiction over a teacher's licensure, may suspend a teacher's license pending an investigation into a report of conduct that would be grounds for revocation under paragraph (b). The teacher's license is suspended until the licensing board completes its disciplinary investigation and determines whether disciplinary action is necessary.

(f) For purposes of this subdivision, The Professional Educator Licensing and Standards Board is delegated the authority to suspend or revoke coaching licenses.

Sec. 32. Minnesota Statutes 2018, section 122A.20, subdivision 2, is amended to read:

Subd. 2. **Mandatory reporting.** (a) A school board, a superintendent, a charter school board, a charter school executive director, or a charter school authorizer must report to the Professional Educator Licensing and Standards Board, the Board of School Administrators, or the Board of Trustees of the Minnesota State Colleges and Universities, whichever has jurisdiction over the teacher's or administrator's license, when its teacher or administrator is discharged or resigns from employment after a charge is filed with the school board under section 122A.41, subdivisions 6, clauses (1), (2), and (3), and 7, or after charges are filed that are grounds for discharge under section 122A.40, subdivision 13, paragraph (a), clauses (1) to (5), or when a teacher or administrator is suspended or resigns while an investigation is pending under section 122A.40, subdivision 13, paragraph (a), clauses

(1) to (5); 122A.41, subdivisions 6, clauses (1), (2), and (3), and 7; or 626.556, or when a teacher or administrator is suspended without an investigation under section 122A.41, subdivisions 6, paragraph (a), clauses (1), (2), and (3), and 7; or 626.556. The report must be made to the appropriate licensing board within ten days after the discharge, suspension, or resignation has occurred. The licensing board to which the report is made must investigate the report for violation of subdivision 1 and the reporting board, administrator, or authorizer must cooperate in the investigation. Notwithstanding any provision in chapter 13 or any law to the contrary, upon written request from the licensing board having jurisdiction over the license, a board, charter school, authorizer, charter school executive director, or school superintendent shall provide the licensing board with information about the teacher or administrator from the district's files, any termination or disciplinary proceeding, any settlement or compromise, or any investigative file. Upon written request from the appropriate licensing board, a board or school superintendent may, at the discretion of the board or school superintendent, solicit the written consent of a student and the student's parent to provide the licensing board with information that may aid the licensing board in its investigation and license proceedings. The licensing board's request need not identify a student or parent by name. The consent of the student and the student's parent must meet the requirements of chapter 13 and Code of Federal Regulations, title 34, section 99.30. The licensing board may provide a consent form to the district. Any data transmitted to any board under this section is private data under section 13.02, subdivision 12, notwithstanding any other classification of the data when it was in the possession of any other agency.

(b) The licensing board to which a report is made must transmit to the Attorney General's Office any record or data it receives under this subdivision for the sole purpose of having the Attorney General's Office assist that board in its investigation. When the Attorney General's Office has informed an employee of the appropriate licensing board in writing that grounds exist to suspend or revoke a teacher's license to teach, that licensing board must consider suspending or revoking or decline to suspend or revoke the teacher's or administrator's license within 45 days of receiving a stipulation executed by the teacher or administrator under investigation or a recommendation from an administrative law judge that disciplinary action be taken.

(c) The Professional Educator Licensing and Standards Board and Board of School Administrators must report to the appropriate law enforcement authorities a revocation, suspension, or agreement involving a loss of license, relating to a teacher or administrator's inappropriate sexual conduct with a minor. For purposes of this section, "law enforcement authority" means a police department, county sheriff, or tribal police department. A report by the Professional Educator Licensing and Standards Board to appropriate law enforcement authorities does not diminish, modify, or otherwise affect the responsibilities of a school board or any person mandated to report abuse under section 626.556.

Sec. 33. Minnesota Statutes 2018, section 122A.21, is amended to read:

122A.21 TEACHERS' AND ADMINISTRATORS' LICENSES; FEES.

Subdivision 1. **Licensure applications.** Each applicant submitting an application to the Professional Educator Licensing and Standards Board to issue, renew, or extend a teaching license, including applications for licensure via portfolio under subdivision ~~2~~ 4, must include a processing fee of \$57. The processing fee for a teacher's license and for the licenses of supervisory personnel must be paid to the executive secretary of the appropriate board and deposited in the educator licensure account in the special revenue fund. The fees as set by the board are nonrefundable for applicants not qualifying for a license. However, the commissioner of management and budget must refund a fee in any case in which the applicant already holds a valid unexpired license. The board may waive or reduce fees for applicants who apply at the same time for more than one license.

Subd. 3. **Annual appropriations.** (a) The amounts collected under subdivision ~~2~~ 4 and deposited in the educator licensure account in the special revenue fund are annually appropriated to the Professional Educator Licensing and Standards Board.

(b) The appropriations in paragraph (a) must be reduced by the amount of any money specifically appropriated for the same purposes in any year from any state fund.

Subd. 4. **Licensure via portfolio.** A candidate must pay to the Professional Educator Licensing and Standards Board a \$300 fee for the first portfolio submitted for review and a \$200 fee for any portfolio submitted subsequently. The Professional Educator Licensing and Standards Board executive secretary must deposit the fee in the educator licensure account in the special revenue fund. The fees are nonrefundable for applicants not qualifying for a license. The Professional Educator Licensing and Standards Board may waive or reduce fees for candidates based on financial need.

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

Sec. 34. Minnesota Statutes 2018, section 122A.22, is amended to read:

122A.22 DISTRICT VERIFICATION AND REPORTING OF TEACHER LICENSES.

Subdivision 1. **Verification.** No person shall be accounted a qualified teacher until the school district or charter school contracting with the person for teaching services verifies through the Minnesota education licensing system available on the Professional Educator Licensing and Standards Board website that the person is a qualified teacher, consistent with sections 122A.16 and 122A.44, subdivision 1.

Subd. 2. **Reporting.** No later than October 1 of each school year, the superintendent or charter school must provide the school board with the number of teachers in each school building who hold Tier 1, 2, 3, and 4 licenses. The school board and the Department of Education must publish this data on their respective websites no later than January of each school year.

Sec. 35. Minnesota Statutes 2018, section 122A.26, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** (a) A person who teaches in a community education program ~~which that~~ qualifies for aid pursuant to section 124D.52 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program ~~which that~~ is offered through a community education program and ~~which that~~ qualifies for community education aid pursuant to section 124D.20 or early childhood and family education aid pursuant to section 124D.135 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course ~~which that~~ is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher.

(b) A person who teaches a driver training course ~~which that~~ is offered through a community education program to persons under 18 years of age shall be licensed by the Professional Educator Licensing and Standards Board or be subject to section 171.35. A license ~~which that~~ is required for an instructor in a community education program pursuant to this ~~subdivision paragraph~~ shall not be construed to bring an individual within the definition of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1, ~~clause paragraph~~ (a).

EFFECTIVE DATE. This section is effective for the 2020-2021 school year and later.

Sec. 36. Minnesota Statutes 2018, section 122A.40, subdivision 8, is amended to read:

Subd. 8. **Development, evaluation, and peer coaching for continuing contract teachers.** (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop a teacher evaluation and peer review process for probationary and continuing contract teachers through joint agreement. If a school board and the exclusive representative of the teachers do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive

representative of the teachers must implement the state teacher evaluation plan under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices, improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

- (1) must, for probationary teachers, provide for all evaluations required under subdivision 5;
- (2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator. For the years when a tenured teacher is not evaluated by a qualified and trained evaluator, the teacher must be evaluated by a peer review;
- (3) must be based on professional teaching standards established in rule;
- (4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;
- (5) may provide time during the school day and school year for peer coaching and teacher collaboration;
- (6) may include job-embedded learning opportunities such as professional learning communities;
- (7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;
- (8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;
- (9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;
- (10) must use longitudinal data on student engagement and connection, and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of content areas of English learners;
- (11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;
- (12) must give teachers not meeting professional teaching standards under clauses (3) through (11) support to improve through a teacher improvement process that includes established goals and timelines; and
- (13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.41 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 5.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who holds a Tier 1 or Tier 2 license, is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who holds a Tier 1 or Tier 2 license, is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who held a Tier 1 or Tier 2 license or received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

Sec. 37. Minnesota Statutes 2018, section 122A.41, subdivision 5, is amended to read:

Subd. 5. Development, evaluation, and peer coaching for continuing contract teachers. (a) To improve student learning and success, a school board and an exclusive representative of the teachers in the district, consistent with paragraph (b), may develop an annual teacher evaluation and peer review process for probationary and nonprobationary teachers through joint agreement. If a school board and the exclusive representative of the teachers in the district do not agree to an annual teacher evaluation and peer review process, then the school board and the exclusive representative of the teachers must implement the state teacher evaluation plan developed under paragraph (c). The process must include having trained observers serve as peer coaches or having teachers participate in professional learning communities, consistent with paragraph (b).

(b) To develop, improve, and support qualified teachers and effective teaching practices and improve student learning and success, and provide all enrolled students in a district or school with improved and equitable access to more effective and diverse teachers, the annual evaluation process for teachers:

(1) must, for probationary teachers, provide for all evaluations required under subdivision 2;

(2) must establish a three-year professional review cycle for each teacher that includes an individual growth and development plan, a peer review process, and at least one summative evaluation performed by a qualified and trained evaluator such as a school administrator;

- (3) must be based on professional teaching standards established in rule;
- (4) must coordinate staff development activities under sections 122A.60 and 122A.61 with this evaluation process and teachers' evaluation outcomes;
- (5) may provide time during the school day and school year for peer coaching and teacher collaboration;
- (6) may include job-embedded learning opportunities such as professional learning communities;
- (7) may include mentoring and induction programs for teachers, including teachers who are members of populations underrepresented among the licensed teachers in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;
- (8) must include an option for teachers to develop and present a portfolio demonstrating evidence of reflection and professional growth, consistent with section 122A.187, subdivision 3, and include teachers' own performance assessment based on student work samples and examples of teachers' work, which may include video among other activities for the summative evaluation;
- (9) must use data from valid and reliable assessments aligned to state and local academic standards and must use state and local measures of student growth and literacy that may include value-added models or student learning goals to determine 35 percent of teacher evaluation results;
- (10) must use longitudinal data on student engagement and connection and other student outcome measures explicitly aligned with the elements of curriculum for which teachers are responsible, including academic literacy, oral academic language, and achievement of English learners;
- (11) must require qualified and trained evaluators such as school administrators to perform summative evaluations and ensure school districts and charter schools provide for effective evaluator training specific to teacher development and evaluation;
- (12) must give teachers not meeting professional teaching standards under clauses (3) through (11) support to improve through a teacher improvement process that includes established goals and timelines; and
- (13) must discipline a teacher for not making adequate progress in the teacher improvement process under clause (12) that may include a last chance warning, termination, discharge, nonrenewal, transfer to a different position, a leave of absence, or other discipline a school administrator determines is appropriate.

Data on individual teachers generated under this subdivision are personnel data under section 13.43. The observation and interview notes of peer coaches may only be disclosed to other school officials with the consent of the teacher being coached.

(c) The department, in consultation with parents who may represent parent organizations and teacher and administrator representatives appointed by their respective organizations, representing the Professional Educator Licensing and Standards Board, the Minnesota Association of School Administrators, the Minnesota School Boards Association, the Minnesota Elementary and Secondary Principals Associations, Education Minnesota, and representatives of the Minnesota Assessment Group, the Minnesota Business Partnership, the Minnesota Chamber of Commerce, and Minnesota postsecondary institutions with research expertise in teacher evaluation, must create and publish a teacher evaluation process that complies with the requirements in paragraph (b) and applies to all teachers under this section and section 122A.40 for whom no agreement exists under paragraph (a) for an annual teacher evaluation and peer review process. The teacher evaluation process created under this subdivision does not create additional due process rights for probationary teachers under subdivision 2.

(d) Consistent with the measures of teacher effectiveness under this subdivision:

(1) for students in kindergarten through grade 4, a school administrator must not place or approve the placement of a student in the classroom of a teacher who holds a Tier 1 or Tier 2 license, is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that grade; and

(2) for students in grades 5 through 12, a school administrator must not place or approve the placement of a student in the classroom of a teacher who holds a Tier 1 or Tier 2 license, is in the improvement process referenced in paragraph (b), clause (12), or has not had a summative evaluation if, in the prior year, that student was in the classroom of a teacher who held a Tier 1 or Tier 2 license or received discipline pursuant to paragraph (b), clause (13), unless no other teacher at the school teaches that subject area and grade.

All data created and used under this paragraph retains its classification under chapter 13.

Sec. 38. **122A.591 CODE OF ETHICS FOR TEACHERS.**

Subdivision 1. Scope. Each teacher, upon entering the teaching profession, assumes a number of obligations, one of which is to adhere to principles that define professional conduct. These principles are reflected in the code of ethics in subdivision 2, which sets forth to the education profession and the public it serves the standards of professional conduct and procedures for implementation. This code applies to all persons licensed according to rules established by the Professional Educator Licensing and Standards Board.

Subd. 2. Standards of professional conduct. (a) A teacher must provide professional education services in a nondiscriminatory manner.

(b) A teacher must make reasonable effort to protect a student from conditions harmful to health and safety.

(c) In accordance with state and federal laws, a teacher must disclose confidential information about individuals only when a compelling professional purpose is served or when required by law.

(d) A teacher must take reasonable disciplinary action in exercising the authority to provide an atmosphere conducive to learning.

(e) A teacher must not use a professional relationship with a student, parent, or colleague to private advantage.

(f) A teacher must delegate authority for teaching responsibilities only to licensed personnel.

(g) A teacher must not deliberately suppress or distort subject matter.

(h) A teacher must not knowingly falsify or misrepresent records or facts relating to the teacher's own qualifications or other teachers' qualifications.

(i) A teacher must not knowingly make a false or malicious statement about a student or colleague.

(j) A teacher must accept a contract for a teaching position that requires licensing only if properly or provisionally licensed for that position.

(k) A teacher must not engage in any sexual conduct or contact with a student.

Sec. 39. Minnesota Statutes 2018, section 122A.63, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** (a) A grant program is established to assist American Indian people to become teachers and to provide additional education for American Indian teachers. The commissioner may award a joint grant to each of the following:

- (1) the Duluth campus of the University of Minnesota and Independent School District No. 709, Duluth;
- (2) Bemidji State University and Independent School District No. 38, Red Lake;
- (3) Moorhead State University and one of the school districts located within the White Earth Reservation; and
- (4) Augsburg College, Independent School District No. 625, St. Paul, and Special School District No. 1, Minneapolis.

(b) If additional funds are available, the commissioner may award additional joint grants to other postsecondary institutions and school districts.

(c) Grantees may enter into contracts with tribal, technical, and community colleges and four-year postsecondary institutions to identify and provide grants to students at those institutions interested in the field of education. A grantee may contract with partner institutions to provide professional development and supplemental services to a tribal, technical, or community college or four-year postsecondary institution, including identification of prospective students, provision of instructional supplies and materials, and provision of grant money to students. A contract with a tribal, technical, or community college or four-year postsecondary institution includes coordination of student identification, professional development, and mentorship services.

Sec. 40. Minnesota Statutes 2018, section 122A.63, subdivision 4, is amended to read:

Subd. 4. **Grant amount.** The commissioner may award a joint grant in the amount it determines to be appropriate. The grant ~~shall~~ must include money for the postsecondary institution, school district, and student scholarships, ~~and student loans.~~

Sec. 41. Minnesota Statutes 2018, section 122A.63, subdivision 5, is amended to read:

Subd. 5. **Information to student applicants.** At the time a student applies for a scholarship ~~and loan~~, the student ~~shall~~ must be provided information about the fields of licensure needed by school districts in the part of the state within which the district receiving the joint grant is located. The information ~~shall~~ must be acquired and periodically updated by the recipients of the joint grant and their contracted partner institutions. Information provided to students ~~shall~~ must clearly state that scholarship ~~and loan~~ decisions are not based upon the field of licensure selected by the student.

Sec. 42. Minnesota Statutes 2018, section 122A.63, subdivision 6, is amended to read:

Subd. 6. **Eligibility for scholarships ~~and loans~~.** (a) The following American Indian people are eligible for scholarships:

- (1) a student having origins in any of the original peoples of North America and maintaining cultural identification through tribal affiliation or community recognition;

~~(1)~~ (2) a student, including a teacher aide employed by a district receiving a joint grant or their contracted partner school, who intends to become a teacher or who is interested in the field of education and who is enrolled in a postsecondary institution or their contracted partner institutions receiving a joint grant;

~~(2)~~ (3) a licensed employee of a district receiving a joint grant or a contracted partner institution, who is enrolled in a master of education program; and

~~(3)~~ (4) a student who, after applying for federal and state financial aid and an American Indian scholarship according to section 136A.126, has financial needs that remain unmet. Financial need ~~shall~~ must be determined according to the congressional methodology for needs determination or as otherwise set in federal law.

~~A person who has actual living expenses in addition to those addressed by the congressional methodology for needs determination, or as otherwise set in federal law, may receive a loan according to criteria established by the commissioner. A contract shall be executed between the state and the student for the amount and terms of the loan.~~

(b) Priority must be given to a student who is tribally enrolled and then to first- and second-generation descendants.

Sec. 43. Minnesota Statutes 2018, section 122A.63, is amended by adding a subdivision to read:

Subd. 9. **Eligible programming.** (a) The grantee institutions and their contracted partner institutions may provide scholarships to students progressing toward educational goals in any area of teacher licensure, including an associate of arts, bachelor's, master's, or doctoral degree in the following:

(1) any educational certification necessary for employment;

(2) early childhood family education or prekindergarten licensure;

(3) elementary and secondary education;

(4) school administration; or

(5) any educational program that provides services to American Indian students in prekindergarten through grade 12.

(b) For purposes of recruitment, the grantees or their contracted partner institutions must agree to work with their respective organizations to hire an American Indian work-study student or other American Indian staff to conduct initial information queries and to contact persons working in schools to provide programming regarding education professions to high school students who may be interested in education as a profession.

(c) At least 80 percent of the grants awarded under this section must be used for student scholarships. No more than 20 percent of the grants awarded under this section may be used for recruitment or administration of the student scholarships.

Sec. 44. Minnesota Statutes 2018, section 122A.70, is amended to read:

122A.70 TEACHER MENTORSHIP AND RETENTION OF EFFECTIVE TEACHERS.

Subdivision 1. **Teacher mentoring, induction, and retention programs.** (a) School districts are encouraged to develop teacher mentoring programs for teachers new to the profession or district, including teaching residents, teachers of color, teachers who are American Indian, teachers in license shortage areas, teachers with special needs, or experienced teachers in need of peer coaching.

(b) Teacher mentoring programs must be included in or aligned with districts' teacher evaluation and peer review processes under sections 122A.40, subdivision 8, and 122A.41, subdivision 5. A district may use staff development revenue under section 122A.61, special grant programs established by the legislature, or another funding source to pay a stipend to a mentor who may be a current or former teacher who has taught at least three years and is not on an improvement plan. Other initiatives using such funds or funds available under sections 124D.861 and 124D.862 may include:

(1) additional stipends as incentives to mentors who are of color or who are American Indian;

(2) financial supports for professional learning community affinity groups across schools within and between districts for teachers from underrepresented racial and ethnic groups to come together throughout the school year;

(3) programs for induction aligned with the district or school mentorship program during the first three years of teaching, especially for teachers from underrepresented racial and ethnic groups; or

(4) grants supporting licensed and nonlicensed educator participation in professional development, such as workshops and graduate courses, related to increasing student achievement for students of color and American Indian students in order to close opportunity and achievement gaps.

(c) Schools or districts may negotiate additional retention strategies or protection from unrequested leave of absences in the beginning years of employment for teachers of color and teachers who are American Indian. Retention strategies may include providing financial incentives for teachers of color and teachers who are American Indian to work in the school or district for at least five years and placing American Indian educators at sites with other American Indian educators and educators of color at sites with other educators of color to reduce isolation and increase opportunity for collegial support.

Subd. 2. **Applications.** The Professional Educator Licensing and Standards Board must make application forms available to sites interested in developing or expanding a mentorship program. A school district; a group of school districts; or a coalition of districts, teachers, and teacher education institutions; or a coalition of schools, teachers, or nonlicensed educators may apply for a ~~teacher mentorship~~ program grant. The Professional Educator Licensing and Standards Board, in consultation with the teacher mentoring task force, must approve or disapprove the applications. To the extent possible, the approved applications must reflect effective mentoring, professional development, and retention components, ~~include a variety of coalitions~~ and be geographically distributed throughout the state. The Professional Educator Licensing and Standards Board must encourage the selected sites to consider the use of its assessment procedures.

Subd. 3. **Criteria for selection.** At a minimum, applicants must express commitment to:

(1) allow staff participation;

(2) assess skills of both beginning and mentor teachers;

(3) provide appropriate in-service to needs identified in the assessment;

(4) provide leadership to the effort;

(5) cooperate with higher education institutions;

(6) provide facilities and other resources;

(7) share findings, materials, and techniques with other school districts; and

(8) retain teachers of color and teachers who are American Indian.

Subd. 4. **Additional funding.** Applicants are required to seek additional funding and assistance from sources such as school districts, postsecondary institutions, foundations, and the private sector.

Subd. 5. **Program implementation.** New and expanding mentorship sites that are funded to design, develop, implement, and evaluate their program must participate in activities that support program development and implementation. The Professional Educator Licensing and Standards Board must provide resources and assistance to support new sites in their program efforts. These activities and services may include, but are not limited to: planning, planning guides, media, training, conferences, institutes, and regional and statewide networking meetings. Nonfunded schools or districts interested in getting started may participate. Fees may be charged for meals, materials, and the like.

Subd. 6. **Report.** By June 30 of each year after receiving a grant, recipients must submit a report to the Professional Educator Licensing and Standards Board on program efforts that describes mentoring and induction activities and assesses the impact of these programs on teacher effectiveness and retention.

Sec. 45. Minnesota Statutes 2018, section 124D.09, subdivision 10, is amended to read:

Subd. 10. **Courses according to agreements.** (a) An eligible pupil, according to subdivision 5, may enroll in a nonsectarian course taught by a secondary teacher or a postsecondary faculty member and offered at a secondary school, or another location, according to an agreement between a public school board and the governing body of an eligible public postsecondary system or an eligible private postsecondary institution, as defined in subdivision 3. All provisions of this section ~~shall~~ apply to a pupil, public school board, district, and the governing body of a postsecondary institution, except as otherwise provided.

(b) To encourage students, especially American Indian students and students of color, to consider teaching as a profession, participating schools, school districts, and postsecondary institutions are encouraged to develop and offer an "Introduction to Teaching" or "Introduction to Education" course under this subdivision. ~~An institution that receives a~~ For the purpose of applying for grants under this paragraph, "eligible institution" includes schools and districts that partner with an accredited college or university in addition to postsecondary institutions identified in subdivision 3, paragraph (a). ~~Grant to develop a course recipients~~ under this paragraph must annually report to the commissioner in a form and manner determined by the commissioner on the participation rates of students in courses under this paragraph, including the number of students who apply for admission to colleges or universities with teacher preparation programs and the number of students of color and American Indian students who earned postsecondary credit. Grant recipients must also describe recruiting efforts intended to ensure that the percentage of participating students who are of color or American Indian meets or exceeds the overall percentage of students of color or American Indian students in the school.

Sec. 46. Minnesota Statutes 2018, section 124D.861, subdivision 2, is amended to read:

Subd. 2. **Plan implementation; components.** (a) The school board of each eligible district must formally develop and implement a long-term plan under this section. The plan must be incorporated into the district's comprehensive strategic plan under section 120B.11. Plan components may include:

(1) innovative and integrated prekindergarten through grade 12 learning environments that offer students school enrollment choices;

(2) family engagement initiatives that involve families in their students' academic life and success;

(3) professional development opportunities for teachers and administrators focused on improving the academic achievement of all students, including teachers and administrators who are members of populations underrepresented among the licensed teachers or administrators in the district or school and who reflect the diversity of students under section 120B.35, subdivision 3, paragraph (b), clause (2), who are enrolled in the district or school;

(4) increased programmatic opportunities and effective and more diverse instructors focused on rigor and college and career readiness for underserved students, including students enrolled in alternative learning centers under section 123A.05, public alternative programs under section 126C.05, subdivision 15, and contract alternative programs under section 124D.69, among other underserved students; or

(5) recruitment and retention of teachers and administrators with diverse, cultural and family liaisons, paraprofessionals, and other nonlicensed staff from racial and ethnic backgrounds represented in the student population.

(b) The plan must contain goals for:

(1) reducing the disparities in academic achievement and in equitable access to effective and more diverse teachers among all students and specific categories of students under section 120B.35, subdivision 3, paragraph (b), excluding the student categories of gender, disability, and English learners; and

(2) increasing racial and economic diversity and integration in schools and districts.

(c) The plan must include strategies to make schools' curriculum and learning and work environments more inclusive and respectful of students' racial and ethnic diversity and to address issues of structural inequities in schools that create opportunity and achievement gaps for students, families, and staff who are of color or who are American Indian, and program revenues may be used to implement such strategies. Examples of possible structural inequities include but are not limited to policies and practices that unintentionally result in disparate referrals and suspension, inequitable access to advanced coursework, overrepresentation in lower level coursework, participation in cocurricular activities, parent involvement, and lack of access to diverse teachers. Plans may include but are not limited to the following activities that may involve collaboration with or support from regional centers of excellence:

(1) creating opportunities for students, families, staff, and community members who are of color or who are American Indian to share their experiences in the school setting with school staff and administration to develop specific proposals for improving school environments to be more inclusive and respectful toward all students, families, and staff;

(2) implementing creative programs for increased parent engagement and improving relations between home and school;

(3) developing or expanding ethnic studies course offerings to provide all students with in-depth opportunities to learn about their own and others' cultures and historical experiences;

(4) examining and revising curricula in various subjects to be culturally relevant and inclusive of various racial and ethnic groups;

(5) examining academic and discipline data, reexamining institutional policies and practices that result in opportunity and achievement disparities between racial and ethnic groups, and making necessary changes that increase access, meaningful participation, representation, and positive outcomes for students of color, American Indian students, and students who qualify for free or reduced-price lunch;

(6) providing professional development opportunities to learn more about various racial and ethnic groups' experiences, assets, and issues and developing cross-cultural competence with knowledge, collaborations, and relationships needed to serve students effectively who are from diverse racial and ethnic backgrounds; and

(7) hiring more cultural liaisons to strengthen relationships with students, families, and other members of the community.

~~(b)~~ (d) Among other requirements, an eligible district must implement effective, research-based interventions that include formative assessment practices to reduce the disparities in student academic performance among the specific categories of students as measured by student progress and growth on state reading and math assessments and as aligned with section 120B.11.

~~(c)~~ (e) Eligible districts must create efficiencies and eliminate duplicative programs and services under this section, which may include forming collaborations or a single, seven-county metropolitan areawide partnership of eligible districts for this purpose.

Sec. 47. Minnesota Statutes 2018, section 136A.1275, is amended to read:

136A.1275 STUDENT TEACHER CANDIDATE GRANTS IN SHORTAGE AREAS.

Subdivision 1. **Establishment.** (a) The commissioner of the Office of Higher Education must establish a grant program for student teaching stipends for low-income students enrolled in a Professional Educator Licensing and Standards Board-approved teacher preparation program who ~~intend to teach~~ are student teaching in a licensure shortage area after graduating and receiving their teaching license or belong to an ~~underrepresented~~ racial or ethnic group underrepresented in the teacher workforce.

(b) ~~Shortage~~ For purposes of this grant program, "licensure shortage area" means a license field or economic development region within Minnesota defined as a shortage area by the Department of Education using determined by the Professional Educator Licensing and Standards Board in which the number of surveyed districts or schools within an economic development region reporting or predicting hiring a teacher for a specific licensure area as "very difficult" is equal to or greater than the number of districts or schools reporting or predicting such hiring as "easy" in data collected for the teacher supply and demand report under ~~section~~ sections 122A.091, subdivision 5, and 127A.05, subdivision 6, or other surveys conducted by the Department of Education or Professional Educator Licensing and Standards Board that provide indicators for teacher supply and demand.

Subd. 2. **Eligibility.** To be eligible for a grant under this section, a student teacher candidate must:

(1) be enrolled in a Professional Educator Licensing and Standards Board-approved teacher preparation program that requires at least 12 weeks of student teaching to complete the program in order to be recommended for a ~~full professional~~ any Tier 3 teaching license from early childhood through grade 12;

(2) demonstrate financial need based on criteria established by the commissioner under subdivision 3;

(3) ~~intend to teach in~~ be completing a program in a licensure shortage area existing within the economic development region where either the candidate's preparation program or permanent residence is located, or belong to an ~~underrepresented~~ racial or ethnic group underrepresented in Minnesota's teacher workforce; and

(4) be meeting satisfactory academic progress as defined under section 136A.101, subdivision 10.

Subd. 3. **Administration; repayment.** (a) The commissioner must establish an application process and other guidelines for implementing this program, including repayment responsibilities for stipend recipients who do not complete student teaching or who leave Minnesota to teach in another state during the first year after student teaching.

(b) The commissioner must determine each academic year the stipend amount up to \$7,500 based on the amount of available funding, the number of eligible applicants, and the financial need of the applicants.

(c) In order to help improve all students' access to effective and diverse teachers, the percentage of the total award reserved for teacher candidates who identify as belonging to an underrepresented racial or ethnic group underrepresented in the Minnesota teacher workforce must be equal to or greater than the total percentage of students of from all such underrepresented racial or ethnic groups as measured under section 120B.35, subdivision 3. If this percentage cannot be met because of a lack of qualifying candidates, the remaining amount may be awarded to teacher candidates who intend to teach in a shortage area. Student teacher candidates who are of color or who are American Indian who have made satisfactory academic progress must have priority for receiving a grant from available funds to student teach and complete their preparation programs if they meet eligibility requirements and participated in a Minnesota teachers of color scholarship program or other similarly styled program.

Sec. 48. Minnesota Statutes 2018, section 136A.1791, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The terms used in this section have the meanings given them in this subdivision.

(b) "Qualified educational loan" means a government, commercial, or foundation loan for actual costs paid for tuition and reasonable educational and living expenses related to a teacher's preparation or further education.

(c) "School district" means an independent school district, special school district, intermediate district, education district, special education cooperative, service cooperative, a cooperative center for vocational education, or a charter school located in Minnesota.

(d) "Teacher" means an individual holding a teaching license issued by the Professional Educator Licensing and Standards Board who is employed by a school district to provide classroom instruction or a Head Start or Early Head Start nonlicensed early childhood professional employed by a Head Start program under section 119A.50.

(e) "Teacher shortage area" means any of the following experiencing a teacher shortage as reported by the Professional Educator Licensing and Standards Board:

(1) the licensure fields and specific to particular economic development regions reported by the commissioner of education as experiencing a teacher shortage; and;

(2) individual economic development regions; or

(3) economic development regions where there is a shortage of licensed teachers who reflect the racial or ethnic diversity of are of color or who are American Indian where the aggregate percentage of this group of teachers is lower than the aggregate percentage of students of color and American Indian students in the region as reported by the commissioner of education.

(f) "Commissioner" means the commissioner of the Office of Higher Education unless indicated otherwise.

Sec. 49. Minnesota Statutes 2018, section 136A.1791, subdivision 2, is amended to read:

Subd. 2. **Program established; administration.** The commissioner ~~shall~~ must establish and administer a teacher shortage loan forgiveness program. A teacher is eligible for the program if the teacher is teaching in an identified teacher shortage area for the economic development region in which the teacher works as defined in subdivision 1 and reported under subdivision 3 and complies with the requirements of this section.

Sec. 50. Minnesota Statutes 2018, section 136A.1791, subdivision 3, is amended to read:

Subd. 3. **Use of report on teacher shortage areas.** ~~The commissioner of education shall~~ Professional Educator Licensing and Standards Board must use the teacher supply and demand report to the legislature to identify the licensure fields and racial or ethnic groups in economic development regions in Minnesota experiencing a teacher shortage.

Sec. 51. Minnesota Statutes 2018, section 136A.1791, subdivision 4, is amended to read:

Subd. 4. **Application for loan forgiveness.** Each applicant for loan forgiveness, according to rules adopted by the commissioner, ~~shall~~ must:

(1) apply for teacher shortage loan forgiveness and promptly submit any additional information required by the commissioner; and

(2) submit to the commissioner a completed affidavit, prescribed by the commissioner, affirming the teacher is teaching in: ~~(i) a licensure field identified by the commissioner as experiencing a teacher shortage; or (ii) an economic development region identified by the commissioner as experiencing a teacher shortage~~ a shortage area.

Sec. 52. Minnesota Statutes 2018, section 136A.1791, subdivision 5, is amended to read:

Subd. 5. **Amount of loan forgiveness.** (a) To the extent funding is available, the annual amount of teacher shortage loan forgiveness for an approved applicant ~~shall as a teacher in any shortage area must~~ not exceed ~~\$1,000~~ \$2,000 or the cumulative balance of the applicant's qualified educational loans, including principal and interest, whichever amount is less. To support the retention of teachers who are of color or who are American Indian and to the extent there are sufficient applications, the percentage of loan repayments granted to teachers of color and American Indian teachers must at least be equivalent to the aggregated percentage of students of color and American Indian students in the state.

(b) Notwithstanding paragraph (a), applicants who meet both licensure field and underrepresented racial or ethnic group eligibility in their economic development region may receive an annual amount of up to \$4,000 or the cumulative balance of the applicant's qualified educational loans, including principal and interest, whichever amount is less.

~~(b)~~ (c) Recipients must secure their own qualified educational loans. Teachers who graduate from an approved teacher preparation program or teachers who add a licensure field, consistent with the teacher shortage requirements of this section, are eligible to apply for the loan forgiveness program.

~~(c)~~ (d) No teacher ~~shall~~ may receive more than ~~five~~ ten annual awards.

Sec. 53. Minnesota Statutes 2018, section 214.01, subdivision 3, is amended to read:

Subd. 3. **Non-health-related licensing board.** "Non-health-related licensing board" means the Professional Educator Licensing and Standards Board established pursuant to section 122A.07, the Board of School Administrators established pursuant to section 122A.14, the Board of Barber Examiners established pursuant to section 154.001, the Board of Cosmetologist Examiners established pursuant to section 155A.20, the Board of Assessors established pursuant to section 270.41, the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design established pursuant to section 326.04, the Private Detective and Protective Agent Licensing Board established pursuant to section 326.33, the Board of Accountancy established pursuant to section 326A.02, and the Peace Officer Standards and Training Board established pursuant to section 626.841.

Sec. 54. **[245C.125] BACKGROUND STUDY; PROFESSIONAL EDUCATOR LICENSING AND STANDARDS BOARD.**

The commissioner may contract with the Professional Educator Licensing and Standards Board to conduct background studies and obtain background study data as required under this chapter and chapter 122A. When required in chapter 122A, the commissioner must conduct a national criminal history record check.

Sec. 55. Minnesota Statutes 2018, section 626.556, subdivision 10, is amended to read:

Subd. 10. **Duties of local welfare agency and local law enforcement agency upon receipt of report; mandatory notification between police or sheriff and agency.** (a) The police department or the county sheriff shall immediately notify the local welfare agency or agency responsible for child protection reports under this section orally and in writing when a report is received. The local welfare agency or agency responsible for child protection reports shall immediately notify the local police department or the county sheriff orally and in writing when a report is received. The county sheriff and the head of every local welfare agency, agency responsible for child protection reports, and police department shall each designate a person within their agency, department, or office who is responsible for ensuring that the notification duties of this paragraph are carried out. When the alleged maltreatment occurred on tribal land, the local welfare agency or agency responsible for child protection reports and the local police department or the county sheriff shall immediately notify the tribe's social services agency and tribal law enforcement orally and in writing when a report is received. When a police department or county sheriff determines that a child has been the subject of physical abuse, sexual abuse, or neglect by a person licensed by the Professional Educator Licensing and Standards Board or Board of School Administrators, it shall, in addition to its other duties under this section, immediately inform the licensing board. Law enforcement must work collaboratively with the board that has jurisdiction over the matter, including sharing documents and evidence to continue the investigation.

(b) Upon receipt of a report, the local welfare agency shall determine whether to conduct a family assessment or an investigation as appropriate to prevent or provide a remedy for child maltreatment. The local welfare agency:

(1) shall conduct an investigation on reports involving sexual abuse or substantial child endangerment;

(2) shall begin an immediate investigation if, at any time when it is using a family assessment response, it determines that there is reason to believe that sexual abuse or substantial child endangerment or a serious threat to the child's safety exists;

(3) may conduct a family assessment for reports that do not allege sexual abuse or substantial child endangerment. In determining that a family assessment is appropriate, the local welfare agency may consider issues of child safety, parental cooperation, and the need for an immediate response;

(4) may conduct a family assessment on a report that was initially screened and assigned for an investigation. In determining that a complete investigation is not required, the local welfare agency must document the reason for terminating the investigation and notify the local law enforcement agency if the local law enforcement agency is conducting a joint investigation; and

(5) shall provide immediate notice, according to section 260.761, subdivision 2, to an Indian child's tribe when the agency has reason to believe the family assessment or investigation may involve an Indian child. For purposes of this clause, "immediate notice" means notice provided within 24 hours.

If the report alleges neglect, physical abuse, or sexual abuse by a parent, guardian, or individual functioning within the family unit as a person responsible for the child's care, or sexual abuse by a person with a significant relationship to the child when that person resides in the child's household or by a sibling, the local welfare agency

shall immediately conduct a family assessment or investigation as identified in clauses (1) to (4). In conducting a family assessment or investigation, the local welfare agency shall gather information on the existence of substance abuse and domestic violence and offer services for purposes of preventing future child maltreatment, safeguarding and enhancing the welfare of the abused or neglected minor, and supporting and preserving family life whenever possible. If the report alleges a violation of a criminal statute involving sexual abuse, physical abuse, or neglect or endangerment, under section 609.378, the local law enforcement agency and local welfare agency shall coordinate the planning and execution of their respective investigation and assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews. Each agency shall prepare a separate report of the results of its investigation or assessment. In cases of alleged child maltreatment resulting in death, the local agency may rely on the fact-finding efforts of a law enforcement investigation to make a determination of whether or not maltreatment occurred. When necessary the local welfare agency shall seek authority to remove the child from the custody of a parent, guardian, or adult with whom the child is living. In performing any of these duties, the local welfare agency shall maintain appropriate records.

If the family assessment or investigation indicates there is a potential for abuse of alcohol or other drugs by the parent, guardian, or person responsible for the child's care, the local welfare agency shall conduct a chemical use assessment pursuant to Minnesota Rules, part 9530.6615.

(c) When a local agency receives a report or otherwise has information indicating that a child who is a client, as defined in section 245.91, has been the subject of physical abuse, sexual abuse, or neglect at an agency, facility, or program as defined in section 245.91, it shall, in addition to its other duties under this section, immediately inform the ombudsman established under sections 245.91 to 245.97. The commissioner of education shall inform the ombudsman established under sections 245.91 to 245.97 of reports regarding a child defined as a client in section 245.91 that maltreatment occurred at a school as defined in section 120A.05, subdivisions 9, 11, and 13, and chapter 124E.

(d) Authority of the local welfare agency responsible for assessing or investigating the child abuse or neglect report, the agency responsible for assessing or investigating the report, and of the local law enforcement agency for investigating the alleged abuse or neglect includes, but is not limited to, authority to interview, without parental consent, the alleged victim and any other minors who currently reside with or who have resided with the alleged offender. The interview may take place at school or at any facility or other place where the alleged victim or other minors might be found or the child may be transported to, and the interview conducted at, a place appropriate for the interview of a child designated by the local welfare agency or law enforcement agency. The interview may take place outside the presence of the alleged offender or parent, legal custodian, guardian, or school official. For family assessments, it is the preferred practice to request a parent or guardian's permission to interview the child prior to conducting the child interview, unless doing so would compromise the safety assessment. Except as provided in this paragraph, the parent, legal custodian, or guardian shall be notified by the responsible local welfare or law enforcement agency no later than the conclusion of the investigation or assessment that this interview has occurred. Notwithstanding rule 32 of the Minnesota Rules of Procedure for Juvenile Courts, the juvenile court may, after hearing on an ex parte motion by the local welfare agency, order that, where reasonable cause exists, the agency withhold notification of this interview from the parent, legal custodian, or guardian. If the interview took place or is to take place on school property, the order shall specify that school officials may not disclose to the parent, legal custodian, or guardian the contents of the notification of intent to interview the child on school property, as provided under this paragraph, and any other related information regarding the interview that may be a part of the child's school record. A copy of the order shall be sent by the local welfare or law enforcement agency to the appropriate school official.

(e) When the local welfare, local law enforcement agency, or the agency responsible for assessing or investigating a report of maltreatment determines that an interview should take place on school property, written notification of intent to interview the child on school property must be received by school officials prior to the interview. The notification shall include the name of the child to be interviewed, the purpose of the interview, and a reference to the statutory authority to conduct an interview on school property. For interviews conducted by the

local welfare agency, the notification shall be signed by the chair of the local social services agency or the chair's designee. The notification shall be private data on individuals subject to the provisions of this paragraph. School officials may not disclose to the parent, legal custodian, or guardian the contents of the notification or any other related information regarding the interview until notified in writing by the local welfare or law enforcement agency that the investigation or assessment has been concluded, unless a school employee or agent is alleged to have maltreated the child. Until that time, the local welfare or law enforcement agency or the agency responsible for assessing or investigating a report of maltreatment shall be solely responsible for any disclosures regarding the nature of the assessment or investigation.

Except where the alleged offender is believed to be a school official or employee, the time and place, and manner of the interview on school premises shall be within the discretion of school officials, but the local welfare or law enforcement agency shall have the exclusive authority to determine who may attend the interview. The conditions as to time, place, and manner of the interview set by the school officials shall be reasonable and the interview shall be conducted not more than 24 hours after the receipt of the notification unless another time is considered necessary by agreement between the school officials and the local welfare or law enforcement agency. Where the school fails to comply with the provisions of this paragraph, the juvenile court may order the school to comply. Every effort must be made to reduce the disruption of the educational program of the child, other students, or school staff when an interview is conducted on school premises.

(f) Where the alleged offender or a person responsible for the care of the alleged victim or other minor prevents access to the victim or other minor by the local welfare agency, the juvenile court may order the parents, legal custodian, or guardian to produce the alleged victim or other minor for questioning by the local welfare agency or the local law enforcement agency outside the presence of the alleged offender or any person responsible for the child's care at reasonable places and times as specified by court order.

(g) Before making an order under paragraph (f), the court shall issue an order to show cause, either upon its own motion or upon a verified petition, specifying the basis for the requested interviews and fixing the time and place of the hearing. The order to show cause shall be served personally and shall be heard in the same manner as provided in other cases in the juvenile court. The court shall consider the need for appointment of a guardian ad litem to protect the best interests of the child. If appointed, the guardian ad litem shall be present at the hearing on the order to show cause.

(h) The commissioner of human services, the ombudsman for mental health and developmental disabilities, the local welfare agencies responsible for investigating reports, the commissioner of education, and the local law enforcement agencies have the right to enter facilities as defined in subdivision 2 and to inspect and copy the facility's records, including medical records, as part of the investigation. Notwithstanding the provisions of chapter 13, they also have the right to inform the facility under investigation that they are conducting an investigation, to disclose to the facility the names of the individuals under investigation for abusing or neglecting a child, and to provide the facility with a copy of the report and the investigative findings.

(i) The local welfare agency responsible for conducting a family assessment or investigation shall collect available and relevant information to determine child safety, risk of subsequent child maltreatment, and family strengths and needs and share not public information with an Indian's tribal social services agency without violating any law of the state that may otherwise impose duties of confidentiality on the local welfare agency in order to implement the tribal state agreement. The local welfare agency or the agency responsible for investigating the report shall collect available and relevant information to ascertain whether maltreatment occurred and whether protective services are needed. Information collected includes, when relevant, information with regard to the person reporting the alleged maltreatment, including the nature of the reporter's relationship to the child and to the alleged offender, and the basis of the reporter's knowledge for the report; the child allegedly being maltreated; the alleged offender; the child's caretaker; and other collateral sources having relevant information related to the alleged maltreatment. The local welfare agency or the agency responsible for investigating the report may make a determination of no maltreatment early in an investigation, and close the case and retain immunity, if the collected information shows no basis for a full investigation.

Information relevant to the assessment or investigation must be asked for, and may include:

(1) the child's sex and age; prior reports of maltreatment, including any maltreatment reports that were screened out and not accepted for assessment or investigation; information relating to developmental functioning; credibility of the child's statement; and whether the information provided under this clause is consistent with other information collected during the course of the assessment or investigation;

(2) the alleged offender's age, a record check for prior reports of maltreatment, and criminal charges and convictions. The local welfare agency or the agency responsible for assessing or investigating the report must provide the alleged offender with an opportunity to make a statement. The alleged offender may submit supporting documentation relevant to the assessment or investigation;

(3) collateral source information regarding the alleged maltreatment and care of the child. Collateral information includes, when relevant: (i) a medical examination of the child; (ii) prior medical records relating to the alleged maltreatment or the care of the child maintained by any facility, clinic, or health care professional and an interview with the treating professionals; and (iii) interviews with the child's caretakers, including the child's parent, guardian, foster parent, child care provider, teachers, counselors, family members, relatives, and other persons who may have knowledge regarding the alleged maltreatment and the care of the child; and

(4) information on the existence of domestic abuse and violence in the home of the child, and substance abuse.

Nothing in this paragraph precludes the local welfare agency, the local law enforcement agency, or the agency responsible for assessing or investigating the report from collecting other relevant information necessary to conduct the assessment or investigation. Notwithstanding sections 13.384 or 144.291 to 144.298, the local welfare agency has access to medical data and records for purposes of clause (3). Notwithstanding the data's classification in the possession of any other agency, data acquired by the local welfare agency or the agency responsible for assessing or investigating the report during the course of the assessment or investigation are private data on individuals and must be maintained in accordance with subdivision 11. Data of the commissioner of education collected or maintained during and for the purpose of an investigation of alleged maltreatment in a school are governed by this section, notwithstanding the data's classification as educational, licensing, or personnel data under chapter 13.

In conducting an assessment or investigation involving a school facility as defined in subdivision 2, paragraph (c), the commissioner of education shall collect investigative reports and data that are relevant to a report of maltreatment and are from local law enforcement and the school facility.

(j) Upon receipt of a report, the local welfare agency shall conduct a face-to-face contact with the child reported to be maltreated and with the child's primary caregiver sufficient to complete a safety assessment and ensure the immediate safety of the child. The face-to-face contact with the child and primary caregiver shall occur immediately if sexual abuse or substantial child endangerment is alleged and within five calendar days for all other reports. If the alleged offender was not already interviewed as the primary caregiver, the local welfare agency shall also conduct a face-to-face interview with the alleged offender in the early stages of the assessment or investigation. At the initial contact, the local child welfare agency or the agency responsible for assessing or investigating the report must inform the alleged offender of the complaints or allegations made against the individual in a manner consistent with laws protecting the rights of the person who made the report. The interview with the alleged offender may be postponed if it would jeopardize an active law enforcement investigation.

(k) When conducting an investigation, the local welfare agency shall use a question and answer interviewing format with questioning as nondirective as possible to elicit spontaneous responses. For investigations only, the following interviewing methods and procedures must be used whenever possible when collecting information:

(1) audio recordings of all interviews with witnesses and collateral sources; and

(2) in cases of alleged sexual abuse, audio-video recordings of each interview with the alleged victim and child witnesses.

(l) In conducting an assessment or investigation involving a school facility as defined in subdivision 2, paragraph (c), the commissioner of education shall collect available and relevant information and use the procedures in paragraphs (j) and (k), and subdivision 3d, except that the requirement for face-to-face observation of the child and face-to-face interview of the alleged offender is to occur in the initial stages of the assessment or investigation provided that the commissioner may also base the assessment or investigation on investigative reports and data received from the school facility and local law enforcement, to the extent those investigations satisfy the requirements of paragraphs (j) and (k), and subdivision 3d.

Sec. 56. Minnesota Statutes 2018, section 626.556, subdivision 11, is amended to read:

Subd. 11. **Records.** (a) Except as provided in paragraph (b) and subdivisions 10b, 10d, 10g, and 11b, all records concerning individuals maintained by a local welfare agency or agency responsible for assessing or investigating the report under this section, including any written reports filed under subdivision 7, shall be private data on individuals, except insofar as copies of reports are required by subdivision 7 to be sent to the local police department or the county sheriff. All records concerning determinations of maltreatment by a facility are nonpublic data as maintained by the Department of Education, except insofar as copies of reports are required by subdivision 7 to be sent to the local police department or the county sheriff. Reports maintained by any police department or the county sheriff shall be private data on individuals except the reports shall be made available to the investigating, petitioning, or prosecuting authority, including county medical examiners or county coroners. Section 13.82, subdivisions 8, 9, and 14, apply to law enforcement data other than the reports. The local social services agency or agency responsible for assessing or investigating the report shall make available to the investigating, petitioning, or prosecuting authority, including county medical examiners or county coroners or their professional delegates, any records which contain information relating to a specific incident of neglect or abuse which is under investigation, petition, or prosecution and information relating to any prior incidents of neglect or abuse involving any of the same persons. The records shall be collected and maintained in accordance with the provisions of chapter 13. In conducting investigations and assessments pursuant to this section, the notice required by section 13.04, subdivision 2, need not be provided to a minor under the age of ten who is the alleged victim of abuse or neglect. An individual subject of a record shall have access to the record in accordance with those sections, except that the name of the reporter shall be confidential while the report is under assessment or investigation except as otherwise permitted by this subdivision. Any person conducting an investigation or assessment under this section who intentionally discloses the identity of a reporter prior to the completion of the investigation or assessment is guilty of a misdemeanor. After the assessment or investigation is completed, the name of the reporter shall be confidential. The subject of the report may compel disclosure of the name of the reporter only with the consent of the reporter or upon a written finding by the court that the report was false and that there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the Rules of Criminal Procedure.

(b) Upon request of the legislative auditor, data on individuals maintained under this section must be released to the legislative auditor in order for the auditor to fulfill the auditor's duties under section 3.971. The auditor shall maintain the data in accordance with chapter 13.

(c) The commissioner of education must be provided with all requested data that are relevant to a report of maltreatment and are in possession of a school facility as defined in subdivision 2, paragraph (c), when the data is requested pursuant to an assessment or investigation of a maltreatment report of a student in a school. If the commissioner of education makes a determination of maltreatment involving an individual performing work within a school facility who is licensed by a board or other agency, the commissioner shall provide ~~necessary and relevant~~

information to the licensing entity to enable the entity to fulfill with the full investigative file including but not limited to witness statements, all documents provided by witnesses or the district, a witness list, the full and complete maltreatment determination report including the witness name key, and other information the licensing agency deems necessary in completing its statutory duties. Upon written request from the appropriate licensing board, the commissioner of education may solicit the written consent of a student and the student's parent to provide the licensing board with information that may aid the licensing board in its investigation and license proceedings, including the student's name. Notwithstanding section 13.03, subdivision 4, data received by a licensing entity under this paragraph are governed by section 13.41 or other applicable law governing data of the receiving entity, except that this section applies to the classification of and access to data on the reporter of the maltreatment.

Sec. 57. Minnesota Statutes 2018, section 631.40, subdivision 4, is amended to read:

Subd. 4. **Licensed teachers.** When a person is convicted of child abuse, as defined in section 609.185, ~~or~~ sexual abuse under section 609.342, 609.343, 609.344, 609.345, 609.3451, subdivision 3, or 617.23, subdivision 3; ~~sex trafficking in the first degree under section 609.322, subdivision 1; sex trafficking in the second degree under section 609.322, subdivision 1a; engaging in hiring, or agreeing to hire a minor to engage in prostitution under section 609.324, subdivisions 1 and 1a; exposure under section 617.23, subdivisions 2 and 3; solicitation of children to engage in sexual conduct or communication of sexually explicit materials to children under section 609.352; interference with privacy under section 609.746; stalking under section 609.749, and the victim was a minor; using minors in a sexual performance under section 617.246; possessing pornographic works involving a minor under section 617.247; or any other offense not listed in this subdivision that requires the person to register as a predatory offender under section 243.166;~~ the court shall determine whether the person is licensed to teach under chapter 122A. If the offender is a licensed teacher, the court administrator shall send a certified copy of the conviction to the Professional Educator Licensing and Standards Board or the Board of School Administrators, whichever has jurisdiction over the teacher's license, within ten days after the conviction.

Sec. 58. **REPEALER.**

(a) Laws 2017, First Special Session chapter 5, article 11, section 6, is repealed.

(b) Minnesota Statutes 2018, sections 122A.09, subdivision 1; and 122A.182, subdivision 2, are repealed.

(c) Minnesota Rules, part 8710.2100, subparts 1 and 2, are repealed.

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

ARTICLE 4 SPECIAL EDUCATION

Section 1. Minnesota Statutes 2018, section 125A.08, is amended to read:

125A.08 INDIVIDUALIZED EDUCATION PROGRAMS.

(a) At the beginning of each school year, each school district shall have in effect, for each child with a disability, an individualized education program.

(b) As defined in this section, every district must ensure the following:

(1) all students with disabilities are provided the special instruction and services which are appropriate to their needs. Where the individualized education program team has determined appropriate goals and objectives based on the student's needs, including the extent to which the student can be included in the least restrictive environment,

and where there are essentially equivalent and effective instruction, related services, or assistive technology devices available to meet the student's needs, cost to the district may be among the factors considered by the team in choosing how to provide the appropriate services, instruction, or devices that are to be made part of the student's individualized education program. The individualized education program team shall consider and may authorize services covered by medical assistance according to section 256B.0625, subdivision 26. Before a school district evaluation team makes a determination of other health disability under Minnesota Rules, part 3525.1335, subparts 1 and 2, item A, subitem (1), the evaluation team must seek written documentation of the student's medically diagnosed chronic or acute health condition signed by a licensed physician or a licensed health care provider acting within the scope of the provider's practice. The student's needs and the special education instruction and services to be provided must be agreed upon through the development of an individualized education program. The program must address the student's need to develop skills to live and work as independently as possible within the community. The individualized education program team must consider positive behavioral interventions, strategies, and supports that address behavior needs for children. During grade 9, the program must address the student's needs for transition from secondary services to postsecondary education and training, employment, community participation, recreation, and leisure and home living. In developing the program, districts must inform parents of the full range of transitional goals and related services that should be considered. The program must include a statement of the needed transition services, including a statement of the interagency responsibilities or linkages or both before secondary services are concluded. If the individualized education program meets the plan components in section 120B.125, the individualized education program satisfies the requirement and no additional transition plan is needed; An individualized education program team, after affirmative approval of the parent, may eliminate benchmarks or short-term objectives, except for students who take alternative assessments. The individualized education program may report the student's performance on general state or districtwide assessments related to the student's educational needs;

(2) children with a disability under age five and their families are provided special instruction and services appropriate to the child's level of functioning and needs;

(3) children with a disability and their parents or guardians are guaranteed procedural safeguards and the right to participate in decisions involving identification, assessment including assistive technology assessment, and educational placement of children with a disability;

(4) eligibility and needs of children with a disability are determined by an initial evaluation or reevaluation, which may be completed using existing data under United States Code, title 20, section 33, et seq.;

(5) to the maximum extent appropriate, children with a disability, including those in public or private institutions or other care facilities, are educated with children who are not disabled, and that special classes, separate schooling, or other removal of children with a disability from the regular educational environment occurs only when and to the extent that the nature or severity of the disability is such that education in regular classes with the use of supplementary services cannot be achieved satisfactorily;

(6) in accordance with recognized professional standards, testing and evaluation materials, and procedures used for the purposes of classification and placement of children with a disability are selected and administered so as not to be racially or culturally discriminatory; and

(7) the rights of the child are protected when the parents or guardians are not known or not available, or the child is a ward of the state.

(c) For all paraprofessionals employed to work in programs whose role in part is to provide direct support to students with disabilities, the school board in each district shall ensure that:

(1) before or beginning at the time of employment, each paraprofessional must develop sufficient knowledge and skills in emergency procedures, building orientation, roles and responsibilities, confidentiality, vulnerability, and reportability, among other things, to begin meeting the needs, especially disability-specific and behavioral needs, of the students with whom the paraprofessional works;

(2) annual training opportunities are required to enable the paraprofessional to continue to further develop the knowledge and skills that are specific to the students with whom the paraprofessional works, including understanding disabilities, the unique and individual needs of each student according to the student's disability and how the disability affects the student's education and behavior, following lesson plans, and implementing follow-up instructional procedures and activities; and

(3) a districtwide process obligates each paraprofessional to work under the ongoing direction of a licensed teacher and, where appropriate and possible, the supervision of a school nurse.

(d) A school district may conduct a functional behavior assessment as defined in Minnesota Rules, part 3525.0210, subpart 22, as a stand-alone evaluation without conducting a comprehensive evaluation of the student.

Sec. 2. Minnesota Statutes 2018, section 125A.091, subdivision 3a, is amended to read:

Subd. 3a. **Additional requirements for prior written notice.** In addition to federal law requirements, a prior written notice shall:

(1) inform the parent that except for the initial placement of a child in special education, the school district will proceed with its proposal for the child's placement or for providing special education services unless the child's parent notifies the district of an objection within 14 days of when the district sends the prior written notice to the parent; and

(2) state that a parent who objects to a proposal or refusal in the prior written notice may:

(i) request a conciliation conference under subdivision 7 or another alternative dispute resolution procedure under subdivision 8 or 9; or

(ii) identify the specific part of the proposal or refusal the parent objects to and request a meeting with appropriate members of the individualized education program team.

Sec. 3. Minnesota Statutes 2018, section 125A.091, subdivision 7, is amended to read:

Subd. 7. **Conciliation conference.** A parent must have an opportunity to request a meeting with appropriate members of the individualized education program team or meet with appropriate district staff in at least one conciliation conference if the parent objects to any proposal of which the parent receives notice under subdivision 3a. A district must hold a conciliation conference within ten calendar days from the date the district receives a parent's ~~objection to a proposal or refusal in the prior written notice~~ request for a conciliation conference. Except as provided in this section, all discussions held during a conciliation conference are confidential and are not admissible in a due process hearing. Within five school days after the final conciliation conference, the district must prepare and provide to the parent a conciliation conference memorandum that describes the district's final proposed offer of service. This memorandum is admissible in evidence in any subsequent proceeding.

Sec. 4. Minnesota Statutes 2018, section 125A.50, subdivision 1, is amended to read:

Subdivision 1. **Commissioner approval.** The commissioner may approve applications from districts initiating or significantly changing a program to provide prevention services as an alternative to special education and other compensatory programs. A district with an approved program may provide instruction and services in a regular

education classroom, or an area learning center, to eligible pupils. Pupils eligible to participate in the program are pupils who need additional academic or behavioral support to succeed in the general education environment and who may eventually qualify for special education instruction or related services under sections 125A.03 to 125A.24 and 125A.65 if the intervention services authorized by this section were unavailable. A pupil with an individualized education program may participate in the program in a service area which the individualized education program team has determined is not an educational need that results from the pupil's disability. Pupils may be provided services during extended school days and throughout the entire year and through the assurance of mastery program under sections 125A.03 to 125A.24 and 125A.65.

Sec. 5. Minnesota Statutes 2018, section 136D.01, is amended to read:

136D.01 INTERMEDIATE SCHOOL DISTRICT.

"Intermediate school district" means a district with a cooperative program ~~which has been established~~ under ~~Laws 1967, chapter 822, as amended; Laws 1969, chapter 775, as amended; and Laws 1969, chapter 1060, as amended~~ this chapter, offering integrated services for secondary, postsecondary, and adult students in the areas of vocational education, special education, and other authorized services.

Sec. 6. Minnesota Statutes 2018, section 136D.49, is amended to read:

136D.49 OTHER MEMBERSHIP AND POWERS.

In addition to the districts listed in sections 136D.21, 136D.41, 136D.71, and 136D.81, the agreement of an intermediate school district established under this chapter may provide for the membership of other school districts and cities, counties, and other governmental units as defined in section 471.59. In addition to the powers listed in sections ~~136D.25, 136D.24, 136D.44,~~ 136D.73, and 136D.84, an intermediate school board may provide the services defined in section 123A.21, subdivisions 7 and 8.

Sec. 7. **PRIOR WRITTEN NOTICE WORKING GROUP.**

(a) The commissioner of education must appoint a working group by July 1, 2019, that includes the following:

(1) special education administrators;

(2) special education teachers;

(3) school board members;

(4) parents of children with disabilities receiving special instruction and services in accordance with Minnesota Statutes, chapter 125A;

(5) organizations that work with the parents of children with disabilities; and

(6) Department of Education staff with expertise in special education compliance.

(b) The commissioner of education must convene the first meeting of the working group no later than July 15, 2019, and must provide support and meeting space for the working group. The meetings of the working group are subject to the requirements of Minnesota Statutes, chapter 13D.

(c) Members of the working group serve without compensation, but may be reimbursed for allowed actual and necessary expenses incurred in the performance of the member's duties for the working group in the same manner and amount as authorized by the commissioner's plan under Minnesota Statutes, section 43A.18, subdivision 2.

(d) The working group must make recommendations for improving alignment between state guidance and federal law requirements on prior written notice by January 15, 2020. The working group must report its recommendations to the chairs and ranking minority members of the legislative committees or divisions with jurisdiction over kindergarten through grade 12 education.

(e) This section expires January 16, 2020, or the day after the working group submits the report required by this section, whichever is earlier.

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

Sec. 8. **INDIVIDUALIZED EDUCATION PROGRAM; RULE AMENDMENT.**

The commissioner of education must amend Minnesota Rules, part 3525.2810, subpart 2, item A, to allow but not require an individualized education program to report a student's performance on general state or districtwide assessments.

Sec. 9. **REVISOR INSTRUCTION.**

(a) The revisor of statutes shall renumber the provisions of Minnesota Statutes listed in column A to the references listed in column B.

Column A

Column B

136D.01

123C.01

136D.21

123C.20

136D.22, subdivisions 1 and 2

123C.21, subdivisions 1 and 2

136D.23

123C.22

136D.24

123C.23

136D.25

123C.24

136D.26

123C.25

136D.29

123C.26

136D.31

123C.27

136D.41

123C.30

136D.42

123C.31

136D.43

123C.32

136D.44

123C.33

136D.45

123C.34

136D.46

123C.35

136D.47

123C.36

136D.48

123C.37

136D.49

123C.02

136D.71, subdivision 1

123C.60, subdivision 1

136D.72

123C.61

136D.73, subdivision 1

123C.63, subdivision 1

136D.73, subdivision 2

123C.63, subdivision 3

136D.73, subdivision 4

123C.63, subdivision 4

136D.73, subdivision 4a

123C.63, subdivision 5

136D.73, subdivision 4b

123C.63, subdivision 6

136D.73, subdivision 4c
136D.73, subdivision 5
136D.74, subdivision 1
136D.74, subdivision 1a
136D.74, subdivision 1b
136D.76, subdivision 1
136D.76, subdivision 2
136D.81, subdivision 1
136D.82, subdivisions 1 and 2
136D.83
136D.84
136D.85
136D.86
136D.90, subdivision 1
136D.92

123C.63, subdivision 7
123C.63, subdivision 8
123C.62, subdivision 1
123C.62, subdivision 2
123C.62, subdivision 3
123C.63, subdivision 2
123C.60, subdivision 2
123C.70
123C.71, subdivisions 1 and 2
123C.72
123C.73
123C.74
123C.75
123C.76
123C.77

(b) The revisor of statutes shall make necessary cross-reference changes in Minnesota Statutes consistent with the renumbering in this section, and if Minnesota Statutes, chapter 136D, is further amended in the 2019 legislative session, shall codify the amendments in a manner consistent with this act. The revisor may make necessary changes to sentence structure to preserve the meaning of the text.

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

Sec. 10. **REPEALER.**

Minnesota Statutes 2018, section 136D.93, is repealed.

ARTICLE 5 HEALTH AND SAFETY

Section 1. Minnesota Statutes 2018, section 120B.21, is amended to read:

120B.21 MENTAL HEALTH EDUCATION.

School districts and charter schools are encouraged to provide mental health instruction for students in grades ~~6~~ 4 through 12 aligned with local health standards and integrated into existing programs, curriculum, or the general school environment of a district or charter school. The commissioner, in consultation with the commissioner of human services, commissioner of health, and mental health organizations, ~~is encouraged to~~ must, by July 1, 2020, and July 1 of each even-numbered year thereafter, provide districts and charter schools with:

(1) age-appropriate model learning activities for grades ~~6~~ 4 through 12 that encompass the mental health components of the National Health Education Standards and the benchmarks developed by the department's quality teaching network in health and best practices in mental health education; and

(2) a directory of resources for planning and implementing age-appropriate mental health curriculum and instruction in grades ~~6~~ 4 through 12 that includes resources on suicide and self-harm prevention.

Sec. 2. **[120B.211] SEXUAL HEALTH EDUCATION.**

Subdivision 1. **Model program.** (a) The commissioner of education must, in consultation with the commissioner of health and other qualified experts, identify one or more model comprehensive sexual health education programs for elementary and secondary school students. The commissioner must use the rulemaking process under section 14.389, including a hearing under section 14.389, subdivision 5, to identify a model program under this section. The commissioner must provide school districts and charter schools with access to the model program, including written materials, curriculum resources, and training for instructors by June 1, 2021.

(b) The model program must include medically accurate instruction that is age and developmentally appropriate on:

(1) human anatomy, reproduction, and sexual development;

(2) consent, bodily autonomy, and healthy relationships, including relationships involving diverse sexual orientations and gender identities;

(3) abstinence and other methods for preventing unintended pregnancy and sexually transmitted infections; and

(4) the relationship between substance use and sexual behavior and health.

(c) "Consent" as used in this section means affirmative, conscious, and voluntary agreement to engage in interpersonal, physical, or sexual activity.

Subd. 2. **School programs.** (a) Starting in the 2021-2022 school year, a school district or charter school must implement a comprehensive sexual health education program for students in elementary and secondary school, including students with disabilities and students enrolled in a state-approved alternative program. The sexual health education program must include instruction on the topics listed in subdivision 1, paragraph (b), and must:

(1) respect community values and encourage students to communicate with parents or guardians; faith, health, and social services professionals; and other trusted adults about sexuality and intimate relationships;

(2) respond to culturally diverse individuals, families, and communities in an inclusive, respectful, and effective manner; and

(3) provide students with information about local resources where students may obtain medically accurate information and services related to sexual and reproductive health, dating violence, and sexual assault.

(b) A school district or charter school sexual health education program must include notification to:

(1) students and school employees regarding criminal penalties for engaging in sexual contact with minors and the availability of mistake as to age or consent of the minors as a defense; and

(2) school employees and administrators that a teacher or administrator who engages in sexual contact with a student may be found in violation of the teacher code of ethics and that such conduct may be grounds for suspension or revocation of a teaching license in accordance with section 122A.20, subdivision 1, paragraph (a), clause (1).

(c) The superintendent of a school district or person having administrative control over a charter school must submit to the commissioner an annual assurance of compliance with the requirements of this section. The assurance must state whether the district or charter school adopted a model program identified in accordance with subdivision 1, or whether the district or charter school adopted a different program. The assurances must be in the form and manner prescribed by the commissioner.

(d) Notwithstanding any law to the contrary, instruction in a sexual health education program under this section may be provided by a person without a teaching license who is employed by the school district, charter school, or a community organization if the school administration determines the school employee or community organization has necessary content expertise.

Subd. 3. **Parental review.** A school district or charter school must provide instruction under this section consistent with the parental curriculum review requirements in section 120B.20.

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

Sec. 3. **[121A.032] SCHOOL SEXUAL HARASSMENT AND SEX DISCRIMINATION POLICY COMPLIANCE.**

Subdivision 1. **Duties.** To support school compliance with state and federal sexual harassment and sex discrimination laws, the Department of Education must:

(1) provide leadership, consultation, and technical assistance to districts on the responsibilities of district-designated Title IX coordinators;

(2) collaborate with state experts on sexual violence, including the Department of Health Sexual Violence Prevention Unit and the Department of Human Rights, to establish model protocols, material development, and training to district-designated Title IX coordinators as appropriate;

(3) disseminate guidance from the federal government on Title IX, including school-based sexual harassment and sexual violence;

(4) collect and maintain an updated statewide list of Title IX coordinators for all public school districts;

(5) serve as the state lead on Title IX for schools, parents, students, and community organizations; and

(6) upon request from a school district, provide specific training to public schools on preventing and responding to sexual violence, conducting trauma-informed investigations, and provide redress for victims, including but not limited to accommodations during the investigation as requested.

Subd. 2. **Training.** The Department of Education must provide training to Title IX coordinators on state and federal sexual harassment and sex discrimination laws every other year. The training must include responding to allegations, conducting investigations, and reviewing and implementing prevention policies focused on changing culture.

Sec. 4. Minnesota Statutes 2018, section 121A.22, subdivision 1, is amended to read:

Subdivision 1. **Applicability.** (a) This section applies only:

(1) when the parent of a pupil requests school personnel to administer drugs or medicine to the pupil; or

(2) when administration is allowed by the individualized education program of a child with a disability.

The request of a parent may be oral or in writing. An oral request must be reduced to writing within two school days, provided that the district may rely on an oral request until a written request is received.

(b) If the administration of a drug or medication described in paragraph (a) requires the school to store the drugs or medication, the parent or legal guardian must inform the school if the drug or medication is a controlled substance. For drugs or medications that are not controlled substances, the request must include a provision designating the school district as an authorized entity to transport the drug or medication for the purpose of destruction if any unused drug or medication is left in the possession of school personnel. For drugs or medications that are controlled substances, the request must specify that the parent or legal guardian is required to retrieve the drug when requested by the school.

Sec. 5. Minnesota Statutes 2018, section 121A.22, is amended by adding a subdivision to read:

Subd. 4a. **Unclaimed drugs or medications.** (a) Each school district shall adopt a procedure for the collection and transport of any unclaimed or abandoned prescription drugs or over-the-counter medications left in the possession of school personnel in accordance with this subdivision. The procedure must ensure that before the transportation of any prescription drug under this subdivision, the school district shall make a reasonable attempt to return the unused prescription drug to the student's parent or legal guardian. The procedure must provide that transportation of unclaimed or unused prescription drugs or over-the-counter medications occur at least annually, or more frequently as determined by the school district.

(b) If the unclaimed or abandoned prescription drug is not a controlled substance as defined under section 152.01, subdivision 4, or is an over-the-counter medication, the school district may designate an individual who shall be responsible for transporting the drugs or medications to a designated drop-off box or collection site or may request that a law enforcement agency transport the drugs or medications to a drop-off box or collection site on behalf of the school district.

(c) If the unclaimed or abandoned prescription drug is a controlled substance as defined in section 152.01, subdivision 4, a school district or school personnel is prohibited from transporting the prescription drug to a drop-off box or collection site for prescription drugs identified under this paragraph. The school district must request that a law enforcement agency transport the prescription drug or medication to a collection bin that complies with Drug Enforcement Agency regulations, or if a site is not available, under the agency's procedure for transporting drugs.

Sec. 6. **[121A.223] POSSESSION AND USE OF SUNSCREEN.**

A school district must allow a student to possess and apply a topical sunscreen product during the school day, while on school property, or at a school-sponsored event without a prescription, physician's note, or other documentation from a licensed health care professional. A school district may adopt a policy related to student possession and use of sunscreen consistent with this section. Nothing in this section requires school personnel to provide sunscreen or assist students in applying sunscreen.

Sec. 7. Minnesota Statutes 2018, section 626.556, subdivision 2, is amended to read:

Subd. 2. **Definitions.** As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Accidental" means a sudden, not reasonably foreseeable, and unexpected occurrence or event which:

(1) is not likely to occur and could not have been prevented by exercise of due care; and

(2) if occurring while a child is receiving services from a facility, happens when the facility and the employee or person providing services in the facility are in compliance with the laws and rules relevant to the occurrence or event.

(b) "Commissioner" means the commissioner of human services.

(c) "Facility" means:

(1) a licensed or unlicensed day care facility, certified license-exempt child care center, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed under sections 144.50 to 144.58, 241.021, or 245A.01 to 245A.16, or chapter 144H, 245D, or 245H;

(2) a school as defined in section 120A.05, subdivisions 9, 11, and 13; and chapter 124E; or

(3) a nonlicensed personal care provider organization as defined in section 256B.0625, subdivision 19a.

(d) "Family assessment" means a comprehensive assessment of child safety, risk of subsequent child maltreatment, and family strengths and needs that is applied to a child maltreatment report that does not allege sexual abuse or substantial child endangerment. Family assessment does not include a determination as to whether child maltreatment occurred but does determine the need for services to address the safety of family members and the risk of subsequent maltreatment.

(e) "Investigation" means fact gathering related to the current safety of a child and the risk of subsequent maltreatment that determines whether child maltreatment occurred and whether child protective services are needed. An investigation must be used when reports involve sexual abuse or substantial child endangerment, and for reports of maltreatment in facilities required to be licensed or certified under chapter 245A, 245D, or 245H; under sections 144.50 to 144.58 and 241.021; in a school as defined in section 120A.05, subdivisions 9, 11, and 13, and chapter 124E; or in a nonlicensed personal care provider association as defined in section 256B.0625, subdivision 19a.

(f) "Mental injury" means an injury to the psychological capacity or emotional stability of a child as evidenced by an observable or substantial impairment in the child's ability to function within a normal range of performance and behavior with due regard to the child's culture.

(g) "Neglect" means the commission or omission of any of the acts specified under clauses (1) to (9), other than by accidental means:

(1) failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter, health, medical, or other care required for the child's physical or mental health when reasonably able to do so;

(2) failure to protect a child from conditions or actions that seriously endanger the child's physical or mental health when reasonably able to do so, including a growth delay, which may be referred to as a failure to thrive, that has been diagnosed by a physician and is due to parental neglect;

(3) failure to provide for necessary supervision or child care arrangements appropriate for a child after considering factors as the child's age, mental ability, physical condition, length of absence, or environment, when the child is unable to care for the child's own basic needs or safety, or the basic needs or safety of another child in their care;

(4) failure to ensure that the child is educated as defined in sections 120A.22 and 260C.163, subdivision 11, which does not include a parent's refusal to provide the parent's child with sympathomimetic medications, consistent with section 125A.091, subdivision 5;

(5) nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child in lieu of medical care; except that a parent, guardian, or caretaker, or a person mandated to report pursuant to subdivision 3, has a duty to report if a lack of medical care may cause serious danger to the child's health. This section does not impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, education, or medical care, a duty to provide that care;

(6) prenatal exposure to a controlled substance, as defined in section 253B.02, subdivision 2, used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in the child at birth, results of a toxicology test performed on the mother at delivery or the child at birth, medical effects or developmental delays during the child's first year of life that medically indicate prenatal exposure to a controlled substance, or the presence of a fetal alcohol spectrum disorder;

(7) "medical neglect" as defined in section 260C.007, subdivision 6, clause (5);

(8) chronic and severe use of alcohol or a controlled substance by a parent or person responsible for the care of the child that adversely affects the child's basic needs and safety; or

(9) emotional harm from a pattern of behavior which contributes to impaired emotional functioning of the child which may be demonstrated by a substantial and observable effect in the child's behavior, emotional response, or cognition that is not within the normal range for the child's age and stage of development, with due regard to the child's culture.

(h) "Nonmaltreatment mistake" means:

(1) at the time of the incident, the individual was performing duties identified in the center's child care program plan required under Minnesota Rules, part 9503.0045;

(2) the individual has not been determined responsible for a similar incident that resulted in a finding of maltreatment for at least seven years;

(3) the individual has not been determined to have committed a similar nonmaltreatment mistake under this paragraph for at least four years;

(4) any injury to a child resulting from the incident, if treated, is treated only with remedies that are available over the counter, whether ordered by a medical professional or not; and

(5) except for the period when the incident occurred, the facility and the individual providing services were both in compliance with all licensing requirements relevant to the incident.

This definition only applies to child care centers licensed under Minnesota Rules, chapter 9503. If clauses (1) to (5) apply, rather than making a determination of substantiated maltreatment by the individual, the commissioner of human services shall determine that a nonmaltreatment mistake was made by the individual.

(i) "Operator" means an operator or agency as defined in section 245A.02.

(j) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, other school employees or agents, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(k) "Physical abuse" means any physical injury, mental injury, or threatened injury, inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical or mental injury that cannot reasonably be explained by the child's history of injuries, or any aversive or deprivation procedures, or regulated interventions, that have not been authorized under section 125A.0942 or 245.825.

Abuse does not include reasonable and moderate physical discipline of a child administered by a parent or legal guardian which does not result in an injury. Abuse does not include the use of reasonable force by a teacher, principal, or school employee as allowed by section 121A.582. Actions which are not reasonable and moderate include, but are not limited to, any of the following:

(1) throwing, kicking, burning, biting, or cutting a child;

- (2) striking a child with a closed fist;
- (3) shaking a child under age three;
- (4) striking or other actions which result in any nonaccidental injury to a child under 18 months of age;
- (5) unreasonable interference with a child's breathing;
- (6) threatening a child with a weapon, as defined in section 609.02, subdivision 6;
- (7) striking a child under age one on the face or head;
- (8) striking a child who is at least age one but under age four on the face or head, which results in an injury;

(9) purposely giving a child poison, alcohol, or dangerous, harmful, or controlled substances which were not prescribed for the child by a practitioner, in order to control or punish the child; or other substances that substantially affect the child's behavior, motor coordination, or judgment or that results in sickness or internal injury, or subjects the child to medical procedures that would be unnecessary if the child were not exposed to the substances;

(10) unreasonable physical confinement or restraint not permitted under section 609.379, including but not limited to tying, caging, or chaining; or

(11) in a school facility or school zone, an act by a person responsible for the child's care that is a violation under section 121A.58.

(l) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem and parenting time expeditor services.

(m) "Report" means any communication received by the local welfare agency, police department, county sheriff, or agency responsible for child protection pursuant to this section that describes neglect or physical or sexual abuse of a child and contains sufficient content to identify the child and any person believed to be responsible for the neglect or abuse, if known.

(n) "Sexual abuse" means the subjection of a child by a person responsible for the child's care, by a person who has a significant relationship to the child, as defined in section 609.341, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342 (criminal sexual conduct in the first degree), 609.343 (criminal sexual conduct in the second degree), 609.344 (criminal sexual conduct in the third degree), 609.345 (criminal sexual conduct in the fourth degree), ~~or 609.3451 (criminal sexual conduct in the fifth degree), or 609.352 (solicitation of children to engage in sexual conduct; communication of sexually explicit materials to children)~~. Sexual abuse also includes any act which involves a minor which constitutes a violation of prostitution offenses under sections 609.321 to 609.324 or 617.246. Effective May 29, 2017, sexual abuse includes all reports of known or suspected child sex trafficking involving a child who is identified as a victim of sex trafficking. Sexual abuse includes child sex trafficking as defined in section 609.321, subdivisions 7a and 7b. Sexual abuse includes threatened sexual abuse which includes the status of a parent or household member who has committed a violation which requires registration as an offender under section 243.166, subdivision 1b, paragraph (a) or (b), or required registration under section 243.166, subdivision 1b, paragraph (a) or (b).

(o) "Substantial child endangerment" means a person responsible for a child's care, by act or omission, commits or attempts to commit an act against a child under their care that constitutes any of the following:

- (1) egregious harm as defined in section 260C.007, subdivision 14;
- (2) abandonment under section 260C.301, subdivision 2;
- (3) neglect as defined in paragraph (g), clause (2), that substantially endangers the child's physical or mental health, including a growth delay, which may be referred to as failure to thrive, that has been diagnosed by a physician and is due to parental neglect;
- (4) murder in the first, second, or third degree under section 609.185, 609.19, or 609.195;
- (5) manslaughter in the first or second degree under section 609.20 or 609.205;
- (6) assault in the first, second, or third degree under section 609.221, 609.222, or 609.223;
- (7) solicitation, inducement, and promotion of prostitution under section 609.322;
- (8) criminal sexual conduct under sections 609.342 to 609.3451;
- (9) solicitation of children to engage in sexual conduct under section 609.352;
- (10) malicious punishment or neglect or endangerment of a child under section 609.377 or 609.378;
- (11) use of a minor in sexual performance under section 617.246; or
- (12) parental behavior, status, or condition which mandates that the county attorney file a termination of parental rights petition under section 260C.503, subdivision 2.

(p) "Threatened injury" means a statement, overt act, condition, or status that represents a substantial risk of physical or sexual abuse or mental injury. Threatened injury includes, but is not limited to, exposing a child to a person responsible for the child's care, as defined in paragraph (j), clause (1), who has:

- (1) subjected a child to, or failed to protect a child from, an overt act or condition that constitutes egregious harm, as defined in section 260C.007, subdivision 14, or a similar law of another jurisdiction;
- (2) been found to be palpably unfit under section 260C.301, subdivision 1, paragraph (b), clause (4), or a similar law of another jurisdiction;
- (3) committed an act that has resulted in an involuntary termination of parental rights under section 260C.301, or a similar law of another jurisdiction; or
- (4) committed an act that has resulted in the involuntary transfer of permanent legal and physical custody of a child to a relative under Minnesota Statutes 2010, section 260C.201, subdivision 11, paragraph (d), clause (1), section 260C.515, subdivision 4, or a similar law of another jurisdiction.

A child is the subject of a report of threatened injury when the responsible social services agency receives birth match data under paragraph (q) from the Department of Human Services.

(q) Upon receiving data under section 144.225, subdivision 2b, contained in a birth record or recognition of parentage identifying a child who is subject to threatened injury under paragraph (p), the Department of Human Services shall send the data to the responsible social services agency. The data is known as "birth match" data. Unless the responsible social services agency has already begun an investigation or assessment of the report due to

the birth of the child or execution of the recognition of parentage and the parent's previous history with child protection, the agency shall accept the birth match data as a report under this section. The agency may use either a family assessment or investigation to determine whether the child is safe. All of the provisions of this section apply. If the child is determined to be safe, the agency shall consult with the county attorney to determine the appropriateness of filing a petition alleging the child is in need of protection or services under section 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is determined not to be safe, the agency and the county attorney shall take appropriate action as required under section 260C.503, subdivision 2.

(r) Persons who conduct assessments or investigations under this section shall take into account accepted child-rearing practices of the culture in which a child participates and accepted teacher discipline practices, which are not injurious to the child's health, welfare, and safety.

Sec. 8. **SEXUAL HEALTH EDUCATION REPORT.**

The commissioner of education must submit a report to the committees of the legislature having jurisdiction over kindergarten through grade 12 education on the sexual health education program required under Minnesota Statutes, section 120B.211. The report must include:

- (1) a description of how the model sexual health education program or programs were identified;
- (2) assistance provided to school districts and charter schools implementing a sexual health education program;
- (3) the number of school districts and charter schools that adopted each model program; and
- (4) a list of the school districts and charter schools that did not adopt the model program.

The commissioner must submit the report no later than January 15, 2022, and must submit the report in accordance with Minnesota Statutes, section 3.195.

ARTICLE 6
FACILITIES

Section 1. Minnesota Statutes 2018, section 121A.335, subdivision 3, is amended to read:

Subd. 3. **Frequency of testing.** (a) The plan under subdivision 2 must include a testing schedule for every building serving prekindergarten through grade 12 students. The schedule must require that each building be tested at least once every five years. A school district or charter school must begin testing school buildings by July 1, 2018, and complete testing of all buildings that serve students within five years.

(b) A school district or charter school that finds lead at a specific location providing cooking or drinking water within a facility must formulate, make publicly available, and implement a plan that is consistent with established guidelines and recommendations to ensure that student exposure to lead is minimized. This includes, when a school district or charter school finds the presence of lead at a level where action should be taken as set by the guidance in any water source that can provide cooking or drinking water, immediately shutting off the water source or making it unavailable until the hazard has been minimized.

Sec. 2. Minnesota Statutes 2018, section 121A.335, subdivision 5, is amended to read:

Subd. 5. **Reporting.** A school district or charter school that has tested its buildings for the presence of lead shall make the results of the testing available to the public for review and must notify parents of the availability of the information. School districts and charter schools must follow the actions outlined in guidance from the

commissioners of health and education. If a test conducted under subdivision 3, paragraph (a), reveals the presence of lead above a level where action should be taken as set by the guidance, the school district or charter must, within 30 days of receiving the test result, either remediate the presence of lead to below the level set in the guidance, verified by retest, or directly notify parents of the test result. The school district or charter school must make the water source unavailable until the hazard has been minimized.

Sec. 3. Minnesota Statutes 2018, section 123B.52, subdivision 6, is amended to read:

Subd. 6. **Disposing of surplus school computers.** (a) Notwithstanding section 471.345, governing school district contracts made upon sealed bid or otherwise complying with the requirements for competitive bidding, other provisions of this section governing school district contracts, or other law to the contrary, a school district under this subdivision may dispose of school computers, including a tablet device.

(b) A school district may dispose of a surplus school computer and related equipment if the district disposes of the surplus property by conveying the property and title to:

(1) another school district;

(2) the state Department of Corrections;

(3) the Board of Trustees of the Minnesota State Colleges and Universities; or

(4) the family of a student residing in the district whose total family income meets the federal definition of poverty.

(c) If surplus school computers are not disposed of under paragraph (b), upon adoption of a written resolution of the school board, when updating or replacing school computers, including tablet devices, used primarily by students, a school district may sell or give used computers or tablets to qualifying students at the price specified in the written resolution. A student is eligible to apply to the school board for a computer or tablet under this subdivision if the student is currently enrolled in the school and intends to enroll in the school in the year following the receipt of the computer or tablet. If more students apply for computers or tablets than are available, the school must first qualify students whose families are eligible for free or reduced-price meals, and then dispose of the remaining computers or tablets by lottery.

EFFECTIVE DATE. This section is effective July 1, 2019.

Sec. 4. Minnesota Statutes 2018, section 123B.571, is amended to read:

123B.571 RADON TESTING.

Subdivision 1. **Voluntary Plan.** The commissioners of health and education may jointly develop a plan to encourage school districts and charter schools to accurately and efficiently test for the presence of radon in public school buildings serving students in kindergarten through grade 12. For purposes of this section, buildings also include the Minnesota State Academies in Faribault and the Perpich Center for Arts Education in Golden Valley. To the extent possible, the commissioners ~~shall~~ must base the plan on the standards established by the United States Environmental Protection Agency.

Subd. 2. **Radon testing.** A school district may include radon testing as a part of its ten-year facility plan under section 123B.595, subdivision 4. If a school district receives authority to use long-term facilities maintenance revenue to conduct radon testing, the district shall conduct the testing according to the radon testing plan developed by the commissioners of health and education.

Subd. 3. **Reporting.** A school district ~~that has tested~~ or charter school must test its school buildings for the presence of radon ~~shall and must~~ report the results of its tests to the Department of Health in a form and manner prescribed by the commissioner of health. A school district that has tested for the presence of radon ~~shall~~ must also report the results of its testing at a school board meeting.

Subd. 4. **Testing requirements.** (a) A school district or charter school must adopt a radon testing schedule requiring a short-term or long-term test be conducted in every building serving students at least once every five years. A school district or charter school must begin testing school buildings by July 1, 2020, and complete testing of all buildings that serve students within five years.

(b) Tests must be conducted with certified radon testing devices as listed by either the National Radon Proficiency Program or the National Radon Safety Board. Tests must test all frequently occupied rooms with ground contact and rooms immediately above unoccupied spaces that are in contact with the ground, such as crawl spaces and tunnels.

(c) If a radon test shows that a frequently occupied room has a radon level at or above four picocuries per liter, a school district or charter school must mitigate or take corrective action, and retest after corrective measures to show radon reductions. A school district or charter school must follow the Radon Mitigation Standards for Schools and Large Buildings released by the American National Standards Institute/American Association of Radon Scientists and Technologists. The district or charter school must conduct follow-up testing within two years.

Sec. 5. Minnesota Statutes 2018, section 471.345, subdivision 1, is amended to read:

Subdivision 1. **Municipality defined.** For purposes of this section, "municipality" means a county, town, city, school district, charter school, or other municipal corporation or political subdivision of the state authorized by law to enter into contracts.

ARTICLE 7 NUTRITION

Section 1. Minnesota Statutes 2018, section 124D.111, is amended to read:

124D.111 SCHOOL MEALS POLICIES; LUNCH AID; FOOD SERVICE ACCOUNTING.

Subdivision 1. **School ~~lunch aid computation~~ meals policies.** (a) Each Minnesota participant in the national school lunch program must adopt and post to its website, or the website of the organization where the meal is served, a school meals policy.

(b) The policy must be in writing and clearly communicate student meal charges when payment cannot be collected at the point of service. The policy must be reasonable and well-defined and maintain the dignity of students by prohibiting lunch shaming or otherwise ostracizing the student.

(c) The policy must address whether the participant uses a collection agency to collect unpaid school meals debt.

(d) The policy must ensure that once a participant has placed a meal on a tray or otherwise served the meal to a student, the meal may not be subsequently withdrawn from the student by the cashier or other school official, whether or not the student has an outstanding meals balance.

(e) The policy must ensure that a student who has been determined eligible for free and reduced-price lunch must always be served a reimbursable meal even if the student has an outstanding debt.

(f) If a school contracts with a third party for its meal services, it must provide the vendor with its school meals policy. Any contract between the school and a third-party provider entered into or modified after July 1, 2019, must ensure that the third-party provider adheres to the participant's school meals policy.

Subd. 1a. School lunch aid amounts. Each school year, the state must pay participants in the national school lunch program the amount of 12.5 cents for each full paid and free student lunch and 52.5 cents for each reduced-price lunch served to students.

Subd. 2. Application. A school district, charter school, nonpublic school, or other participant in the national school lunch program shall apply to the department for this payment on forms provided by the department.

Subd. 2a. Federal child and adult care food program; criteria and notice. The commissioner must post on the department's website eligibility criteria and application information for nonprofit organizations interested in applying to the commissioner for approval as a multisite sponsoring organization under the federal child and adult care food program. The posted criteria and information must inform interested nonprofit organizations about:

(1) the criteria the commissioner uses to approve or disapprove an application, including how an applicant demonstrates financial viability for the Minnesota program, among other criteria;

(2) the commissioner's process and time line for notifying an applicant when its application is approved or disapproved and, if the application is disapproved, the explanation the commissioner provides to the applicant; and

(3) any appeal or other recourse available to a disapproved applicant.

Subd. 3. School food service fund. (a) The expenses described in this subdivision must be recorded as provided in this subdivision.

(b) In each district, the expenses for a school food service program for pupils must be attributed to a school food service fund. Under a food service program, the school food service may prepare or serve milk, meals, or snacks in connection with school or community service activities.

(c) Revenues and expenditures for food service activities must be recorded in the food service fund. The costs of processing applications, accounting for meals, preparing and serving food, providing kitchen custodial services, and other expenses involving the preparing of meals or the kitchen section of the lunchroom may be charged to the food service fund or to the general fund of the district. The costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service program must be charged to the general fund.

That portion of superintendent and fiscal manager costs that can be documented as attributable to the food service program may be charged to the food service fund provided that the school district does not employ or contract with a food service director or other individual who manages the food service program, or food service management company. If the cost of the superintendent or fiscal manager is charged to the food service fund, the charge must be at a wage rate not to exceed the statewide average for food service directors as determined by the department.

(d) Capital expenditures for the purchase of food service equipment must be made from the general fund and not the food service fund, unless the restricted balance in the food service fund at the end of the last fiscal year is greater than the cost of the equipment to be purchased.

(e) If the condition set out in paragraph (d) applies, the equipment may be purchased from the food service fund.

(f) If a deficit in the food service fund exists at the end of a fiscal year, and the deficit is not eliminated by revenues from food service operations in the next fiscal year, then the deficit must be eliminated by a permanent fund transfer from the general fund at the end of that second fiscal year. However, if a district contracts with a food service management company during the period in which the deficit has accrued, the deficit must be eliminated by a payment from the food service management company.

(g) Notwithstanding paragraph (f), a district may incur a deficit in the food service fund for up to three years without making the permanent transfer if the district submits to the commissioner by January 1 of the second fiscal year a plan for eliminating that deficit at the end of the third fiscal year.

(h) If a surplus in the food service fund exists at the end of a fiscal year for three successive years, a district may recode for that fiscal year the costs of lunchroom supervision, lunchroom custodial services, lunchroom utilities, and other administrative costs of the food service program charged to the general fund according to paragraph (c) and charge those costs to the food service fund in a total amount not to exceed the amount of surplus in the food service fund.

Subd. 4. **No fees.** A participant that receives school lunch aid under this section must make lunch available without charge and must not deny a school lunch to all participating students who qualify for free or reduced-price meals, whether or not that student has an outstanding balance in the student's meals account attributable to a la carte purchases or for any other reason.

Subd. 5. **Respectful treatment.** (a) The participant must also provide meals to students in a respectful manner according to the policy adopted under subdivision 1. The participant must ensure that any reminders for payment of outstanding student meal balances do not demean or stigmatize any child participating in the school lunch program, including but not limited to dumping meals, withdrawing a meal that has been served, announcing or listing students names publicly, or affixing stickers, stamps, or pins. The participant must not impose any other restriction prohibited under section 123B.37 due to unpaid student meal balances. The participant must not limit a student's participation in any school activities, graduation ceremonies or other graduation activities, field trips, athletics, activity clubs, or other extracurricular activities or access to materials, technology, or other items provided to students due to an unpaid student meal balance.

(b) If the commissioner or the commissioner's designee determines a participant has violated the requirement to provide meals to participating students in a respectful manner, the commissioner or the commissioner's designee must send a letter of noncompliance to the participant. The participant is required to respond and, if applicable, remedy the practice within 60 days.

EFFECTIVE DATE. This section is effective July 1, 2019.

ARTICLE 8 STATE AGENCIES

Section 1. Minnesota Statutes 2018, section 120B.122, subdivision 1, is amended to read:

Subdivision 1. **Purpose Duties.** (a) The department must employ a dyslexia specialist to provide technical assistance for dyslexia and related disorders and to serve as the primary source of information and support for schools in addressing the needs of students with dyslexia and related disorders.

(b) The dyslexia specialist ~~shall also act to~~ must increase professional awareness and instructional competencies to meet the educational needs of students with dyslexia or identified with risk characteristics associated with dyslexia and ~~shall~~ must develop implementation guidance and make recommendations to the commissioner consistent with section 122A.06, subdivision 4, to be used to assist general education teachers and special education teachers to recognize educational needs and to improve literacy outcomes for students with dyslexia or identified with risk characteristics associated with dyslexia, including recommendations related to increasing the availability of online and asynchronous professional development programs and materials.

(c) The dyslexia specialist must provide guidance to school districts and charter schools on how to:

(1) access tools to screen and identify students showing characteristics associated with dyslexia in accordance with section 120B.12, subdivision 2, paragraph (a);

(2) implement screening for characteristics associated with dyslexia in accordance with section 120B.12, subdivision 2, paragraph (a), and in coordination with other early childhood screenings; and

(3) participate in professional development opportunities pertaining to intervention strategies and accommodations for students with dyslexia or characteristics associated with dyslexia.

(d) The dyslexia specialist must provide guidance to the Professional Educator Licensing and Standards Board on developing licensing renewal requirements under section 122A.187, subdivision 5, on understanding dyslexia, recognizing dyslexia characteristics in students, and using evidence-based best practices.

(e) Nothing in this subdivision limits the ability of the dyslexia specialist to do other dyslexia related work as directed by the commissioner.

Sec. 2. Minnesota Statutes 2018, section 127A.052, is amended to read:

127A.052 SCHOOL SAFETY TECHNICAL ASSISTANCE CENTER.

(a) The commissioner shall establish a school safety technical assistance center at the department to help districts and schools under section 121A.031 provide a safe and supportive learning environment and foster academic achievement for all students by focusing on prevention, intervention, support, and recovery efforts to develop and maintain safe and supportive schools. The center must work collaboratively with implicated state agencies identified by the center and schools, communities, and interested individuals and organizations to determine how to best use available resources.

(b) The center's services shall include:

(1) evidence-based policy review, development, and dissemination;

(2) single, point-of-contact services designed for schools, parents, and students seeking information or other help;

(3) qualitative and quantitative data gathering, interpretation, and dissemination of summary data for existing reporting systems and student surveys and the identification and pursuit of emerging trends and issues;

(4) assistance to districts and schools in using Minnesota student survey results to inform intervention and prevention programs;

(5) education and skill building;

(6) multisector and multiagency planning and advisory activities incorporating best practices and research; and

(7) administrative and financial support for school and district planning, schools recovering from incidents of violence, and school and district violence prevention education.

(c) The center shall:

(1) compile and make available to all districts and schools evidence-based elements and resources to develop and maintain safe and supportive schools;

(2) establish and maintain a central repository for collecting and analyzing information about prohibited conduct under section 121A.031, including, but not limited to:

(i) training materials on strategies and techniques to prevent and appropriately address prohibited conduct under section 121A.031;

(ii) model programming;

(iii) remedial responses consistent with section 121A.031, subdivision 2, paragraph (i); and

(iv) other resources for improving the school climate and preventing prohibited conduct under section 121A.031;

(3) assist districts and schools to develop strategies and techniques for effectively communicating with and engaging parents in efforts to protect and deter students from prohibited conduct under section 121A.031; and

(4) solicit input from social media experts on implementing this section.

(d) The commissioner shall provide administrative services including personnel, budget, payroll and contract services, and staff support for center activities including developing and disseminating materials, providing seminars, and developing and maintaining a website. Center staff shall include a center director, a data analyst coordinator, and trainers who provide training to affected state and local organizations under a fee-for-service agreement. The financial, administrative, and staff support the commissioner provides under this section must be based on an annual budget and work program developed by the center and submitted to the commissioner by the center director.

(e) School safety technical assistance center staff may consult with school safety center staff at the Department of Public Safety in providing services under this section.

(f) The center is voluntary and advisory. The center does not have enforcement, rulemaking, oversight, or regulatory authority.

~~(g) The center expires on June 30, 2019.~~

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

Sec. 3. **REVISOR INSTRUCTION.**

(a) The revisor of statutes shall substitute the term "School Climate Technical Assistance Center" for "School Safety Technical Assistance Center" wherever the term appears in Minnesota Statutes.

(b) The revisor of statutes shall substitute the term "School Climate Technical Assistance Council" for "School Safety Technical Assistance Council" wherever the term appears in Minnesota Statutes.

Sec. 4. **REPEALER.**

Minnesota Statutes 2018, section 127A.051, subdivision 7, is repealed.

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

Delete the title and insert:

"A bill for an act relating to education; making technical and policy changes for prekindergarten through grade 12 including general education, education excellence, teachers, special education, health and safety, facilities, nutrition, and state agencies; requiring reports; amending Minnesota Statutes 2018, sections 5A.03, subdivision 2; 120A.20, subdivision 2; 120A.22, subdivisions 5, 6, 11; 120A.24, subdivision 1; 120A.35; 120A.40; 120B.024, subdivision 1; 120B.11, subdivisions 1, 2, 3; 120B.12, subdivision 2; 120B.122, subdivision 1; 120B.21; 120B.30, subdivision 1; 120B.36, subdivision 1; 121A.22, subdivision 1, by adding a subdivision; 121A.335, subdivisions 3, 5; 121A.41, by adding subdivisions; 121A.45, subdivision 1; 121A.46, by adding subdivisions; 121A.47, subdivisions 2, 14; 121A.53, subdivision 1; 121A.55; 122A.06, subdivisions 2, 5, 7, 8; 122A.07, subdivisions 1, 2, 4a, by adding a subdivision; 122A.09, subdivision 9; 122A.091, subdivision 1; 122A.092, subdivisions 5, 6; 122A.17; 122A.175, subdivision 2; 122A.18, subdivisions 7c, 8, 10; 122A.181, subdivisions 3, 5; 122A.182, subdivisions 1, 3; 122A.183, subdivisions 2, 4; 122A.184, subdivisions 1, 3; 122A.185, subdivision 1; 122A.187, subdivision 3, by adding a subdivision; 122A.19, subdivision 4; 122A.20, subdivisions 1, 2; 122A.21; 122A.22; 122A.26, subdivision 2; 122A.40, subdivision 8; 122A.41, subdivision 5; 122A.63, subdivisions 1, 4, 5, 6, by adding a subdivision; 122A.70; 123A.64; 123B.143, subdivision 1; 123B.41, subdivisions 2, 5; 123B.42, subdivision 3; 123B.49, subdivision 4; 123B.52, subdivision 6; 123B.571; 124D.02, subdivision 1; 124D.09, subdivisions 3, 10; 124D.111; 124D.165, subdivision 2; 124D.34, subdivisions 2, 3, 4, 5, 8, 12; 124D.78, subdivision 2; 124D.861, subdivision 2; 124E.13, subdivision 3; 125A.08; 125A.091, subdivisions 3a, 7; 125A.50, subdivision 1; 126C.126; 127A.052; 136A.1275; 136A.1791, subdivisions 1, 2, 3, 4, 5; 136D.01; 136D.49; 214.01, subdivision 3; 471.345, subdivision 1; 626.556, subdivisions 2, 10, 11; 631.40, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 120A; 120B; 121A; 122A; 127A; 245C; repealing Minnesota Statutes 2018, sections 122A.09, subdivision 1; 122A.182, subdivision 2; 127A.051, subdivision 7; 127A.14; 136D.93; Laws 2017, First Special Session chapter 5, article 11, section 6; Minnesota Rules, part 8710.2100, subparts 1, 2."

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1718, A bill for an act relating to health; adding and modifying definitions; changing licensing requirements for businesses regulated by Board of Pharmacy; clarifying requirements for compounding; allowing compounding for veterinary office use in certain situations; clarifying grounds for disciplinary action; prohibiting certain interactions between practitioners and pharmacists and pharmacies; requiring disclosure of certain interactions between veterinarians and pharmacists and pharmacies; changing provisions related to the manufacture and wholesale distribution of drugs; repealing obsolete language; amending Minnesota Statutes 2018, sections 151.01, subdivisions 31, 35, by adding subdivisions; 151.06, subdivision 1; 151.065, subdivisions 1, 3, 6; 151.071, subdivision 2; 151.072, subdivision 3; 151.15, subdivisions 1, 2, 3, by adding subdivisions; 151.18; 151.19, subdivisions 1, 3; 151.211, subdivision 2; 151.22; 151.252, subdivisions 1, 1a, 3; 151.253, subdivision 2, by adding subdivisions; 151.26, subdivision 1, by adding a subdivision; 151.32; 151.37, subdivision 2; 151.40, subdivisions 1, 2; 151.43; 151.46; 151.47, subdivision 1, by adding a subdivision; 152.01, by adding a subdivision; 152.11, subdivisions 1, 1a, 2; 152.13; 295.50, subdivision 14, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 62Q; 151; repealing Minnesota Statutes 2018, sections 151.13, subdivision 2; 151.19, subdivision 4; 151.27; 151.42; 151.44; 151.49; 151.50; 151.51; 151.55; Minnesota Rules, part 6800.1600.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 151.01, subdivision 31, is amended to read:

Subd. 31. **Central service pharmacy.** "Central service pharmacy" means a pharmacy that ~~may provide performs those activities involved in the dispensing functions, of a drug utilization review, packaging, labeling, or delivery of a prescription product to~~ for another pharmacy for the purpose of filling a prescription, pursuant to the requirements of this chapter and the rules of the board.

Sec. 2. Minnesota Statutes 2018, section 151.01, subdivision 35, is amended to read:

Subd. 35. **Compounding.** "Compounding" means preparing, mixing, assembling, packaging, and labeling a drug for an identified individual patient as a result of a practitioner's prescription drug order. Compounding also includes anticipatory compounding, as defined in this section, and the preparation of drugs in which all bulk drug substances and components are nonprescription substances. Compounding does not include mixing or reconstituting a drug according to the product's labeling or to the manufacturer's directions, provided that such labeling has been approved by the United States Food and Drug Administration (FDA) or the manufacturer is licensed under section 151.252. Compounding does not include the preparation of a drug for the purpose of, or incident to, research, teaching, or chemical analysis, provided that the drug is not prepared for dispensing or administration to patients. All compounding, regardless of the type of product, must be done pursuant to a prescription drug order unless otherwise permitted in this chapter or by the rules of the board. Compounding does not include a minor deviation from such directions with regard to radioactivity, volume, or stability, which is made by or under the supervision of a licensed nuclear pharmacist or a physician, and which is necessary in order to accommodate circumstances not contemplated in the manufacturer's instructions, such as the rate of radioactive decay or geographical distance from the patient.

Sec. 3. Minnesota Statutes 2018, section 151.01, is amended by adding a subdivision to read:

Subd. 42. **Syringe services provider.** "Syringe services provider" means a public health program, registered with the commissioner of health, that provides cost-free comprehensive harm reduction services, including: sterile needles, syringes, and other injection equipment; safe disposal containers for needles and syringes; education about overdose prevention, safer injection practices, and infectious disease prevention; referral to or provision of blood borne pathogen testing; referral to substance use disorder treatment, including medication-assisted treatment; and referral to medical, mental health, and social services.

Sec. 4. Minnesota Statutes 2018, section 151.065, subdivision 1, is amended to read:

Subdivision 1. **Application fees.** Application fees for licensure and registration are as follows:

- (1) pharmacist licensed by examination, \$145;
- (2) pharmacist licensed by reciprocity, \$240;
- (3) pharmacy intern, \$37.50;
- (4) pharmacy technician, \$37.50;
- (5) pharmacy, \$225;
- (6) drug wholesaler, legend drugs only, \$235;

- (7) drug wholesaler, legend and nonlegend drugs, \$235;
- (8) drug wholesaler, nonlegend drugs, veterinary legend drugs, or both, \$210;
- (9) drug wholesaler, medical gases, \$175;
- (10) ~~drug wholesaler, also licensed as a pharmacy in Minnesota, \$150~~ third-party logistics provider, \$260;
- (11) drug manufacturer, legend drugs only, \$235;
- (12) drug manufacturer, legend and nonlegend drugs, \$235;
- (13) drug manufacturer, nonlegend or veterinary legend drugs, \$210;
- (14) drug manufacturer, medical gases, \$185;
- (15) ~~drug manufacturer, also licensed as a pharmacy in Minnesota, \$150~~;
- ~~(16)~~ medical gas distributor, \$110;
- ~~(17)~~ (16) controlled substance researcher, \$75; and
- ~~(18)~~ (17) pharmacy professional corporation, \$125.

Sec. 5. Minnesota Statutes 2018, section 151.065, subdivision 3, is amended to read:

Subd. 3. **Annual renewal fees.** Annual licensure and registration renewal fees are as follows:

- (1) pharmacist, \$145;
- (2) pharmacy technician, \$37.50;
- (3) pharmacy, \$225;
- (4) drug wholesaler, legend drugs only, \$235;
- (5) drug wholesaler, legend and nonlegend drugs, \$235;
- (6) drug wholesaler, nonlegend drugs, veterinary legend drugs, or both, \$210;
- (7) drug wholesaler, medical gases, \$185;
- (8) ~~drug wholesaler, also licensed as a pharmacy in Minnesota, \$150~~ third-party logistics provider, \$260;
- (9) drug manufacturer, legend drugs only, \$235;
- (10) drug manufacturer, legend and nonlegend drugs, \$235;
- (11) drug manufacturer, nonlegend, veterinary legend drugs, or both, \$210;
- (12) drug manufacturer, medical gases, \$185;

(13) ~~drug manufacturer, also licensed as a pharmacy in Minnesota, \$150;~~

~~(14)~~ medical gas distributor, \$110;

~~(15)~~ (14) controlled substance researcher, \$75; and

~~(16)~~ (15) pharmacy professional corporation, \$75.

Sec. 6. Minnesota Statutes 2018, section 151.065, subdivision 6, is amended to read:

Subd. 6. **Reinstatement fees.** (a) A pharmacist who has allowed the pharmacist's license to lapse may reinstate the license with board approval and upon payment of any fees and late fees in arrears, up to a maximum of \$1,000.

(b) A pharmacy technician who has allowed the technician's registration to lapse may reinstate the registration with board approval and upon payment of any fees and late fees in arrears, up to a maximum of \$90.

(c) An owner of a pharmacy, a drug wholesaler, a drug manufacturer, third-party logistics provider, or a medical gas distributor who has allowed the license of the establishment to lapse may reinstate the license with board approval and upon payment of any fees and late fees in arrears.

(d) A controlled substance researcher who has allowed the researcher's registration to lapse may reinstate the registration with board approval and upon payment of any fees and late fees in arrears.

(e) A pharmacist owner of a professional corporation who has allowed the corporation's registration to lapse may reinstate the registration with board approval and upon payment of any fees and late fees in arrears.

Sec. 7. Minnesota Statutes 2018, section 151.071, subdivision 2, is amended to read:

Subd. 2. **Grounds for disciplinary action.** The following conduct is prohibited and is grounds for disciplinary action:

(1) failure to demonstrate the qualifications or satisfy the requirements for a license or registration contained in this chapter or the rules of the board. The burden of proof is on the applicant to demonstrate such qualifications or satisfaction of such requirements;

(2) obtaining a license by fraud or by misleading the board in any way during the application process or obtaining a license by cheating, or attempting to subvert the licensing examination process. Conduct that subverts or attempts to subvert the licensing examination process includes, but is not limited to: (i) conduct that violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination; (ii) conduct that violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or (iii) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf;

(3) for a pharmacist, pharmacy technician, pharmacist intern, applicant for a pharmacist or pharmacy license, or applicant for a pharmacy technician or pharmacist intern registration, conviction of a felony reasonably related to the practice of pharmacy. Conviction as used in this subdivision includes a conviction of an offense that if committed in this state would be deemed a felony without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered thereon. The board may delay the issuance of a new license or registration if the applicant has been charged with a felony until the matter has been adjudicated;

(4) for a facility, other than a pharmacy, licensed or registered by the board, if an owner or applicant is convicted of a felony reasonably related to the operation of the facility. The board may delay the issuance of a new license or registration if the owner or applicant has been charged with a felony until the matter has been adjudicated;

(5) for a controlled substance researcher, conviction of a felony reasonably related to controlled substances or to the practice of the researcher's profession. The board may delay the issuance of a registration if the applicant has been charged with a felony until the matter has been adjudicated;

(6) disciplinary action taken by another state or by one of this state's health licensing agencies:

(i) revocation, suspension, restriction, limitation, or other disciplinary action against a license or registration in another state or jurisdiction, failure to report to the board that charges or allegations regarding the person's license or registration have been brought in another state or jurisdiction, or having been refused a license or registration by any other state or jurisdiction. The board may delay the issuance of a new license or registration if an investigation or disciplinary action is pending in another state or jurisdiction until the investigation or action has been dismissed or otherwise resolved; and

(ii) revocation, suspension, restriction, limitation, or other disciplinary action against a license or registration issued by another of this state's health licensing agencies, failure to report to the board that charges regarding the person's license or registration have been brought by another of this state's health licensing agencies, or having been refused a license or registration by another of this state's health licensing agencies. The board may delay the issuance of a new license or registration if a disciplinary action is pending before another of this state's health licensing agencies until the action has been dismissed or otherwise resolved;

(7) for a pharmacist, pharmacy, pharmacy technician, or pharmacist intern, violation of any order of the board, of any of the provisions of this chapter or any rules of the board or violation of any federal, state, or local law or rule reasonably pertaining to the practice of pharmacy;

(8) for a facility, other than a pharmacy, licensed by the board, violations of any order of the board, of any of the provisions of this chapter or the rules of the board or violation of any federal, state, or local law relating to the operation of the facility;

(9) engaging in any unethical conduct; conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of a patient; or pharmacy practice that is professionally incompetent, in that it may create unnecessary danger to any patient's life, health, or safety, in any of which cases, proof of actual injury need not be established;

(10) aiding or abetting an unlicensed person in the practice of pharmacy, except that it is not a violation of this clause for a pharmacist to supervise a properly registered pharmacy technician or pharmacist intern if that person is performing duties allowed by this chapter or the rules of the board;

(11) for an individual licensed or registered by the board, adjudication as mentally ill or developmentally disabled, or as a chemically dependent person, a person dangerous to the public, a sexually dangerous person, or a person who has a sexual psychopathic personality, by a court of competent jurisdiction, within or without this state. Such adjudication shall automatically suspend a license for the duration thereof unless the board orders otherwise;

(12) for a pharmacist or pharmacy intern, engaging in unprofessional conduct as specified in the board's rules. In the case of a pharmacy technician, engaging in conduct specified in board rules that would be unprofessional if it were engaged in by a pharmacist or pharmacist intern or performing duties specifically reserved for pharmacists under this chapter or the rules of the board;

(13) for a pharmacy, operation of the pharmacy without a pharmacist present and on duty except as allowed by a variance approved by the board;

(14) for a pharmacist, the inability to practice pharmacy with reasonable skill and safety to patients by reason of illness, ~~drunkenness~~, use of alcohol, drugs, narcotics, chemicals, or any other type of material or as a result of any mental or physical condition, including deterioration through the aging process or loss of motor skills. In the case of registered pharmacy technicians, pharmacist interns, or controlled substance researchers, the inability to carry out duties allowed under this chapter or the rules of the board with reasonable skill and safety to patients by reason of illness, ~~drunkenness~~, use of alcohol, drugs, narcotics, chemicals, or any other type of material or as a result of any mental or physical condition, including deterioration through the aging process or loss of motor skills;

(15) for a pharmacist, pharmacy, pharmacist intern, pharmacy technician, medical gas distributor, or controlled substance researcher, revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law;

(16) for a pharmacist or pharmacy, improper management of patient records, including failure to maintain adequate patient records, to comply with a patient's request made pursuant to sections 144.291 to 144.298, or to furnish a patient record or report required by law;

(17) fee splitting, including without limitation:

(i) paying, offering to pay, receiving, or agreeing to receive, a commission, rebate, kickback, or other form of remuneration, directly or indirectly, for the referral of patients; ~~and~~

(ii) referring a patient to any health care provider as defined in sections 144.291 to 144.298 in which the licensee or registrant has a financial or economic interest as defined in section 144.6521, subdivision 3, unless the licensee or registrant has disclosed the licensee's or registrant's financial or economic interest in accordance with section 144.6521; and

(iii) any arrangement through which a pharmacy, in which the prescribing practitioner does not have a significant ownership interest, fills a prescription drug order and the prescribing practitioner is involved in any manner, directly or indirectly, in setting the price for the filled prescription that is charged to the patient, the patient's insurer or pharmacy benefit manager, or other person paying for the prescription or, in the case of veterinary patients, the price for the filled prescription that is charged to the client or other person paying for the prescription, except that a veterinarian and a pharmacy may enter into such an arrangement provided that the client or other person paying for the prescription is notified, in writing and with each prescription dispensed, about the arrangement, unless such arrangement involves pharmacy services provided for livestock, poultry, and agricultural production systems, in which case client notification would not be required;

(18) engaging in abusive or fraudulent billing practices, including violations of the federal Medicare and Medicaid laws or state medical assistance laws or rules;

(19) engaging in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient;

(20) failure to make reports as required by section 151.072 or to cooperate with an investigation of the board as required by section 151.074;

(21) knowingly providing false or misleading information that is directly related to the care of a patient unless done for an accepted therapeutic purpose such as the dispensing and administration of a placebo;

(22) aiding suicide or aiding attempted suicide in violation of section 609.215 as established by any of the following:

(i) a copy of the record of criminal conviction or plea of guilty for a felony in violation of section 609.215, subdivision 1 or 2;

(ii) a copy of the record of a judgment of contempt of court for violating an injunction issued under section 609.215, subdivision 4;

(iii) a copy of the record of a judgment assessing damages under section 609.215, subdivision 5; or

(iv) a finding by the board that the person violated section 609.215, subdivision 1 or 2. The board shall investigate any complaint of a violation of section 609.215, subdivision 1 or 2;

(23) for a pharmacist, practice of pharmacy under a lapsed or nonrenewed license. For a pharmacist intern, pharmacy technician, or controlled substance researcher, performing duties permitted to such individuals by this chapter or the rules of the board under a lapsed or nonrenewed registration. For a facility required to be licensed under this chapter, operation of the facility under a lapsed or nonrenewed license or registration; and

(24) for a pharmacist, pharmacist intern, or pharmacy technician, termination or discharge from the health professionals services program for reasons other than the satisfactory completion of the program.

Sec. 8. Minnesota Statutes 2018, section 151.15, subdivision 1, is amended to read:

Subdivision 1. **Location.** It shall be unlawful for any person to compound, or dispense, vend, or sell drugs, ~~medicines, chemicals, or poisons~~ in any place other than a pharmacy, except as provided in this chapter; except that a licensed pharmacist or pharmacist intern working within a licensed hospital may receive a prescription drug order and access the hospital's pharmacy prescription processing system through secure and encrypted electronic means in order to process the prescription drug order.

Sec. 9. Minnesota Statutes 2018, section 151.15, is amended by adding a subdivision to read:

Subd. 5. **Receipt of emergency prescription orders.** A pharmacist, when that pharmacist is not present within a licensed pharmacy, may accept a written, verbal, or electronic prescription drug order from a practitioner only if:

(1) the prescription drug order is for an emergency situation where waiting for the pharmacist to travel to a licensed pharmacy to accept the prescription drug order would likely cause the patient to experience significant physical harm or discomfort;

(2) the pharmacy from which the prescription drug order will be dispensed is closed for business;

(3) the pharmacist has been designated to be on call for the licensed pharmacy that will fill the prescription drug order;

(4) electronic prescription drug orders are received through secure and encrypted electronic means;

(5) the pharmacist takes reasonable precautions to ensure that the prescription drug order will be handled in a manner consistent with federal and state statutes regarding the handling of protected health information; and

(6) the pharmacy from which the prescription drug order will be dispensed has relevant and appropriate policies and procedures in place and makes them available to the board upon request.

Sec. 10. Minnesota Statutes 2018, section 151.15, is amended by adding a subdivision to read:

Subd. 6. **Processing of emergency prescription orders.** A pharmacist, when that pharmacist is not present within a licensed pharmacy, may access a pharmacy prescription processing system through secure and encrypted electronic means in order to process an emergency prescription accepted pursuant to subdivision 5 only if:

(1) the pharmacy from which the prescription drug order will be dispensed is closed for business;

(2) the pharmacist has been designated to be on call for the licensed pharmacy that will fill the prescription drug order;

(3) the prescription drug order is for a patient of a long-term care facility or a county correctional facility;

(4) the prescription drug order is not being processed pursuant to section 151.58;

(5) the prescription drug order is processed pursuant to this chapter and the rules promulgated thereunder; and

(6) the pharmacy from which the prescription drug order will be dispensed has relevant and appropriate policies and procedures in place and makes them available to the board upon request.

Sec. 11. Minnesota Statutes 2018, section 151.19, subdivision 1, is amended to read:

Subdivision 1. **Pharmacy licensure requirements.** (a) No person shall operate a pharmacy without first obtaining a license from the board and paying any applicable fee specified in section 151.065. The license shall be displayed in a conspicuous place in the pharmacy for which it is issued and expires on June 30 following the date of issue. It is unlawful for any person to operate a pharmacy unless the license has been issued to the person by the board.

(b) Application for a pharmacy license under this section shall be made in a manner specified by the board.

(c) No license shall be issued or renewed for a pharmacy located within the state unless the applicant agrees to operate the pharmacy in a manner prescribed by federal and state law and according to rules adopted by the board. No license shall be issued for a pharmacy located outside of the state unless the applicant agrees to operate the pharmacy in a manner prescribed by federal law and, when dispensing medications for residents of this state, the laws of this state, and Minnesota Rules.

(d) No license shall be issued or renewed for a pharmacy that is required to be licensed or registered by the state in which it is physically located unless the applicant supplies the board with proof of such licensure or registration.

(e) The board shall require a separate license for each pharmacy located within the state and for each pharmacy located outside of the state at which any portion of the dispensing process occurs for drugs dispensed to residents of this state.

(f) ~~The board shall not issue~~ Prior to the issuance of an initial or renewed license for a pharmacy unless, the board may require the pharmacy passes to pass an inspection conducted by an authorized representative of the board. In the case of a pharmacy located outside of the state, the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless the applicant furnishes the board with a report, issued by the appropriate regulatory agency of the state in which the facility is located, of an inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board. The board may deny licensure unless the applicant submits documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.

(g) The board shall not issue an initial or renewed license for a pharmacy located outside of the state unless the applicant discloses and certifies:

(1) the location, names, and titles of all principal corporate officers and all pharmacists who are involved in dispensing drugs to residents of this state;

(2) that it maintains its records of drugs dispensed to residents of this state so that the records are readily retrievable from the records of other drugs dispensed;

(3) that it agrees to cooperate with, and provide information to, the board concerning matters related to dispensing drugs to residents of this state;

(4) that, during its regular hours of operation, but no less than six days per week, for a minimum of 40 hours per week, a toll-free telephone service is provided to facilitate communication between patients in this state and a pharmacist at the pharmacy who has access to the patients' records; the toll-free number must be disclosed on the label affixed to each container of drugs dispensed to residents of this state; and

(5) that, upon request of a resident of a long-term care facility located in this state, the resident's authorized representative, or a contract pharmacy or licensed health care facility acting on behalf of the resident, the pharmacy will dispense medications prescribed for the resident in unit-dose packaging or, alternatively, comply with section 151.415, subdivision 5.

(h) This subdivision does not apply to a manufacturer licensed under section 151.252, subdivision 1, a wholesale drug distributor licensed under section 151.47, or a third-party logistics provider, to the extent the manufacturer, wholesale drug distributor, or third-party logistics provider is engaged in the distribution of dialysate or devices necessary to perform home peritoneal dialysis on patients with end-stage renal disease, if:

(1) the manufacturer or its agent leases or owns the licensed manufacturing or wholesaling facility from which the dialysate or devices will be delivered;

(2) the dialysate is comprised of dextrose or icodextrin and has been approved by the United States Food and Drug Administration;

(3) the dialysate is stored and delivered in its original, sealed, and unopened manufacturer's packaging;

(4) the dialysate or devices are delivered only upon:

(i) receipt of a physician's order by a Minnesota licensed pharmacy; and

(ii) the review and processing of the prescription by a pharmacist licensed by the state in which the pharmacy is located, who is employed by or under contract to the pharmacy;

(5) prescriptions, policies, procedures, and records of delivery are maintained by the manufacturer for a minimum of three years and are made available to the board upon request; and

(6) the manufacturer or the manufacturer's agent delivers the dialysate or devices directly to:

(i) a patient with end-stage renal disease for whom the prescription was written or the patient's designee, for the patient's self-administration of the dialysis therapy; or

(ii) a health care provider or institution, for administration or delivery of the dialysis therapy to a patient with end-stage renal disease for whom the prescription was written.

Sec. 12. Minnesota Statutes 2018, section 151.19, subdivision 3, is amended to read:

Subd. 3. **Sale of federally restricted medical gases.** (a) A person or establishment not licensed as a pharmacy or a practitioner shall not engage in the retail sale or distribution of federally restricted medical gases without first obtaining a registration from the board and paying the applicable fee specified in section 151.065. The registration shall be displayed in a conspicuous place in the business for which it is issued and expires on the date set by the board. It is unlawful for a person to sell or distribute federally restricted medical gases unless a certificate has been issued to that person by the board.

(b) Application for a medical gas distributor registration under this section shall be made in a manner specified by the board.

(c) No registration shall be issued or renewed for a medical gas distributor located within the state unless the applicant agrees to operate in a manner prescribed by federal and state law and according to the rules adopted by the board. No license shall be issued for a medical gas distributor located outside of the state unless the applicant agrees to operate in a manner prescribed by federal law and, when distributing medical gases for residents of this state, the laws of this state and Minnesota Rules.

(d) No registration shall be issued or renewed for a medical gas distributor that is required to be licensed or registered by the state in which it is physically located unless the applicant supplies the board with proof of the licensure or registration. The board may, by rule, establish standards for the registration of a medical gas distributor that is not required to be licensed or registered by the state in which it is physically located.

(e) The board shall require a separate registration for each medical gas distributor located within the state and for each facility located outside of the state from which medical gases are distributed to residents of this state.

(f) ~~The board shall not issue~~ Prior to the issuance of an initial or renewed registration for a medical gas distributor ~~unless, the board may require~~ the medical gas distributor ~~passes to pass~~ an inspection conducted by an authorized representative of the board. In the case of a medical gas distributor located outside of the state, the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless the applicant furnishes the board with a report, issued by the appropriate regulatory agency of the state in which the facility is located, of an inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board. The board may deny licensure unless the applicant submits documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.

Sec. 13. Minnesota Statutes 2018, section 151.252, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) No person shall act as a drug manufacturer without first obtaining a license from the board and paying any applicable fee specified in section 151.065.

(b) Application for a drug manufacturer license under this section shall be made in a manner specified by the board.

(c) No license shall be issued or renewed for a drug manufacturer unless the applicant agrees to operate in a manner prescribed by federal and state law and according to Minnesota Rules.

(d) No license shall be issued or renewed for a drug manufacturer that is required to be registered pursuant to United States Code, title 21, section 360, unless the applicant supplies the board with proof of registration. The board may establish by rule the standards for licensure of drug manufacturers that are not required to be registered under United States Code, title 21, section 360.

(e) No license shall be issued or renewed for a drug manufacturer that is required to be licensed or registered by the state in which it is physically located unless the applicant supplies the board with proof of licensure or registration. The board may establish, by rule, standards for the licensure of a drug manufacturer that is not required to be licensed or registered by the state in which it is physically located.

(f) The board shall require a separate license for each facility located within the state at which drug manufacturing occurs and for each facility located outside of the state at which drugs that are shipped into the state are manufactured.

(g) ~~The board shall not issue~~ Prior to the issuance of an initial or renewed license for a drug manufacturing facility ~~unless, the board may require~~ the facility ~~passes an~~ to pass a current good manufacturing practices inspection conducted by an authorized representative of the board. In the case of a drug manufacturing facility located outside of the state, the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless the applicant furnishes the board with a report, issued by the appropriate regulatory agency of the state in which the facility is located or by the United States Food and Drug Administration, of an inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board. The board may deny licensure unless the applicant submits documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.

Sec. 14. Minnesota Statutes 2018, section 151.252, subdivision 1a, is amended to read:

Subd. 1a. **Outsourcing facility.** (a) No person shall act as an outsourcing facility without first obtaining a license from the board and paying any applicable manufacturer licensing fee specified in section 151.065.

(b) Application for an outsourcing facility license under this section shall be made in a manner specified by the board and may differ from the application required of other drug manufacturers.

(c) No license shall be issued or renewed for an outsourcing facility unless the applicant agrees to operate in a manner prescribed for outsourcing facilities by federal and state law and according to Minnesota Rules.

(d) No license shall be issued or renewed for an outsourcing facility unless the applicant supplies the board with proof of such registration by the United States Food and Drug Administration as required by United States Code, title 21, section 353b.

(e) No license shall be issued or renewed for an outsourcing facility that is required to be licensed or registered by the state in which it is physically located unless the applicant supplies the board with proof of such licensure or registration. The board may establish, by rule, standards for the licensure of an outsourcing facility that is not required to be licensed or registered by the state in which it is physically located.

(f) The board shall require a separate license for each outsourcing facility located within the state and for each outsourcing facility located outside of the state at which drugs that are shipped into the state are prepared.

(g) The board shall not issue an initial or renewed license for an outsourcing facility unless the facility passes ~~an~~ a current good manufacturing practices inspection conducted by an authorized representative of the board. In the case of an outsourcing facility located outside of the state, the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless the applicant furnishes the board with a report,

issued by the appropriate regulatory agency of the state in which the facility is located or by the United States Food and Drug Administration, of ~~an~~ a current good manufacturing practices inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board. The board may deny licensure unless the applicant submits documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.

Sec. 15. Minnesota Statutes 2018, section 151.252, subdivision 3, is amended to read:

Subd. 3. **Payment to practitioner; reporting.** Unless prohibited by United States Code, title 42, section 1320a-7h, a drug manufacturer or outsourcing facility shall file with the board an annual report, in a form and on the date prescribed by the board, identifying all payments, honoraria, reimbursement, or other compensation authorized under section 151.461, clauses (4) and (5), paid to practitioners in Minnesota during the preceding calendar year. The report shall identify the nature and value of any payments totaling \$100 or more to a particular practitioner during the year, and shall identify the practitioner. Reports filed under this subdivision are public data.

Sec. 16. Minnesota Statutes 2018, section 151.253, is amended by adding a subdivision to read:

Subd. 4. **Emergency veterinary compounding.** A pharmacist working within a pharmacy licensed by the board in the veterinary pharmacy license category may compound and provide a drug product to a veterinarian without first receiving a patient-specific prescription only when:

(1) the compounded drug product is needed to treat animals in urgent or emergency situations, meaning where the health of an animal is threatened, or where suffering or death of an animal is likely to result from failure to immediately treat;

(2) timely access to a compounding pharmacy is not available, as determined by the prescribing veterinarian;

(3) there is no commercially manufactured drug, approved by the United States Food and Drug Administration, that is suitable for treating the animal, or there is a documented shortage of such drug;

(4) the compounded drug is to be administered by a veterinarian or a bona fide employee of the veterinarian, or dispensed to a client of a veterinarian in an amount not to exceed what is necessary to treat an animal for a period of ten days;

(5) the pharmacy has selected the sterile or nonsterile compounding license category, in addition to the veterinary pharmacy licensing category; and

(6) the pharmacy is appropriately registered by the United States Drug Enforcement Administration when providing compounded products that contain controlled substances.

Sec. 17. Minnesota Statutes 2018, section 151.32, is amended to read:

151.32 CITATION.

The title of sections 151.01 to ~~451.40~~ 151.58 shall be the Pharmacy Practice and Wholesale Distribution Act.

Sec. 18. Minnesota Statutes 2018, section 151.40, subdivision 1, is amended to read:

Subdivision 1. **Generally.** ~~Except as otherwise provided in subdivision 2,~~ It is unlawful for any person to possess, control, manufacture, sell, furnish, dispense, or otherwise dispose of hypodermic syringes or needles or any instrument or implement which can be adapted for subcutaneous injections, ~~except~~ by for:

(1) The following persons when acting in the course of their practice or employment:

(i) licensed practitioners, ~~registered~~ and their employees, agents, or delegates;

(ii) licensed pharmacies and their employees or agents;

(iii) licensed pharmacists, ~~licensed doctors of veterinary medicine or their assistants;~~

(iv) registered nurses, and licensed practical nurses;

(v) registered medical technologists;

(vi) medical interns, and residents;

(vii) licensed drug wholesalers, and their employees or agents;

(viii) licensed hospitals;

(ix) bona fide hospitals in which animals are treated;

(x) licensed nursing homes, ~~bona fide hospitals where animals are treated;~~

(xi) licensed morticians;

(xii) syringe and needle manufacturers, and their dealers and agents;

(xiii) persons engaged in animal husbandry;

(xiv) clinical laboratories and their employees;

(xv) persons engaged in bona fide research or education or industrial use of hypodermic syringes and needles provided such persons cannot use hypodermic syringes and needles for the administration of drugs to human beings unless such drugs are prescribed, dispensed, and administered by a person lawfully authorized to do so;

(xvi) persons who administer drugs pursuant to an order or direction of a licensed ~~doctor of medicine or of a licensed doctor of osteopathic medicine duly licensed to practice medicine.~~ practitioner; and

(xvii) syringe service providers and their employees or agents and individuals who obtain and dispose of hypodermic syringes and needles through such providers;

(2) a person who self-administers drugs pursuant to either the prescription or the direction of a practitioner, or a family member, caregiver, or other individual who is designated by such person to assist the person in obtaining and using needles and syringes for the administration of such drugs;

(3) a person who is disposing of hypodermic syringes and needles through an activity or program developed under section 325F.785; or

(4) a person who sells, possesses, or handles hypodermic syringes and needles pursuant to subdivision 2.

Sec. 19. Minnesota Statutes 2018, section 151.40, subdivision 2, is amended to read:

Subd. 2. **Sales of limited quantities of clean needles and syringes.** (a) A registered pharmacy ~~or its agent~~ or a licensed pharmacist may sell, without a the prescription or direction of a practitioner, unused hypodermic needles and syringes in quantities of ten or fewer, provided the pharmacy or pharmacist complies with all of the requirements of this subdivision.

(b) At any location where hypodermic needles and syringes are kept for retail sale under this subdivision, the needles and syringes shall be stored in a manner that makes them available only to authorized personnel and not openly available to customers.

~~(c) No registered pharmacy or licensed pharmacist may advertise to the public the availability for retail sale, without a prescription, of hypodermic needles or syringes in quantities of ten or fewer.~~

~~(d)~~ (c) A registered pharmacy or licensed pharmacist that sells hypodermic needles or syringes under this subdivision may give the purchaser the materials developed by the commissioner of health under section 325F.785.

~~(e)~~ (d) A registered pharmacy or licensed pharmacist that sells hypodermic needles or syringes under this subdivision must certify to the commissioner of health participation in an activity, including but not limited to those developed under section 325F.785, that supports proper disposal of used hypodermic needles or syringes.

Sec. 20. Minnesota Statutes 2018, section 151.43, is amended to read:

151.43 SCOPE.

Sections ~~151.42~~ 151.43 to 151.51 apply to any person, ~~partnership, corporation, or business firm~~ engaging in the wholesale distribution of ~~prescription~~ drugs within the state, and to persons operating as third-party logistics providers.

Sec. 21. **[151.441] DEFINITIONS.**

Subdivision 1. **Scope.** As used in sections 151.43 to 151.51, the following terms have the meanings given in this section.

Subd. 2. **Dispenser.** "Dispenser" means a retail pharmacy, hospital pharmacy, a group of chain pharmacies under common ownership and control that do not act as a wholesale distributor, or any other person authorized by law to dispense or administer prescription drugs, and the affiliated warehouses or distribution centers of such entities under common ownership and control that do not act as a wholesale distributor, but does not include a person who dispenses only products to be used in animals in accordance with United States Code, title 21, section 360b(a)(5).

Subd. 3. **Disposition.** "Disposition," with respect to a product within the possession or control of an entity, means the removal of such product from the pharmaceutical distribution supply chain, which may include disposal or return of the product for disposal or other appropriate handling and other actions, such as retaining a sample of the product for further additional physical examination or laboratory analysis of the product by a manufacturer or regulatory or law enforcement agency.

Subd. 4. **Distribute or distribution.** "Distribute" or "distribution" means the sale, purchase, trade, delivery, handling, storage, or receipt of a product, and does not include the dispensing of a product pursuant to a prescription executed in accordance with United States Code, title 21, section 353(b)(1), or the dispensing of a product approved under United States Code, title 21, section 360b(b).

Subd. 5. **Manufacturer.** "Manufacturer" means, with respect to a product:

(1) a person who holds an application approved under United States Code, title 21, section 355, or a license issued under United States Code, title 42, section 262, for such product, or if such product is not the subject of an approved application or license, the person who manufactured the product;

(2) a co-licensed partner of the person described in clause (1) that obtains the product directly from a person described in this subdivision; or

(3) an affiliate of a person described in clause (1) or (2) that receives the product directly from a person described in this subdivision.

Subd. 6. **Medical convenience kit.** "Medical convenience kit" means a collection of finished medical devices, which may include a product or biological product, assembled in kit form strictly for the convenience of the purchaser or user.

Subd. 7. **Package.** "Package" means the smallest individual salable unit of product for distribution by a manufacturer or repackager that is intended by the manufacturer for ultimate sale to the dispenser of such product. For purposes of this subdivision, an "individual salable unit" is the smallest container of product introduced into commerce by the manufacturer or repackager that is intended by the manufacturer or repackager for individual sale to a dispenser.

Subd. 8. **Prescription drug.** "Prescription drug" means a drug for human use subject to United States Code, title 21, section 353(b)(1).

Subd. 9. **Product.** "Product" means a prescription drug in a finished dosage form for administration to a patient without substantial further manufacturing, but does not include blood or blood components intended for transfusion; radioactive drugs or radioactive biological products as defined in Code of Federal Regulations, title 21, section 600.3(ee), that are regulated by the Nuclear Regulatory Commission or by a state pursuant to an agreement with such commission under United States Code, title 42, section 2021; imaging drugs; an intravenous product described in subdivision 12, paragraph (b), clauses (14) to (16); any medical gas defined in United States Code, title 21, section 360ddd; homeopathic drugs marketed in accordance with applicable federal law; or a drug compounded in compliance with United States Code, title 21, section 353a or 353b.

Subd. 10. **Repackager.** "Repackager" means a person who owns or operates an establishment that repacks and relabels a product or package for further sale or for distribution without a further transaction.

Subd. 11. **Third-party logistics provider.** "Third-party logistics provider" means an entity that provides or coordinates warehousing or other logistics services of a product in interstate commerce on behalf of a manufacturer, wholesale distributor, or dispenser of a product, but does not take ownership of the product nor have responsibility to direct the sale or disposition of the product.

Subd. 12. **Transaction.** (a) "Transaction" means the transfer of product between persons in which a change of ownership occurs.

(b) The term "transaction" does not include:

(1) intracompany distribution of any product between members of an affiliate or within a manufacturer;

(2) the distribution of a product among hospitals or other health care entities that are under common control;

(3) the distribution of a drug or an offer to distribute a drug for emergency medical reasons, including:

(i) a public health emergency declaration pursuant to United States Code, title 42, section 247d;

(ii) a national security or peacetime emergency declared by the governor pursuant to section 12.31; or

(iii) a situation involving an action taken by the commissioner of health pursuant to section 144.4197, 144.4198 or 151.37, subdivisions 2, paragraph (b), and 10, except that, for purposes of this paragraph, a drug shortage not caused by a public health emergency shall not constitute an emergency medical reason;

(4) the dispensing of a drug pursuant to a valid prescription issued by a licensed practitioner;

(5) the distribution of product samples by a manufacturer or a licensed wholesale distributor in accordance with United States Code, title 21, section 353(d);

(6) the distribution of blood or blood components intended for transfusion;

(7) the distribution of minimal quantities of product by a licensed retail pharmacy to a licensed practitioner for office use;

(8) the sale, purchase, or trade of a drug or an offer to sell, purchase, or trade a drug by a charitable organization described in United States Code, title 26, section 501(c)(3), to a nonprofit affiliate of the organization to the extent otherwise permitted by law;

(9) the distribution of a product pursuant to the sale or merger of a pharmacy or pharmacies or a wholesale distributor or wholesale distributors, except that any records required to be maintained for the product shall be transferred to the new owner of the pharmacy or pharmacies or wholesale distributor or wholesale distributors;

(10) the dispensing of a product approved under United States Code, title 21, section 360b(c);

(11) transfer of products to or from any facility that is licensed by the Nuclear Regulatory Commission or by a state pursuant to an agreement with such commission under United States Code, title 42, section 2021;

(12) transfer of a combination product that is not subject to approval under United States Code, title 21, section 355, or licensure under United States Code, title 42, section 262, and that is:

(i) a product comprised of a device and one or more other regulated components (such as a drug/device, biologic/device, or drug/device/biologic) that are physically, chemically, or otherwise combined or mixed and produced as a single entity;

(ii) two or more separate products packaged together in a single package or as a unit and comprised of a drug and device or device and biological product; or

(iii) two or more finished medical devices plus one or more drug or biological products that are packaged together in a medical convenience kit;

(13) the distribution of a medical convenience kit if:

(i) the medical convenience kit is assembled in an establishment that is registered with the Food and Drug Administration as a device manufacturer in accordance with United States Code, title 21, section 360(b)(2);

(ii) the medical convenience kit does not contain a controlled substance that appears in a schedule contained in the Comprehensive Drug Abuse Prevention and Control Act of 1970, United States Code, title 21, section 801, et seq.;

(iii) in the case of a medical convenience kit that includes a product, the person who manufactures the kit:

(A) purchased the product directly from the pharmaceutical manufacturer or from a wholesale distributor that purchased the product directly from the pharmaceutical manufacturer; and

(B) does not alter the primary container or label of the product as purchased from the manufacturer or wholesale distributor; and

(iv) in the case of a medical convenience kit that includes a product, the product is:

(A) an intravenous solution intended for the replenishment of fluids and electrolytes;

(B) a product intended to maintain the equilibrium of water and minerals in the body;

(C) a product intended for irrigation or reconstitution;

(D) an anesthetic;

(E) an anticoagulant;

(F) a vasopressor; or

(G) a sympathomimetic;

(14) the distribution of an intravenous product that, by its formulation, is intended for the replenishment of fluids and electrolytes, such as sodium, chloride, and potassium; or calories, such as dextrose and amino acids;

(15) the distribution of an intravenous product used to maintain the equilibrium of water and minerals in the body, such as dialysis solutions;

(16) the distribution of a product that is intended for irrigation, or sterile water, whether intended for such purposes or for injection;

(17) the distribution of a medical gas as defined in United States Code, title 21, section 360ddd; or

(18) the distribution or sale of any licensed product under United States Code, title 42, section 262, that meets the definition of a device under United States Code, title 21, section 321(h).

Subd. 13. **Wholesale distribution.** "Wholesale distribution" means the distribution of a drug to a person other than a consumer or patient, or receipt of a drug by a person other than the consumer or patient, but does not include:

(1) intracompany distribution of any drug between members of an affiliate or within a manufacturer;

(2) the distribution of a drug or an offer to distribute a drug among hospitals or other health care entities that are under common control;

(3) the distribution of a drug or an offer to distribute a drug for emergency medical reasons, including:

- (i) a public health emergency declaration pursuant to United States Code, title 42, section 247d;
- (ii) a national security or peacetime emergency declared by the governor pursuant to section 12.31; or
- (iii) a situation involving an action taken by the commissioner of health pursuant to sections 144.4197, 144.4198 or 151.37, subdivisions 2, paragraph (b), and 10, except that, for purposes of this paragraph, a drug shortage not caused by a public health emergency shall not constitute an emergency medical reason;
- (4) the dispensing of a drug pursuant to a valid prescription issued by a licensed practitioner;
- (5) the distribution of minimal quantities of a drug by a licensed retail pharmacy to a licensed practitioner for office use;
- (6) the distribution of a drug or an offer to distribute a drug by a charitable organization to a nonprofit affiliate of the organization to the extent otherwise permitted by law;
- (7) the purchase or other acquisition by a dispenser, hospital, or other health care entity of a drug for use by such dispenser, hospital, or other health care entity;
- (8) the distribution of a drug by the manufacturer of such drug;
- (9) the receipt or transfer of a drug by an authorized third-party logistics provider provided that such third-party logistics provider does not take ownership of the drug;
- (10) a common carrier that transports a drug, provided that the common carrier does not take ownership of the drug;
- (11) the distribution of a drug or an offer to distribute a drug by an authorized repackager that has taken ownership or possession of the drug and repacks it in accordance with United States Code, title 21, section 360eee-1(e);
- (12) salable drug returns when conducted by a dispenser;
- (13) the distribution of a collection of finished medical devices, which may include a product or biological product, assembled in kit form strictly for the convenience of the purchaser or user, referred to in this section as a medical convenience kit, if:
 - (i) the medical convenience kit is assembled in an establishment that is registered with the Food and Drug Administration as a device manufacturer in accordance with United States Code, title 21, section 360(b)(2);
 - (ii) the medical convenience kit does not contain a controlled substance that appears in a schedule contained in the Comprehensive Drug Abuse Prevention and Control Act of 1970, United States Code, title 21, section 801, et seq.;
 - (iii) in the case of a medical convenience kit that includes a product, the person that manufactures the kit:
 - (A) purchased such product directly from the pharmaceutical manufacturer or from a wholesale distributor that purchased the product directly from the pharmaceutical manufacturer; and
 - (B) does not alter the primary container or label of the product as purchased from the manufacturer or wholesale distributor; and
 - (iv) in the case of a medical convenience kit that includes a product, the product is:

(A) an intravenous solution intended for the replenishment of fluids and electrolytes;

(B) a product intended to maintain the equilibrium of water and minerals in the body;

(C) a product intended for irrigation or reconstitution;

(D) an anesthetic;

(E) an anticoagulant;

(F) a vasopressor; or

(G) a sympathomimetic;

(14) the distribution of an intravenous drug that, by its formulation, is intended for the replenishment of fluids and electrolytes, such as sodium, chloride, and potassium; or calories, such as dextrose and amino acids;

(15) the distribution of an intravenous drug used to maintain the equilibrium of water and minerals in the body, such as dialysis solutions;

(16) the distribution of a drug that is intended for irrigation, or sterile water, whether intended for such purposes or for injection;

(17) the distribution of medical gas, as defined in United States Code, title 21, section 360ddd;

(18) facilitating the distribution of a product by providing solely administrative services, including processing of orders and payments; or

(19) the transfer of a product by a hospital or other health care entity, or by a wholesale distributor or manufacturer operating at the direction of the hospital or other health care entity, to a repackager described in United States Code, title 21, section 360eee(16)(B), and registered under United States Code, title 21, section 360, for the purpose of repackaging the drug for use by that hospital, or other health care entity and other health care entities that are under common control, if ownership of the drug remains with the hospital or other health care entity at all times.

Subd. 14. **Wholesale distributor.** "Wholesale distributor" means a person engaged in wholesale distribution but does not include a manufacturer, a manufacturer's co-licensed partner, a third-party logistics provider, or a repackager.

Sec. 22. Minnesota Statutes 2018, section 151.46, is amended to read:

151.46 PROHIBITED DRUG PURCHASES OR RECEIPT.

It is unlawful for any person to knowingly purchase or receive a prescription drug from a source other than a person or entity licensed under the laws of the state, except where otherwise provided. Licensed wholesale drug distributors ~~other than pharmacies~~ and licensed third-party logistics providers shall not dispense or distribute ~~prescription~~ drugs directly to patients. A person violating the provisions of this section is guilty of a misdemeanor.

Sec. 23. Minnesota Statutes 2018, section 151.47, subdivision 1, is amended to read:

Subdivision 1. **Requirements Generally.** (a) All wholesale drug distributors are subject to the requirements of this subdivision. Each manufacturer, repackager, wholesale distributor, and dispenser shall comply with the requirements set forth in United States Code, title 21, section 360eee-1, with respect to the role of such

manufacturer, repackager, wholesale distributor, or dispenser in a transaction involving a product. If an entity meets the definition of more than one of the entities listed in the preceding sentence, such entity shall comply with all applicable requirements in United States Code, title 21, section 360eee-1, but shall not be required to duplicate requirements.

~~(b) No person or distribution outlet shall act as a wholesale drug distributor without first obtaining a license from the board and paying any applicable fee specified in section 151.065.~~

~~(c) Application for a wholesale drug distributor license under this section shall be made in a manner specified by the board.~~

~~(d) No license shall be issued or renewed for a wholesale drug distributor to operate unless the applicant agrees to operate in a manner prescribed by federal and state law and according to the rules adopted by the board.~~

~~(e) No license may be issued or renewed for a drug wholesale distributor that is required to be licensed or registered by the state in which it is physically located unless the applicant supplies the board with proof of licensure or registration. The board may establish, by rule, standards for the licensure of a drug wholesale distributor that is not required to be licensed or registered by the state in which it is physically located.~~

~~(f) The board shall require a separate license for each drug wholesale distributor facility located within the state and for each drug wholesale distributor facility located outside of the state from which drugs are shipped into the state or to which drugs are reverse distributed.~~

~~(g) The board shall not issue an initial or renewed license for a drug wholesale distributor facility unless the facility passes an inspection conducted by an authorized representative of the board, or is accredited by an accreditation program approved by the board. In the case of a drug wholesale distributor facility located outside of the state, the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless the applicant furnishes the board with a report, issued by the appropriate regulatory agency of the state in which the facility is located, of an inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board, or furnishes the board with proof of current accreditation. The board may deny licensure unless the applicant submits documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.~~

~~(h) As a condition for receiving and retaining a wholesale drug distributor license issued under sections 151.42 to 151.51, an applicant shall satisfy the board that it has and will continuously maintain:~~

~~(1) adequate storage conditions and facilities;~~

~~(2) minimum liability and other insurance as may be required under any applicable federal or state law;~~

~~(3) a viable security system that includes an after hours central alarm, or comparable entry detection capability; restricted access to the premises; comprehensive employment applicant screening; and safeguards against all forms of employee theft;~~

~~(4) a system of records describing all wholesale drug distributor activities set forth in section 151.44 for at least the most recent two year period, which shall be reasonably accessible as defined by board regulations in any inspection authorized by the board;~~

~~(5) principals and persons, including officers, directors, primary shareholders, and key management executives, who must at all times demonstrate and maintain their capability of conducting business in conformity with sound financial practices as well as state and federal law;~~

~~(6) complete, updated information, to be provided to the board as a condition for obtaining and retaining a license, about each wholesale drug distributor to be licensed, including all pertinent corporate licensee information, if applicable, or other ownership, principal, key personnel, and facilities information found to be necessary by the board;~~

~~(7) written policies and procedures that assure reasonable wholesale drug distributor preparation for, protection against, and handling of any facility security or operation problems, including, but not limited to, those caused by natural disaster or government emergency, inventory inaccuracies or product shipping and receiving, outdated product or other unauthorized product control, appropriate disposition of returned goods, and product recalls;~~

~~(8) sufficient inspection procedures for all incoming and outgoing product shipments; and~~

~~(9) operations in compliance with all federal requirements applicable to wholesale drug distribution.~~

~~(i) An agent or employee of any licensed wholesale drug distributor need not seek licensure under this section.~~

Sec. 24. Minnesota Statutes 2018, section 151.47, is amended by adding a subdivision to read:

Subd. 1a. **Licensing.** (a) The board shall license wholesale distributors in a manner that is consistent with United States Code, title 21, section 360eee-2, and the regulations promulgated thereunder. In the event that the provisions of this section, or of the rules of the board, conflict with the provisions of United States Code, title 21, section 360eee-2, or the rules promulgated thereunder, the federal provisions shall prevail. The board shall not license a person as a wholesale distributor unless the person is engaged in wholesale distribution.

(b) No person shall act as a wholesale distributor without first obtaining a license from the board and paying any applicable fee specified in section 151.065.

(c) Application for a wholesale distributor license under this section shall be made in a manner specified by the board.

(d) No license shall be issued or renewed for a wholesale distributor unless the applicant agrees to operate in a manner prescribed by federal and state law and according to the rules adopted by the board.

(e) No license may be issued or renewed for a wholesale distributor facility that is located in another state unless the applicant supplies the board with proof of licensure or registration by the state in which the wholesale distributor is physically located or by the United States Food and Drug Administration.

(f) The board shall require a separate license for each drug wholesale distributor facility located within the state and for each drug wholesale distributor facility located outside of the state from which drugs are shipped into the state or to which drugs are reverse distributed.

(g) The board shall not issue an initial or renewed license for a drug wholesale distributor facility unless the facility passes an inspection conducted by an authorized representative of the board or is inspected and accredited by an accreditation program approved by the board. In the case of a drug wholesale distributor facility located outside of the state, the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless the applicant furnishes the board with a report, issued by the appropriate regulatory agency of the state in which the facility is located, of an inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board, or furnishes the board with proof of current accreditation. The board may deny licensure unless the applicant submits documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.

(h) As a condition for receiving and retaining a wholesale drug distributor license issued under this section, an applicant shall satisfy the board that it:

(1) has adequate storage conditions and facilities to allow for the safe receipt, storage, handling, and sale of drugs;

(2) has minimum liability and other insurance as may be required under any applicable federal or state law;

(3) has a functioning security system that includes an after-hours central alarm or comparable entry detection capability, and security policies and procedures that include provisions for restricted access to the premises, comprehensive employee applicant screening, and safeguards against all forms of employee theft;

(4) will maintain appropriate records of the distribution of drugs, which shall be kept for a minimum of two years and be made available to the board upon request;

(5) employs principals and other persons, including officers, directors, primary shareholders, and key management executives, who will at all times demonstrate and maintain their capability of conducting business in conformity with state and federal law, at least one of whom will serve as the primary designated representative for each licensed facility and who will be responsible for ensuring that the facility operates in a manner consistent with state and federal law;

(6) will ensure that all personnel have sufficient education, training, and experience, in any combination, so that they may perform assigned duties in a manner that maintains the quality, safety, and security of drugs;

(7) will provide the board with updated information about each wholesale distributor facility to be licensed, as requested by the board;

(8) will develop and, as necessary, update written policies and procedures that assure reasonable wholesale drug distributor preparation for, protection against, and handling of any facility security or operation problems, including but not limited to those caused by natural disaster or government emergency, inventory inaccuracies or drug shipping and receiving, outdated drugs, appropriate handling of returned goods, and drug recalls;

(9) will have sufficient policies and procedures in place for the inspection of all incoming and outgoing drug shipments;

(10) will operate in compliance with all state and federal requirements applicable to wholesale drug distribution; and

(11) will meet the requirements for inspections found in this subdivision.

(i) An agent or employee of any licensed wholesale drug distributor need not seek licensure under this section. Paragraphs (i) to (p) apply to wholesaler personnel.

(j) The board is authorized to and shall require fingerprint-based criminal background checks of facility managers or designated representatives, as required under United States Code, title 21, section 360eee-2. The criminal background checks shall be conducted as provided in section 214.075. The board shall use the criminal background check data received to evaluate the qualifications of persons for ownership of or employment by a licensed wholesaler and shall not disseminate this data except as allowed by law.

(k) A licensed wholesaler shall not be owned by, or employ, a person who has:

(1) been convicted of any felony for conduct relating to wholesale distribution, any felony violation of United States Code, title 21, section 331, subsections (i) or (k), or any felony violation of United States Code, title 18, section 1365, relating to product tampering; or

(2) engaged in a pattern of violating the requirements of United States Code, title 21, section 360eee-2, or the regulations promulgated thereunder, or state requirements for licensure, that presents a threat of serious adverse health consequences or death to humans.

(l) An applicant for the issuance or renewal of a wholesale distributor license shall execute and file with the board a surety bond.

(m) Prior to issuing or renewing a wholesale distributor license, the board shall require an applicant that is not a government owned and operated wholesale distributor to submit a surety bond of \$100,000, except that if the annual gross receipts of the applicant for the previous tax year is \$10,000,000 or less, a surety bond of \$25,000 shall be required.

(n) If a wholesale distributor can provide evidence satisfactory to the board that it possesses the required bond in another state, the requirement for a bond shall be waived.

(o) The purpose of the surety bond required under this subdivision is to secure payment of any civil penalty imposed by the board pursuant to section 151.071, subdivision 1. The board may make a claim against the bond if the licensee fails to pay a civil penalty within 30 days after the order imposing the fine or costs become final.

(p) A single surety bond shall satisfy the requirement for the submission of a bond for all licensed wholesale distributor facilities under common ownership.

Sec. 25. **[151.471] THIRD-PARTY LOGISTICS PROVIDER REQUIREMENTS.**

Subdivision 1. **Generally.** Each third-party logistics provider shall comply with the requirements set forth in United States Code, title 21, section 360eee to 360eee-4, that are applicable to third-party logistics providers.

Subd. 2. **Licensing.** (a) The board shall license third-party logistics providers in a manner that is consistent with United States Code, title 21, section 360eee-3, and the regulations promulgated thereunder. In the event that the provisions of this section or of the rules of the board conflict with the provisions of United States Code, title 21, section 360eee-3, or the rules promulgated thereunder, the federal provisions shall prevail. The board shall not license a person as a third-party logistics provider unless the person is operating as such.

(b) No person shall act as a third-party logistics provider without first obtaining a license from the board and paying any applicable fee specified in section 151.065.

(c) Application for a third-party logistics provider license under this section shall be made in a manner specified by the board.

(d) No license shall be issued or renewed for a third-party logistics provider unless the applicant agrees to operate in a manner prescribed by federal and state law and according to the rules adopted by the board.

(e) No license may be issued or renewed for a third-party logistics provider facility that is located in another state unless the applicant supplies the board with proof of licensure or registration by the state in which the third-party logistics provider facility is physically located or by the United States Food and Drug Administration.

(f) The board shall require a separate license for each third-party logistics provider facility located within the state and for each third-party logistics provider facility located outside of the state from which drugs are shipped into the state or to which drugs are reverse distributed.

(g) The board shall not issue an initial or renewed license for a third-party logistics provider facility unless the facility passes an inspection conducted by an authorized representative of the board or is inspected and accredited by an accreditation program approved by the board. In the case of a third-party logistics provider facility located outside of the state, the board may require the applicant to pay the cost of the inspection, in addition to the license fee in section 151.065, unless the applicant furnishes the board with a report, issued by the appropriate regulatory agency of the state in which the facility is located, of an inspection that has occurred within the 24 months immediately preceding receipt of the license application by the board, or furnishes the board with proof of current accreditation. The board may deny licensure unless the applicant submits documentation satisfactory to the board that any deficiencies noted in an inspection report have been corrected.

(h) As a condition for receiving and retaining a third-party logistics provider facility license issued under this section, an applicant shall satisfy the board that it:

(1) has adequate storage conditions and facilities to allow for the safe receipt, storage, handling, and transfer of drugs;

(2) has minimum liability and other insurance as may be required under any applicable federal or state law;

(3) has a functioning security system that includes an after-hours central alarm or comparable entry detection capability, and security policies and procedures that include provisions for restricted access to the premises, comprehensive employee applicant screening, and safeguards against all forms of employee theft;

(4) will maintain appropriate records of the handling of drugs, which shall be kept for a minimum of two years and be made available to the board upon request;

(5) employs principals and other persons, including officers, directors, primary shareholders, and key management executives, who will at all times demonstrate and maintain their capability of conducting business in conformity with state and federal law, at least one of whom will serve as the primary designated representative for each licensed facility and who will be responsible for ensuring that the facility operates in a manner consistent with state and federal law;

(6) will ensure that all personnel have sufficient education, training, and experience, in any combination, so that they may perform assigned duties in a manner that maintains the quality, safety, and security of drugs;

(7) will provide the board with updated information about each third-party logistics provider facility to be licensed by the board;

(8) will develop and, as necessary, update written policies and procedures that ensure reasonable preparation for, protection against, and handling of any facility security or operation problems, including, but not limited to, those caused by natural disaster or government emergency, inventory inaccuracies or drug shipping and receiving, outdated drug, appropriate handling of returned goods, and drug recalls;

(9) will have sufficient policies and procedures in place for the inspection of all incoming and outgoing drug shipments;

(10) will operate in compliance with all state and federal requirements applicable to third-party logistics providers; and

(11) will meet the requirements for inspections found in this subdivision.

(i) An agent or employee of any licensed third-party logistics provider need not seek licensure under this section. Paragraphs (j) and (k) apply to third-party logistics provider personnel.

(j) The board is authorized to and shall require fingerprint-based criminal background checks of facility managers or designated representatives. The criminal background checks shall be conducted as provided in section 214.075. The board shall use the criminal background check data received to evaluate the qualifications of persons for ownership of or employment by a licensed third-party logistics provider and shall not disseminate this data except as allowed by law.

(k) A licensed third-party logistics provider shall not have as a facility manager or designated representative any person who has been convicted of any felony for conduct relating to wholesale distribution, any felony violation of United States Code, title 21, section 331, subsection (i) or (k), or any felony violation of United States Code, title 18, section 1365, relating to product tampering.

Sec. 26. **REPEALER.**

Minnesota Statutes 2018, sections 151.42; 151.44; 151.49; 151.50; 151.51; and 151.55, are repealed."

Delete the title and insert:

"A bill for an act relating to health; making clarifying changes to the Pharmacy Practice Act; modifying requirements for veterinary compounding; modifying licensure for wholesale distributors; establishing licensure for third-party logistics providers; modifying fees; amending Minnesota Statutes 2018, sections 151.01, subdivisions 31, 35, by adding a subdivision; 151.065, subdivisions 1, 3, 6; 151.071, subdivision 2; 151.15, subdivision 1, by adding subdivisions; 151.19, subdivisions 1, 3; 151.252, subdivisions 1, 1a, 3; 151.253, by adding a subdivision; 151.32; 151.40, subdivisions 1, 2; 151.43; 151.46; 151.47, subdivision 1, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 151; repealing Minnesota Statutes 2018, sections 151.42; 151.44; 151.49; 151.50; 151.51; 151.55."

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

The report was adopted.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 1777, A bill for an act relating to public safety; authorizing cities to reduce speed limits in residential areas; amending Minnesota Statutes 2018, section 169.14, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 169.011, subdivision 64, is amended to read:

Subd. 64. **Residential roadway.** "Residential roadway" means a city street or town road that is either (1) less than one-half mile in total length, or (2) in an area zoned exclusively for housing that is not a collector or arterial street."

Delete the title and insert:

"A bill for an act relating to public safety; changing the definition of residential roadway; amending Minnesota Statutes 2018, section 169.011, subdivision 64."

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

The report was adopted.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 1778, A bill for an act relating to transportation; allowing cities of the first class to establish city speed limits; amending Minnesota Statutes 2018, section 169.14, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 23, after the period, insert "A city that uses the authority under this paragraph must develop procedures to set speed limits based on the city's safety, engineering, and traffic analysis. At a minimum, the safety, engineering, and traffic analysis must consider national urban speed limit guidance and studies, local traffic crashes, and methods to effectively communicate the change to the public."

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

The report was adopted.

Youakim from the Committee on Education Policy to which was referred:

H. F. No. 1838, A bill for an act relating to education; modifying school administrator licensure fee; creating an administrator licensure account in the special revenue fund; appropriating money; amending Minnesota Statutes 2018, sections 122A.14, subdivision 9; 122A.175, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 122A.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Hornstein from the Transportation Finance and Policy Division to which was referred:

H. F. No. 1865, A bill for an act relating to transportation; requiring Department of Transportation to promote use of electric vehicles; amending Minnesota Statutes 2018, sections 174.01, subdivision 2; 174.03, subdivision 7.

Reported the same back with the following amendments:

Page 2, line 7, delete "electric" and insert "zero-emission"

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1875, A bill for an act relating to human services; establishing an integrated care model pilot project; requiring reports; appropriating money.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 2018, section 256B.0625, is amended by adding a subdivision to read:

Subd. 20c. **Integrated care model; mental health case management services by Center for Victims of Torture.** (a) The commissioner of human services, in collaboration with the Center for Victims of Torture, shall develop a pilot project to support the continued testing of an integrated care model for the delivery of mental health targeted case management at three designated service sites. For purposes of this subdivision, "center" means the Center for Victims of Torture.

(b) The commissioner of human services shall contract directly with the center for the provision of the services described in paragraph (c). The services shall be paid at \$695 per member per month and shall be funded using 100 percent state funding.

(c) Individuals who are eligible to receive medical assistance under this chapter, who are eligible to receive mental health targeted case management as described under section 245.4711, and who are being served by the center shall be served using the integrated care model and must be evaluated using the center's social functioning tool.

(d) The commissioner of human services, in collaboration with the center, shall also evaluate whether the center's social functioning tool can be adapted for use with the general medical assistance population. Beginning July 1, 2020, and annually thereafter until the evaluation is complete, the commissioner of human services shall report on the results of the evaluation to the legislative committees with jurisdiction over human services."

Page 2, line 7, delete "\$....." and insert "\$500,000"

Correct the title numbers accordingly

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 1892, A bill for an act relating to child welfare; modifying requirements for reporting prenatal substance use; amending Minnesota Statutes 2018, section 626.5561, subdivision 1.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Halverson from the Committee on Commerce to which was referred:

H. F. No. 1909, A bill for an act relating to liquor; regulating direct shippers of wine; imposing sales and use taxes, liquor gross receipts taxes, and excise taxes on direct shipments of wine; providing for licensing and required reports; providing for classification of data; prohibiting bootlegging; amending Minnesota Statutes 2018, sections 13.6905, by adding a subdivision; 295.75, subdivision 4; 297A.83, subdivision 1; 297G.07, subdivision 1; 299A.706; 340A.304; 340A.417; proposing coding for new law in Minnesota Statutes, chapter 340A.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 1955, A bill for an act relating to public safety; amending various provisions related to predatory offender registration; modifying provisions governing the Statewide Emergency Communication Board; modifying requirements for wheelchair securement devices; amending Minnesota Statutes 2018, sections 171.07, subdivision 1a; 243.166, subdivisions 1a, 1b, 2, 4, 4a, 4c, 5, 6, 7, 7a, by adding a subdivision; 299A.12, subdivisions 1, 2, 3; 299A.13; 299A.14, subdivision 3; 299C.093; 403.21, subdivision 7a; 403.36, subdivisions 1, 1b, 1c, 1d; 403.37, subdivision 12; 403.382, subdivisions 1, 8; repealing Minnesota Statutes 2018, sections 299A.12, subdivision 4; 299A.18.

Reported the same back with the recommendation that the bill be re-referred to the Public Safety and Criminal Justice Reform Finance and Policy Division.

The report was adopted.

Sundin from the Committee on Labor to which was referred:

H. F. No. 2001, A bill for an act relating to human rights; ensuring workforce certificates of compliance apply equally to in-state and out-of-state contractors; amending Minnesota Statutes 2018, section 363A.36, subdivisions 1, 4.

Reported the same back with the following amendments:

Page 1, line 21, after "commissioner" insert "of human rights"

Page 1, line 22, delete "to the commissioner" and after the first period, insert "Determinations of exempt status shall be made by the commissioner of human rights."

Page 2, line 18, after "Council," insert "or"

Page 2, line 19, delete everything after the second comma

Page 2, line 20, delete "section 16A.695."

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 2009, A bill for an act relating to health; prohibiting health plan companies and the commissioner of human services from requiring enrollees to follow step therapy protocols for certain metastatic cancers; amending Minnesota Statutes 2018, section 256B.0625, subdivision 13f; proposing coding for new law in Minnesota Statutes, chapter 62Q.

Reported the same back with the following amendments:

Page 1, line 11, delete "company" and delete "4" and insert "3"

Page 1, line 12, delete "company" and after "includes" insert "health coverage provided by"

Page 1, line 13, delete "and" and insert "or"

Page 1, line 19, delete everything after the third period

Page 1, line 20, delete everything before "a" and after "plan" insert "that provides coverage"

Page 1, line 21, delete "under the health plan"

Page 1, line 23, delete "plan company's" and insert "plan's"

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 2185, A bill for an act relating to human services; modifying policy provisions governing disability services; amending Minnesota Statutes 2018, sections 144A.471, subdivision 8; 144A.475, subdivision 6; 176.011, subdivision 9; 216C.435, subdivision 13; 245A.03, subdivision 7; 245C.03, subdivision 2; 245C.04, subdivision 3; 245C.10, subdivision 3; 245C.16, subdivision 1; 245D.03, subdivision 1; 245D.071, subdivisions 1, 3; 245D.09, subdivision 4a; 245D.091, subdivisions 2, 3, 4; 252.32, subdivisions 1a, 3a; 256B.038; 256B.04, subdivision 21; 256B.0621, subdivision 2; 256B.0625, by adding a subdivision; 256B.0651, subdivisions 1, 2, 12, 13; 256B.0652, subdivisions 2, 5, 8, 10, 12; 256B.0653, subdivision 3; 256B.0659, subdivision 3a; 256B.0705, subdivisions 1, 2; 256B.0711, subdivisions 1, 2; 256B.0911, subdivisions 1a, 3a, 3f, 6; 256B.0913, subdivision 5a; 256B.0915, subdivisions 3a, 6; 256B.0916, subdivision 9; 256B.0918, subdivision 2; 256B.092, subdivision 1b; 256B.093, subdivision 4; 256B.097, subdivision 1; 256B.439, subdivision 1; 256B.49, subdivisions 13, 14, 17; 256B.4914, subdivisions 2, 3, 14; 256B.501, subdivision 4a; 256B.69, subdivision 5a; 256B.765; 256B.85, subdivisions 1, 2, 4, 5, 6, 8, 9, 10, 11, 11b, 12, 12b, 13a, 18a, by adding a subdivision; 256D.44, subdivision 5; 256I.05, subdivision 1a; 256J.21, subdivision 2; 256J.45, subdivision 3; 394.307, subdivision 1; 462.3593, subdivision 1; 604A.33, subdivision 1; 609.232, subdivisions 3, 11; 626.556, subdivisions 2, 3, 3c, 4, 10d; 626.5572, subdivisions 6, 21; Laws 2017, First Special Session chapter 6, article 1, section 44; repealing Minnesota Statutes 2018, sections 256.476, subdivisions 1, 2, 3, 4, 5, 6, 8, 9, 10, 11; 256B.0625, subdivisions 19a, 19c; 256B.0652, subdivision 6; 256B.0659, subdivisions 1, 2, 3, 3a, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 11a, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 245A.03, subdivision 7, is amended to read:

Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter for a physical location that will not be the primary residence of the license holder for the entire period of licensure. If a license is issued during this moratorium, and the license holder changes the license holder's primary residence away from the physical location of the foster care license, the commissioner shall revoke the license according to section 245A.07. The commissioner shall not issue an initial license for a community residential setting licensed under chapter 245D. When approving an exception under this paragraph, the commissioner shall consider the resource need determination process in paragraph (h), the availability of foster care licensed beds in the geographic area in which the licensee seeks to operate, the results of a person's choices during their annual assessment and service plan review, and the recommendation of the local county board. The determination by the commissioner is final and not subject to appeal. Exceptions to the moratorium include:

(1) foster care settings that are required to be registered under chapter 144D;

(2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or community residential setting licenses replacing adult foster care licenses in existence on December 31, 2013, and determined to be needed by the commissioner under paragraph (b);

(3) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD, or regional treatment center; restructuring of state-operated services that limits the capacity of state-operated facilities; or allowing movement to the community for people who no longer require the level of care provided in state-operated facilities as provided under section 256B.092, subdivision 13, or 256B.49, subdivision 24;

(4) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for persons requiring hospital level care;

~~(5) new foster care licenses or community residential setting licenses determined to be needed by the commissioner for the transition of people from personal care assistance to the home and community based services;~~

~~(6)~~ (5) new foster care licenses or community residential setting licenses determined to be needed by the commissioner for the transition of people from the residential care waiver services to foster care services. This exception applies only when:

(i) the person's case manager provided the person with information about the choice of service, service provider, and location of service to help the person make an informed choice; and

(ii) the person's foster care services are less than or equal to the cost of the person's services delivered in the residential care waiver service setting as determined by the lead agency; or

~~(7)~~ (6) new foster care licenses or community residential setting licenses for people receiving services under chapter 245D and residing in an unlicensed setting before May 1, 2017, and for which a license is required. This exception does not apply to people living in their own home. For purposes of this clause, there is a presumption that a foster care or community residential setting license is required for services provided to three or more people in a dwelling unit when the setting is controlled by the provider. A license holder subject to this exception may rebut the presumption that a license is required by seeking a reconsideration of the commissioner's determination. The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14. The exception is available until June 30, 2018. This exception is available when:

(i) the person's case manager provided the person with information about the choice of service, service provider, and location of service, including in the person's home, to help the person make an informed choice; and

(ii) the person's services provided in the licensed foster care or community residential setting are less than or equal to the cost of the person's services delivered in the unlicensed setting as determined by the lead agency.

(b) The commissioner shall determine the need for newly licensed foster care homes or community residential settings as defined under this subdivision. As part of the determination, the commissioner shall consider the availability of foster care capacity in the area in which the licensee seeks to operate, and the recommendation of the local county board. The determination by the commissioner must be final. A determination of need is not required for a change in ownership at the same address.

(c) When an adult resident served by the program moves out of a foster home that is not the primary residence of the license holder according to section 256B.49, subdivision 15, paragraph (f), or the adult community residential setting, the county shall immediately inform the Department of Human Services Licensing Division. The department may decrease the statewide licensed capacity for adult foster care settings.

(d) Residential settings that would otherwise be subject to the decreased license capacity established in paragraph (c) shall be exempt if the license holder's beds are occupied by residents whose primary diagnosis is mental illness and the license holder is certified under the requirements in subdivision 6a or section 245D.33.

(e) A resource need determination process, managed at the state level, using the available reports required by section 144A.351, and other data and information shall be used to determine where the reduced capacity determined under section 256B.493 will be implemented. The commissioner shall consult with the stakeholders described in section 144A.351, and employ a variety of methods to improve the state's capacity to meet the informed decisions of those people who want to move out of corporate foster care or community residential settings, long-term service needs within budgetary limits, including seeking proposals from service providers or lead agencies to change service type, capacity, or location to improve services, increase the independence of residents, and better meet needs identified by the long-term services and supports reports and statewide data and information.

(f) At the time of application and reapplication for licensure, the applicant and the license holder that are subject to the moratorium or an exclusion established in paragraph (a) are required to inform the commissioner whether the physical location where the foster care will be provided is or will be the primary residence of the license holder for the entire period of licensure. If the primary residence of the applicant or license holder changes, the applicant or license holder must notify the commissioner immediately. The commissioner shall print on the foster care license certificate whether or not the physical location is the primary residence of the license holder.

(g) License holders of foster care homes identified under paragraph (f) that are not the primary residence of the license holder and that also provide services in the foster care home that are covered by a federally approved home and community-based services waiver, as authorized under section 256B.0915, 256B.092, or 256B.49, must inform the human services licensing division that the license holder provides or intends to provide these waiver-funded services.

(h) The commissioner may adjust capacity to address needs identified in section 144A.351. Under this authority, the commissioner may approve new licensed settings or delicense existing settings. Delicensing of settings will be accomplished through a process identified in section 256B.493. Annually, by August 1, the commissioner shall provide information and data on capacity of licensed long-term services and supports, actions taken under the subdivision to manage statewide long-term services and supports resources, and any recommendations for change to the legislative committees with jurisdiction over the health and human services budget.

(i) The commissioner must notify a license holder when its corporate foster care or community residential setting licensed beds are reduced under this section. The notice of reduction of licensed beds must be in writing and delivered to the license holder by certified mail or personal service. The notice must state why the licensed beds are reduced and must inform the license holder of its right to request reconsideration by the commissioner. The license holder's request for reconsideration must be in writing. If mailed, the request for reconsideration must be postmarked and sent to the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds. If a request for reconsideration is made by personal service, it must be received by the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

(j) The commissioner shall not issue an initial license for children's residential treatment services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter for a program that Centers for Medicare and Medicaid Services would consider an institution for mental diseases. Facilities that serve only private pay clients are exempt from the moratorium described in this paragraph. The commissioner has the authority to manage existing statewide capacity for children's residential treatment services subject to the moratorium under this paragraph and may issue an initial license for such facilities if the initial license would not increase the statewide capacity for children's residential treatment services subject to the moratorium under this paragraph.

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

Sec. 2. Minnesota Statutes 2018, section 245D.03, subdivision 1, is amended to read:

Subdivision 1. **Applicability.** (a) The commissioner shall regulate the provision of home and community-based services to persons with disabilities and persons age 65 and older pursuant to this chapter. The licensing standards in this chapter govern the provision of basic support services and intensive support services.

(b) Basic support services provide the level of assistance, supervision, and care that is necessary to ensure the health and welfare of the person and do not include services that are specifically directed toward the training, treatment, habilitation, or rehabilitation of the person. Basic support services include:

(1) in-home and out-of-home respite care services as defined in section 245A.02, subdivision 15, and under the brain injury, community alternative care, community access for disability inclusion, developmental disability, and elderly waiver plans, excluding out-of-home respite care provided to children in a family child foster care home licensed under Minnesota Rules, parts 2960.3000 to 2960.3100, when the child foster care license holder complies with the requirements under section 245D.06, subdivisions 5, 6, 7, and 8, or successor provisions; and section 245D.061 or successor provisions, which must be stipulated in the statement of intended use required under Minnesota Rules, part 2960.3000, subpart 4;

(2) adult companion services as defined under the brain injury, community access for disability inclusion, community alternative care, and elderly waiver plans, excluding adult companion services provided under the Corporation for National and Community Services Senior Companion Program established under the Domestic Volunteer Service Act of 1973, Public Law 98-288;

(3) personal support as defined under the developmental disability waiver plan;

(4) 24-hour emergency assistance, personal emergency response as defined under the community access for disability inclusion and developmental disability waiver plans;

(5) night supervision services as defined under the brain injury, community access for disability inclusion, community alternative care, and developmental disability waiver plan plans;

(6) homemaker services as defined under the community access for disability inclusion, brain injury, community alternative care, developmental disability, and elderly waiver plans, excluding providers licensed by the Department of Health under chapter 144A and those providers providing cleaning services only; and

(7) individual community living support under section 256B.0915, subdivision 3j.

(c) Intensive support services provide assistance, supervision, and care that is necessary to ensure the health and welfare of the person and services specifically directed toward the training, habilitation, or rehabilitation of the person. Intensive support services include:

(1) intervention services, including:

(i) ~~behavioral~~ positive support services as defined under the brain injury ~~and~~ community access for disability inclusion, community alternative care, and developmental disability waiver plans;

(ii) in-home or out-of-home crisis respite services as defined under the brain injury, community access for disability inclusion, community alternative care, and developmental disability waiver ~~plan~~ plans; and

(iii) specialist services as defined under the current brain injury, community access for disability inclusion, community alternative care, and developmental disability waiver ~~plan~~ plans;

(2) in-home support services, including:

(i) in-home family support and supported living services as defined under the developmental disability waiver plan;

(ii) independent living services training as defined under the brain injury and community access for disability inclusion waiver plans;

(iii) semi-independent living services; and

(iv) individualized home supports services as defined under the brain injury, community alternative care, and community access for disability inclusion waiver plans;

(3) residential supports and services, including:

(i) supported living services as defined under the developmental disability waiver plan provided in a family or corporate child foster care residence, a family adult foster care residence, a community residential setting, or a supervised living facility;

(ii) foster care services as defined in the brain injury, community alternative care, and community access for disability inclusion waiver plans provided in a family or corporate child foster care residence, a family adult foster care residence, or a community residential setting; and

(iii) residential services provided to more than four persons with developmental disabilities in a supervised living facility, including ICFs/DD;

(4) day services, including:

(i) structured day services as defined under the brain injury waiver plan;

(ii) day training and habilitation services under sections 252.41 to 252.46, and as defined under the developmental disability waiver plan; and

(iii) prevocational services as defined under the brain injury and community access for disability inclusion waiver plans; and

(5) employment exploration services as defined under the brain injury, community alternative care, community access for disability inclusion, and developmental disability waiver plans;

(6) employment development services as defined under the brain injury, community alternative care, community access for disability inclusion, and developmental disability waiver plans; and

(7) employment support services as defined under the brain injury, community alternative care, community access for disability inclusion, and developmental disability waiver plans.

Sec. 3. Minnesota Statutes 2018, section 245D.071, subdivision 1, is amended to read:

Subdivision 1. **Requirements for intensive support services.** Except for services identified in section 245D.03, subdivision 1, paragraph (c), clauses (1) and (2), item (ii), a license holder providing intensive support services identified in section 245D.03, subdivision 1, paragraph (c), must comply with the requirements in this section and section 245D.07, subdivisions 1, 1a, and 3. Services identified in section 245D.03, subdivision 1, paragraph (c), clauses (1) and (2), item (ii), must comply with the requirements in section 245D.07, subdivision 2.

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

Sec. 4. Minnesota Statutes 2018, section 245D.071, subdivision 3, is amended to read:

Subd. 3. **Assessment and initial service planning.** (a) Within 15 days of service initiation the license holder must complete a preliminary coordinated service and support plan addendum based on the coordinated service and support plan.

(b) Within the scope of services, the license holder must, at a minimum, complete assessments in the following areas before the 45-day planning meeting:

(1) the person's ability to self-manage health and medical needs to maintain or improve physical, mental, and emotional well-being, including, when applicable, allergies, seizures, choking, special dietary needs, chronic medical conditions, self-administration of medication or treatment orders, preventative screening, and medical and dental appointments;

(2) the person's ability to self-manage personal safety to avoid injury or accident in the service setting, including, when applicable, risk of falling, mobility, regulating water temperature, community survival skills, water safety skills, and sensory disabilities; and

(3) the person's ability to self-manage symptoms or behavior that may otherwise result in an incident as defined in section 245D.02, subdivision 11, clauses (4) to (7), suspension or termination of services by the license holder, or other symptoms or behaviors that may jeopardize the health and welfare of the person or others.

Assessments must produce information about the person that describes the person's overall strengths, functional skills and abilities, and behaviors or symptoms. Assessments must be based on the person's status within the last 12 months at the time of service initiation. Assessments based on older information must be documented and justified. Assessments must be conducted annually at a minimum or within 30 days of a written request from the person or the person's legal representative or case manager. The results must be reviewed by the support team or expanded support team as part of a service plan review.

(c) Within 45 days of service initiation, the license holder must meet with the person, the person's legal representative, the case manager, and other members of the support team or expanded support team to determine the following based on information obtained from the assessments identified in paragraph (b), the person's identified needs in the coordinated service and support plan, and the requirements in subdivision 4 and section 245D.07, subdivision 1a:

- (1) the scope of the services to be provided to support the person's daily needs and activities;
- (2) the person's desired outcomes and the supports necessary to accomplish the person's desired outcomes;
- (3) the person's preferences for how services and supports are provided, including how the provider will support the person to have control of the person's schedule;
- (4) whether the current service setting is the most integrated setting available and appropriate for the person; and
- (5) how services must be coordinated across other providers licensed under this chapter serving the person and members of the support team or expanded support team to ensure continuity of care and coordination of services for the person.

(d) A discussion of how technology might be used to meet the person's desired outcomes must be included in the 45-day planning meeting and at least annually thereafter. The ~~coordinated service and support plan or~~ support plan addendum must include a summary of this discussion. The summary must include a statement regarding any decision that is made regarding the use of technology and a description of any further research that needs to be completed before a decision regarding the use of technology can be made. Nothing in this paragraph requires that the coordinated service and support plan include the use of technology for the provision of services.

Sec. 5. Minnesota Statutes 2018, section 245D.091, subdivision 2, is amended to read:

Subd. 2. **Behavior Positive support professional qualifications.** A ~~behavior~~ positive support professional providing ~~behavioral~~ positive support services as identified in section 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in the following areas as required under the brain injury ~~and~~ community access for disability inclusion, community alternative care, and development disability waiver plans or successor plans:

- (1) ethical considerations;
- (2) functional assessment;
- (3) functional analysis;
- (4) measurement of behavior and interpretation of data;
- (5) selecting intervention outcomes and strategies;
- (6) behavior reduction and elimination strategies that promote least restrictive approved alternatives;
- (7) data collection;
- (8) staff and caregiver training;
- (9) support plan monitoring;

(10) co-occurring mental disorders or neurocognitive disorder;

(11) demonstrated expertise with populations being served; and

(12) must be a:

(i) psychologist licensed under sections 148.88 to 148.98, who has stated to the Board of Psychology competencies in the above identified areas;

(ii) clinical social worker licensed as an independent clinical social worker under chapter 148D, or a person with a master's degree in social work from an accredited college or university, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the areas identified in clauses (1) to (11);

(iii) physician licensed under chapter 147 and certified by the American Board of Psychiatry and Neurology or eligible for board certification in psychiatry with competencies in the areas identified in clauses (1) to (11);

(iv) licensed professional clinical counselor licensed under sections 148B.29 to 148B.39 with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services who has demonstrated competencies in the areas identified in clauses (1) to (11);

(v) person with a master's degree from an accredited college or university in one of the behavioral sciences or related fields, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services with demonstrated competencies in the areas identified in clauses (1) to (11); ~~or~~

(vi) person with a master's degree or PhD in one of the behavioral sciences or related field with demonstrated expertise in positive support services, as determined by the person's case manager based on the person's needs as outlined in the person's community support plan; or

~~(vi)~~ (vii) registered nurse who is licensed under sections 148.171 to 148.285, and who is certified as a clinical specialist or as a nurse practitioner in adult or family psychiatric and mental health nursing by a national nurse certification organization, or who has a master's degree in nursing or one of the behavioral sciences or related fields from an accredited college or university or its equivalent, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services.

Sec. 6. Minnesota Statutes 2018, section 245D.091, subdivision 3, is amended to read:

Subd. 3. **Behavior Positive support analyst qualifications.** (a) A ~~behavior positive support~~ analyst providing ~~behavioral positive~~ support services as identified in section 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in the following areas as required under the brain injury ~~and~~ community access for disability inclusion, community alternative care, and developmental disability waiver plans or successor plans:

(1) have obtained a baccalaureate degree, master's degree, or PhD in a social services discipline; ~~or~~

(2) meet the qualifications of a mental health practitioner as defined in section 245.462, subdivision 17-; or

(3) certification as a board-certified behavior analyst or board-certified assistant behavior analyst by the Behavior Analyst Certification Board.

(b) In addition, a ~~behavior positive support~~ analyst must:

(1) have four years of supervised experience ~~working with individuals who exhibit challenging behaviors as well as co-occurring mental disorders or neurocognitive disorder;~~ conducting functional behavior assessments and designing, implementing, and evaluating the effectiveness of positive practices behavior support strategies for people who exhibit challenging behaviors as well as co-occurring mental disorders and neurocognitive disorder;

~~(2) have received ten hours of instruction in functional assessment and functional analysis;~~

~~(3) have received 20 hours of instruction in the understanding of the function of behavior;~~

~~(4) have received ten hours of instruction on design of positive practices behavior support strategies;~~

~~(5) have received 20 hours of instruction on the use of behavior reduction approved strategies used only in combination with behavior positive practices strategies;~~

(2) have training prior to hire or within 90 calendar days of hire that includes:

(i) ten hours of instruction in functional assessment and functional analysis;

(ii) 20 hours of instruction in the understanding of the function of behavior;

(iii) ten hours of instruction on design of positive practices behavior support strategies;

(iv) 20 hours of instruction preparing written intervention strategies, designing data collection protocols, training other staff to implement positive practice behavior support strategies, summarizing and reporting program evaluation data, analyzing program evaluation data to identify design flaws in behavioral interventions or failures in implementation fidelity, and recommending enhancements based on evaluation data; and

(v) eight hours of instruction on principles of person-centered thinking;

~~(6) (3) be determined by a behavior positive support professional to have the training and prerequisite skills required to provide positive practice strategies as well as behavior reduction approved and permitted intervention to the person who receives behavioral positive support; and~~

~~(7) (4) be under the direct supervision of a behavior positive support professional.~~

(c) Meeting the qualifications for a positive support professional under subdivision 2 shall substitute for meeting the qualifications listed in paragraph (b).

Sec. 7. Minnesota Statutes 2018, section 245D.091, subdivision 4, is amended to read:

Subd. 4. **Behavior Positive support specialist qualifications.** (a) A ~~behavior positive support~~ specialist providing ~~behavioral positive~~ support services as identified in section 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in the following areas as required under the brain injury ~~and~~ community access for disability inclusion, community alternative care, and developmental disability waiver plans or successor plans:

(1) have an associate's degree in a social services discipline; or

(2) have two years of supervised experience working with individuals who exhibit challenging behaviors as well as co-occurring mental disorders or neurocognitive disorder.

(b) In addition, a behavior specialist must:

~~(1) have received a minimum of four hours of training in functional assessment;~~

~~(2) have received 20 hours of instruction in the understanding of the function of behavior;~~

~~(3) have received ten hours of instruction on design of positive practices behavioral support strategies;~~

(1) have received training prior to hire or within 90 calendar days of hire that includes:

(i) a minimum of four hours of training in functional assessment;

(ii) 20 hours of instruction in the understanding of the function of behavior;

(iii) ten hours of instruction on design of positive practices behavior support strategies; and

(iv) eight hours of instruction on person-centered thinking principles;

~~(4) (2) be determined by a behavior positive support professional to have the training and prerequisite skills required to provide positive practices behavior support strategies as well as behavior reduction approved intervention to the person who receives behavioral positive support; and~~

~~(5) (3) be under the direct supervision of a behavior positive support professional.~~

(c) Meeting the qualifications for a positive support professional under subdivision 2 shall substitute for meeting the qualifications listed in paragraphs (a) and (b).

Sec. 8. Minnesota Statutes 2018, section 256B.0652, subdivision 10, is amended to read:

Subd. 10. **Authorization for foster care setting.** (a) Home care services provided in an adult or child foster care setting must receive authorization by the commissioner according to the limits established in subdivision 11.

(b) The commissioner may not authorize:

(1) home care services that are the responsibility of the foster care provider under the terms of the foster care placement agreement, difficulty of care rate as of January 1, 2010, and administrative rules;

(2) personal care assistance services when the foster care license holder is also the personal care provider or personal care assistant, unless the foster home is the licensed provider's primary residence as defined in section 256B.0625, subdivision 19a; or

(3) personal care assistant and home care nursing services when the licensed capacity is greater than four, unless all conditions for a variance under Minnesota Rules, part 2960.3030, subpart 3, are satisfied for a sibling, as defined in section 260C.007, subdivision 32.

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

Sec. 9. Minnesota Statutes 2018, section 256B.0659, subdivision 3a, is amended to read:

Subd. 3a. **Assessment; defined.** (a) "Assessment" means a review and evaluation of a recipient's need for personal care assistance services conducted in person. Assessments for personal care assistance services shall be conducted by the county public health nurse or a certified public health nurse under contract with the county except when a long-term care consultation assessment is being conducted for the purposes of determining a person's

eligibility for home and community-based waiver services including personal care assistance services according to section 256B.0911. During the transition to MnCHOICES, a certified assessor may complete the assessment required in this subdivision. An in-person assessment must include: documentation of health status, determination of need, evaluation of service effectiveness, identification of appropriate services, service plan development or modification, coordination of services, referrals and follow-up to appropriate payers and community resources, completion of required reports, recommendation of service authorization, and consumer education. Once the need for personal care assistance services is determined under this section, the county public health nurse or certified public health nurse under contract with the county is responsible for communicating this recommendation to the commissioner and the recipient. An in-person assessment must occur at least annually or when there is a significant change in the recipient's condition or when there is a change in the need for personal care assistance services. A service update may substitute for the annual face-to-face assessment when there is not a significant change in recipient condition or a change in the need for personal care assistance service. A service update may be completed by telephone, used when there is no need for an increase in personal care assistance services, and used for two consecutive assessments if followed by a face-to-face assessment. A service update must be completed on a form approved by the commissioner. A service update or review for temporary increase includes a review of initial baseline data, evaluation of service effectiveness, redetermination of service need, modification of service plan and appropriate referrals, update of initial forms, obtaining service authorization, and on going consumer education. Assessments or reassessments must be completed on forms provided by the commissioner within 30 days of a request for home care services by a recipient or responsible party.

(b) This subdivision expires when notification is given by the commissioner as described in section 256B.0911, subdivision 3a.

Sec. 10. Minnesota Statutes 2018, section 256B.0911, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** For purposes of this section, the following definitions apply:

(a) Until additional requirements apply under paragraph (b), "long-term care consultation services" means:

(1) intake for and access to assistance in identifying services needed to maintain an individual in the most inclusive environment;

(2) providing recommendations for and referrals to cost-effective community services that are available to the individual;

(3) development of an individual's person-centered community support plan;

(4) providing information regarding eligibility for Minnesota health care programs;

(5) face-to-face long-term care consultation assessments, which may be completed in a hospital, nursing facility, intermediate care facility for persons with developmental disabilities (ICF/DDs), regional treatment centers, or the person's current or planned residence;

(6) determination of home and community-based waiver and other service eligibility as required under sections 256B.0913, 256B.0915, 256B.092, and 256B.49, including level of care determination for individuals who need an institutional level of care as determined under subdivision 4e, based on assessment and community support plan development, appropriate referrals to obtain necessary diagnostic information, and including an eligibility determination for consumer-directed community supports;

(7) providing recommendations for institutional placement when there are no cost-effective community services available;

(8) providing access to assistance to transition people back to community settings after institutional admission; and

(9) providing information about competitive employment, with or without supports, for school-age youth and working-age adults and referrals to the Disability ~~Linkage Line~~ Hub and Disability Benefits 101 to ensure that an informed choice about competitive employment can be made. For the purposes of this subdivision, "competitive employment" means work in the competitive labor market that is performed on a full-time or part-time basis in an integrated setting, and for which an individual is compensated at or above the minimum wage, but not less than the customary wage and level of benefits paid by the employer for the same or similar work performed by individuals without disabilities.

(b) Upon statewide implementation of lead agency requirements in subdivisions 2b, 2c, and 3a, "long-term care consultation services" also means:

(1) service eligibility determination for state plan home care services identified in:

(i) section 256B.0625, subdivisions 7, 19a; and 19c;

(ii) consumer support grants under section 256.476; or

(iii) section 256B.85;

(2) notwithstanding provisions in Minnesota Rules, parts 9525.0004 to 9525.0024, ~~determination of eligibility for gaining access to~~ case management services available under sections 256B.0621, subdivision 2, paragraph (4), and 256B.0924 and Minnesota Rules, part 9525.0016; and

~~(3) determination of institutional level of care, home and community based service waiver, and other service eligibility as required under section 256B.092, determination of eligibility for family support grants under section 252.32, semi independent living services under section 252.275, and day training and habilitation services under section 256B.092; and~~

(4) ~~(3)~~ obtaining necessary diagnostic information to determine eligibility under ~~clauses clause~~ clause (2) ~~and (3)~~.

(c) "Long-term care options counseling" means the services provided by the linkage lines as mandated by sections 256.01, subdivision 24, and 256.975, subdivision 7, and also includes telephone assistance and follow up once a long-term care consultation assessment has been completed.

(d) "Minnesota health care programs" means the medical assistance program under this chapter and the alternative care program under section 256B.0913.

(e) "Lead agencies" means counties administering or tribes and health plans under contract with the commissioner to administer long-term care consultation assessment and support planning services.

(f) "Person-centered planning" is a process that includes the active participation of a person in the planning of the person's services, including in making meaningful and informed choices about the person's own goals, talents, and objectives, as well as making meaningful and informed choices about the services the person receives. For the purposes of this section, "informed choice" means a voluntary choice of services by a person from all available service options based on accurate and complete information concerning all available service options and concerning the person's own preferences, abilities, goals, and objectives. In order for a person to make an informed choice, all available options must be developed and presented to the person to empower the person to make decisions.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 11. Minnesota Statutes 2018, section 256B.0911, subdivision 3a, is amended to read:

Subd. 3a. **Assessment and support planning.** (a) Persons requesting assessment, services planning, or other assistance intended to support community-based living, including persons who need assessment in order to determine waiver or alternative care program eligibility, must be visited by a long-term care consultation team within 20 calendar days after the date on which the person accepts an assessment ~~was requested or recommended~~. Upon statewide implementation of subdivisions 2b, 2c, and 5, this requirement also applies to an assessment of a person requesting personal care assistance services ~~and home care nursing~~. The commissioner shall provide at least a 90-day notice to lead agencies prior to the effective date of this requirement. Face-to-face assessments must be conducted according to paragraphs (b) to (i).

(b) Upon implementation of subdivisions 2b, 2c, and 5, lead agencies shall use certified assessors to conduct the assessment. For a person with complex health care needs, a public health or registered nurse from the team must be consulted.

(c) The MnCHOICES assessment provided by the commissioner to lead agencies must be used to complete a comprehensive, person-centered assessment. The assessment must include the health, psychological, functional, environmental, and social needs of the individual person necessary to develop a community support plan that meets the individual's person's needs and preferences.

(d) ~~The assessment must be conducted~~ assessor must conduct the assessment in a face-to-face interview with the person being assessed ~~and the person's legal representative~~. The person's legal representative must provide input during the assessment interview and may do so remotely. At the request of the person, other individuals may participate in the assessment to provide information on the needs, strengths, and preferences of the person necessary to develop a community support plan that ensures the person's health and safety. Except for legal representatives or family members invited by the person, persons participating in the assessment may not be a provider of service or have any financial interest in the provision of services. For persons who are to be assessed for elderly waiver customized living or adult day services under section 256B.0915, with the permission of the person being assessed or the person's designated or legal representative, the client's current or proposed provider of services may submit a copy of the provider's nursing assessment or written report outlining its recommendations regarding the client's care needs. The person conducting the assessment must notify the provider of the date by which this information is to be submitted. This information shall be provided to the person conducting the assessment prior to the assessment. For a person who is to be assessed for waiver services under section 256B.092 or 256B.49, with the permission of the person being assessed or the person's designated legal representative, the person's current provider of services may submit a written report outlining recommendations regarding the person's care needs prepared by a direct service employee ~~with at least 20 hours of service to that client who is familiar with the person~~. ~~The person conducting the assessment or reassessment must notify the provider of the date by which this information is to be submitted~~. This information shall be provided to the person conducting the assessment and the person or the person's legal representative, and must be considered prior to the finalization of the assessment or reassessment.

(e) The certified assessor and the individual responsible for developing the coordinated service and support plan must ensure the person has timely access to needed resources and must complete the community support plan and the coordinated service and support plan no more than 60 calendar days from the assessment visit. The person or the person's legal representative must be provided with a written community support plan within ~~40 calendar days of the assessment visit~~ the timelines established by the commissioner, regardless of whether the individual person is eligible for Minnesota health care programs. The commissioner shall monitor and evaluate lead agency performance in meeting timeline requirements to ensure timely access for people seeking long-term services and supports.

(f) For a person being assessed for elderly waiver services under section 256B.0915, a provider who submitted information under paragraph (d) shall receive the final written community support plan when available and the Residential Services Workbook.

(g) The written community support plan must include:

(1) a summary of assessed needs as defined in paragraphs (c) and (d);

(2) the ~~individual's~~ person's options and choices to meet identified needs, including all available options for case management services and providers, including service provided in a non-disability-specific setting;

(3) identification of health and safety risks and how those risks will be addressed, including personal risk management strategies;

(4) referral information; and

(5) informal caregiver supports, if applicable.

For a person determined eligible for state plan home care under subdivision 1a, paragraph (b), clause (1), the person or person's representative must also receive a copy of the home care service plan developed by the certified assessor.

(h) A person may request assistance in identifying community supports without participating in a complete assessment. Upon a request for assistance identifying community support, the person must be transferred or referred to long-term care options counseling services available under sections 256.975, subdivision 7, and 256.01, subdivision 24, for telephone assistance and follow up.

(i) The person has the right to make the final decision between institutional placement and community placement after the recommendations have been provided, except as provided in section 256.975, subdivision 7a, paragraph (d).

(j) The lead agency must give the person receiving assessment or support planning, or the person's legal representative, materials, and forms supplied by the commissioner containing the following information:

(1) written recommendations for community-based services and consumer-directed options;

(2) documentation that the most cost-effective alternatives available were offered to the ~~individual~~ person. For purposes of this clause, "cost-effective" means community services and living arrangements that cost the same as or less than institutional care. For ~~an individual~~ a person found to meet eligibility criteria for home and community-based service programs under section 256B.0915 or 256B.49, "cost-effectiveness" has the meaning found in the federally approved waiver plan for each program;

(3) the need for and purpose of preadmission screening conducted by long-term care options counselors according to section 256.975, subdivisions 7a to 7c, if the person selects nursing facility placement. If the ~~individual~~ person selects nursing facility placement, the lead agency shall forward information needed to complete the level of care determinations and screening for developmental disability and mental illness collected during the assessment to the long-term care options counselor using forms provided by the commissioner;

(4) the role of long-term care consultation assessment and support planning in eligibility determination for waiver and alternative care programs, ~~and state plan home care~~, case management, and other services as defined in subdivision 1a, paragraphs (a), clause (6), and (b);

(5) information about Minnesota health care programs;

(6) the person's freedom to accept or reject the recommendations of the team;

(7) the person's right to confidentiality under the Minnesota Government Data Practices Act, chapter 13;

(8) the certified assessor's decision regarding the person's need for institutional level of care as determined under criteria established in subdivision 4e and the certified assessor's decision regarding eligibility for all services and programs as defined in subdivision 1a, paragraphs (a), clause (6), and (b); and

(9) the person's right to appeal the certified assessor's decision regarding eligibility for all services and programs as defined in subdivision 1a, paragraphs (a), clauses (6), (7), and (8), and (b), and incorporating the decision regarding the need for institutional level of care or the lead agency's final decisions regarding public programs eligibility according to section 256.045, subdivision 3.

(k) Face-to-face assessment completed as part of eligibility determination for the alternative care, elderly waiver, community access for disability inclusion, community alternative care, ~~and~~ brain injury, and developmental disabilities waiver programs under sections 256B.0913, 256B.0915, 256B.092, and 256B.49 is valid to establish service eligibility for no more than 60 calendar days after the date of assessment.

(l) The effective eligibility start date for programs in paragraph (k) can never be prior to the date of assessment. If an assessment was completed more than 60 days before the effective waiver or alternative care program eligibility start date, assessment and support plan information must be updated and documented in the department's Medicaid Management Information System (MMIS). Notwithstanding retroactive medical assistance coverage of state plan services, the effective date of eligibility for programs included in paragraph (k) cannot be prior to the date the most recent updated assessment is completed.

(m) If an eligibility update is completed within 90 days of the previous face-to-face assessment and documented in the department's Medicaid Management Information System (MMIS), the effective date of eligibility for programs included in paragraph (k) is the date of the previous face-to-face assessment when all other eligibility requirements are met.

(n) At the time of reassessment, the certified assessor shall assess each person receiving waiver services currently residing in a community residential setting, or licensed adult foster care home that is not the primary residence of the license holder, or in which the license holder is not the primary caregiver, to determine if that person would prefer to be served in a community-living setting as defined in section 256B.49, subdivision 23. The certified assessor shall offer the person, through a person-centered planning process, the option to receive alternative housing and service options.

Sec. 12. Minnesota Statutes 2018, section 256B.0911, subdivision 3f, is amended to read:

Subd. 3f. **Long-term care reassessments and community support plan updates.** Reassessments must be tailored using the professional judgment of the assessor to the person's known needs, strengths, preferences, and circumstances. Reassessments provide information to support the person's informed choice and opportunities to express choice regarding activities that contribute to quality of life, as well as information and opportunity to identify goals related to desired employment, community activities, and preferred living environment. Reassessments allow for a review of the current support plan's effectiveness, monitoring of services, and the development of an updated person-centered community support plan. Reassessments verify continued eligibility or offer alternatives as warranted and provide an opportunity for quality assurance of service delivery. Face-to-face assessments must be conducted annually or as required by federal and state laws and rules. The certified assessor and the individual responsible for developing the coordinated service and support plan must ensure the continuity of

care for the person receiving services and must complete the updated community support plan and the updated coordinated service and support plan no more than 60 calendar days from the reassessment visit. The commissioner shall monitor and evaluate lead agency performance in meeting timeline requirements to ensure timely access for people seeking long-term services and supports.

Sec. 13. Minnesota Statutes 2018, section 256B.0915, subdivision 6, is amended to read:

Subd. 6. **Implementation of coordinated service and support plan.** (a) Each elderly waiver client shall be provided a copy of a written coordinated service and support plan which:

(1) is developed with and signed by the recipient within ~~ten working days after the case manager receives the assessment information and written community support plan as described in section 256B.0911, subdivision 3a, from the certified assessor~~ the timelines established by the commissioner and section 256B.0911, subdivision 3a, paragraph (e);

(2) includes the person's need for service and identification of service needs that will be or that are met by the person's relatives, friends, and others, as well as community services used by the general public;

(3) reasonably ensures the health and welfare of the recipient;

(4) identifies the person's preferences for services as stated by the person or the person's legal guardian or conservator;

(5) reflects the person's informed choice between institutional and community-based services, as well as choice of services, supports, and providers, including available case manager providers;

(6) identifies long-range and short-range goals for the person;

(7) identifies specific services and the amount, frequency, duration, and cost of the services to be provided to the person based on assessed needs, preferences, and available resources;

(8) includes information about the right to appeal decisions under section 256.045; and

(9) includes the authorized annual and estimated monthly amounts for the services.

(b) In developing the coordinated service and support plan, the case manager should also include the use of volunteers, religious organizations, social clubs, and civic and service organizations to support the individual in the community. The lead agency must be held harmless for damages or injuries sustained through the use of volunteers and agencies under this paragraph, including workers' compensation liability.

Sec. 14. Minnesota Statutes 2018, section 256B.092, subdivision 1b, is amended to read:

Subd. 1b. **Coordinated service and support plan.** (a) Each recipient of home and community-based waived services shall be provided a copy of the written coordinated service and support plan which:

(1) is developed with and signed by the recipient within ~~ten working days after the case manager receives the assessment information and written community support plan as described in section 256B.0911, subdivision 3a, from the certified assessor~~ the timelines established by the commissioner and section 256B.0911, subdivision 3a, paragraph (e);

(2) includes the person's need for service, including identification of service needs that will be or that are met by the person's relatives, friends, and others, as well as community services used by the general public;

(3) reasonably ensures the health and welfare of the recipient;

(4) identifies the person's preferences for services as stated by the person, the person's legal guardian or conservator, or the parent if the person is a minor, including the person's choices made on self-directed options and on services and supports to achieve employment goals;

(5) provides for an informed choice, as defined in section 256B.77, subdivision 2, paragraph (o), of service and support providers, and identifies all available options for case management services and providers;

(6) identifies long-range and short-range goals for the person;

(7) identifies specific services and the amount and frequency of the services to be provided to the person based on assessed needs, preferences, and available resources. The coordinated service and support plan shall also specify other services the person needs that are not available;

(8) identifies the need for an individual program plan to be developed by the provider according to the respective state and federal licensing and certification standards, and additional assessments to be completed or arranged by the provider after service initiation;

(9) identifies provider responsibilities to implement and make recommendations for modification to the coordinated service and support plan;

(10) includes notice of the right to request a conciliation conference or a hearing under section 256.045;

(11) is agreed upon and signed by the person, the person's legal guardian or conservator, or the parent if the person is a minor, and the authorized county representative;

(12) is reviewed by a health professional if the person has overriding medical needs that impact the delivery of services; and

(13) includes the authorized annual and monthly amounts for the services.

(b) In developing the coordinated service and support plan, the case manager is encouraged to include the use of volunteers, religious organizations, social clubs, and civic and service organizations to support the individual in the community. The lead agency must be held harmless for damages or injuries sustained through the use of volunteers and agencies under this paragraph, including workers' compensation liability.

(c) Approved, written, and signed changes to a consumer's services that meet the criteria in this subdivision shall be an addendum to that consumer's individual service plan.

Sec. 15. Minnesota Statutes 2018, section 256B.49, subdivision 13, is amended to read:

Subd. 13. **Case management.** (a) Each recipient of a home and community-based waiver shall be provided case management services by qualified vendors as described in the federally approved waiver application. The case management service activities provided must include:

(1) finalizing the written coordinated service and support plan within ~~ten working days after the case manager receives the plan from the certified assessor~~ the timelines established by the commissioner and section 256B.0911, subdivision 3a, paragraph (e);

(2) informing the recipient or the recipient's legal guardian or conservator of service options;

(3) assisting the recipient in the identification of potential service providers and available options for case management service and providers, including services provided in a non-disability-specific setting;

(4) assisting the recipient to access services and assisting with appeals under section 256.045; and

(5) coordinating, evaluating, and monitoring of the services identified in the service plan.

(b) The case manager may delegate certain aspects of the case management service activities to another individual provided there is oversight by the case manager. The case manager may not delegate those aspects which require professional judgment including:

(1) finalizing the coordinated service and support plan;

(2) ongoing assessment and monitoring of the person's needs and adequacy of the approved coordinated service and support plan; and

(3) adjustments to the coordinated service and support plan.

(c) Case management services must be provided by a public or private agency that is enrolled as a medical assistance provider determined by the commissioner to meet all of the requirements in the approved federal waiver plans. Case management services must not be provided to a recipient by a private agency that has any financial interest in the provision of any other services included in the recipient's coordinated service and support plan. For purposes of this section, "private agency" means any agency that is not identified as a lead agency under section 256B.0911, subdivision 1a, paragraph (e).

(d) For persons who need a positive support transition plan as required in chapter 245D, the case manager shall participate in the development and ongoing evaluation of the plan with the expanded support team. At least quarterly, the case manager, in consultation with the expanded support team, shall evaluate the effectiveness of the plan based on progress evaluation data submitted by the licensed provider to the case manager. The evaluation must identify whether the plan has been developed and implemented in a manner to achieve the following within the required timelines:

(1) phasing out the use of prohibited procedures;

(2) acquisition of skills needed to eliminate the prohibited procedures within the plan's timeline; and

(3) accomplishment of identified outcomes.

If adequate progress is not being made, the case manager shall consult with the person's expanded support team to identify needed modifications and whether additional professional support is required to provide consultation.

Sec. 16. Minnesota Statutes 2018, section 256B.49, subdivision 14, is amended to read:

Subd. 14. **Assessment and reassessment.** (a) Assessments and reassessments shall be conducted by certified assessors according to section 256B.0911, subdivision 2b. The certified assessor, with the permission of the recipient or the recipient's designated legal representative, may invite other individuals to attend the assessment.

With the permission of the recipient or the recipient's designated legal representative, the recipient's current provider of services may submit a written report outlining their recommendations regarding the recipient's care needs prepared by a direct service employee ~~with at least 20 hours of service to that client who is familiar with the person.~~ ~~The certified assessor must notify the provider of the date by which this information is to be submitted.~~ This information shall be provided to the certified assessor and the person or the person's legal representative and must be considered prior to the finalization of the assessment or reassessment.

(b) There must be a determination that the client requires a hospital level of care or a nursing facility level of care as defined in section 256B.0911, subdivision 4e, at initial and subsequent assessments to initiate and maintain participation in the waiver program.

(c) Regardless of other assessments identified in section 144.0724, subdivision 4, as appropriate to determine nursing facility level of care for purposes of medical assistance payment for nursing facility services, only face-to-face assessments conducted according to section 256B.0911, subdivisions 3a, 3b, and 4d, that result in a hospital level of care determination or a nursing facility level of care determination must be accepted for purposes of initial and ongoing access to waiver services payment.

(d) Recipients who are found eligible for home and community-based services under this section before their 65th birthday may remain eligible for these services after their 65th birthday if they continue to meet all other eligibility factors.

Sec. 17. Minnesota Statutes 2018, section 256B.4914, subdivision 3, is amended to read:

Subd. 3. **Applicable services.** Applicable services are those authorized under the state's home and community-based services waivers under sections 256B.092 and 256B.49, including the following, as defined in the federally approved home and community-based services plan:

- (1) 24-hour customized living;
- (2) adult day care;
- (3) adult day care bath;
- (4) ~~behavioral programming~~ positive support services;
- (5) companion services;
- (6) customized living;
- (7) day training and habilitation;
- (8) employment development services;
- (9) employment exploration services;
- (10) employment support services;
- ~~(8)~~ (11) housing access coordination;
- ~~(9)~~ (12) independent living skills;

- (13) independent living skills specialist services;
- (14) individualized home supports;
- ~~(40) (15) in-home family support;~~
- ~~(44) (16) night supervision;~~
- ~~(42) (17) personal support;~~
- ~~(43) (18) prevocational services;~~
- ~~(44) (19) residential care services;~~
- ~~(45) (20) residential support services;~~
- ~~(46) (21) respite services;~~
- ~~(47) (22) structured day services;~~
- ~~(48) (23) supported employment services;~~
- ~~(49) (24) supported living services;~~
- ~~(20) (25) transportation services; and~~
- ~~(21) individualized home supports;~~
- ~~(22) independent living skills specialist services;~~
- ~~(23) employment exploration services;~~
- ~~(24) employment development services;~~
- ~~(25) employment support services; and~~
- (26) other services as approved by the federal government in the state home and community-based services plan.

Sec. 18. Minnesota Statutes 2018, section 256B.4914, subdivision 14, is amended to read:

Subd. 14. **Exceptions.** (a) In a format prescribed by the commissioner, lead agencies must identify individuals with exceptional needs that cannot be met under the disability waiver rate system. The commissioner shall use that information to evaluate and, if necessary, approve an alternative payment rate for those individuals. Whether granted, denied, or modified, the commissioner shall respond to all exception requests in writing. The commissioner shall include in the written response the basis for the action and provide notification of the right to appeal under paragraph (h).

(b) Lead agencies must act on an exception request within 30 days ~~and from the date that the lead agency receives all application materials described in paragraph (d).~~ Lead agencies must notify the initiator of the request of their recommendation in writing. A lead agency shall submit all exception requests along with its recommendation to the commissioner.

(c) An application for a rate exception may be submitted for the following criteria:

(1) an individual has service needs that cannot be met through additional units of service;

(2) an individual's rate determined under subdivisions 6, 7, 8, and 9 is so insufficient that it has resulted in an individual receiving a notice of discharge from the individual's provider; or

(3) an individual's service needs, including behavioral changes, require a level of service which necessitates a change in provider or which requires the current provider to propose service changes beyond those currently authorized.

(d) Exception requests must include the following information:

(1) the service needs required by each individual that are not accounted for in subdivisions 6, 7, 8, and 9;

(2) the service rate requested and the difference from the rate determined in subdivisions 6, 7, 8, and 9;

(3) a basis for the underlying costs used for the rate exception ~~and any accompanying~~ based on real costs related to the individual's extraordinary needs borne by the provider, including documentation of these costs; and

(4) any contingencies for approval.

(e) Approved rate exceptions shall be managed within lead agency allocations under sections 256B.092 and 256B.49.

(f) Individual disability waiver recipients, an interested party, or the license holder that would receive the rate exception increase may request that a lead agency submit an exception request. A lead agency that denies such a request shall notify the individual waiver recipient, interested party, or license holder of its decision and the reasons for denying the request in writing no later than 30 days after the request has been made and shall submit its denial to the commissioner in accordance with paragraph (b). The reasons for the denial must be based on the failure to meet the criteria in paragraph (c).

(g) The commissioner shall determine whether to approve or deny an exception request no more than 30 days after receiving the request. If the commissioner denies the request, the commissioner shall notify the lead agency and the individual disability waiver recipient, the interested party, and the license holder in writing of the reasons for the denial.

(h) The individual disability waiver recipient may appeal any denial of an exception request by either the lead agency or the commissioner, pursuant to sections 256.045 and 256.0451. When the denial of an exception request results in the proposed demission of a waiver recipient from a residential or day habilitation program, the commissioner shall issue a temporary stay of demission, when requested by the disability waiver recipient, consistent with the provisions of section 256.045, subdivisions 4a and 6, paragraph (c). The temporary stay shall remain in effect until the lead agency can provide an informed choice of appropriate, alternative services to the disability waiver.

(i) Providers may petition lead agencies to update values that were entered incorrectly or erroneously into the rate management system, based on past service level discussions and determination in subdivision 4, without applying for a rate exception.

(j) The starting date for the rate exception will be the later of the date of the recipient's change in support or the date of the request to the lead agency for an exception.

(k) The commissioner shall track all exception requests received and their dispositions. The commissioner shall issue quarterly public exceptions statistical reports, including the number of exception requests received and the numbers granted, denied, withdrawn, and pending. The report shall include the average amount of time required to process exceptions.

(l) No later than January 15, 2016, the commissioner shall provide research findings on the estimated fiscal impact, the primary cost drivers, and common population characteristics of recipients with needs that cannot be met by the framework rates.

(m) No later than July 1, 2016, the commissioner shall develop and implement, in consultation with stakeholders, a process to determine eligibility for rate exceptions for individuals with rates determined under the methodology in section 256B.4913, subdivision 4a. Determination of eligibility for an exception will occur as annual service renewals are completed.

(n) Approved rate exceptions will be implemented at such time that the individual's rate is no longer banded and remain in effect in all cases until an individual's needs change as defined in paragraph (c).

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 19. Minnesota Statutes 2018, section 256B.85, subdivision 2, is amended to read:

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

(b) "Activities of daily living" or "ADLs" means ~~eating, toileting, grooming, dressing, bathing, mobility, positioning, and transferring;~~

(1) dressing, including assistance with choosing, application, and changing of clothing and application of special appliances, wraps, or clothing;

(2) grooming, including assistance with basic hair care, oral care, shaving, applying cosmetics and deodorant, and care of eyeglasses and hearing aids. Nail care is included, except for recipients who are diabetic or have poor circulation;

(3) bathing, including assistance with basic personal hygiene and skin care;

(4) eating, including assistance with hand washing and application of orthotics required for eating, transfers, or feeding;

(5) transfers, including assistance with transferring the recipient from one seating or reclining area to another;

(6) mobility, including assistance with ambulation and use of a wheelchair. Mobility does not include providing transportation for a recipient;

(7) positioning, including assistance with positioning or turning a recipient for necessary care and comfort; and

(8) toileting, including assistance with bowel or bladder elimination and care, transfers, mobility, positioning, feminine hygiene, use of toileting equipment or supplies, cleansing the perineal area, inspection of the skin, and adjusting clothing.

(c) "Agency-provider model" means a method of CFSS under which a qualified agency provides services and supports through the agency's own employees and policies. The agency must allow the participant to have a significant role in the selection and dismissal of support workers of their choice for the delivery of their specific services and supports.

(d) "Behavior" means a description of a need for services and supports used to determine the home care rating and additional service units. The presence of Level I behavior is used to determine the home care rating.

(e) "Budget model" means a service delivery method of CFSS that allows the use of a service budget and assistance from a financial management services (FMS) provider for a participant to directly employ support workers and purchase supports and goods.

(f) "Complex health-related needs" means an intervention listed in clauses (1) to (8) that has been ordered by a physician, and is specified in a community services and support plan, including:

(1) tube feedings requiring:

(i) a gastrojejunostomy tube; or

(ii) continuous tube feeding lasting longer than 12 hours per day;

(2) wounds described as:

(i) stage III or stage IV;

(ii) multiple wounds;

(iii) requiring sterile or clean dressing changes or a wound vac; or

(iv) open lesions such as burns, fistulas, tube sites, or ostomy sites that require specialized care;

(3) parenteral therapy described as:

(i) IV therapy more than two times per week lasting longer than four hours for each treatment; or

(ii) total parenteral nutrition (TPN) daily;

(4) respiratory interventions, including:

(i) oxygen required more than eight hours per day;

(ii) respiratory vest more than one time per day;

(iii) bronchial drainage treatments more than two times per day;

(iv) sterile or clean suctioning more than six times per day;

(v) dependence on another to apply respiratory ventilation augmentation devices such as BiPAP and CPAP; and

(vi) ventilator dependence under section 256B.0651;

(5) insertion and maintenance of catheter, including:

(i) sterile catheter changes more than one time per month;

(ii) clean intermittent catheterization, and including self-catheterization more than six times per day; or

(iii) bladder irrigations;

(6) bowel program more than two times per week requiring more than 30 minutes to perform each time;

(7) neurological intervention, including:

(i) seizures more than two times per week and requiring significant physical assistance to maintain safety; or

(ii) swallowing disorders diagnosed by a physician and requiring specialized assistance from another on a daily basis; and

(8) other congenital or acquired diseases creating a need for significantly increased direct hands-on assistance and interventions in six to eight activities of daily living.

(g) "Community first services and supports" or "CFSS" means the assistance and supports program under this section needed for accomplishing activities of daily living, instrumental activities of daily living, and health-related tasks through hands-on assistance to accomplish the task or constant supervision and cueing to accomplish the task, or the purchase of goods as defined in subdivision 7, clause (3), that replace the need for human assistance.

(h) "Community first services and supports service delivery plan" or "CFSS service delivery plan" means a written document detailing the services and supports chosen by the participant to meet assessed needs that are within the approved CFSS service authorization, as determined in subdivision 8. Services and supports are based on the coordinated service and support plan identified in ~~section~~ sections 256B.0915, subdivision 6, and 256B.092, subdivision 1b.

(i) "Consultation services" means a Minnesota health care program enrolled provider organization that provides assistance to the participant in making informed choices about CFSS services in general and self-directed tasks in particular, and in developing a person-centered CFSS service delivery plan to achieve quality service outcomes.

(j) "Critical activities of daily living" means transferring, mobility, eating, and toileting.

(k) "Dependency" in activities of daily living means a person requires hands-on assistance or constant supervision and cueing to accomplish one or more of the activities of daily living every day or on the days during the week that the activity is performed; however, a child may not be found to be dependent in an activity of daily living if, because of the child's age, an adult would either perform the activity for the child or assist the child with the activity and the assistance needed is the assistance appropriate for a typical child of the same age.

(l) "Extended CFSS" means CFSS services and supports provided under CFSS that are included in the CFSS service delivery plan through one of the home and community-based services waivers and as approved and authorized under sections 256B.0915; 256B.092, subdivision 5; and 256B.49, which exceed the amount, duration, and frequency of the state plan CFSS services for participants. Extended CFSS excludes the purchase of goods.

(m) "Financial management services provider" or "FMS provider" means a qualified organization required for participants using the budget model under subdivision 13 that is an enrolled provider with the department to provide vendor fiscal/employer agent financial management services (FMS).

(n) "Health-related procedures and tasks" means procedures and tasks related to the specific assessed health needs of a participant that can be taught or assigned by a state-licensed health care or mental health professional and performed by a support worker.

(o) "Instrumental activities of daily living" means activities related to living independently in the community, including but not limited to: meal planning, preparation, and cooking; shopping for food, clothing, or other essential items; laundry; housecleaning; assistance with medications; managing finances; communicating needs and preferences during activities; arranging supports; and assistance with traveling around and participating in the community.

(p) "Lead agency" has the meaning given in section 256B.0911, subdivision 1a, paragraph (e).

(q) "Legal representative" means parent of a minor, a court-appointed guardian, or another representative with legal authority to make decisions about services and supports for the participant. Other representatives with legal authority to make decisions include but are not limited to a health care agent or an attorney-in-fact authorized through a health care directive or power of attorney.

(r) "Level I behavior" means physical aggression towards self or others or destruction of property that requires the immediate response of another person.

(s) "Medication assistance" means providing verbal or visual reminders to take regularly scheduled medication, and includes any of the following supports listed in clauses (1) to (3) and other types of assistance, except that a support worker may not determine medication dose or time for medication or inject medications into veins, muscles, or skin:

(1) under the direction of the participant or the participant's representative, bringing medications to the participant including medications given through a nebulizer, opening a container of previously set-up medications, emptying the container into the participant's hand, opening and giving the medication in the original container to the participant, or bringing to the participant liquids or food to accompany the medication;

(2) organizing medications as directed by the participant or the participant's representative; and

(3) providing verbal or visual reminders to perform regularly scheduled medications.

(t) "Participant" means a person who is eligible for CFSS.

(u) "Participant's representative" means a parent, family member, advocate, or other adult authorized by the participant or participant's legal representative, if any, to serve as a representative in connection with the provision of CFSS. ~~This authorization must be in writing or by another method that clearly indicates the participant's free choice and may be withdrawn at any time. The participant's representative must have no financial interest in the provision of any services included in the participant's CFSS service delivery plan and must be capable of providing the support necessary to assist the participant in the use of CFSS. If through the assessment process described in subdivision 5 a participant is determined to be in need of a participant's representative, one must be selected. If the participant is unable to assist in the selection of a participant's representative, the legal representative shall appoint one. Two persons may be designated as a participant's representative for reasons such as divided households and court ordered custodies. Duties of a participant's representatives may include:~~

~~(1) being available while services are provided in a method agreed upon by the participant or the participant's legal representative and documented in the participant's CFSS service delivery plan;~~

~~(2) monitoring CFSS services to ensure the participant's CFSS service delivery plan is being followed; and~~

~~(3) reviewing and signing CFSS time sheets after services are provided to provide verification of the CFSS services.~~

(v) "Person-centered planning process" means a process that is directed by the participant to plan for CFSS services and supports.

(w) "Service budget" means the authorized dollar amount used for the budget model or for the purchase of goods.

(x) "Shared services" means the provision of CFSS services by the same CFSS support worker to two or three participants who voluntarily enter into an agreement to receive services at the same time and in the same setting by the same employer.

(y) "Support worker" means a qualified and trained employee of the agency-provider as required by subdivision 11b or of the participant employer under the budget model as required by subdivision 14 who has direct contact with the participant and provides services as specified within the participant's CFSS service delivery plan.

(z) "Unit" means the increment of service based on hours or minutes identified in the service agreement.

(aa) "Vendor fiscal employer agent" means an agency that provides financial management services.

(bb) "Wages and benefits" means the hourly wages and salaries, the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation, mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, contributions to employee retirement accounts, or other forms of employee compensation and benefits.

(cc) "Worker training and development" means services provided according to subdivision 18a for developing workers' skills as required by the participant's individual CFSS service delivery plan that are arranged for or provided by the agency-provider or purchased by the participant employer. These services include training, education, direct observation and supervision, and evaluation and coaching of job skills and tasks, including supervision of health-related tasks or behavioral supports.

Sec. 20. Minnesota Statutes 2018, section 256B.85, subdivision 4, is amended to read:

Subd. 4. **Eligibility for other services.** Selection of CFSS by a participant must not restrict access to other medically necessary care and services furnished under the state plan benefit or other services available through the alternative care program.

Sec. 21. Minnesota Statutes 2018, section 256B.85, subdivision 5, is amended to read:

Subd. 5. **Assessment requirements.** (a) The assessment of functional need must:

(1) be conducted by a certified assessor according to the criteria established in section 256B.0911, subdivision 3a;

(2) be conducted face-to-face, initially and at least annually thereafter, or when there is a significant change in the participant's condition or a change in the need for services and supports, or at the request of the participant when the participant experiences a change in condition or needs a change in the services or supports; and

(3) be completed using the format established by the commissioner.

(b) The results of the assessment and any recommendations and authorizations for CFSS must be determined and communicated in writing by the lead agency's ~~certified~~ assessor as defined in section 256B.0911 to the participant ~~and the agency provider or FMS provider chosen by the participant or participant's representative and chosen CFSS providers~~ within ~~40 calendar~~ ten business days ~~and must include the participant's right to appeal under section 256.045, subdivision 3 of the assessment.~~

(c) The lead agency assessor may authorize a temporary authorization for CFSS services to be provided under the agency-provider model. Authorization for a temporary level of CFSS services under the agency-provider model is limited to the time specified by the commissioner, but shall not exceed 45 days. The level of services authorized under this paragraph shall have no bearing on a future authorization.

~~For CFSS services beyond the temporary authorization, participants approved for a temporary authorization shall access the consultation service to complete their orientation and selection of a service model.~~

Sec. 22. Minnesota Statutes 2018, section 256B.85, subdivision 6, is amended to read:

Subd. 6. **Community first services and supports service delivery plan.** (a) The CFSS service delivery plan must be developed and evaluated through a person-centered planning process by the participant, or the participant's representative or legal representative who may be assisted by a consultation services provider. The CFSS service delivery plan must reflect the services and supports that are important to the participant and for the participant to meet the needs assessed by the certified assessor and identified in the coordinated service and support plan identified in ~~section~~ sections 256B.0915, subdivision 6, and 256B.092, subdivision 1b. The CFSS service delivery plan must be reviewed by the participant, the consultation services provider, and the agency-provider or FMS provider prior to starting services and at least annually upon reassessment, or when there is a significant change in the participant's condition, or a change in the need for services and supports.

(b) The commissioner shall establish the format and criteria for the CFSS service delivery plan.

(c) The CFSS service delivery plan must be person-centered and:

- (1) specify the consultation services provider, agency-provider, or FMS provider selected by the participant;
- (2) reflect the setting in which the participant resides that is chosen by the participant;
- (3) reflect the participant's strengths and preferences;
- (4) include the methods and supports used to address the needs as identified through an assessment of functional needs;
- (5) include the participant's identified goals and desired outcomes;
- (6) reflect the services and supports, paid and unpaid, that will assist the participant to achieve identified goals, including the costs of the services and supports, and the providers of those services and supports, including natural supports;
- (7) identify the amount and frequency of face-to-face supports and amount and frequency of remote supports and technology that will be used;
- (8) identify risk factors and measures in place to minimize them, including individualized backup plans;
- (9) be understandable to the participant and the individuals providing support;

- (10) identify the individual or entity responsible for monitoring the plan;
- (11) be finalized and agreed to in writing by the participant and signed by ~~all~~ individuals and providers responsible for its implementation;
- (12) be distributed to the participant and other people involved in the plan;
- (13) prevent the provision of unnecessary or inappropriate care;
- (14) include a detailed budget for expenditures for budget model participants or participants under the agency-provider model if purchasing goods; and
- (15) include a plan for worker training and development provided according to subdivision 18a detailing what service components will be used, when the service components will be used, how they will be provided, and how these service components relate to the participant's individual needs and CFSS support worker services.

(d) The CFSS service delivery plan must describe the units or dollar amount available to the participant. The total units of agency-provider services or the service budget amount for the budget model include both annual totals and a monthly average amount that cover the number of months of the service agreement. The amount used each month may vary, but additional funds must not be provided above the annual service authorization amount, determined according to subdivision 8, unless a change in condition is assessed and authorized by the certified assessor and documented in the coordinated service and support plan and CFSS service delivery plan.

(e) In assisting with the development or modification of the CFSS service delivery plan during the authorization time period, the consultation services provider shall:

- (1) consult with the FMS provider on the spending budget when applicable; and
- (2) consult with the participant or participant's representative, agency-provider, and case manager/care coordinator.

(f) The CFSS service delivery plan must be approved by the consultation services provider for participants without a case manager or care coordinator who is responsible for authorizing services. A case manager or care coordinator must approve the plan for a waiver or alternative care program participant.

Sec. 23. Minnesota Statutes 2018, section 256B.85, subdivision 8, is amended to read:

Subd. 8. Determination of CFSS service authorization amount. (a) All community first services and supports must be authorized by the commissioner or the commissioner's designee before services begin. The authorization for CFSS must be completed as soon as possible following an assessment but no later than 40 calendar days from the date of the assessment.

(b) The amount of CFSS authorized must be based on the participant's home care rating described in paragraphs (d) and (e) and any additional service units for which the participant qualifies as described in paragraph (f).

(c) The home care rating shall be determined by the commissioner or the commissioner's designee based on information submitted to the commissioner identifying the following for a participant:

- (1) the total number of dependencies of activities of daily living;
- (2) the presence of complex health-related needs; and
- (3) the presence of Level I behavior.

(d) The methodology to determine the total service units for CFSS for each home care rating is based on the median paid units per day for each home care rating from fiscal year 2007 data for the PCA program.

(e) Each home care rating is designated by the letters P through Z and EN and has the following base number of service units assigned:

(1) P home care rating requires Level I behavior or one to three dependencies in ADLs and qualifies the person for five service units;

(2) Q home care rating requires Level I behavior and one to three dependencies in ADLs and qualifies the person for six service units;

(3) R home care rating requires a complex health-related need and one to three dependencies in ADLs and qualifies the person for seven service units;

(4) S home care rating requires four to six dependencies in ADLs and qualifies the person for ten service units;

(5) T home care rating requires four to six dependencies in ADLs and Level I behavior and qualifies the person for 11 service units;

(6) U home care rating requires four to six dependencies in ADLs and a complex health-related need and qualifies the person for 14 service units;

(7) V home care rating requires seven to eight dependencies in ADLs and qualifies the person for 17 service units;

(8) W home care rating requires seven to eight dependencies in ADLs and Level I behavior and qualifies the person for 20 service units;

(9) Z home care rating requires seven to eight dependencies in ADLs and a complex health-related need and qualifies the person for 30 service units; and

(10) EN home care rating includes ventilator dependency as defined in section 256B.0651, subdivision 1, paragraph (g). A person who meets the definition of ventilator-dependent and the EN home care rating and utilize a combination of CFSS and home care nursing services is limited to a total of 96 service units per day for those services in combination. Additional units may be authorized when a person's assessment indicates a need for two staff to perform activities. Additional time is limited to 16 service units per day.

(f) Additional service units are provided through the assessment and identification of the following:

(1) 30 additional minutes per day for a dependency in each critical activity of daily living;

(2) 30 additional minutes per day for each complex health-related need; and

~~(3) 30 additional minutes per day when the behavior requires assistance at least four times per week for one or more of the following behaviors~~ 30 additional minutes per day for each behavior under this clause that requires assistance at least four times per week:

(i) level I behavior that requires the immediate response of another person;

(ii) increased vulnerability due to cognitive deficits or socially inappropriate behavior; or

(iii) increased need for assistance for participants who are verbally aggressive or resistive to care so that the time needed to perform activities of daily living is increased.

(g) The service budget for budget model participants shall be based on:

- (1) assessed units as determined by the home care rating; and
- (2) an adjustment needed for administrative expenses.

Sec. 24. Minnesota Statutes 2018, section 256B.85, subdivision 9, is amended to read:

Subd. 9. **Noncovered services.** (a) Services or supports that are not eligible for payment under this section include those that:

- (1) are not authorized by the certified assessor or included in the CFSS service delivery plan;
- (2) are provided prior to the authorization of services and the approval of the CFSS service delivery plan;
- (3) are duplicative of other paid services in the CFSS service delivery plan;
- (4) supplant natural unpaid supports that appropriately meet a need in the CFSS service delivery plan, are provided voluntarily to the participant, and are selected by the participant in lieu of other services and supports;
- (5) are not effective means to meet the participant's needs; and
- (6) are available through other funding sources, including, but not limited to, funding through title IV-E of the Social Security Act.

(b) Additional services, goods, or supports that are not covered include:

- (1) those that are not for the direct benefit of the participant, except that services for caregivers such as training to improve the ability to provide CFSS are considered to directly benefit the participant if chosen by the participant and approved in the support plan;
- (2) any fees incurred by the participant, such as Minnesota health care programs fees and co-pays, legal fees, or costs related to advocate agencies;
- (3) insurance, except for insurance costs related to employee coverage;
- (4) room and board costs for the participant;
- (5) services, supports, or goods that are not related to the assessed needs;
- (6) special education and related services provided under the Individuals with Disabilities Education Act and vocational rehabilitation services provided under the Rehabilitation Act of 1973;
- (7) assistive technology devices and assistive technology services other than those for back-up systems or mechanisms to ensure continuity of service and supports listed in subdivision 7;
- (8) medical supplies and equipment covered under medical assistance;
- (9) environmental modifications, except as specified in subdivision 7;

(10) expenses for travel, lodging, or meals related to training the participant or the participant's representative or legal representative;

(11) experimental treatments;

(12) any service or good covered by other state plan services, including prescription and over-the-counter medications, compounds, and solutions and related fees, including premiums and co-payments;

(13) membership dues or costs, except when the service is necessary and appropriate to treat a health condition or to improve or maintain the adult participant's health condition. The condition must be identified in the participant's CFSS service delivery plan and monitored by a Minnesota health care program enrolled physician;

(14) vacation expenses other than the cost of direct services;

(15) vehicle maintenance or modifications not related to the disability, health condition, or physical need;

(16) tickets and related costs to attend sporting or other recreational or entertainment events;

(17) services provided and billed by a provider who is not an enrolled CFSS provider;

(18) CFSS provided by a participant's representative or paid legal guardian;

(19) services that are used solely as a child care or babysitting service;

(20) services that are the responsibility or in the daily rate of a residential or program license holder under the terms of a service agreement and administrative rules;

(21) sterile procedures;

(22) giving of injections into veins, muscles, or skin;

(23) homemaker services that are not an integral part of the assessed CFSS service;

(24) home maintenance or chore services;

(25) home care services, including hospice services if elected by the participant, covered by Medicare or any other insurance held by the participant;

(26) services to other members of the participant's household;

(27) services not specified as covered under medical assistance as CFSS;

(28) application of restraints or implementation of deprivation procedures;

(29) assessments by CFSS provider organizations or by independently enrolled registered nurses;

(30) services provided in lieu of legally required staffing in a residential or child care setting; ~~and~~

(31) services provided ~~by the residential or program license holder in a residence for more than four participants.~~
in licensed foster care, except when:

(i) the foster care home is the foster care license holder's primary residence; or

(ii) the licensed capacity is four or fewer, or all conditions for a variance under Minnesota Rules, part 2960.3030, subpart 3, are met for a group of siblings, as defined in section 260C.007, subdivision 32;

(32) services from a provider who owns or otherwise controls for the living arrangement, except when the provider of services is related by blood, marriage, or adoption or when the provider meets the requirements under clause (31); and

(33) instrumental activities of daily living for children younger than 18 years of age, except when immediate attention is needed for health or hygiene reasons integral to the personal care services and the assessor lists the need in the service plan.

Sec. 25. Minnesota Statutes 2018, section 256B.85, subdivision 10, is amended to read:

Subd. 10. **Agency-provider and FMS provider qualifications and duties.** (a) Agency-providers identified in subdivision 11 and FMS providers identified in subdivision 13a shall:

(1) enroll as a medical assistance Minnesota health care programs provider and meet all applicable provider standards and requirements including completion of required provider training as determined by the commissioner;

(2) demonstrate compliance with federal and state laws and policies for CFSS as determined by the commissioner;

(3) comply with background study requirements under chapter 245C and maintain documentation of background study requests and results;

(4) verify and maintain records of all services and expenditures by the participant, including hours worked by support workers;

(5) not engage in any agency-initiated direct contact or marketing in person, by telephone, or other electronic means to potential participants, guardians, family members, or participants' representatives;

(6) directly provide services and not use a subcontractor or reporting agent;

(7) meet the financial requirements established by the commissioner for financial solvency;

(8) have never had a lead agency contract or provider agreement discontinued due to fraud, or have never had an owner, board member, or manager fail a state or FBI-based criminal background check while enrolled or seeking enrollment as a Minnesota health care programs provider; and

(9) have an office located in Minnesota.

(b) In conducting general duties, agency-providers and FMS providers shall:

(1) pay support workers based upon actual hours of services provided;

(2) pay for worker training and development services based upon actual hours of services provided or the unit cost of the training session purchased;

(3) withhold and pay all applicable federal and state payroll taxes;

(4) make arrangements and pay unemployment insurance, taxes, workers' compensation, liability insurance, and other benefits, if any;

(5) enter into a written agreement with the participant, participant's representative, or legal representative that assigns roles and responsibilities to be performed before services, supports, or goods are provided;

(6) report maltreatment as required under sections 626.556 and 626.557; ~~and~~

(7) comply with any data requests from the department consistent with the Minnesota Government Data Practices Act under chapter 13-; and

(8) request reassessments at least 60 days before the end of the current authorization for CFSS on forms provided by the commissioner.

Sec. 26. Minnesota Statutes 2018, section 256B.85, subdivision 11, is amended to read:

Subd. 11. **Agency-provider model.** (a) The agency-provider model includes services provided by support workers and staff providing worker training and development services who are employed by an agency-provider that meets the criteria established by the commissioner, including required training.

(b) The agency-provider shall allow the participant to have a significant role in the selection and dismissal of the support workers for the delivery of the services and supports specified in the participant's CFSS service delivery plan. The agency must make a reasonable effort to fulfill the participant's request for the participant's preferred worker.

(c) A participant may use authorized units of CFSS services as needed within a service agreement that is not greater than 12 months. Using authorized units in a flexible manner in either the agency-provider model or the budget model does not increase the total amount of services and supports authorized for a participant or included in the participant's CFSS service delivery plan.

(d) A participant may share CFSS services. Two or three CFSS participants may share services at the same time provided by the same support worker.

(e) The agency-provider must use a minimum of 72.5 percent of the revenue generated by the medical assistance payment for CFSS for support worker wages and benefits. The agency-provider must document how this requirement is being met. The revenue generated by the worker training and development services and the reasonable costs associated with the worker training and development services must not be used in making this calculation.

(f) The agency-provider model must be used by individuals who are restricted by the Minnesota restricted recipient program under Minnesota Rules, parts 9505.2160 to 9505.2245.

(g) Participants purchasing goods under this model, along with support worker services, must:

(1) specify the goods in the CFSS service delivery plan and detailed budget for expenditures that must be approved by the consultation services provider, case manager, or care coordinator; and

(2) use the FMS provider for the billing and payment of such goods.

Sec. 27. Minnesota Statutes 2018, section 256B.85, subdivision 11b, is amended to read:

Subd. 11b. **Agency-provider model; support worker competency.** (a) The agency-provider must ensure that support workers are competent to meet the participant's assessed needs, goals, and additional requirements as written in the CFSS service delivery plan. Within 30 days of any support worker beginning to provide services for a participant, the agency-provider must evaluate the competency of the worker through direct observation of the support worker's performance of the job functions in a setting where the participant is using CFSS.

(b) The agency-provider must verify and maintain evidence of support worker competency, including documentation of the support worker's:

(1) education and experience relevant to the job responsibilities assigned to the support worker and the needs of the participant;

(2) relevant training received from sources other than the agency-provider;

(3) orientation and instruction to implement services and supports to participant needs and preferences as identified in the CFSS service delivery plan; ~~and~~

(4) orientation and instruction delivered by an individual competent to perform, teach, or assign the health-related tasks for tracheostomy suctioning and services to participants on ventilator support, including equipment operation and maintenance; and

~~(5) periodic performance reviews completed by the agency-provider at least annually, including any evaluations required under subdivision 11a, paragraph (a).~~

If a support worker is a minor, all evaluations of worker competency must be completed in person and in a setting where the participant is using CFSS.

(c) The agency-provider must develop a worker training and development plan with the participant to ensure support worker competency. The worker training and development plan must be updated when:

(1) the support worker begins providing services;

(2) there is any change in condition or a modification to the CFSS service delivery plan; or

(3) a performance review indicates that additional training is needed.

Sec. 28. Minnesota Statutes 2018, section 256B.85, subdivision 12, is amended to read:

Subd. 12. **Requirements for enrollment of CFSS agency-providers.** (a) All CFSS agency-providers must provide, at the time of enrollment, reenrollment, and revalidation as a CFSS agency-provider in a format determined by the commissioner, information and documentation that includes, but is not limited to, the following:

(1) the CFSS agency-provider's current contact information including address, telephone number, and e-mail address;

(2) proof of surety bond coverage. Upon new enrollment, or if the agency-provider's Medicaid revenue in the previous calendar year is less than or equal to \$300,000, the agency-provider must purchase a surety bond of \$50,000. If the agency-provider's Medicaid revenue in the previous calendar year is greater than \$300,000, the agency-provider must purchase a surety bond of \$100,000. The surety bond must be in a form approved by the commissioner, must be renewed annually, and must allow for recovery of costs and fees in pursuing a claim on the bond;

(3) proof of fidelity bond coverage in the amount of \$20,000 per provider location;

(4) proof of workers' compensation insurance coverage;

(5) proof of liability insurance;

(6) a ~~description~~ copy of the CFSS agency-provider's ~~organization~~ organizational chart identifying the names and roles of all owners, managing employees, staff, board of directors, and ~~the~~ additional documentation reporting any affiliations of the directors and owners to other service providers;

(7) ~~a copy of proof that~~ the CFSS ~~agency-provider's~~ agency-provider has written policies and procedures including: hiring of employees; training requirements; service delivery; and employee and consumer safety, including the process for notification and resolution of participant grievances, incident response, identification and prevention of communicable diseases, and employee misconduct;

(8) ~~copies of all other forms proof that~~ the CFSS agency-provider ~~uses in the course of daily business~~ has all of the following forms and documents including, but not limited to:

(i) a copy of the CFSS agency-provider's time sheet; and

(ii) a copy of the participant's individual CFSS service delivery plan;

(9) a list of all training and classes that the CFSS agency-provider requires of its staff providing CFSS services;

(10) documentation that the CFSS agency-provider and staff have successfully completed all the training required by this section;

(11) documentation of the agency-provider's marketing practices;

(12) disclosure of ownership, leasing, or management of all residential properties that are used or could be used for providing home care services;

(13) documentation that the agency-provider will use at least the following percentages of revenue generated from the medical assistance rate paid for CFSS services for CFSS support worker wages and benefits: 72.5 percent of revenue from CFSS providers. The revenue generated by the worker training and development services and the reasonable costs associated with the worker training and development services shall not be used in making this calculation; and

(14) documentation that the agency-provider does not burden participants' free exercise of their right to choose service providers by requiring CFSS support workers to sign an agreement not to work with any particular CFSS participant or for another CFSS agency-provider after leaving the agency and that the agency is not taking action on any such agreements or requirements regardless of the date signed.

(b) CFSS agency-providers shall provide to the commissioner the information specified in paragraph (a).

(c) All CFSS agency-providers shall require all employees in management and supervisory positions and owners of the agency who are active in the day-to-day management and operations of the agency to complete mandatory training as determined by the commissioner. Employees in management and supervisory positions and owners who are active in the day-to-day operations of an agency who have completed the required training as an employee with a CFSS agency-provider do not need to repeat the required training if they are hired by another agency, if they have completed the training within the past three years. CFSS agency-provider billing staff shall complete training about

CFSS program financial management. Any new owners or employees in management and supervisory positions involved in the day-to-day operations are required to complete mandatory training as a requisite of working for the agency.

~~(d) The commissioner shall send annual review notifications to agency providers 30 days prior to renewal. The notification must:~~

- ~~(1) list the materials and information the agency provider is required to submit;~~
- ~~(2) provide instructions on submitting information to the commissioner; and~~
- ~~(3) provide a due date by which the commissioner must receive the requested information.~~

Agency-providers shall submit all required documentation for annual review within 30 days of notification from the commissioner. If an agency-provider fails to submit all the required documentation, the commissioner may take action under subdivision 23a.

Sec. 29. Minnesota Statutes 2018, section 256B.85, subdivision 12b, is amended to read:

Subd. 12b. **CFSS agency-provider requirements; notice regarding termination of services.** (a) An agency-provider must provide written notice when it intends to terminate services with a participant at least ~~ten~~ 30 calendar days before the proposed service termination is to become effective, except in cases where:

- (1) the participant engages in conduct that significantly alters the terms of the CFSS service delivery plan with the agency-provider;
- (2) the participant or other persons at the setting where services are being provided engage in conduct that creates an imminent risk of harm to the support worker or other agency-provider staff; or
- (3) an emergency or a significant change in the participant's condition occurs within a 24-hour period that results in the participant's service needs exceeding the participant's identified needs in the current CFSS service delivery plan so that the agency-provider cannot safely meet the participant's needs.

(b) When a participant initiates a request to terminate CFSS services with the agency-provider, the agency-provider must give the participant a written ~~acknowledgement~~ acknowledgment of the participant's service termination request that includes the date the request was received by the agency-provider and the requested date of termination.

(c) The agency-provider must participate in a coordinated transfer of the participant to a new agency-provider to ensure continuity of care.

Sec. 30. Minnesota Statutes 2018, section 256B.85, subdivision 13a, is amended to read:

Subd. 13a. **Financial management services.** (a) Services provided by an FMS provider include but are not limited to: filing and payment of federal and state payroll taxes on behalf of the participant; initiating and complying with background study requirements under chapter 245C and maintaining documentation of background study requests and results; billing for approved CFSS services with authorized funds; monitoring expenditures; accounting for and disbursing CFSS funds; providing assistance in obtaining and filing for liability, workers' compensation, and unemployment coverage; and providing participant instruction and technical assistance to the participant in fulfilling employer-related requirements in accordance with section 3504 of the Internal Revenue Code and related regulations and interpretations, including Code of Federal Regulations, title 26, section 31.3504-1.

(b) Agency-provider services shall not be provided by the FMS provider.

(c) The FMS provider shall provide service functions as determined by the commissioner for budget model participants that include but are not limited to:

(1) assistance with the development of the detailed budget for expenditures portion of the CFSS service delivery plan as requested by the consultation services provider or participant;

(2) data recording and reporting of participant spending;

(3) other duties established by the department, including with respect to providing assistance to the participant, participant's representative, or legal representative in performing employer responsibilities regarding support workers. The support worker shall not be considered the employee of the FMS provider; and

(4) billing, payment, and accounting of approved expenditures for goods.

(d) The FMS provider shall obtain an assurance statement from the participant employer agreeing to follow state and federal regulations and CFSS policies regarding employment of support workers.

(e) The FMS provider shall:

(1) not limit or restrict the participant's choice of service or support providers or service delivery models consistent with any applicable state and federal requirements;

(2) provide the participant, consultation services provider, and case manager or care coordinator, if applicable, with a monthly written summary of the spending for services and supports that were billed against the spending budget;

(3) be knowledgeable of state and federal employment regulations, including those under the Fair Labor Standards Act of 1938, and comply with the requirements under section 3504 of the Internal Revenue Code and related regulations and interpretations, including Code of Federal Regulations, title 26, section 31.3504-1, regarding agency employer tax liability for vendor fiscal/employer agent, and any requirements necessary to process employer and employee deductions, provide appropriate and timely submission of employer tax liabilities, and maintain documentation to support medical assistance claims;

(4) have current and adequate liability insurance and bonding and sufficient cash flow as determined by the commissioner and have on staff or under contract a certified public accountant or an individual with a baccalaureate degree in accounting;

(5) assume fiscal accountability for state funds designated for the program and be held liable for any overpayments or violations of applicable statutes or rules, including but not limited to the Minnesota False Claims Act, chapter 15C; ~~and~~

(6) maintain documentation of receipts, invoices, and bills to track all services and supports expenditures for any goods purchased and maintain time records of support workers. The documentation and time records must be maintained for a minimum of five years from the claim date and be available for audit or review upon request by the commissioner. Claims submitted by the FMS provider to the commissioner for payment must correspond with services, amounts, and time periods as authorized in the participant's service budget and service plan and must contain specific identifying information as determined by the commissioner; and

(7) provide written notice to the participant or the participant's representative at least 30 calendar days before a proposed service termination becomes effective.

(f) The commissioner of human services shall:

(1) establish rates and payment methodology for the FMS provider;

(2) identify a process to ensure quality and performance standards for the FMS provider and ensure statewide access to FMS providers; and

(3) establish a uniform protocol for delivering and administering CFSS services to be used by eligible FMS providers.

Sec. 31. Minnesota Statutes 2018, section 256B.85, is amended by adding a subdivision to read:

Subd. 14a. **Participant's representative responsibilities.** (a) If a participant is unable to direct the participant's own care, the participant must use a participant's representative to receive CFSS services. A participant's representative is required if:

(1) the person is under 18 years of age;

(2) the person has a court-appointed guardian; or

(3) an assessment according to section 256B.0659, subdivision 3a, determines that the participant is in need of a participant's representative.

(b) A participant's representative must:

(1) be at least 18 years of age and actively participate in planning and directing CFSS services;

(2) have sufficient knowledge of the participant's circumstances to use CFSS services consistent with the participant's health and safety needs identified in the participant's care plan;

(3) not have a financial interest in the provision of any services included in the participant's CFSS service delivery plan; and

(4) be capable of providing the support necessary to assist the participant in the use of CFSS services.

(c) A participant's representative must not be the:

(1) support worker;

(2) worker training and development service provider;

(3) agency-provider staff, unless related to the participant by blood, marriage, or adoption;

(4) consultation service provider, unless related to the participant by blood, marriage, or adoption;

(5) FMS staff, unless related to the participant by blood, marriage, or adoption;

(6) FMS owner or manager; or

(7) lead agency staff acting as part of employment.

(d) A licensed family foster parent who lives with the participant may be the participant's representative if the family foster parent meets the other participant's representative requirements.

(e) There may be two persons designated as the participant's representative, including instances of divided households and court-ordered custodies. Each person named as participant's representative must meet the program criteria and responsibilities.

(f) The participant or the participant's legal representative shall appoint a participant's representative. The participant's file must include written documentation that indicates the participant's free choice. The participant's representative must be identified at the time of assessment and listed on the participant's service agreement and CFSS service delivery plan.

(g) A participant's representative shall enter into a written agreement with an agency-provider or FMS, on a form determined by the commissioner, to:

(1) be available while care is provided in a method agreed upon by the participant or the participant's legal representative and documented in the participant's service delivery plan;

(2) monitor CFSS services to ensure the participant's service delivery plan is followed;

(3) review and sign support worker time sheets after services are provided to verify the provision of services;

(4) review and sign vendor paperwork to verify receipt of the good; and

(5) review and sign documentation to verify worker training after receipt of the worker training.

(h) A participant's representative may delegate the responsibility to another adult who is not the support worker during a temporary absence of at least 24 hours but not more than six months. To delegate responsibility the participant's representative must:

(1) ensure that the delegate as the participant's representative satisfies the requirement of the participant's representative;

(2) ensure that the delegate performs the functions of the participant's representative;

(3) communicate to the CFSS agency-provider or FMS about the need for a delegate by updating the written agreement to include the name of the delegate and the delegate's contact information; and

(4) ensure that the delegate protects the participant's privacy according to federal and state data privacy laws.

(i) The designation of a participant's representative remains in place until:

(1) the participant revokes the designation;

(2) the participant's representative withdraws the designation or becomes unable to fulfill the duties;

(3) the legal authority to act as a participant's representative changes; or

(4) the participant's representative is disqualified.

(j) A lead agency may disqualify a participant's representative who engages in conduct that creates an imminent risk of harm to the participant, the support workers, or other staff. A participant's representative that fails to provide support required by the participant must be referred to the common entry point.

Sec. 32. Minnesota Statutes 2018, section 256B.85, subdivision 18a, is amended to read:

Subd. 18a. **Worker training and development services.** (a) The commissioner shall develop the scope of tasks and functions, service standards, and service limits for worker training and development services.

(b) Worker training and development costs are in addition to the participant's assessed service units or service budget. Services provided according to this subdivision must:

(1) help support workers obtain and expand the skills and knowledge necessary to ensure competency in providing quality services as needed and defined in the participant's CFSS service delivery plan and as required under subdivisions 11b and 14;

(2) be provided or arranged for by the agency-provider under subdivision 11, or purchased by the participant employer under the budget model as identified in subdivision 13; ~~and~~

(3) be delivered by an individual competent to perform, teach, or assign the tasks identified, including health-related tasks, in the plan through education, training, and work experience relevant to the person's assessed needs; and

(4) be described in the participant's CFSS service delivery plan and documented in the participant's file.

(c) Services covered under worker training and development shall include:

(1) support worker training on the participant's individual assessed needs and condition, provided individually or in a group setting by a skilled and knowledgeable trainer beyond any training the participant or participant's representative provides;

(2) tuition for professional classes and workshops for the participant's support workers that relate to the participant's assessed needs and condition;

(3) direct observation, monitoring, coaching, and documentation of support worker job skills and tasks, beyond any training the participant or participant's representative provides, including supervision of health-related tasks or behavioral supports that is conducted by an appropriate professional based on the participant's assessed needs. These services must be provided at the start of services or the start of a new support worker except as provided in paragraph (d) and must be specified in the participant's CFSS service delivery plan; and

(4) the activities to evaluate CFSS services and ensure support worker competency described in subdivisions 11a and 11b.

(d) The services in paragraph (c), clause (3), are not required to be provided for a new support worker providing services for a participant due to staffing failures, unless the support worker is expected to provide ongoing backup staffing coverage.

(e) Worker training and development services shall not include:

(1) general agency training, worker orientation, or training on CFSS self-directed models;

- (2) payment for preparation or development time for the trainer or presenter;
- (3) payment of the support worker's salary or compensation during the training;
- (4) training or supervision provided by the participant, the participant's support worker, or the participant's informal supports, including the participant's representative; or
- (5) services in excess of 96 units per annual service agreement, unless approved by the department.

Sec. 33. **REVISOR INSTRUCTION; CORRECTING TERMINOLOGY.**

(a) The revisor of statutes shall change the term "developmental disability waiver" or similar terms to "developmental disabilities waiver" or similar terms wherever they appear in Minnesota Statutes. The revisor shall also make technical and other necessary changes to sentence structure to preserve the meaning of the text.

(b) In Minnesota Statutes, sections 256.01, subdivisions 2 and 24; 256.975, subdivision 7; 256B.0911, subdivisions 1a, 3b, and 4d; and 256B.439, subdivision 4, the revisor of statutes shall substitute the term "Disability Linkage Line" or similar terms for "Disability Hub" or similar terms. The revisor shall also make grammatical changes related to the changes in terms.

Sec. 34. **REVISOR INSTRUCTION; PCA TRANSITION TO CFSS.**

The revisor of statutes, in consultation with the House Research Department, Office of Senate Counsel, Research and Fiscal Analysis, and Department of Human Services, shall prepare legislation for the 2020 legislative session to repeal laws governing the consumer support grant program and personal care assistance program in Minnesota Statutes, chapters 256 and 256B, correct cross-references, remove obsolete language, and, as necessary, provide for the transition from the personal care assistance program to community first services and supports.

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

Correct the title numbers accordingly

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

The report was adopted.

Halverson from the Committee on Commerce to which was referred:

H. F. No. 2290, A bill for an act relating to liquor; allowing the Metropolitan Airports Commission to set on-sale hours in security areas of Minneapolis-St. Paul International Airport; amending Minnesota Statutes 2018, section 340A.5041.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 340A.410, subdivision 10, is amended to read:

Subd. 10. **Temporary licenses; restrictions.** (a) A municipality may not issue more than three four-day, four three-day, six two-day, or 12 one-day temporary licenses, in any combination not to exceed 12 days per year, under section 340A.404, subdivision 10, for the sale of alcoholic beverages to any one organization or registered political committee, or for any one location, within a 12-month period.

(b) A municipality may not issue more than one temporary license under section 340A.404, subdivision 10, for the sale of alcoholic beverages to any one organization or registered political committee, or for any one location, within any 30-day period unless the licenses are issued in connection with an event officially designated a community festival by the municipality.

This restriction does not apply to a municipality with a population of ~~5,000~~ 10,000 or fewer people.

(c) A municipality that issues separate temporary wine and liquor licenses may separately apply the limitations contained in paragraphs (a) and (b) to the issuance of such licenses to any one organization or registered political committee, or for any one location.

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

Sec. 2. Minnesota Statutes 2018, section 340A.504, subdivision 4, is amended to read:

Subd. 4. **Intoxicating liquor; off-sale.** (a) No sale of intoxicating liquor may be made by an off-sale licensee:

- (1) on Sundays, except between the hours of ~~11:00~~ 10:00 a.m. and ~~6:00~~ 5:00 p.m.;
- (2) before 8:00 a.m. or after 10:00 p.m. on Monday through Saturday;
- (3) on Thanksgiving Day;
- (4) on Christmas Day, December 25; or
- (5) after 8:00 p.m. on Christmas Eve, December 24.

(b) No delivery of alcohol to an off-sale licensee may be made by a wholesaler or accepted by an off-sale licensee on a Sunday. No order solicitation or merchandising may be made by a wholesaler on a Sunday.

(c) Notwithstanding paragraph (a), sales of intoxicating liquor may be made by an off-sale licensee: (1) between the hours of 8:00 a.m. and 5:00 p.m., if Christmas Eve, December 24, falls on a Sunday; and (2) between 10:00 a.m. and 10:00 p.m., if New Year's Eve, December 31, falls on a Sunday.

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

Sec. 3. Minnesota Statutes 2018, section 340A.5041, is amended to read:

340A.5041 AIRPORT COMMISSION; EXTENDED HOURS.

Notwithstanding any law, rule, or ordinance to the contrary, the Metropolitan Airports Commission may ~~allow extended hours of sale~~ set the hours of sale at on-sale locations within the security areas of the Lindbergh and Humphrey Terminals. ~~Extended hours are allowed for sales during the hours between 6:00 a.m. and 2:00 a.m. Monday through Sunday.~~

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

Sec. 4. Minnesota Statutes 2018, section 340A.602, is amended to read:

340A.602 CONTINUATION.

In any city in which the report of the operations of a municipal liquor store has shown a net loss prior to interfund transfer and without regard to costs related to pension obligations of store employees, as required by Statement 68 of the Governmental Accounting Standards Board, in any two of three consecutive years, the city council shall, not more than 45 days prior to the end of the fiscal year following the three-year period, hold a public hearing on the question of whether the city shall continue to operate a municipal liquor store. Two weeks' notice, written in clear and easily understandable language, of the hearing must be printed in the city's official newspaper. Following the hearing the city council may on its own motion or shall upon petition of five percent or more of the registered voters of the city, submit to the voters at a general or special municipal election the question of whether the city shall continue or discontinue municipal liquor store operations by a date which the city council shall designate. The date designated by the city council must not be more than 30 months following the date of the election. The form of the question shall be: "Shall the city of (name) discontinue operating the municipal liquor store on (Month xx, 2xxx)?".

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

Sec. 5. Laws 1999, chapter 202, section 13, as amended by Laws 2013, chapter 42, section 8, and Laws 2017, First Special Session chapter 4, article 5, section 10, is amended to read:

Sec. 13. **CITY OF ST. PAUL; LICENSES AUTHORIZED.**

(a) The city of St. Paul may issue temporary intoxicating liquor licenses under Minnesota Statutes, section 340A.404, subdivision 10, to Macalester college for the Macalester Scottish fair, Springfest, and for the annual alumni reunion weekend without regard to the limitation in Minnesota Statutes, section 340A.410, subdivision 10, paragraph (b).

(b) Notwithstanding Minnesota Statutes, section 340A.412, subdivision 4, the city of St. Paul may issue a temporary on-sale intoxicating liquor license to Twin Cities in Motion, or its successor organization, if any. The license may authorize the sale of intoxicating liquor on the grounds of the state capitol on both days of the day weekend of the Twin Cities Marathon. Any malt liquor and 3.2 percent malt liquor sold must be produced by a Minnesota brewery. All provisions of Minnesota Statutes, section 340A.404, subdivision 10, not inconsistent with this section, apply to the license authorized by this section.

EFFECTIVE DATE. This section is effective upon approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021.

Sec. 6. **CITY OF EDINA; SPECIAL LICENSE.**

The city of Edina may issue an on-sale intoxicating liquor license to a retailer located at 6801 France Avenue South, or to an entity holding a concessions or catering contract with the retailer, for use on the premises of the retailer, notwithstanding any law or local ordinance to the contrary. The license authorized by this section may be issued for space that is not compact and contiguous, provided that all such space is included in the description of the licensed premises on the approved license application. The license authorizes sales on all days of the week.

EFFECTIVE DATE. This section is effective upon approval by the Edina city council and compliance with Minnesota Statutes, section 645.021.

Sec. 7. **ROSEVILLE; GOLF COURSE LIQUOR LICENSE.**

Notwithstanding any law or ordinance to the contrary, the city of Roseville may issue an on-sale intoxicating liquor license for the Roseville Cedarholm Golf Course that is located at 2323 Hamline Avenue North and is owned by the city. The provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license issued under this section. The city of Roseville is deemed the licensee under this section, and the provisions of Minnesota Statutes, sections 340A.603 and 340A.604, apply to the license as if the establishment were a municipal liquor store.

EFFECTIVE DATE. This section is effective upon approval by the Roseville city council and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to liquor; providing for hours of sale; authorizing licenses; providing for an accounting adjustment; amending Minnesota Statutes 2018, sections 340A.410, subdivision 10; 340A.504, subdivision 4; 340A.5041; 340A.602; Laws 1999, chapter 202, section 13, as amended."

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 2305, A bill for an act relating to human services; modifying provisions governing continuing care for older adults; amending Minnesota Statutes 2018, sections 245A.07, subdivision 3; 245C.08, subdivision 1; 256.021, subdivision 2; 256R.02, subdivisions 4, 17, 18, 19, 29, 42a, 48a; 256R.07, subdivisions 1, 2; 256R.09, subdivision 2; 256R.10, subdivision 1; 256R.13, subdivision 4; 256R.39; 626.557, subdivisions 3, 3a, 4, 4a, 6, 9, 9b, 9c, 9d, 10, 10b, 12b, 14, 17; 626.5572, subdivisions 2, 3, 4, 6, 8, 9, 16, 17, 20, 21, by adding a subdivision; repealing Minnesota Statutes 2018, sections 256R.08, subdivision 2; 256R.49.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 245A.07, subdivision 3, is amended to read:

Subd. 3. **License suspension, revocation, or fine.** (a) The commissioner may suspend or revoke a license, or impose a fine if:

(1) a license holder fails to comply fully with applicable laws or rules;

(2) a license holder, a controlling individual, or an individual living in the household where the licensed services are provided or is otherwise subject to a background study has a disqualification which has not been set aside under section 245C.22;

(3) a license holder knowingly withholds relevant information from or gives false or misleading information to the commissioner in connection with an application for a license, in connection with the background study status of an individual, during an investigation, or regarding compliance with applicable laws or rules; or

(4) after July 1, 2012, and upon request by the commissioner, a license holder fails to submit the information required of an applicant under section 245A.04, subdivision 1, paragraph (f) or (g).

A license holder who has had a license suspended, revoked, or has been ordered to pay a fine must be given notice of the action by certified mail or personal service. If mailed, the notice must be mailed to the address shown on the application or the last known address of the license holder. The notice must state in plain language the reasons the license was suspended or revoked, or a fine was ordered.

(b) If the license was suspended or revoked, the notice must inform the license holder of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking a license. The appeal of an order suspending or revoking a license must be made in writing by certified mail or personal service. If mailed, the appeal must be postmarked and sent to the commissioner within ten calendar days after the license holder receives notice that the license has been suspended or revoked. If a request is made by personal service, it must be received by the commissioner within ten calendar days after the license holder received the order. Except as provided in subdivision 2a, paragraph (c), if a license holder submits a timely appeal of an order suspending or revoking a license, the license holder may continue to operate the program as provided in section 245A.04, subdivision 7, paragraphs (g) and (h), until the commissioner issues a final order on the suspension or revocation.

(c)(1) If the license holder was ordered to pay a fine, the notice must inform the license holder of the responsibility for payment of fines and the right to a contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an order to pay a fine must be made in writing by certified mail or personal service. If mailed, the appeal must be postmarked and sent to the commissioner within ten calendar days after the license holder receives notice that the fine has been ordered. If a request is made by personal service, it must be received by the commissioner within ten calendar days after the license holder received the order.

(2) The license holder shall pay the fines assessed on or before the payment date specified. If the license holder fails to fully comply with the order, the commissioner may issue a second fine or suspend the license until the license holder complies. If the license holder receives state funds, the state, county, or municipal agencies or departments responsible for administering the funds shall withhold payments and recover any payments made while the license is suspended for failure to pay a fine. A timely appeal shall stay payment of the fine until the commissioner issues a final order.

(3) A license holder shall promptly notify the commissioner of human services, in writing, when a violation specified in the order to forfeit a fine is corrected. If upon reinspection the commissioner determines that a violation has not been corrected as indicated by the order to forfeit a fine, the commissioner may issue a second fine. The commissioner shall notify the license holder by certified mail or personal service that a second fine has been assessed. The license holder may appeal the second fine as provided under this subdivision.

(4) Fines shall be assessed as follows:

(i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a child under section 626.556 or the maltreatment of a vulnerable adult under section 626.557 for which the license holder is determined responsible for the maltreatment under section 626.556, subdivision 10e, paragraph (i), or 626.557, subdivision 9c, paragraph ~~(e)~~ (f);

(ii) if the commissioner determines that a determination of maltreatment for which the license holder is responsible is the result of maltreatment that meets the definition of serious maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit \$5,000;

(iii) for a program that operates out of the license holder's home and a program licensed under Minnesota Rules, parts 9502.0300 to ~~9502.0495~~ 9502.0445, the fine assessed against the license holder shall not exceed \$1,000 for each determination of maltreatment;

(iv) the license holder shall forfeit \$200 for each occurrence of a violation of law or rule governing matters of health, safety, or supervision, including but not limited to the provision of adequate staff-to-child or adult ratios, and failure to comply with background study requirements under chapter 245C; and

(v) the license holder shall forfeit \$100 for each occurrence of a violation of law or rule other than those subject to a \$5,000, \$1,000, or \$200 fine in items (i) to (iv).

For purposes of this section, "occurrence" means each violation identified in the commissioner's fine order. Fines assessed against a license holder that holds a license to provide home and community-based services, as identified in section 245D.03, subdivision 1, and a community residential setting or day services facility license under chapter 245D where the services are provided, may be assessed against both licenses for the same occurrence, but the combined amount of the fines shall not exceed the amount specified in this clause for that occurrence.

(5) When a fine has been assessed, the license holder may not avoid payment by closing, selling, or otherwise transferring the licensed program to a third party. In such an event, the license holder will be personally liable for payment. In the case of a corporation, each controlling individual is personally and jointly liable for payment.

(d) Except for background study violations involving the failure to comply with an order to immediately remove an individual or an order to provide continuous, direct supervision, the commissioner shall not issue a fine under paragraph (c) relating to a background study violation to a license holder who self-corrects a background study violation before the commissioner discovers the violation. A license holder who has previously exercised the provisions of this paragraph to avoid a fine for a background study violation may not avoid a fine for a subsequent background study violation unless at least 365 days have passed since the license holder self-corrected the earlier background study violation.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 2. Minnesota Statutes 2018, section 245C.08, subdivision 1, is amended to read:

Subdivision 1. **Background studies conducted by Department of Human Services.** (a) For a background study conducted by the Department of Human Services, the commissioner shall review:

(1) information related to names of substantiated perpetrators of maltreatment of vulnerable adults that has been received by the commissioner as required under section 626.557, subdivision 9c, paragraph ~~(j)~~ (n);

(2) the commissioner's records relating to the maltreatment of minors in licensed programs, and from findings of maltreatment of minors as indicated through the social service information system;

(3) information from juvenile courts as required in subdivision 4 for individuals listed in section 245C.03, subdivision 1, paragraph (a), when there is reasonable cause;

(4) information from the Bureau of Criminal Apprehension, including information regarding a background study subject's registration in Minnesota as a predatory offender under section 243.166;

(5) except as provided in clause (6), information received as a result of submission of fingerprints for a national criminal history record check, as defined in section 245C.02, subdivision 13c, when the commissioner has reasonable cause for a national criminal history record check as defined under section 245C.02, subdivision 15a, or as required under section 144.057, subdivision 1, clause (2);

(6) for a background study related to a child foster care application for licensure, a transfer of permanent legal and physical custody of a child under sections 260C.503 to 260C.515, or adoptions, and for a background study required for family child care, certified license-exempt child care, child care centers, and legal nonlicensed child care authorized under chapter 119B, the commissioner shall also review:

(i) information from the child abuse and neglect registry for any state in which the background study subject has resided for the past five years; and

(ii) when the background study subject is 18 years of age or older, or a minor under section 245C.05, subdivision 5a, paragraph (c), information received following submission of fingerprints for a national criminal history record check; and

(7) for a background study required for family child care, certified license-exempt child care centers, licensed child care centers, and legal nonlicensed child care authorized under chapter 119B, the background study shall also include, to the extent practicable, a name and date-of-birth search of the National Sex Offender Public website.

(b) Notwithstanding expungement by a court, the commissioner may consider information obtained under paragraph (a), clauses (3) and (4), unless the commissioner received notice of the petition for expungement and the court order for expungement is directed specifically to the commissioner.

(c) The commissioner shall also review criminal case information received according to section 245C.04, subdivision 4a, from the Minnesota court information system that relates to individuals who have already been studied under this chapter and who remain affiliated with the agency that initiated the background study.

(d) When the commissioner has reasonable cause to believe that the identity of a background study subject is uncertain, the commissioner may require the subject to provide a set of classifiable fingerprints for purposes of completing a fingerprint-based record check with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph shall not be saved by the commissioner after they have been used to verify the identity of the background study subject against the particular criminal record in question.

(e) The commissioner may inform the entity that initiated a background study under NETStudy 2.0 of the status of processing of the subject's fingerprints.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 3. Minnesota Statutes 2018, section 256.021, subdivision 2, is amended to read:

Subd. 2. **Review procedure.** (a) If a vulnerable adult or an interested person acting on behalf of the vulnerable adult requests a review under this section, the panel shall review the request at its next quarterly meeting. If the next quarterly meeting is within ~~ten~~ 30 calendar days of the panel's receipt of the request for review, the review may be delayed until the next subsequent meeting. The panel shall review the request and the investigation memorandum and may review any other data on the investigation maintained by the lead investigative agency that are pertinent and necessary to its review of the final disposition. If more than one person requests a review under this section with respect to the same final disposition, the review panel shall combine the requests into one review. The panel shall submit its written request for the case file and other documentation relevant to the review to the supervisor of the investigator conducting the investigation under review.

(b) Within 30 days of the review under this section, the panel shall notify the director or manager of the lead investigative agency and the vulnerable adult or interested person who requested the review as to whether the panel concurs with the final disposition or whether the lead investigative agency must reconsider the final disposition. If the panel determines that the lead investigative agency must reconsider the final disposition, the panel must make specific recommendations to the director or manager of the lead investigative agency. The recommendation must include an explanation of the factors that form the basis of the recommendation to reconsider the final disposition and must specifically identify the disputed facts, the disputed application of maltreatment definitions, the disputed application of responsibility for maltreatment, and the disputed weighing of evidence, whichever apply. Within 30 days the lead investigative agency shall conduct a review and report back to the panel with its determination and the specific rationale for its final disposition. At a minimum, the specific rationale must include a detailed response to each of the factors identified by the panel that formed the basis for the recommendations of the panel.

(c) Upon receiving the report of reconsideration from the lead investigative agency, the panel shall communicate the decision in writing to the vulnerable adult or interested person acting on behalf of the vulnerable adult who requested the review. The panel shall include the specific rationale provided by the lead investigative agency as part of the communication.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 4. Minnesota Statutes 2018, section 256R.02, subdivision 4, is amended to read:

Subd. 4. **Administrative costs.** "Administrative costs" means the identifiable costs for administering the overall activities of the nursing home. These costs include salaries and wages of the administrator, assistant administrator, business office employees, security guards, purchasing and inventory employees, and associated fringe benefits and payroll taxes, fees, contracts, or purchases related to business office functions, licenses, permits except as provided in the external fixed costs category, employee recognition, travel including meals and lodging, all training except as specified in subdivision 17, voice and data communication or transmission, office supplies, property and liability insurance and other forms of insurance except insurance that is a fringe benefit under subdivision 22, personnel recruitment, legal services, accounting services, management or business consultants, data processing, information technology, website, central or home office costs, business meetings and seminars, postage, fees for professional organizations, subscriptions, security services, nonpromotional advertising, board of directors fees, working capital interest expense, bad debts, bad debt collection fees, and costs incurred for travel and housing for persons employed by a supplemental nursing services agency as defined in section 144A.70, subdivision 6.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 5. Minnesota Statutes 2018, section 256R.02, subdivision 17, is amended to read:

Subd. 17. **Direct care costs.** "Direct care costs" means costs for the wages of nursing administration, direct care registered nurses, licensed practical nurses, certified nursing assistants, trained medication aides, employees conducting training in resident care topics and associated fringe benefits and payroll taxes; services from a Minnesota registered supplemental nursing services agency up to the maximum allowable charges under section 144A.74, excluding associated lodging and travel costs; supplies that are stocked at nursing stations or on the floor and distributed or used individually, including, but not limited to: alcohol, applicators, cotton balls, incontinence pads, disposable ice bags, dressings, bandages, water pitchers, tongue depressors, disposable gloves, enemas, enema equipment, personal hygiene soap, medication cups, diapers, ~~plastic waste bags~~, sanitary products, disposable thermometers, hypodermic needles and syringes, clinical reagents or similar diagnostic agents, drugs ~~that are not paid not payable~~ on a separate fee schedule by the medical assistance program or any other payer, and ~~technology related~~ clinical software costs specific to the provision of nursing care to residents, such as electronic charting

systems; costs of materials used for resident care training, and training courses outside of the facility attended by direct care staff on resident care topics; and costs for nurse consultants, pharmacy consultants, and medical directors. Salaries and payroll taxes for nurse consultants who work out of a central office must be allocated proportionately by total resident days or by direct identification to the nursing facilities served by those consultants.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 6. Minnesota Statutes 2018, section 256R.02, subdivision 18, is amended to read:

Subd. 18. **Employer health insurance costs.** "Employer health insurance costs" means premium expenses for group coverage; ~~and~~ actual expenses incurred for self-insured plans, including ~~reinsurance; actual claims paid, stop loss premiums, plan fees,~~ and employer contributions to employee health reimbursement and health savings accounts. Actual costs of self-insurance plans must not include any allowance for future funding unless the plan meets the Medicare requirements for reporting on a premium basis when the Medicare regulations define the actual costs. Premium and expense costs and contributions are allowable for (1) all employees and (2) the spouse and dependents of those employees who are employed on average at least 30 hours per week.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 7. Minnesota Statutes 2018, section 256R.02, subdivision 19, is amended to read:

Subd. 19. **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 256R.37; planned closure rate adjustments under section 256R.40; consolidation rate adjustments under section 144A.071, subdivisions 4c, paragraph (a), clauses (5) and (6), and 4d; single-bed room incentives under section 256R.41; property taxes, special assessments, and payments in lieu of taxes; employer health insurance costs; quality improvement incentive payment rate adjustments under section 256R.39; performance-based incentive payments under section 256R.38; special dietary needs under section 256R.51; ~~rate adjustments for compensation-related costs for minimum wage changes under section 256R.49 provided on or after January 1, 2018;~~ and Public Employees Retirement Association employer costs.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 8. Minnesota Statutes 2018, section 256R.02, subdivision 29, is amended to read:

Subd. 29. **Maintenance and plant operations costs.** "Maintenance and plant operations costs" means the costs for the salaries and wages of the maintenance supervisor, engineers, heating-plant employees, and other maintenance employees and associated fringe benefits and payroll taxes. It also includes identifiable costs for maintenance and operation of the building and grounds, including, but not limited to, fuel, electricity, plastic waste bags, medical waste and garbage removal, water, sewer, supplies, tools, ~~and~~ repairs, and equipment that is not required to be included in the property allowance.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 9. Minnesota Statutes 2018, section 256R.02, subdivision 42a, is amended to read:

Subd. 42a. **Real estate taxes.** "Real estate taxes" means the real estate tax liability shown on the annual property tax ~~statement~~ statements of the nursing facility for the reporting period. The term does not include personnel costs or fees for late payment.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 10. Minnesota Statutes 2018, section 256R.02, subdivision 48a, is amended to read:

Subd. 48a. **Special assessments.** "Special assessments" means the actual special assessments and related interest paid during the reporting period that are involuntary costs. The term does not include personnel costs or fees for late payment, or special assessments for projects that are reimbursed in the property allowance.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 11. Minnesota Statutes 2018, section 256R.07, subdivision 1, is amended to read:

Subdivision 1. **Criteria.** A nursing facility shall keep adequate documentation. In order to be adequate, documentation must:

- (1) be maintained in orderly, well-organized files;
- (2) not include documentation of more than one nursing facility in one set of files unless transactions may be traced by the commissioner to the nursing facility's annual cost report;
- (3) include a paid invoice or copy of a paid invoice with date of purchase, vendor name and address, purchaser name and delivery destination address, listing of items or services purchased, cost of items purchased, account number to which the cost is posted, and a breakdown of any allocation of costs between accounts or nursing facilities. If any of the information is not available, the nursing facility shall document its good faith attempt to obtain the information;
- (4) include contracts, agreements, amortization schedules, mortgages, other debt instruments, and all other documents necessary to explain the nursing facility's costs or revenues; and
- (5) be retained by the nursing facility to support the five most recent annual cost reports. The commissioner may extend the period of retention if the field audit was postponed because of inadequate record keeping or accounting practices as in section 256R.13, subdivisions 2 and 4, the records are necessary to resolve a pending appeal, or the records are required for the enforcement of sections 256R.04; 256R.05, subdivision 2; 256R.06, subdivisions 2, 6, and 7; 256R.08, subdivisions 1 ~~to~~ and 3; and 256R.09, subdivisions 3 and 4.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 12. Minnesota Statutes 2018, section 256R.07, subdivision 2, is amended to read:

Subd. 2. **Documentation of compensation.** Compensation for personal services, regardless of whether treated as identifiable costs or costs that are not identifiable, must be documented on payroll records. Payrolls must be supported by time and attendance or equivalent records for individual employees. Salaries and wages of employees which are allocated to more than one cost category must be supported by time distribution records. ~~The method used must produce a proportional distribution of actual time spent, or an accurate estimate of time spent performing assigned duties. The nursing facility that chooses to estimate time spent must use a statistically valid method. The compensation must reflect an amount proportionate to a full-time basis if the services are rendered on less than a full-time basis.~~ Salary allocations are allowable using the Medicare approved allocation basis and methodology only if the salary costs cannot be directly determined including when employees provide shared services to noncovered operations.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 13. Minnesota Statutes 2018, section 256R.09, subdivision 2, is amended to read:

Subd. 2. **Reporting of statistical and cost information.** All nursing facilities shall provide information annually to the commissioner on a form and in a manner determined by the commissioner. The commissioner may separately require facilities to submit in a manner specified by the commissioner documentation of statistical and cost information included in the report to ensure accuracy in establishing payment rates and to perform audit and appeal review functions under this chapter. The commissioner may also require nursing facilities to provide statistical and cost information for a subset of the items in the annual report on a semiannual basis. Nursing facilities shall report only costs directly related to the operation of the nursing facility. The facility shall not include costs which are separately ~~reimbursed~~ reimbursable by residents, medical assistance, or other payors. Allocations of costs from central, affiliated, or corporate office and related organization transactions shall be reported according to sections 256R.07, subdivision 3, and 256R.12, subdivisions 1 to 7. The commissioner shall not grant facilities extensions to the filing deadline.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 14. Minnesota Statutes 2018, section 256R.10, subdivision 1, is amended to read:

Subdivision 1. **General cost principles.** Only costs determined to be allowable shall be used to compute the total payment rate for nursing facilities participating in the medical assistance program. To be considered an allowable cost for rate-setting purposes, a cost must satisfy the following criteria:

- (1) the cost is ordinary, necessary, and related to resident care;
- (2) the cost is what a prudent and cost-conscious business person would pay for the specific good or service in the open market in an arm's-length transaction;
- (3) the cost is for goods or services actually provided in the nursing facility;
- (4) incurred costs that are not salary or wage costs must be paid within 180 days of the end of the reporting period to be allowable costs of the reporting period;
- (5) the cost effects of transactions that have the effect of circumventing this chapter are not allowable under the principle that the substance of the transaction shall prevail over form; and
- ~~(5)~~ (6) costs that are incurred due to management inefficiency, unnecessary care or facilities, agreements not to compete, or activities not commonly accepted in the nursing facility care field are not allowable.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 15. Minnesota Statutes 2018, section 256R.13, subdivision 4, is amended to read:

Subd. 4. **Extended record retention requirements.** The commissioner shall extend the period for retention of records under section 256R.09, subdivision 3, for purposes of performing field audits as necessary to enforce sections 256R.04; 256R.05, subdivision 2; 256R.06, subdivisions 2, 6, and 7; 256R.08, subdivisions 1 ~~to~~ and 3; and 256R.09, subdivisions 3 and 4, with written notice to the facility postmarked no later than 90 days prior to the expiration of the record retention requirement.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 16. Minnesota Statutes 2018, section 256R.39, is amended to read:

256R.39 QUALITY IMPROVEMENT INCENTIVE PROGRAM.

The commissioner shall develop a quality improvement incentive program in consultation with stakeholders. The annual funding pool available for quality improvement incentive payments shall be equal to 0.8 percent of all operating payments, not including any rate components resulting from equitable cost-sharing for publicly owned nursing facility program participation under section 256R.48, critical access nursing facility program participation under section 256R.47, or performance-based incentive payment program participation under section 256R.38. ~~For the period from October 1, 2015, to December 31, 2016, rate adjustments provided under this section shall be effective for 15 months. Beginning January 1, 2017, Annual rate adjustments provided under this section shall be effective for one rate year.~~

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 17. Minnesota Statutes 2018, section 626.557, subdivision 3, is amended to read:

Subd. 3. **Timing of report.** (a) A mandated reporter who has reason to believe that a vulnerable adult is being or has been maltreated, or who has knowledge that a vulnerable adult has sustained a physical injury which is not reasonably explained shall immediately report the information to the common entry point. If an individual is a vulnerable adult solely because the individual is admitted to a facility, a mandated reporter is not required to report suspected maltreatment of the individual that occurred prior to admission, unless:

(1) the individual was admitted to the facility from another facility and the reporter has reason to believe the vulnerable adult was maltreated in the previous facility; or

(2) the reporter knows or has reason to believe that the individual is a vulnerable adult as defined in section 626.5572, subdivision 21, paragraph (a), clause (4).

(b) A person not required to report under the provisions of this section may voluntarily report as described above.

(c) Nothing in this section requires a report of known or suspected maltreatment, if the reporter knows or has reason to know that a report has been made to the common entry point.

(d) Nothing in this section shall preclude a reporter from also reporting to a law enforcement agency.

(e) A mandated reporter who knows or has reason to believe that an error under section 626.5572, subdivision 17, paragraph ~~(e)~~ (d), clause (5), occurred must make a report under this subdivision. If the reporter or a facility, at any time believes that an investigation by a lead investigative agency will determine or should determine that the reported error was not neglect according to the criteria under section 626.5572, subdivision 17, paragraph ~~(e)~~ (d), clause (5), the reporter or facility may provide to the common entry point or directly to the lead investigative agency information explaining how the event meets the criteria under section 626.5572, subdivision 17, paragraph ~~(e)~~ (d), clause (5). The lead investigative agency shall consider this information when making an initial disposition of the report under subdivision 9c.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 18. Minnesota Statutes 2018, section 626.557, subdivision 3a, is amended to read:

Subd. 3a. **Report not required.** The following events are not required to be reported under this section:

(1) A circumstance where federal law specifically prohibits a person from disclosing patient identifying information in connection with a report of suspected maltreatment, unless the vulnerable adult, or the vulnerable adult's guardian, conservator, or legal representative, has consented to disclosure in a manner which conforms to federal requirements. Facilities whose patients or residents are covered by such a federal law shall seek consent to the disclosure of suspected maltreatment from each patient or resident, or a guardian, conservator, or legal representative, upon the patient's or resident's admission to the facility. Persons who are prohibited by federal law from reporting an incident of suspected maltreatment shall immediately seek consent to make a report.

(2) Verbal or physical aggression occurring between patients, residents, or clients of a facility, or self-abusive behavior by these persons does not constitute abuse unless the behavior causes serious harm. The operator of the facility or a designee shall record incidents of aggression and self-abusive behavior to facilitate review by licensing agencies and county and local welfare agencies.

(3) Accidents as defined in section 626.5572, subdivision 3.

(4) Events occurring in a facility that result from an individual's error in the provision of therapeutic conduct to a vulnerable adult, as provided in section 626.5572, subdivision 17, paragraph ~~(e)~~ (d), clause (4).

(5) Nothing in this section shall be construed to require a report of financial exploitation, as defined in section 626.5572, subdivision 9, solely on the basis of the transfer of money or property by gift or as compensation for services rendered.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 19. Minnesota Statutes 2018, section 626.557, subdivision 4, is amended to read:

Subd. 4. **Reporting.** (a) Except as provided in paragraph (b), a mandated reporter shall immediately make ~~an oral~~ a report to the common entry point. ~~The common entry point may accept electronic reports submitted through a web-based reporting system established by the commissioner. Use of a telecommunications device for the deaf or other similar device shall be considered an oral report. The common entry point may not require written reports.~~ To the extent possible, the report must be of sufficient content to identify the vulnerable adult, the ~~caregiver~~ alleged perpetrator, the nature and extent of the suspected maltreatment, any evidence of previous maltreatment, the name and address of the reporter, the time, date, and location of the incident, and any other information that the reporter believes might be helpful in investigating the suspected maltreatment. A mandated reporter may disclose not public data, as defined in section 13.02, and medical records under sections 144.291 to 144.298, to the extent necessary to comply with this subdivision.

(b) A boarding care home that is licensed under sections 144.50 to 144.58 and certified under Title 19 of the Social Security Act, a nursing home that is licensed under section 144A.02 and certified under Title 18 or Title 19 of the Social Security Act, or a hospital that is licensed under sections 144.50 to 144.58 and has swing beds certified under Code of Federal Regulations, title 42, section 482.66, may submit a report electronically to the common entry point instead of submitting an oral report. The report may be a duplicate of the initial report the facility submits electronically to the commissioner of health to comply with the reporting requirements under Code of Federal Regulations, title 42, section 483.13. The commissioner of health may modify these reporting requirements to include items required under paragraph (a) that are not currently included in the electronic reporting form.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 20. Minnesota Statutes 2018, section 626.557, subdivision 9, is amended to read:

Subd. 9. **Common entry point designation.** (a) ~~Each county board shall designate a common entry point for reports of suspected maltreatment, for use until the commissioner of human services establishes a common entry point. Two or more county boards may jointly designate a single common entry point.~~ The commissioner of human services shall establish a common entry point effective July 1, 2015. The common entry point is the unit responsible for receiving the report of suspected maltreatment under this section.

(b) The common entry point must be available 24 hours per day to take calls from reporters of suspected maltreatment. The common entry point shall use a standard intake form that includes:

- (1) the time and date of the report;
- (2) the name, relationship, and identifying and contact information for the alleged victim and alleged perpetrator;
- (3) the name, address, and telephone number of the person reporting; relationship, and contact information for the:
 - (i) reporter;
 - (ii) initial reporter, witnesses, and persons who may have knowledge about the maltreatment; and
 - (iii) alleged victim's legal surrogate and persons who may provide support to the alleged victim;
- (4) the basis of vulnerability for the alleged victim;
- ~~(3)~~ (5) the time, date, and location of the incident;
- (4) the names of the persons involved, including but not limited to, perpetrators, alleged victims, and witnesses;
- ~~(5) whether there was a risk of imminent danger~~ (6) the immediate safety risk to the alleged victim;
- ~~(6)~~ (7) a description of the suspected maltreatment;
- ~~(7) the disability, if any, of the alleged victim;~~
- ~~(8) the relationship of the alleged perpetrator to the alleged victim;~~
- (8) the impact of the suspected maltreatment on the alleged victim;
- (9) whether a facility was involved and, if so, which agency licenses the facility;
- (10) the actions taken to protect the alleged victim;
- ~~(10) any action taken~~ (11) the required notifications and referrals made by the common entry point; and
- ~~(11) whether law enforcement has been notified;~~
- (12) whether the reporter wishes to receive notification of the ~~initial and final reports;~~ and disposition.
- ~~(13) if the report is from a facility with an internal reporting procedure, the name, mailing address, and telephone number of the person who initiated the report internally.~~

(c) The common entry point is not required to complete each item on the form prior to dispatching the report to the appropriate lead investigative agency.

(d) The common entry point shall immediately report to a law enforcement agency any incident in which there is reason to believe a crime has been committed.

(e) If a report is initially made to a law enforcement agency or a lead investigative agency, those agencies shall take the report on the appropriate common entry point intake forms and immediately forward a copy to the common entry point.

(f) The common entry point staff must receive training on how to screen and dispatch reports efficiently and in accordance with this section.

(g) The commissioner of human services shall maintain a centralized database for the collection of common entry point data, lead investigative agency data including maltreatment report disposition, and appeals data. The common entry point shall have access to the centralized database and must log the reports into the database ~~and immediately identify and locate prior reports of abuse, neglect, or exploitation.~~

(h) When appropriate, the common entry point staff must refer calls that do not allege the abuse, neglect, or exploitation of a vulnerable adult to other organizations that might resolve the reporter's concerns.

(i) A common entry point must be operated in a manner that enables the commissioner of human services to:

(1) track critical steps in the reporting, evaluation, referral, response, disposition, and investigative process to ensure compliance with all requirements for all reports;

(2) maintain data to facilitate the production of aggregate statistical reports for monitoring patterns of abuse, neglect, or exploitation;

(3) serve as a resource for the evaluation, management, and planning of preventative and remedial services for vulnerable adults who have been subject to abuse, neglect, or exploitation;

(4) set standards, priorities, and policies to maximize the efficiency and effectiveness of the common entry point; and

(5) track and manage consumer complaints related to the common entry point.

(j) The commissioners of human services and health shall collaborate on the creation of a system for referring reports to the lead investigative agencies. This system shall enable the commissioner of human services to track critical steps in the reporting, evaluation, referral, response, disposition, investigation, notification, determination, and appeal processes.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 21. Minnesota Statutes 2018, section 626.557, subdivision 9c, is amended to read:

Subd. 9c. **Lead investigative agency; notifications, dispositions, determinations.** (a) Upon request of the reporter, the lead investigative agency shall notify the reporter that it has received the report, and provide information on the initial disposition of the report within five business days of receipt of the report, provided that the notification will not endanger the vulnerable adult or hamper the investigation.

(b) In making the initial disposition, the lead investigative agency may consider previous reports of suspected maltreatment and may request and consider public information, records maintained by a lead investigative agency or licensed providers, and information from any other person who may have knowledge regarding the alleged maltreatment.

(c) Unless the lead investigative agency knows the information would endanger the well-being of the vulnerable adult, during the investigation period the lead investigative agency shall inform the vulnerable adult of the maltreatment allegation, investigation guidelines, time frame, and evidence standards used for determinations. The lead investigative agency must also provide the information to the vulnerable adult's guardian or health care agent if the allegation is applicable to the guardian or health care agent.

(d) During the investigation and in the provision of adult protective services, the lead investigative agency may coordinate with entities identified under section 626.557, subdivision 12b, paragraph (g), and the primary support person to safeguard the welfare and prevent further maltreatment of the vulnerable adult. The lead investigative agency must request and consider the vulnerable adult's choice of a primary support person.

(e) Upon conclusion of every investigation it conducts, the lead investigative agency shall make a final disposition as defined in section 626.5572, subdivision 8.

(~~e~~) (f) When determining whether the facility or individual is the responsible party for substantiated maltreatment or whether both the facility and ~~the~~ individual are responsible for substantiated maltreatment, the lead investigative agency shall consider at least the following mitigating factors:

(1) whether the actions of the facility or ~~the individual caregivers~~ caregiver were in accordance with, and followed the terms of, an erroneous physician order, prescription, resident care plan, or directive. This is not a mitigating factor when the facility or individual caregiver is responsible for the issuance of the erroneous order, prescription, plan, or directive or knows or should have known of the errors and took no reasonable measures to correct the defect before administering care;

(2) the comparative responsibility between the facility, ~~other caregivers,~~ and individual caregiver and requirements placed upon the employee, including but not limited to, the facility's compliance with related regulatory standards and factors such as the adequacy of facility policies and procedures, the adequacy of facility training, the adequacy of an individual's participation in the training, the adequacy of caregiver supervision, the adequacy of facility staffing levels, and a consideration of the scope of the individual employee's authority; and

(3) whether the facility or individual followed professional standards in exercising professional judgment.

(~~d~~) (g) When substantiated maltreatment is determined to have been committed by an individual who is also the facility license holder, both the individual and the facility must be determined responsible for the maltreatment, and both the background study disqualification standards under section 245C.15, subdivision 4, and the licensing actions under section 245A.06 or 245A.07 apply.

(~~e~~) (h) The lead investigative agency shall complete its final disposition within 60 calendar days from the date of the initial disposition for the report. If the lead investigative agency is unable to complete its final disposition within 60 calendar days, the lead investigative agency shall notify the following persons provided that the notification will not endanger the vulnerable adult or hamper the investigation: (1) the vulnerable adult or the vulnerable adult's guardian or health care agent, when known, if the lead investigative agency knows them to be aware of the investigation; and (2) the facility, where applicable. The notice shall contain the reason for the delay and the projected completion date. If the lead investigative agency is unable to complete its final disposition by a subsequent projected completion date, the lead investigative agency shall again notify the vulnerable adult or the vulnerable adult's guardian or health care agent, when known if the lead investigative agency knows them to be

aware of the investigation, and the facility, where applicable, of the reason for the delay and the revised projected completion date provided that the notification will not endanger the vulnerable adult or hamper the investigation. The lead investigative agency must notify the health care agent of the vulnerable adult only if the health care agent's authority to make health care decisions for the vulnerable adult is currently effective under section 145C.06 and not suspended under section 524.5-310 and the investigation relates to a duty assigned to the health care agent by the principal. A lead investigative agency's inability to complete the final disposition within 60 calendar days or by any projected completion date does not invalidate the final disposition.

~~(f)~~ (i) When the lead investigative agency is the Department of Human Services or the Department of Health, within ten calendar days of completing the final disposition, the lead investigative agency shall provide a copy of the public investigation memorandum under subdivision 12b, paragraph (b), clause (1), ~~when required to be completed under this section~~, to the following persons: (1) the vulnerable adult, or the vulnerable adult's guardian or health care agent, if known, when the allegation is applicable to the surrogate's authority, unless the lead investigative agency knows that the notification would endanger the well-being of the vulnerable adult; (2) the reporter, if the reporter requested notification when making the report, provided this notification would not endanger the well-being of the vulnerable adult; (3) the alleged perpetrator, if known; (4) the facility; and (5) the ombudsman for long-term care, or the ombudsman for mental health and developmental disabilities, as appropriate.

(j) When the lead investigative agency is a county agency, within ten calendar days of completing the final disposition, the lead investigative agency shall provide notification of the final disposition to the following persons: (1) the vulnerable adult, or the vulnerable adult's guardian or health agent, if known, when the allegation is applicable to the surrogate's authority, unless the agency knows the notification would endanger the well-being of the vulnerable adult; (2) the alleged perpetrator, if known; and (3) the personal care provider organization under section 256B.0659 when the alleged incident involves a personal care assistant or provider agency.

~~(g)~~ (k) If, as a result of a reconsideration, review, or hearing, the lead investigative agency changes the final disposition, or if a final disposition is changed on appeal, the lead investigative agency shall notify the parties specified in paragraph (f).

~~(h)~~ (l) The lead investigative agency shall notify the vulnerable adult who is the subject of the report or the vulnerable adult's guardian or health care agent, if known, and any person or facility determined to have maltreated a vulnerable adult, of their appeal or review rights under this section or section 256.021.

~~(i)~~ (m) The lead investigative agency shall routinely provide investigation memoranda for substantiated reports to the appropriate licensing boards. These reports must include the names of substantiated perpetrators. The lead investigative agency may not provide investigative memoranda for inconclusive or false reports to the appropriate licensing boards unless the lead investigative agency's investigation gives reason to believe that there may have been a violation of the applicable professional practice laws. If the investigation memorandum is provided to a licensing board, the subject of the investigation memorandum shall be notified and receive a summary of the investigative findings.

~~(j)~~ (n) In order to avoid duplication, licensing boards shall consider the findings of the lead investigative agency in their investigations if they choose to investigate. This does not preclude licensing boards from considering other information.

~~(k)~~ (o) The lead investigative agency must provide to the commissioner of human services its final dispositions, including the names of all substantiated perpetrators. The commissioner of human services shall establish records to retain the names of substantiated perpetrators.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 22. Minnesota Statutes 2018, section 626.557, subdivision 9d, is amended to read:

Subd. 9d. **Administrative reconsideration; review panel.** (a) Except as provided under paragraph (e), any individual or facility which a lead investigative agency determines has maltreated a vulnerable adult, or the vulnerable adult or an interested person acting on behalf of the vulnerable adult, regardless of the lead investigative agency's determination, who contests the lead investigative agency's final disposition of an allegation of maltreatment, may request the lead investigative agency to reconsider its final disposition. The request for reconsideration must be submitted in writing to the lead investigative agency within 15 calendar days after receipt of notice of final disposition or, if the request is made by an interested person who is not entitled to notice, within 15 days after receipt of the notice by the vulnerable adult or the vulnerable adult's guardian or health care agent. If mailed, the request for reconsideration must be postmarked and sent to the lead investigative agency within 15 calendar days of the individual's or facility's receipt of the final disposition. If the request for reconsideration is made by personal service, it must be received by the lead investigative agency within 15 calendar days of the individual's or facility's receipt of the final disposition. An individual who was determined to have maltreated a vulnerable adult under this section and who was disqualified on the basis of serious or recurring maltreatment under sections 245C.14 and 245C.15, may request reconsideration of the maltreatment determination and the disqualification. The request for reconsideration of the maltreatment determination and the disqualification must be submitted in writing within 30 calendar days of the individual's receipt of the notice of disqualification under sections 245C.16 and 245C.17. If mailed, the request for reconsideration of the maltreatment determination and the disqualification must be postmarked and sent to the lead investigative agency within 30 calendar days of the individual's receipt of the notice of disqualification. If the request for reconsideration is made by personal service, it must be received by the lead investigative agency within 30 calendar days after the individual's receipt of the notice of disqualification.

(b) Except as provided under paragraphs (e) and (f), if the lead investigative agency denies the request or fails to act upon the request within 15 working days after receiving the request for reconsideration, the person or facility entitled to a fair hearing under section 256.045, may submit to the commissioner of human services a written request for a hearing under that statute. The vulnerable adult, or an interested person acting on behalf of the vulnerable adult, may request a review by the Vulnerable Adult Maltreatment Review Panel under section 256.021 if the lead investigative agency denies the request or fails to act upon the request, or if the vulnerable adult or interested person contests a reconsidered disposition. The Vulnerable Adult Maltreatment Review Panel shall not conduct a review if the interested person making the request on behalf of the vulnerable adult is also the alleged perpetrator. The lead investigative agency shall notify persons who request reconsideration of their rights under this paragraph. The request must be submitted in writing to the review panel and a copy sent to the lead investigative agency within 30 calendar days of receipt of notice of a denial of a request for reconsideration or of a reconsidered disposition. The request must specifically identify the aspects of the lead investigative agency determination with which the person is dissatisfied.

(c) If, as a result of a reconsideration or review, the lead investigative agency changes the final disposition, it shall notify the parties specified in subdivision 9c, paragraph ~~(f)~~ (i).

(d) For purposes of this subdivision, "interested person acting on behalf of the vulnerable adult" means a person designated in writing by the vulnerable adult to act on behalf of the vulnerable adult, or a legal guardian or conservator or other legal representative, a proxy or health care agent appointed under chapter 145B or 145C, or an individual who is related to the vulnerable adult, as defined in section 245A.02, subdivision 13.

(e) If an individual was disqualified under sections 245C.14 and 245C.15, on the basis of a determination of maltreatment, which was serious or recurring, and the individual has requested reconsideration of the maltreatment determination under paragraph (a) and reconsideration of the disqualification under sections 245C.21 to 245C.27, reconsideration of the maltreatment determination and requested reconsideration of the disqualification shall be consolidated into a single reconsideration. If reconsideration of the maltreatment determination is denied and the

individual remains disqualified following a reconsideration decision, the individual may request a fair hearing under section 256.045. If an individual requests a fair hearing on the maltreatment determination and the disqualification, the scope of the fair hearing shall include both the maltreatment determination and the disqualification.

(f) If a maltreatment determination or a disqualification based on serious or recurring maltreatment is the basis for a denial of a license under section 245A.05 or a licensing sanction under section 245A.07, the license holder has the right to a contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. As provided for under section 245A.08, the scope of the contested case hearing must include the maltreatment determination, disqualification, and licensing sanction or denial of a license. In such cases, a fair hearing must not be conducted under section 256.045. Except for family child care and child foster care, reconsideration of a maltreatment determination under this subdivision, and reconsideration of a disqualification under section 245C.22, must not be conducted when:

(1) a denial of a license under section 245A.05, or a licensing sanction under section 245A.07, is based on a determination that the license holder is responsible for maltreatment or the disqualification of a license holder based on serious or recurring maltreatment;

(2) the denial of a license or licensing sanction is issued at the same time as the maltreatment determination or disqualification; and

(3) the license holder appeals the maltreatment determination or disqualification, and denial of a license or licensing sanction.

Notwithstanding clauses (1) to (3), if the license holder appeals the maltreatment determination or disqualification, but does not appeal the denial of a license or a licensing sanction, reconsideration of the maltreatment determination shall be conducted under sections 626.556, subdivision 10i, and 626.557, subdivision 9d, and reconsideration of the disqualification shall be conducted under section 245C.22. In such cases, a fair hearing shall also be conducted as provided under sections 245C.27, 626.556, subdivision 10i, and 626.557, subdivision 9d.

If the disqualified subject is an individual other than the license holder and upon whom a background study must be conducted under chapter 245C, the hearings of all parties may be consolidated into a single contested case hearing upon consent of all parties and the administrative law judge.

(g) Until August 1, 2002, an individual or facility that was determined by the commissioner of human services or the commissioner of health to be responsible for neglect under section 626.5572, subdivision 17, after October 1, 1995, and before August 1, 2001, that believes that the finding of neglect does not meet an amended definition of neglect may request a reconsideration of the determination of neglect. The commissioner of human services or the commissioner of health shall mail a notice to the last known address of individuals who are eligible to seek this reconsideration. The request for reconsideration must state how the established findings no longer meet the elements of the definition of neglect. The commissioner shall review the request for reconsideration and make a determination within 15 calendar days. The commissioner's decision on this reconsideration is the final agency action.

(1) For purposes of compliance with the data destruction schedule under subdivision 12b, paragraph (d), when a finding of substantiated maltreatment has been changed as a result of a reconsideration under this paragraph, the date of the original finding of a substantiated maltreatment must be used to calculate the destruction date.

(2) For purposes of any background studies under chapter 245C, when a determination of substantiated maltreatment has been changed as a result of a reconsideration under this paragraph, any prior disqualification of the individual under chapter 245C that was based on this determination of maltreatment shall be rescinded, and for

future background studies under chapter 245C the commissioner must not use the previous determination of substantiated maltreatment as a basis for disqualification or as a basis for referring the individual's maltreatment history to a health-related licensing board under section 245C.31.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 23. Minnesota Statutes 2018, section 626.557, subdivision 10b, is amended to read:

Subd. 10b. **Investigations; guidelines.** (a) Each lead investigative agency shall develop guidelines for prioritizing reports for investigation and shall publicly post the guidelines.

(b) When investigating a report, the lead investigative agency shall conduct the following activities, ~~as appropriate without exception unless:~~

(i) the vulnerable adult, reporter, or witness is deceased, refuses an interview, or is unable to be contacted despite diligent attempts;

(ii) the interview was conducted by law enforcement and an additional interview will not further the civil investigation;

(iii) the agency has reason to know the activity will endanger the vulnerable adult or impede the investigation:

(1) interview of the alleged victim;

(2) interview of the reporter and others who may have relevant information;

(3) interview of the alleged perpetrator; and

~~(4) examination of the environment surrounding the alleged incident;~~

~~(5) (4) review of records and pertinent documentation of the alleged incident; and.~~

(c) The lead investigative agency shall conduct the following activities if appropriate to further the investigation or necessary to prevent further maltreatment or to safeguard the vulnerable adult:

(1) examine the environment surrounding the alleged incident;

~~(6) consultation~~ (2) consult with professionals;

(3) request the vulnerable adult's choice of the primary support person; and

(4) communicate with tribes, service providers, and the primary support person for the vulnerable adult.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 24. Minnesota Statutes 2018, section 626.557, subdivision 12b, is amended to read:

Subd. 12b. **Data management.** (a) In performing any of the duties of this section as a lead investigative agency, the county social service agency shall maintain appropriate records. Data collected by the county social service agency under this section are welfare data under section 13.46. Notwithstanding section 13.46, subdivision 1, paragraph (a), data under this paragraph that are inactive investigative data on an individual who is a vendor of services are private data on individuals, as defined in section 13.02. The identity of the reporter may only be disclosed as provided in paragraph (c).

Data maintained by the common entry point are confidential data on individuals or protected nonpublic data as defined in section 13.02. Notwithstanding section 138.163, the common entry point shall maintain data for three calendar years after date of receipt and then destroy the data unless otherwise directed by federal requirements.

(b) The commissioners of health and human services shall prepare an investigation memorandum for each report alleging maltreatment investigated under this section. County social service agencies must maintain private data on individuals but are not required to prepare an investigation memorandum. During an investigation by the commissioner of health or the commissioner of human services, data collected under this section are confidential data on individuals or protected nonpublic data as defined in section 13.02. Upon completion of the investigation, the data are classified as provided in clauses (1) to (3) and paragraph (c).

(1) The investigation memorandum must contain the following data, which are public:

(i) the name of the facility investigated;

(ii) a statement of the nature of the alleged maltreatment;

(iii) pertinent information obtained from medical or other records reviewed;

(iv) the identity of the investigator;

(v) a summary of the investigation's findings;

(vi) statement of whether the report was found to be substantiated, inconclusive, false, or that no determination will be made;

(vii) a statement of any action taken by the facility;

(viii) a statement of any action taken by the lead investigative agency; and

(ix) when a lead investigative agency's determination has substantiated maltreatment, a statement of whether an individual, individuals, or a facility were responsible for the substantiated maltreatment, if known.

The investigation memorandum must be written in a manner which protects the identity of the reporter and of the vulnerable adult and may not contain the names or, to the extent possible, data on individuals or private data listed in clause (2).

(2) Data on individuals collected and maintained in the investigation memorandum are private data, including:

(i) the name of the vulnerable adult;

(ii) the identity of the individual alleged to be the perpetrator;

(iii) the identity of the individual substantiated as the perpetrator; and

(iv) the identity of all individuals interviewed as part of the investigation.

(3) Other data on individuals maintained as part of an investigation under this section are private data on individuals upon completion of the investigation.

(c) ~~After the assessment or investigation is completed,~~ The name of the reporter must be confidential. The subject of the report may compel disclosure of the name of the reporter only with the consent of the reporter or upon a written finding by a court that the report was false and there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the Rules of Criminal Procedure, except that where the identity of the reporter is relevant to a criminal prosecution, the district court shall do an in-camera review prior to determining whether to order disclosure of the identity of the reporter.

(d) Notwithstanding section 138.163, data maintained under this section by the commissioners of health and human services must be maintained under the following schedule and then destroyed unless otherwise directed by federal requirements:

- (1) data from reports determined to be false, maintained for three years after the finding was made;
- (2) data from reports determined to be inconclusive, maintained for four years after the finding was made;
- (3) data from reports determined to be substantiated, maintained for seven years after the finding was made; and
- (4) data from reports which were not investigated by a lead investigative agency and for which there is no final disposition, maintained for three years from the date of the report.

(e) The commissioners of health and human services shall annually publish on their websites the number and type of reports of alleged maltreatment involving licensed facilities reported under this section, the number of those requiring investigation under this section, and the resolution of those investigations. On a biennial basis, the commissioners of health and human services shall jointly report the following information to the legislature and the governor:

(1) the number and type of reports of alleged maltreatment involving licensed facilities reported under this section, the number of those requiring investigations under this section, the resolution of those investigations, and which of the two lead agencies was responsible;

(2) trends about types of substantiated maltreatment found in the reporting period;

(3) if there are upward trends for types of maltreatment substantiated, recommendations for addressing and responding to them;

(4) efforts undertaken or recommended to improve the protection of vulnerable adults;

(5) whether and where backlogs of cases result in a failure to conform with statutory time frames and recommendations for reducing backlogs if applicable;

(6) recommended changes to statutes affecting the protection of vulnerable adults; and

(7) any other information that is relevant to the report trends and findings.

(f) Each lead investigative agency must have a record retention policy.

(g) Lead investigative agencies, county agencies responsible for adult protective services, prosecuting authorities, and law enforcement agencies may exchange not public data, as defined in section 13.02, with a tribe, provider, vulnerable adult, primary support person for the vulnerable adult, state licensing board, federal or state agency, the ombudsperson for long-term care, or the ombudsman for mental health and developmental disabilities, if the agency or authority ~~requesting~~ providing the data determines that the data are pertinent and necessary ~~to the~~

~~requesting agency in initiating, furthering, or completing to prevent further maltreatment, to safeguard the affected vulnerable adults, or to initiate, further, or complete~~ an investigation under this section. Data collected under this section must be made available to prosecuting authorities and law enforcement officials, local county agencies, and licensing agencies investigating the alleged maltreatment under this section. The lead investigative agency shall exchange not public data with the vulnerable adult maltreatment review panel established in section 256.021 if the data are pertinent and necessary for a review requested under that section. Notwithstanding section 138.17, upon completion of the review, not public data received by the review panel must be destroyed.

(h) Each lead investigative agency shall keep records of the length of time it takes to complete its investigations.

(i) A lead investigative agency may notify other affected parties and their authorized representative if the lead investigative agency has reason to believe maltreatment has occurred and determines the information will safeguard the well-being of the affected parties or dispel widespread rumor or unrest in the affected facility.

(j) Under any notification provision of this section, where federal law specifically prohibits the disclosure of patient identifying information, a lead investigative agency may not provide any notice unless the vulnerable adult has consented to disclosure in a manner which conforms to federal requirements.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 25. Minnesota Statutes 2018, section 626.5572, subdivision 2, is amended to read:

Subd. 2. **Abuse.** "Abuse" means:

(a) An act against a vulnerable adult that constitutes a violation of, an attempt to violate, or aiding and abetting a violation of:

- (1) assault in the first through fifth degrees as defined in sections 609.221 to 609.224;
- (2) the use of drugs to injure or facilitate crime as defined in section 609.235;
- (3) the solicitation, inducement, and promotion of prostitution as defined in section 609.322; and
- (4) criminal sexual conduct in the first through fifth degrees as defined in sections 609.342 to 609.3451.

A violation includes any action that meets the elements of the crime, regardless of whether there is a criminal proceeding or conviction.

(b) Conduct which is not an accident or therapeutic conduct as defined in this section, which produces or could reasonably be expected to produce physical pain or injury or emotional distress including, but not limited to, the following:

- (1) hitting, slapping, kicking, pinching, biting, or corporal punishment of a vulnerable adult;
- (2) use of repeated or malicious oral, written, or gestured language toward a vulnerable adult or the treatment of a vulnerable adult which would be considered by a reasonable person to be disparaging, derogatory, humiliating, harassing, or threatening; or
- (3) use, not authorized under chapter 245A or 245D or inconsistent with state and federal patient rights, of any aversive or deprivation procedure, unreasonable confinement, or involuntary seclusion, including the forced separation of the vulnerable adult from other persons against the will of the vulnerable adult or the legal representative of the vulnerable adult; ~~and,~~

~~(4) use of any aversive or deprivation procedures for persons with developmental disabilities or related conditions not authorized under section 245.825.~~

(c) Any sexual contact or penetration as defined in section 609.341, between a facility staff person or a person providing services in the facility and a resident, patient, or client of that facility.

(d) The act of forcing, compelling, coercing, or enticing a vulnerable adult against the vulnerable adult's will to perform services for the advantage of another.

(e) For purposes of this section, a vulnerable adult is not abused for the sole reason that the vulnerable adult or a person with authority to make health care decisions for the vulnerable adult under sections 144.651, 144A.44, chapter 145B, 145C or 252A, or section 253B.03 or 524.5-313, refuses consent or withdraws consent, consistent with that authority and within the boundary of reasonable medical practice, to any therapeutic conduct, including any care, service, or procedure to diagnose, maintain, or treat the physical or mental condition of the vulnerable adult or, where permitted under law, to provide nutrition and hydration parenterally or through intubation. This paragraph does not enlarge or diminish rights otherwise held under law by:

(1) a vulnerable adult or a person acting on behalf of a vulnerable adult, including an involved family member, to consent to or refuse consent for therapeutic conduct; or

(2) a caregiver to offer or provide or refuse to offer or provide therapeutic conduct.

(f) For purposes of this section, a vulnerable adult is not abused for the sole reason that the vulnerable adult, a person with authority to make health care decisions for the vulnerable adult, or a caregiver in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the vulnerable adult in lieu of medical care, provided that this is consistent with the prior practice or belief of the vulnerable adult or with the expressed intentions of the vulnerable adult.

(g) For purposes of this section, a vulnerable adult is not abused for the sole reason that the vulnerable adult, who is not impaired in judgment or capacity by mental or emotional dysfunction or undue influence, engages in consensual sexual contact with:

(1) a person, including a facility staff person, when a consensual sexual personal relationship existed prior to the caregiving relationship; or

(2) a personal care attendant, regardless of whether the consensual sexual personal relationship existed prior to the caregiving relationship.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 26. Minnesota Statutes 2018, section 626.5572, subdivision 4, is amended to read:

Subd. 4. **Caregiver.** "Caregiver" means a paid provider, an individual, or facility ~~who has responsibility for the care of a vulnerable adult as a result of a family relationship, or~~ who has assumed responsibility for all or a portion of the care of a vulnerable adult voluntarily, by contract, or by agreement.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 27. Minnesota Statutes 2018, section 626.5572, subdivision 9, is amended to read:

Subd. 9. **Financial exploitation.** "Financial exploitation" means:

(a) In breach of a fiduciary obligation recognized elsewhere in law, including pertinent regulations, contractual obligations, documented consent by a competent person, or the obligations of a responsible party under section 144.6501, a person:

~~(1) engages in unauthorized expenditure of funds entrusted to the actor by the vulnerable adult which results or is likely to result in detriment to the vulnerable adult~~ takes, uses, or transfers the vulnerable adult's personal property or financial resources other than what a reasonable person would deem the use, ownership, or obligations of the vulnerable adult; or

(2) fails to use the financial resources of the vulnerable adult to provide food, clothing, shelter, health care, therapeutic conduct or supervision for the vulnerable adult, and the failure results or is likely to result in detriment to the vulnerable adult.

(b) In the absence of legal authority a person:

(1) willfully uses, withholds, or disposes of funds or property of a vulnerable adult;

(2) obtains for the actor or another the performance of services by a third person for the wrongful profit or advantage of the actor or another to the detriment of the vulnerable adult;

(3) acquires possession or control of, or an interest in, funds or property of a vulnerable adult through the use of undue influence, harassment, duress, deception, or fraud; or

(4) forces, compels, coerces, or entices a vulnerable adult against the vulnerable adult's will to perform services for the profit or advantage of another.

(c) Nothing in this definition requires a facility or caregiver to provide financial management or supervise financial management for a vulnerable adult except as otherwise required by law.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 28. Minnesota Statutes 2018, section 626.5572, subdivision 17, is amended to read:

Subd. 17. **Neglect.** ~~"Neglect" means:~~ (a) Neglect includes caregiver neglect and self-neglect.

~~(a) (b) "Caregiver neglect" means~~ the failure or omission by a caregiver to supply a vulnerable adult with care or services, including but not limited to, food, clothing, shelter, health care, or supervision which is:

(1) reasonable and necessary to obtain or maintain the vulnerable adult's physical or mental health or safety, considering the physical and mental capacity or dysfunction of the vulnerable adult; and

(2) which is not the result of an accident or therapeutic conduct.

~~(b) The absence or likelihood of absence of care or services, including but not limited to, food, clothing, shelter, health care, or supervision necessary to maintain the physical and mental health of the vulnerable adult~~ (c) "Self-neglect" means neglect by a vulnerable adult of food, clothing, shelter, health care, or other services not under the responsibility of a caregiver which a reasonable person would deem essential to obtain or maintain the vulnerable adult's health, safety, or comfort considering the physical or mental capacity or dysfunction of the vulnerable adult, or physical and mental health.

(e) (d) For purposes of this section, a vulnerable adult is not neglected for the sole reason that:

(1) the vulnerable adult or a person with authority to make health care decisions for the vulnerable adult under sections 144.651, 144A.44, chapter 145B, 145C, or 252A, or sections 253B.03 or 524.5-101 to 524.5-502, refuses consent or withdraws consent, consistent with that authority and within the boundary of reasonable medical practice, to any therapeutic conduct, including any care, service, or procedure to diagnose, maintain, or treat the physical or mental condition of the vulnerable adult, or, where permitted under law, to provide nutrition and hydration parenterally or through intubation; this paragraph does not enlarge or diminish rights otherwise held under law by:

(i) a vulnerable adult or a person acting on behalf of a vulnerable adult, including an involved family member, to consent to or refuse consent for therapeutic conduct; or

(ii) a caregiver to offer or provide or refuse to offer or provide therapeutic conduct; or

(2) the vulnerable adult, a person with authority to make health care decisions for the vulnerable adult, or a caregiver in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the vulnerable adult in lieu of medical care, provided that this is consistent with the prior practice or belief of the vulnerable adult or with the expressed intentions of the vulnerable adult;

(3) the vulnerable adult, who is not impaired in judgment or capacity by mental or emotional dysfunction or undue influence, engages in consensual sexual contact with:

(i) a person including a facility staff person when a consensual sexual personal relationship existed prior to the caregiving relationship; or

(ii) a personal care attendant, regardless of whether the consensual sexual personal relationship existed prior to the caregiving relationship; or

(4) an individual makes an error in the provision of therapeutic conduct to a vulnerable adult which does not result in injury or harm which reasonably requires medical or mental health care; or

(5) an individual makes an error in the provision of therapeutic conduct to a vulnerable adult that results in injury or harm, which reasonably requires the care of a physician, and:

(i) the necessary care is provided in a timely fashion as dictated by the condition of the vulnerable adult;

(ii) if after receiving care, the health status of the vulnerable adult can be reasonably expected, as determined by the attending physician, to be restored to the vulnerable adult's preexisting condition;

(iii) the error is not part of a pattern of errors by the individual;

(iv) if in a facility, the error is immediately reported as required under section 626.557, and recorded internally in the facility;

(v) if in a facility, the facility identifies and takes corrective action and implements measures designed to reduce the risk of further occurrence of this error and similar errors; and

(vi) if in a facility, the actions required under items (iv) and (v) are sufficiently documented for review and evaluation by the facility and any applicable licensing, certification, and ombudsman agency.

~~(d)~~ (e) Nothing in this definition requires a caregiver, if regulated, to provide services in excess of those required by the caregiver's license, certification, registration, or other regulation.

(e) (f) If the findings of an investigation by a lead investigative agency result in a determination of substantiated maltreatment for the sole reason that the actions required of a facility under paragraph ~~(e)~~ (d), clause (5), item (iv), (v), or (vi), were not taken, then the facility is subject to a correction order. An individual will not be found to have neglected or maltreated the vulnerable adult based solely on the facility's not having taken the actions required under paragraph ~~(e)~~ (d), clause (5), item (iv), (v), or (vi). This must not alter the lead investigative agency's determination of mitigating factors under section 626.557, subdivision 9c, paragraph (c).

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 29. Minnesota Statutes 2018, section 626.5572, is amended by adding a subdivision to read:

Subd. 17a. **Primary support person.** "Primary support person" means a person or persons identified by the lead investigative agency or agency responsible for adult protective services as best able to coordinate with the agency to support protection of the vulnerable adult, safeguard the vulnerable adult's welfare, and prevent further maltreatment. The primary support person may be the vulnerable adult's guardian, health care agent, or other legal representative, person authorized by the vulnerable adult under a supported decision making or other agreement, or another person determined by the agency. If known to the agency, the agency must consider the vulnerable adult's choice for primary support person.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 30. **DIRECTION TO COMMISSIONER; PROVIDER STANDARD EVALUATION.**

By January 1, 2020, the commissioner of human services shall evaluate provider standards for companion, homemaker, and respite services covered by the home and community-based waivers under Minnesota Statutes, sections 256B.0915, 256B.092, and 256B.49, and shall make recommendations to the legislative committees with jurisdiction over elderly waiver services for adjustments to these provider standards. The goal of this evaluation is to promote access to services by developing standards that ensure the well-being of participants while being minimally burdensome to providers.

EFFECTIVE DATE. This section is effective August 1, 2019.

Sec. 31. **REPEALER.**

Minnesota Statutes 2018, sections 256R.08, subdivision 2; and 256R.49, are repealed.

EFFECTIVE DATE. This section is effective August 1, 2019."

Delete the title and insert:

"A bill for an act relating to human services; modifying provisions governing continuing care for older adults; amending Minnesota Statutes 2018, sections 245A.07, subdivision 3; 245C.08, subdivision 1; 256.021, subdivision 2; 256R.02, subdivisions 4, 17, 18, 19, 29, 42a, 48a; 256R.07, subdivisions 1, 2; 256R.09, subdivision 2; 256R.10, subdivision 1; 256R.13, subdivision 4; 256R.39; 626.557, subdivisions 3, 3a, 4, 9, 9c, 9d, 10b, 12b; 626.5572, subdivisions 2, 4, 9, 17, by adding a subdivision; repealing Minnesota Statutes 2018, sections 256R.08, subdivision 2; 256R.49."

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 2306, A bill for an act relating to human services; modifying policy provisions governing housing and chemical and mental health; amending Minnesota Statutes 2018, sections 245G.01, subdivisions 8, 21, by adding subdivisions; 245G.04; 245G.05; 245G.06, subdivisions 1, 2, 4; 245G.07; 245G.08, subdivision 3; 245G.10, subdivision 4; 245G.11, subdivisions 7, 8; 245G.12; 245G.13, subdivision 1; 245G.15, subdivisions 1, 2; 245G.18, subdivisions 3, 5; 245G.22, subdivisions 1, 2, 3, 4, 6, 7, 15, 16, 17, 19; 254B.04, by adding a subdivision; 254B.05, subdivisions 1, 5; 256B.0941, subdivisions 1, 3; 256I.03, subdivisions 8, 15; 256I.04, subdivisions 1, 2a, 2b, by adding subdivisions; 256I.05, subdivision 1c; repealing Minnesota Statutes 2018, section 256I.05, subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 2018, section 256I.03, subdivision 3, is amended to read:

Subd. 3. **Housing support.** "Housing support" means ~~a group living situation~~ assistance that provides at a minimum room and board to ~~unrelated~~ persons who meet the eligibility requirements of section 256I.04. To receive payment for ~~a group residence rate~~ housing support, the residence must meet the requirements under section 256I.04, subdivisions 2a to 2f."

Page 1, line 24, delete the new language

Page 1, line 25, delete everything before the period and insert "where people receive services necessary to maintain housing stability and where the duration of stay is at the person's choice"

Page 3, line 21, after "agreement" insert "and that is located in the community and where an individual wants to live"

Page 4, line 13, strike "group residential housing"

Page 4, line 17, strike "group residential" and after "housing" insert "support"

Page 6, after line 20, insert:

"Sec. 10. Minnesota Statutes 2018, section 256I.05, subdivision 1n, is amended to read:

Subd. 1n. **Supplemental rate; Mahnommen County.** Notwithstanding the provisions of this section, for the rate period July 1, 2010, to June 30, 2011, a county agency shall negotiate a supplemental service rate in addition to the rate specified in subdivision 1, not to exceed \$753 per month or the existing rate, including any legislative authorized inflationary adjustments, for a ~~group residential~~ housing support provider located in Mahnommen County that operates a 28-bed facility providing 24-hour care to individuals who are homeless, disabled, chemically dependent, mentally ill, or chronically homeless.

Sec. 11. Minnesota Statutes 2018, section 256I.05, subdivision 8, is amended to read:

Subd. 8. **State participation.** For a ~~resident of a group residence person~~ who is eligible under section 256I.04, subdivision 1, paragraph (b), state participation in the ~~group residential~~ housing support payment is determined according to section 256D.03, subdivision 2. For a ~~resident of a group residence person~~ who is eligible under section 256I.04, subdivision 1, paragraph (a), state participation in the ~~group residential~~ housing support rate is determined according to section 256D.36.

Sec. 12. Minnesota Statutes 2018, section 256I.06, subdivision 2, is amended to read:

Subd. 2. **Time of payment.** A county agency may make payments in advance for an individual whose stay is expected to last beyond the calendar month for which the payment is made. Housing support payments made by a county agency on behalf of an individual who is not expected to remain in the ~~group residence~~ establishment beyond the month for which payment is made must be made subsequent to the individual's departure from the residence."

Page 6, after line 29, insert:

"Sec. 2. Minnesota Statutes 2018, section 245G.01, is amended by adding a subdivision to read:

Subd. 8a. Client education group. "Client education group" means gatherings designed to teach clients about substance abuse, related behaviors, and consequences and present structured, group-specific content to expand awareness of the behavioral, medical, and psychological consequences of a substance use disorder and to help clients incorporate information to establish and maintain recovery."

Page 7, after line 4, insert:

"Sec. 4. Minnesota Statutes 2018, section 245G.01, is amended by adding a subdivision to read:

Subd. 13a. Group counseling. "Group counseling" means a psychotherapeutic service that is professionally led and interactive. Group counseling specifically addresses the instillation of hope; the universality experienced by group members; promotes among the group members improved self-understanding, psychological growth, and emotional healing as indicated in each client's treatment plan; the opportunity to develop insight through relationships; and a variety of other concerns specific to the support and recovery of clients with substance use disorder."

Page 8, line 25, delete "sessions of" and insert "calendar days on which a treatment session has been provided from"

Page 9, line 2, after "as" insert "clinically"

Page 11, line 10, strike "sessions" and before "from" insert "calendar days on which a treatment session has been provided"

Page 12, line 15, strike "sessions for"

Page 12, line 16, before "from" insert "calendar days on which a treatment session has been provided"

Page 13, line 19, reinstate the stricken period and delete the new language

Page 13, delete lines 20 to 22 and insert "A copy of the service discharge summary must be provided to the client upon the client's request."

Page 17, line 16, strike "except that treatment services provided"

Page 17, line 17, strike everything before the period

Page 17, line 18, after the stricken period, insert "Group counseling must be led by an individual meeting the requirements of section 245G.11, subdivision 5, and shall not exceed 16 clients. Client education and other treatment services delivered in group settings must not exceed a client-to-staff ratio of 48 to one. One or more of the attending staff must meet the requirements of section 245G.11, subdivision 5. Other attending staff may be a treatment director, supervisor, nurse, counselor, student intern, or other professional or paraprofessional. A recovery peer is excluded from the staff ratio."

Page 18, line 8, strike "weekly" and insert "monthly"

Page 25, line 25, strike "admission" and insert "the day of service initiation"

Page 26, line 6, after the semicolon, insert "and"

Page 26, line 7, strike "initial" and strike "after admission" and insert "following the day of service initiation"

Page 26, line 10, delete everything after "documented" and insert "once the treatment plan is completed"

Page 26, line 11, delete the new language

Page 26, line 12, delete everything before the period

Page 26, line 13, delete "after the initial ten weeks"

Page 27, line 7, strike "medical"

Page 27, line 8, strike "director's" and insert "licensed practitioner's"

Page 27, line 16, strike "medical director" and insert "licensed practitioner"

Page 29, after line 7, insert:

"Sec. 36. Minnesota Statutes 2018, section 254A.03, subdivision 3, is amended to read:

Subd. 3. **Rules for substance use disorder care.** (a) The commissioner of human services shall establish by rule criteria to be used in determining the appropriate level of chemical dependency care for each recipient of public assistance seeking treatment for substance misuse or substance use disorder. Upon federal approval of a comprehensive assessment as a Medicaid benefit, or on July 1, 2018, whichever is later, and notwithstanding the criteria in Minnesota Rules, parts 9530.6600 to 9530.6655, an eligible vendor of comprehensive assessments under section 254B.05 may determine and approve the appropriate level of substance use disorder treatment for a recipient of public assistance. The process for determining an individual's financial eligibility for the consolidated chemical dependency treatment fund or determining an individual's enrollment in or eligibility for a publicly subsidized health plan is not affected by the individual's choice to access a comprehensive assessment for placement.

(b) The commissioner shall develop and implement a utilization review process for publicly funded treatment placements to monitor and review the clinical appropriateness and timeliness of all publicly funded placements in treatment.

(c) Notwithstanding section 254B.05, subdivision 1, paragraph (c), an individual employed by a county as of July 1, 2019, who has been performing assessments for the purpose of Minnesota Rules, part 9530.6615, is qualified to perform a comprehensive assessment if the following conditions are met as of July 1, 2019:

(1) the individual is exempt from licensure under section 148F.11, subdivision 1;

(2) the individual is qualified as an assessor under Minnesota Rules, part 9530.6615, subpart 2; and

(3) the individual has three years employment as an assessor or is under the supervision of an individual who meets the requirements of an alcohol and drug counselor supervisor under section 245G.11, subdivision 4.

Beginning June 30, 2021, an individual qualified to do a comprehensive assessment under this paragraph must additionally demonstrate completion of the applicable coursework requirements of section 245G.11, subdivision 5, paragraph (b)."

Page 29, lines 23 and 29, strike "On July 1, 2018, or upon federal approval, whichever is later,"

Page 29, line 31, strike "4" and insert "5"

Renumber the sections in sequence

Correct the title numbers accordingly

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

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 2318, A bill for an act relating to family law; establishing a family law mediation task force.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **FAMILY LAW MEDIATION TASK FORCE.**

Subdivision 1. **Establishment.** The Family Law Mediation Task Force is established (1) to advise and inform the legislature on the impact of conflict on children during the marital dissolution process and (2) to make conflict resolution recommendations to reduce that conflict.

Subd. 2. **Membership.** (a) The task force consists 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 Family Law Section of the Minnesota State Bar Association;

(4) one representative from the Alternative Dispute Resolution Section of the Minnesota State Bar Association;

(5) one representative from the Academy of Professional Family Mediators;

(6) one representative from the Association of Family and Conciliation Courts;

(7) one representative from Conflict Resolution Minnesota;

(8) one representative from the Minnesota Psychological Association;

(9) one representative from the Minnesota Association of Marriage and Family Therapists;

(10) one representative from the Professional Mediation Board of Standards;

(11) one family court referee, one district court judge, or one retired judge with experience in family law matters, appointed by the chief justice of the Supreme Court; and

(12) one representative from the Minnesota Legal Services Coalition.

(b) Members shall serve without compensation. Each organization listed in paragraph (a) is responsible for appointing its representative.

Subd. 3. **Organization.** (a) The commissioner of Bureau of Mediation Services or the commissioner's designee shall convene the first meeting of the task force.

(b) The task force shall meet monthly or as determined by the chair.

(c) The members of the task force shall elect a chair and other officers as the members deem necessary.

Subd. 4. **Staff.** The commissioner of Bureau of Mediation Services shall provide support staff, office space, and administrative services for the task force.

Subd. 5. **Duties.** (a) The task force shall develop a family law mediation report covering the following:

(1) an analysis of the existing research regarding the effect of the dissolution process on children;

(2) recommendations for conflict resolution practices as an alternative to the court process to reduce the negative impact dissolution proceedings have on children; and

(3) recommendations for a model program for mediation services for implementation in district courts throughout the state.

(b) The task force shall engage with each district court in the state to encourage the use of the model program for mediation services recommended under paragraph (a).

Subd. 6. **Report.** The task force must submit the report required under subdivision 5 and any policy recommendations to the chairs and ranking minority members of the legislative committees with jurisdiction over family law by January 15, 2020.

Subd. 7. **Expiration.** The task force expires upon submission of the report required under subdivision 6.

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

Delete the title and insert:

"A bill for an act relating to family law; establishing a family law mediation task force."

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

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 2334, A bill for an act relating to human services; modifying policy provisions governing health care; amending Minnesota Statutes 2018, sections 62U.03; 62U.04, subdivision 11; 256.01, subdivision 29; 256B.04, subdivision 21; 256B.043, subdivision 1; 256B.056, subdivisions 1a, 4, 7, 7a, 10; 256B.0561, subdivision 2; 256B.057, subdivision 1; 256B.0575, subdivision 2; 256B.0625, subdivisions 1, 3c, 3d, 3e, 27, 53; 256B.0638, subdivision 3; 256B.0751; 256B.0753, subdivision 1, by adding a subdivision; 256B.75; 256L.03, subdivision 1; 256L.15, subdivision 1; repealing Minnesota Statutes 2018, sections 62U.15, subdivision 2; 256B.057, subdivision 8; 256B.0752; 256B.79, subdivision 7; 256L.04, subdivision 13.

Reported the same back with the following amendments:

Page 7, delete section 5

Page 14, delete section 15

Page 16, delete sections 16 and 17

Page 17, delete sections 19 and 20

Renumber the sections in sequence

Correct the title numbers accordingly

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

The report was adopted.

Mariani from the Public Safety and Criminal Justice Reform Finance and Policy Division to which was referred:

H. F. No. 2367, A bill for an act relating to public safety; requiring certifying entities to timely process visa certification documents; proposing coding for new law in Minnesota Statutes, chapter 611A.

Reported the same back with the recommendation that the bill be re-referred to the Judiciary Finance and Civil Law Division.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 2371, A bill for an act relating to human services; directing the commissioner of human services to modify substance use disorder county staff requirements.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 2379, A bill for an act relating to human services; modifying policy provisions governing direct care and treatment; modifying data classifications; amending Minnesota Statutes 2018, sections 13.69, subdivision 1; 253B.18, subdivision 13, by adding subdivisions; 253D.28, subdivision 3; 609.2231, subdivision 3a.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 2397, A bill for an act relating to human services; modifying policy provisions governing children and families services; amending Minnesota Statutes 2018, sections 13.461, subdivision 28; 119B.02, subdivision 6; 518A.35, subdivision 1; 518A.53, subdivision 11; 518A.685; proposing coding for new law in Minnesota Statutes, chapter 518A.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Freiberg from the Committee on Government Operations to which was referred:

H. F. No. 2434, A bill for an act relating to public safety; amending various provisions related to predatory offender registration; modifying provisions governing the Statewide Emergency Communication Board; modifying requirements for wheelchair securement devices; amending Minnesota Statutes 2018, sections 171.07, subdivision 1a; 243.166, subdivisions 1a, 1b, 2, 4, 4a, 4c, 5, 6, 7, 7a, by adding a subdivision; 299A.12, subdivisions 1, 2, 3; 299A.13; 299A.14, subdivision 3; 299C.093; 403.21, subdivision 7a; 403.36, subdivisions 1, 1b, 1c, 1d; 403.37, subdivision 12; 403.382, subdivisions 1, 8; repealing Minnesota Statutes 2018, sections 299A.12, subdivision 4; 299A.18.

Reported the same back with the following amendments:

Page 16, line 7, strike everything after "to"

Page 16, strike lines 8 and 9 and insert "coordinate the statewide 911 system, the statewide land mobile radio system known as ARMER, the statewide wireless broadband program, and the Integrated Public Alert and Warning System known as IPAWS."

Page 16, line 29, strike everything after "the"

Page 16, line 30, strike "recommendations made by the"

Page 17, line 2, strike everything after "the"

Page 17, line 3, strike "made by the"

Page 17, line 6, strike "governor after considering recommendations made by the"

With the recommendation that when so amended the bill be re-referred to the Public Safety and Criminal Justice Reform Finance and Policy Division.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 145, 253, 511, 631, 761, 1111, 1500, 1545, 1649, 1777, 1778, 1865, 1892, 2185, 2290, 2305, 2306, 2334, 2379 and 2397 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Vang, Noor, Bernardy and Stephenson introduced:

H. F. No. 2545, A bill for an act relating to economic development; appropriating money for a grant for African-owned small business capital access.

The bill was read for the first time and referred to the Committee on Ways and Means.

Hassan, Bernardy and Noor introduced:

H. F. No. 2546, A bill for an act relating to economic development; appropriating money for support for immigrant workforce development.

The bill was read for the first time and referred to the Committee on Ways and Means.

Daudt and O'Neill introduced:

H. F. No. 2547, A bill for an act relating to liquor; providing for the sale of malt beverages; amending Minnesota Statutes 2018, section 340A.403, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce.

Schultz introduced:

H. F. No. 2548, A bill for an act relating to human services; modifying continuing care for older adults provisions; amending Minnesota Statutes 2018, sections 144.0724, subdivisions 4, 5, 8; 144A.071, subdivisions 1a, 2, 3, 4a, 4c, 5a; 144A.073, subdivision 3c; 256R.02, subdivisions 8, 19; 256R.16, subdivision 1; 256R.21, by adding a subdivision; 256R.23, subdivision 5; 256R.24, subdivision 3; 256R.25; 256R.26; 256R.44; 256R.47; 256R.50, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 256R; repealing Minnesota Statutes 2018, sections 144A.071, subdivision 4d; 256B.431, subdivisions 3a, 3f, 3g, 3i, 13, 15, 17, 17a, 17c, 17d, 17e, 18, 21, 22, 30, 45; 256B.434, subdivisions 4, 4f, 4i, 4j; 256R.36; 256R.40; 256R.41; Minnesota Rules, parts 9549.0057; 9549.0060, subparts 4, 5, 6, 7, 10, 11, 14.

The bill was read for the first time and referred to the Committee on Ways and Means.

Gunther introduced:

H. F. No. 2549, A bill for an act relating to arts and culture; appropriating money for Martin County veterans memorial.

The bill was read for the first time and referred to the Committee on Ways and Means.

Mariani introduced:

H. F. No. 2550, A bill for an act relating to public safety; adding security screening systems to ionizing radiation-producing equipment; modifying jail inmate transfer provisions; establishing guidelines for the use of administrative and disciplinary segregation in state correctional institutions; extending retention of certain criminal gang investigative data; establishing a local correctional officers discipline procedures act; reestablishing the ombudsman for corrections; establishing the powers and duties of the ombudsman; increasing the number of correctional officers; authorizing a jail to share certain inmate mental illness information with a local county social services agency; requiring state and local jail and prison inmates to be housed in publicly owned and operated jails and prisons; prohibiting the state and counties from contracting with private prisons; establishing pilot project to decrease risk of recidivism among incarcerated women; establishing pilot program to address mental health among correctional officers and inmates in state correctional facilities; establishing a Peace Officer Excellence Task Force; establishing a task force on the implementation of dosage probation; requiring reports; appropriating money; amending Minnesota Statutes 2018, sections 13.851, by adding a subdivision; 15A.0815, subdivision 3; 144.121, subdivision 1a, by adding a subdivision; 151.37, subdivision 12; 241.01, subdivision 3a; 241.025, subdivisions 1, 2; 241.75, subdivision 2; 242.192; 243.48, subdivision 1; 299C.091, subdivision 5; 631.412; 641.15, subdivision 3a; proposing coding for new law in Minnesota Statutes, chapters 241; 243; 641; repealing Minnesota Statutes 2018, section 401.13.

The bill was read for the first time and referred to the Committee on Government Operations.

Bernardy, Bennett, Mariani, Pryor, Richardson, Huot and Theis introduced:

H. F. No. 2551, A bill for an act relating to education finance; increasing funding and modifying provisions for gifted and talented programs; amending Minnesota Statutes 2018, sections 120B.11, subdivision 5; 120B.15; 120B.20; 126C.10, subdivision 2b; proposing coding for new law in Minnesota Statutes, chapter 120B.

The bill was read for the first time and referred to the Committee on Ways and Means.

Nornes, Vang, Bernardy and Stephenson introduced:

H. F. No. 2552, A bill for an act relating to education; appropriating money for a report on African immigrant credential integration.

The bill was read for the first time and referred to the Committee on Ways and Means.

Bernardy, Hornstein and Elkins introduced:

H. F. No. 2553, A bill for an act relating to transportation; regulating highway right-of-way mowing practices; providing for pollinator habitat management; appropriating money; amending Minnesota Statutes 2018, sections 160.23; 160.232.

The bill was read for the first time and referred to the Committee on Ways and Means.

Gomez introduced:

H. F. No. 2554, A bill for an act relating to taxation; estate and gift taxes; imposing a gift tax; making technical and conforming changes; amending Minnesota Statutes 2018, sections 270B.01, subdivision 8; 270B.03, subdivision 1; 291.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 292.

The bill was read for the first time and referred to the Committee on Taxes.

Gomez introduced:

H. F. No. 2555, A bill for an act relating to taxation; estate; reducing the exclusion; amending Minnesota Statutes 2018, sections 289A.10, subdivision 1; 291.016, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.

Wagenius introduced:

H. F. No. 2556, A bill for an act relating to energy; appropriating money for the Department of Commerce and Public Utilities Commission; making policy and technical changes; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 216C.

The bill was read for the first time and referred to the Committee on Ways and Means.

Gomez introduced:

H. F. No. 2557, A bill for an act relating to taxation; estate; adding a new top bracket in the rate structure; amending Minnesota Statutes 2018, section 291.03, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Gomez introduced:

H. F. No. 2558, A bill for an act relating to taxation; apportionment of income; requiring equal three-factor apportionment; amending Minnesota Statutes 2018, section 290.191, subdivisions 2, 3.

The bill was read for the first time and referred to the Committee on Taxes.

Gomez introduced:

H. F. No. 2559, A bill for an act relating to taxation; income; including deferred foreign income in net income; providing a subtraction for nonresident individuals; providing an addition for certain deducted deferred foreign income; providing that deferred foreign income is dividend income; amending Minnesota Statutes 2018, sections 290.01, subdivision 19; 290.0132, by adding a subdivision; 290.0133, subdivision 6, by adding a subdivision; 290.21, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Gomez introduced:

H. F. No. 2560, A bill for an act relating to taxation; income; including global intangible low-taxed income in net income; providing that certain income is treated as dividend income; amending Minnesota Statutes 2018, sections 290.01, subdivision 19; 290.21, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Gomez introduced:

H. F. No. 2561, A bill for an act relating to taxation; corporate franchise; allocation of income and sales of certain controlled foreign corporations; amending Minnesota Statutes 2018, section 290.17, subdivision 4.

The bill was read for the first time and referred to the Committee on Taxes.

Gomez, Noor and Kunesh-Podein introduced:

H. F. No. 2562, A bill for an act relating to taxation; individual income; providing a state subtraction for qualified tuition and related expenses; amending Minnesota Statutes 2018, sections 290.0132, by adding a subdivision; 290.091, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Brand and Vogel introduced:

H. F. No. 2563, A bill for an act relating to housing; establishing a pilot program providing grants for housing infrastructure; appropriating money.

The bill was read for the first time and referred to the Committee on Ways and Means.

Loeffler, Hausman and Marquart introduced:

H. F. No. 2564, A bill for an act relating to taxation; individual income; modifying the working family credit; amending Minnesota Statutes 2018, section 290.0671, subdivisions 1, 7.

The bill was read for the first time and referred to the Committee on Taxes.

Robbins, Moran, Kresha, Gruenhagen, Albright and Erickson introduced:

H. F. No. 2565, A bill for an act relating to early childhood; amending eligibility and funding for early learning scholarships; making a statutory appropriation; amending Minnesota Statutes 2018, section 124D.165, subdivision 2, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Ways and Means.

Lippert, Wagenius, Long, Acomb and Bierman introduced:

H. F. No. 2566, A bill for an act relating to energy; requiring a study; appropriating money.

The bill was read for the first time and referred to the Committee on Ways and Means.

Her; Wolgamott; Pryor; Wazlawik; Xiong, J.; Tabke; Lee; Lislegard; Sundin; Huot; Gomez; Lippert; Kunesh-Podein; Marquart; Kotyza-Witthuhn; Moller; Acomb; Bahner; Hassan; Considine; Sauke; Noor; Mann; Lien; Brand; Christensen; Xiong, T.; Hansen; Bierman; Howard; Hornstein; Edelson; Lillie; Halverson and Richardson introduced:

H. F. No. 2567, A bill for an act relating to economic development; appropriating money to make workforce training and entrepreneurship investments intended to help close the state's opportunity gaps for Minnesotans of color.

The bill was read for the first time and referred to the Committee on Ways and Means.

Lillie and Fischer introduced:

H. F. No. 2568, A bill for an act relating to capital investment; appropriating money for the Lake Links Trail project; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Ways and Means.

Lee introduced:

H. F. No. 2569, A bill for an act relating to state government; appropriating money for legislative interns.

The bill was read for the first time and referred to the Committee on Ways and Means.

Lee introduced:

H. F. No. 2570, A bill for an act relating to state government; appropriating money for legislative interns in fiscal year 2019.

The bill was read for the first time and referred to the Committee on Ways and Means.

Halverson, Mann, Pierson and Liebling introduced:

H. F. No. 2571, A bill for an act relating to human services; appropriating money for counties to implement the Minnesota Pathways to Prosperity and Well-Being pilot project.

The bill was read for the first time and referred to the Committee on Ways and Means.

Brand, Hansen and Torkelson introduced:

H. F. No. 2572, A bill for an act relating to agriculture; appropriating money for the agricultural best management practices loan program.

The bill was read for the first time and referred to the Committee on Ways and Means.

Hansen and Lee introduced:

H. F. No. 2573, A bill for an act relating to agriculture; appropriating money for a farmer outreach coordinator.

The bill was read for the first time and referred to the Committee on Ways and Means.

Hansen introduced:

H. F. No. 2574, A bill for an act relating to natural resources; appropriating money to Department of Natural Resources for grants to Minnesota Aquatic Invasive Species Research Center at the University of Minnesota.

The bill was read for the first time and referred to the Committee on Ways and Means.

Pinto introduced:

H. F. No. 2575, A bill for an act relating to human services; modifying provisions governing children and families services; appropriating money; amending Minnesota Statutes 2018, sections 119B.011, subdivisions 19, 20, by adding a subdivision; 119B.02, subdivision 7; 119B.025, subdivision 1; 119B.03, subdivision 9; 119B.09, subdivision 1; 119B.095, subdivision 2, by adding a subdivision; 119B.13, subdivision 1; 119B.16, subdivisions 1, 1a, 1b, by adding subdivisions; 245E.06, subdivision 3; 245H.07; proposing coding for new law in Minnesota Statutes, chapter 119B; repealing Minnesota Statutes 2018, sections 119B.16, subdivision 2; 245E.06, subdivisions 2, 4, 5; Minnesota Rules, part 3400.0185, subpart 5.

The bill was read for the first time and referred to the Committee on Ways and Means.

Olson, Schultz, Lislegard, Sundin, Murphy, Sandstede, Ecklund, Lueck and Layman introduced:

H. F. No. 2576, A bill for an act relating to capital investment; appropriating money for a St. Louis County regional behavioral health crisis facility; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Ways and Means.

Urdahl, Torkelson, Ecklund, Lislegard, Anderson, Davids, Pierson, Bennett and Gunther introduced:

H. F. No. 2577, A bill for an act relating to taxation; income; providing a tax credit for certain employers; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Taxes.

Munson, Bahr, Drazkowski and Miller introduced:

H. F. No. 2578, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4; article V, sections 2, 4; placing limits on the terms of office of legislators and executive officers.

The bill was read for the first time and referred to the Committee on Government Operations.

Layman and Urdahl introduced:

H. F. No. 2579, A bill for an act relating to arts and culture; appropriating money for multimedia television series on history of women's rights.

The bill was read for the first time and referred to the Committee on Ways and Means.

Xiong, T.; Gomez; Hassan; Noor and Vang introduced:

H. F. No. 2580, A bill for an act relating to economic development; appropriating money for the Nonprofit Assistance Grant Fund.

The bill was read for the first time and referred to the Committee on Ways and Means.

Morrison, Pinto, Richardson, Mann, Acomb and Moller introduced:

H. F. No. 2581, A bill for an act relating to human services; appropriating money for food shelf programs to purchase diapers.

The bill was read for the first time and referred to the Committee on Ways and Means.

O'Driscoll, Theis, O'Neill, Swedzinski and Haley introduced:

H. F. No. 2582, A bill for an act relating to employment; requiring outreach to Minnesota workers on the availability of short-term disability insurance.

The bill was read for the first time and referred to the Committee on Labor.

Drazkowski introduced:

H. F. No. 2583, A bill for an act relating to retirement; revising the allocation of police and firefighter retirement supplemental state aid; amending Minnesota Statutes 2018, section 423A.022, subdivisions 2, 5, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Government Operations.

Swedzinski introduced:

H. F. No. 2584, A bill for an act relating to transportation; amending eligibility and operating requirements for a restricted farm work license; making technical and clarifying changes; amending Minnesota Statutes 2018, section 171.041.

The bill was read for the first time and referred to the Transportation Finance and Policy Division.

Kunesh-Podein, O'Driscoll, Christensen, Lueck, Swedzinski and Sandstede introduced:

H. F. No. 2585, A bill for an act relating to natural resources; providing for transfer of money to forest management investment account if forestry certified costs exceed available revenue; amending Minnesota Statutes 2018, section 16A.125, subdivision 5.

The bill was read for the first time and referred to the Committee on Ways and Means.

Gomez introduced:

H. F. No. 2586, A bill for an act relating to public safety; requiring certifying entities to timely process U-Visa certification documents; proposing coding for new law in Minnesota Statutes, chapter 611A.

The bill was read for the first time and referred to the Public Safety and Criminal Justice Reform Finance and Policy Division.

Gomez and Mariani introduced:

H. F. No. 2587, A bill for an act relating to public safety; creating a task force on Islamophobia and antisemitism; appropriating money.

The bill was read for the first time and referred to the Committee on Government Operations.

Long, Howard, Gomez, Hornstein, Lee and Moran introduced:

H. F. No. 2588, A bill for an act relating to public safety; requiring that certain peace officer-initiated use of force cases be prosecuted by a special prosecutor; establishing the Board of Special Prosecution and a special prosecutorial office; prohibiting the use of grand juries in certain peace officer-initiated use of force cases; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 626B.

The bill was read for the first time and referred to the Committee on Ways and Means.

Bernardy, Bahner and Carlson, A., introduced:

H. F. No. 2589, A bill for an act relating to health; establishing the Opioid Addiction Advisory Council; establishing the opioid stewardship fund; establishing an opiate product registration fee; modifying provisions related to opioid addiction prevention, education, intervention, treatment, and recovery; requiring reports; appropriating money; amending Minnesota Statutes 2018, sections 16A.151, subdivision 2; 145.9269, subdivision 1; 145C.05, subdivision 2; 151.252, subdivision 1; 151.37, subdivision 12; 151.47, by adding a subdivision; 151.71, by adding a subdivision; 152.105, subdivision 2; 152.11, subdivision 2d, by adding subdivisions; 214.12, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16A; 62Q; 145; 145C; 151.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

Quam introduced:

H. F. No. 2590, A bill for an act relating to human services; authorizing the commissioner of education to increase early learning scholarship amounts; appropriating money for early childhood professional development; amending Minnesota Statutes 2018, section 124D.165, subdivision 3.

The bill was read for the first time and referred to the Committee on Ways and Means.

Bahr, Munson, Drazkowski and Lucero introduced:

H. F. No. 2591, A bill for an act relating to occupations; authorizing local government licensing of facilities for barbering and cosmetology; repealing state licensing of barbers and cosmetologists; proposing coding for new law in Minnesota Statutes, chapter 415; repealing Minnesota Statutes 2018, sections 154.001; 154.002; 154.003; 154.01; 154.02; 154.04; 154.05; 154.065, subdivisions 2, 4; 154.07, subdivisions 1, 3, 3a, 4, 5, 5a, 5b, 6; 154.08; 154.09; 154.10; 154.11, subdivisions 1, 3; 154.14; 154.15; 154.161; 154.162; 154.19; 154.20; 154.21; 154.24; 154.25; 154.26; 154.27; 154.28; 155A.20; 155A.21; 155A.22; 155A.23, subdivisions 1, 2, 3, 4, 4a, 4b, 5, 5a, 7, 8, 8a, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18; 155A.24, subdivisions 1, 2; 155A.25, subdivisions 1a, 1b, 2, 3, 4, 5, 6, 7, 8; 155A.26; 155A.27, subdivisions 1, 2, 4, 5, 5a, 6, 7, 8, 9, 10; 155A.271; 155A.275; 155A.28; 155A.29; 155A.30; 155A.31; 155A.32; 155A.33; 155A.34; 155A.35; 155A.355; 155A.36.

The bill was read for the first time and referred to the Committee on Government Operations.

Bierman, Christensen and Huot introduced:

H. F. No. 2592, A bill for an act relating to schools; authorizing school boards to own and operate renewable energy systems; amending Minnesota Statutes 2018, section 123B.02, subdivision 21.

The bill was read for the first time and referred to the Committee on Education Policy.

Richardson introduced:

H. F. No. 2593, A bill for an act relating to housing; providing for a right to counsel in certain public housing eviction actions; proposing coding for new law in Minnesota Statutes, chapter 504B.

The bill was read for the first time and referred to the Committee on Ways and Means.

Munson, Bahr, Drazkowski and Miller introduced:

H. F. No. 2594, A bill for an act relating to public safety; authorizing motor vehicle registration tax holiday for one year; transferring money from budget reserve account to cover revenue lost due to motor vehicle registration tax holiday and to replace the Minnesota Licensing and Registration System (MNLARS) software.

The bill was read for the first time and referred to the Committee on Ways and Means.

Hornstein introduced:

H. F. No. 2595, A bill for an act relating to environment; regulating the use of certain chemicals in food packaging; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce.

Xiong, T.; Pryor and Bernardy introduced:

H. F. No. 2596, A bill for an act relating to higher education; providing incentives for individuals near degree completion to complete degree.

The bill was read for the first time and referred to the Committee on Ways and Means.

Xiong, T.; Pryor and Bernardy introduced:

H. F. No. 2597, A bill for an act relating to higher education; providing incentives for individuals near degree completion to complete degree.

The bill was read for the first time and referred to the Higher Education Finance and Policy Division.

Freiberg, O'Driscoll, Vogel, Murphy, Her and Cantrell introduced:

H. F. No. 2598, A bill for an act relating to retirement; public employees police and fire retirement plan; revising the annual municipal contribution related to the former Minneapolis firefighters and police relief associations; amending Minnesota Statutes 2018, section 353.665, subdivision 8, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Government Operations.

Albright introduced:

H. F. No. 2599, A bill for an act relating to the Metropolitan Council; modifying governance of the Metropolitan Council; eliminating the Transportation Advisory Board; amending Minnesota Statutes 2018, sections 3.8841, subdivision 9; 15A.0815, subdivision 3; 473.123; 473.146, subdivisions 3, 4; repealing Laws 1994, chapter 628, article 1, section 8.

The bill was read for the first time and referred to the Committee on Government Operations.

Stephenson introduced:

H. F. No. 2600, A bill for an act relating to transportation; increasing fine for using a wireless communications device while driving; amending Minnesota Statutes 2018, section 169.475, subdivision 2.

The bill was read for the first time and referred to the Committee on Ways and Means.

Schultz introduced:

H. F. No. 2601, A bill for an act relating to housing; expanding the entities qualified to participate in and the types of funding available through the workforce and affordable homeownership development program; creating the workforce and affordable homeownership account in the housing development fund; appropriating money; amending Minnesota Statutes 2018, section 462A.38.

The bill was read for the first time and referred to the Committee on Taxes.

Lesch introduced:

H. F. No. 2602, A bill for an act relating to data practices; establishing a Legislative Commission on Intelligence and Technology; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Government Operations.

CALENDAR FOR THE DAY

H. F. No. 400 was reported to the House.

Zerwas moved to amend H. F. No. 400, the fourth engrossment, as follows:

Page 5, line 15, delete "20" and insert "21"

Page 6, line 9, delete "and"

Page 6, line 11, delete the period and insert "; and"

Page 6, after line 11, insert:

"(19) one member with personal experience of severe chronic pain."

A roll call was requested and properly seconded.

Olson moved to amend the Zerwas amendment to H. F. No. 400, the fourth engrossment, as follows:

Page 1, line 2, delete "21" and insert "22"

Page 1, after line 2, insert:

"Page 6, delete line 4 and insert:

(12) two members representing Indian tribes;"

The motion prevailed and the amendment to the amendment was adopted.

Schomacker moved to amend the Zerwas amendment, as amended, to H. F. No. 400, the fourth engrossment, as follows:

Page 1, line 2, delete "21" and insert "25"

Page 1, after line 2, insert:

"Page 6, delete line 4 and insert:

(12) two members representing Indian tribes;

(13) three members representing population groups disproportionately affected by opioid addiction, that are not otherwise represented on the advisory council;"

Page 1, after line 6, insert:

"Renumber the clauses in sequence and correct internal references"

A roll call was requested and properly seconded.

The question was taken on the Schomacker amendment to the Zerwas amendment, as amended, and the roll was called. There were 52 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Albright	Baker	Daniels	Demuth	Fabian	Gruenhagen
Anderson	Bennett	Daudt	Dettmer	Garofalo	Gunther
Bahr	Boe	Dauids	Erickson	Green	Haley

Hamilton	Kiel	McDonald	O'Driscoll	Robbins	Torkelson
Heinrich	Koznick	Mekeland	O'Neill	Runbeck	Urdahl
Heintzeman	Kresha	Miller	Petersburg	Schomacker	Vogel
Hertaus	Layman	Munson	Pierson	Scott	Zerwas
Johnson	Lucero	Neu	Poston	Swedzinski	
Jurgens	Lueck	Nornes	Quam	Theis	

Those who voted in the negative were:

Acomb	Dehn	Hornstein	Loeffler	Olson	Tabke
Bahner	Drazkowski	Howard	Long	Pelowski	Vang
Becker-Finn	Ecklund	Huot	Mahoney	Persell	Wagenius
Bernardy	Edelson	Klevorn	Mann	Pinto	Wazlawik
Bierman	Elkins	Koegel	Mariani	Poppe	Winkler
Brand	Fischer	Kotyza-Witthuhn	Marquart	Pryor	Wolgamott
Cantrell	Freiberg	Kunesh-Podein	Masin	Richardson	Xiong, J.
Carlson, A.	Gomez	Lee	Moller	Sandell	Xiong, T.
Carlson, L.	Halverson	Lesch	Moran	Sandstede	Youakim
Christensen	Hansen	Liebling	Morrison	Sauke	Spk. Hortman
Clafin	Hassan	Lien	Murphy	Schultz	
Considine	Hausman	Lippert	Nelson	Stephenson	
Davnie	Her	Lislegard	Noor	Sundin	

The motion did not prevail and the amendment to the amendment, as amended, was not adopted.

The question recurred on the Zerwas amendment, as amended, and the roll was called. There were 125 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Acomb	Dehn	Heinrich	Lippert	Noor	Schultz
Albright	Demuth	Heintzeman	Lislegard	Nornes	Scott
Anderson	Dettmer	Her	Loeffler	O'Driscoll	Stephenson
Bahner	Ecklund	Hertaus	Long	Olson	Sundin
Baker	Edelson	Hornstein	Lucero	O'Neill	Swedzinski
Becker-Finn	Elkins	Howard	Lueck	Pelowski	Tabke
Bennett	Erickson	Huot	Mahoney	Persell	Theis
Bernardy	Fabian	Johnson	Mann	Petersburg	Torkelson
Bierman	Fischer	Jurgens	Mariani	Pierson	Urdahl
Boe	Freiberg	Kiel	Marquart	Pinto	Vang
Brand	Garofalo	Klevorn	Masin	Poppe	Vogel
Cantrell	Gomez	Koegel	McDonald	Poston	Wagenius
Carlson, A.	Green	Kotyza-Witthuhn	Mekeland	Pryor	Wazlawik
Carlson, L.	Gruenhagen	Koznick	Miller	Quam	Winkler
Christensen	Gunther	Kresha	Moller	Richardson	Wolgamott
Clafin	Haley	Kunesh-Podein	Moran	Robbins	Xiong, J.
Considine	Halverson	Layman	Morrison	Runbeck	Xiong, T.
Daniels	Hamilton	Lee	Munson	Sandell	Youakim
Daudt	Hansen	Lesch	Murphy	Sandstede	Zerwas
Davids	Hassan	Liebling	Nelson	Sauke	Spk. Hortman
Davnie	Hausman	Lien	Neu	Schomacker	

Those who voted in the negative were:

Bahr	Drazkowski
------	------------

The motion prevailed and the amendment, as amended, was adopted.

Albright moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 4, delete lines 19 to 23 and insert:

"(5) the development of measures to assess and protect the ability of cancer patients and survivors, persons battling life threatening illnesses, persons suffering from severe chronic pain, and persons at the end stages of life, who legitimately need prescription pain medications, to maintain their quality of life by accessing these pain medications without facing unnecessary barriers. The measures must also address the needs of individuals described in this clause who are elderly or who reside in underserved or rural areas of the state."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

O'Neill moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 17, line 13, after the period, insert "The Bureau of Criminal Apprehension shall report by November 1, 2021, to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance and public safety, on the initiatives funded under this section."

The motion prevailed and the amendment was adopted.

Munson moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 8, after line 29, insert:

"(b) Each year, the aggregate amount in paragraph (a) shall be reduced by 1.5 times the percentage of total reduction in units reported by all manufacturers compared to the previous year."

Page 8, line 30, delete "(b)" and insert "(c)"

Page 9, line 1, delete "(c)" and insert "(d)"

Page 9, line 4, delete "(d)" and insert "(e)"

Page 9, after line 19, insert:

"(b) Each year, the aggregate amount in paragraph (a) shall be reduced by 1.5 times the percentage of total reduction in units reported by wholesalers compared to the previous year."

Page 9, line 20, delete "(b)" and insert "(c)"

Page 9, line 23, delete "(c)" and insert "(d)"

Albright moved to amend the Munson amendment to H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 1, lines 3 and 10, delete "1.5" and insert "1.0"

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Munson amendment to H. F. No. 400, the fourth engrossment, as amended. The motion did not prevail and the amendment was not adopted.

Munson moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 2, line 32, after "2020" insert ", through June 1, 2023"

Page 7, line 21, after "2020" insert ", through June 1, 2023"

Page 9, after line 13, insert:

"(e) This subdivision expires April 1, 2023."

Page 9, after line 32, insert:

"(d) This subdivision expires April 1, 2023."

The motion did not prevail and the amendment was not adopted.

Daudt offered an amendment to H. F. No. 400, the fourth engrossment, as amended.

POINT OF ORDER

Carlson, L., raised a point of order pursuant to rule 4.05, relating to Amendment Limits, that the Daudt amendment was not in order. The Speaker ruled the point of order well taken and the Daudt amendment out of order.

Daudt appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 75 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Acomb	Dehn	Howard	Loeffler	Olson	Tabke
Bahner	Ecklund	Huot	Long	Pelowski	Vang
Becker-Finn	Edelson	Klevorn	Mahoney	Persell	Wagenius
Bernardy	Elkins	Koegel	Mann	Pinto	Wazlawik
Bierman	Fischer	Kotyza-Witthuhn	Mariani	Poppe	Winkler
Brand	Freiberg	Kunesh-Podein	Marquart	Pryor	Wolgamott
Cantrell	Gomez	Lee	Masin	Richardson	Xiong, J.
Carlson, A.	Halverson	Lesch	Moller	Sandell	Xiong, T.
Carlson, L.	Hansen	Liebling	Moran	Sandstede	Youakim
Christensen	Hassan	Lien	Morrison	Sauke	Spk. Hortman
Clafin	Hausman	Lillie	Murphy	Schultz	
Considine	Her	Lippert	Nelson	Stephenson	
Davnie	Hornstein	Lislegard	Noor	Sundin	

Those who voted in the negative were:

Albright	Demuth	Haley	Kresha	Nornes	Schomacker
Anderson	Dettmer	Hamilton	Layman	O'Driscoll	Scott
Bahr	Drazkowski	Heinrich	Lucero	O'Neill	Swedzinski
Baker	Erickson	Heintzeman	Lueck	Petersburg	Theis
Bennett	Fabian	Hertaus	McDonald	Pierson	Torkelson
Boe	Garofalo	Johnson	Mekeland	Poston	Urdahl
Daniels	Green	Jurgens	Miller	Quam	Vogel
Daudt	Gruenhagen	Kiel	Munson	Robbins	Zerwas
Davids	Gunther	Koznick	Neu	Runbeck	

So it was the judgment of the House that the decision of the Speaker should stand.

This moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 15, after line 14, insert:

"Sec. 8. **[214.38] OPIOID PRESCRIBING ANALYSIS.**

(a) Notwithstanding section 151.126, subdivision 5, the Board of Pharmacy shall use the data submitted under the prescription monitoring program in section 151.126, subdivision 4, to annually identify the prescribers who have issued the top five percent of prescriptions for opiate containing controlled substances for the previous calendar year within each specialty area.

(b) By March 1 of each year, beginning March 1, 2019, the board shall notify each prescriber identified in paragraph (a) and the health-related licensing board that regulates the prescriber. The health-related licensing board shall review the data identified by the Board of Pharmacy under paragraph (a) and the prescribing practices of the identified prescriber, including comparing their opioid prescribing patterns with community standards, as well as other prescribers within the professional specialty of the identified prescriber.

(c) Based on this review, the health-related licensing board may require the prescriber to submit to the board a quality improvement plan that includes internal practice-based prescribing measures to be met by the prescriber.

(d) If, after a year, the prescriber's prescribing practices do not improve so that they are consistent with community standards, the health-related licensing board may take additional actions, including:

(1) requiring the prescriber to participate in additional quality improvement efforts; or

(2) placing limitations or conditions on the prescriber's license."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Theis amendment and the roll was called. There were 49 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Hamilton	Lueck	Petersburg	Torkelson
Anderson	Drazkowski	Heinrich	McDonald	Pierson	Urdahl
Baker	Erickson	Heintzeman	Mekeland	Poston	Vogel
Bennett	Fabian	Johnson	Miller	Quam	Zerwas
Boe	Garofalo	Jurgens	Munson	Robbins	
Daniels	Green	Kiel	Neu	Runbeck	
Daudt	Gruenhagen	Koznick	Nornes	Schomacker	
Dauids	Gunther	Kresha	O'Driscoll	Swedzinski	
Demuth	Haley	Layman	O'Neill	Theis	

Those who voted in the negative were:

Acomb	Davnie	Hornstein	Lislegard	Nelson	Scott
Bahner	Dehn	Howard	Loeffler	Noor	Stephenson
Bahr	Ecklund	Huot	Long	Olson	Sundin
Becker-Finn	Edelson	Klevorn	Lucero	Pelowski	Tabke
Bernardy	Elkins	Koegel	Mahoney	Persell	Vang
Bierman	Fischer	Kotyza-Witthuhn	Mann	Pinto	Wagenius
Brand	Freiberg	Kunesh-Podein	Mariani	Poppe	Wazlawik
Cantrell	Gomez	Lee	Marquart	Pryor	Winkler
Carlson, A.	Halverson	Lesch	Masin	Richardson	Wolgamott
Carlson, L.	Hansen	Liebling	Moller	Sandell	Xiong, J.
Christensen	Hassan	Lien	Moran	Sandstede	Xiong, T.
Clafin	Hausman	Lillie	Morrison	Sauke	Youakim
Considine	Her	Lippert	Murphy	Schultz	Spk. Hortman

The motion did not prevail and the amendment was not adopted.

Zerwas moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 4, line 18, delete "and"

Page 4, line 23, delete the period and insert "; and"

Page 4, after line 23, insert:

"(6) the development of measures to identify the availability of illegal opioids, their rates of use, and the extent to which their use contributes to addiction and overdose."

A roll call was requested and properly seconded.

The question was taken on the Zerwas amendment and the roll was called. There were 51 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Heinrich	Lucero	O'Neill	Swedzinski
Anderson	Drazkowski	Heintzeman	Lueck	Petersburg	Theis
Bahr	Erickson	Hertaus	McDonald	Pierson	Torkelson
Bennett	Fabian	Johnson	Mekeland	Poston	Urdahl
Boe	Garofalo	Jurgens	Miller	Quam	Vogel
Daniels	Green	Kiel	Munson	Robbins	Zerwas
Daudt	Gruenhagen	Koznick	Neu	Runbeck	
Davids	Gunther	Kresha	Nornes	Schomacker	
Demuth	Haley	Layman	O'Driscoll	Scott	

Those who voted in the negative were:

Acomb	Davnie	Her	Lippert	Nelson	Stephenson
Bahner	Dehn	Hornstein	Lislegard	Noor	Sundin
Baker	Ecklund	Howard	Loeffler	Olson	Tabke
Becker-Finn	Edelson	Huot	Long	Pelowski	Vang
Bernardy	Elkins	Klevorn	Mahoney	Persell	Wagenius
Bierman	Fischer	Koegel	Mann	Pinto	Wazlawik
Brand	Freiberg	Kotyza-Witthuhn	Mariani	Poppe	Winkler
Cantrell	Gomez	Kunesh-Podein	Marquart	Pryor	Wolgamott
Carlson, A.	Halverson	Lee	Masin	Richardson	Xiong, J.
Carlson, L.	Hamilton	Lesch	Moller	Sandell	Xiong, T.
Christensen	Hansen	Liebling	Moran	Sandstede	Youakim
Clafin	Hassan	Lien	Morrison	Sauke	Spk. Hortman
Considine	Hausman	Lillie	Murphy	Schultz	

The motion did not prevail and the amendment was not adopted.

Baker moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 10, after line 17, insert:

"Sec. 9. **SUNSET OF OPIATE PRODUCT REGISTRATION FEE.**

Sections 3, 6, and 7, shall expire five years after date upon which the commissioner of management and budget determines that the state has received \$250,000,000 or more in the aggregate, for deposit in the opioid stewardship fund established under Minnesota Statutes, section 16A.7245, from any settlement agreements or court orders described in Minnesota Statutes, section 16A.151, subdivision 2, paragraph (f). The commissioner of management and budget shall notify the revisor of statutes of this determination."

A roll call was requested and properly seconded.

The question was taken on the Baker amendment and the roll was called. There were 53 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Albright	Demuth	Haley	Kresha	Nornes	Schomacker
Anderson	Dettmer	Hamilton	Layman	O'Driscoll	Scott
Bahr	Drazkowski	Heinrich	Lucero	O'Neill	Swedzinski
Baker	Erickson	Heintzeman	Lueck	Petersburg	Theis
Bennett	Fabian	Hertaus	McDonald	Pierson	Torkelson
Boe	Garofalo	Johnson	Mekeland	Poston	Urdahl
Daniels	Green	Jurgens	Miller	Quam	Vogel
Daudt	Gruenhagen	Kiel	Munson	Robbins	Zerwas
Davids	Gunther	Koznick	Neu	Runbeck	

Those who voted in the negative were:

Acomb	Dehn	Huot	Long	Pelowski	Vang
Bahner	Ecklund	Klevorn	Mahoney	Persell	Wagenius
Becker-Finn	Edelson	Koegel	Mann	Pinto	Wazlawik
Bernardy	Elkins	Kotyza-Witthuhn	Mariani	Poppe	Winkler
Bierman	Fischer	Kunesh-Podein	Marquart	Pryor	Wolgamott
Brand	Freiberg	Lee	Masin	Richardson	Xiong, J.
Cantrell	Gomez	Lesch	Moller	Sandell	Xiong, T.
Carlson, A.	Halverson	Liebling	Moran	Sandstede	Youakim
Carlson, L.	Hansen	Lien	Morrison	Sauke	Spk. Hortman
Christensen	Hassan	Lillie	Murphy	Schultz	
Clafin	Her	Lippert	Nelson	Stephenson	
Considine	Hornstein	Lislegard	Noor	Sundin	
Davnie	Howard	Loeffler	Olson	Tabke	

The motion did not prevail and the amendment was not adopted.

O'Neill moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 17, line 8, delete "\$288,000" and insert "\$720,000" and delete "\$288,000" and insert "\$720,000"

Page 17, line 9, delete "two" and insert "five"

Page 17, line 28, delete "five" and insert "2.35"

A roll call was requested and properly seconded.

O'Neill moved to amend the O'Neill amendment to H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 1, after line 1, insert:

"Page 7, line 2, delete "five" and insert "2.35"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the O'Neill amendment, as amended, and the roll was called. There were 53 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Albright	Demuth	Haley	Kresha	Nornes	Schomacker
Anderson	Dettmer	Hamilton	Layman	O'Driscoll	Scott
Bahr	Drazkowski	Heinrich	Lucero	O'Neill	Swedzinski
Baker	Erickson	Heintzeman	Lueck	Petersburg	Theis
Bennett	Fabian	Hertaus	McDonald	Pierson	Torkelson
Boe	Garofalo	Johnson	Mekeland	Poston	Urdahl
Daniels	Green	Jurgens	Miller	Quam	Vogel
Daudt	Gruenhagen	Kiel	Munson	Robbins	Zerwas
Davids	Gunther	Koznick	Neu	Runbeck	

Those who voted in the negative were:

Acomb	Dehn	Howard	Loeffler	Olson	Tabke
Bahner	Ecklund	Huot	Long	Pelowski	Vang
Becker-Finn	Edelson	Klevorn	Mahoney	Persell	Wagenius
Bernardy	Elkins	Koegel	Mann	Pinto	Wazlawik
Bierman	Fischer	Kotyza-Witthuhn	Mariani	Poppe	Winkler
Brand	Freiberg	Kunesh-Podein	Marquart	Pryor	Wolgamott
Cantrell	Gomez	Lee	Masin	Richardson	Xiong, J.
Carlson, A.	Halverson	Lesch	Moller	Sandell	Xiong, T.
Carlson, L.	Hansen	Liebling	Moran	Sandstede	Youakim
Christensen	Hassan	Lien	Morrison	Sauke	Spk. Hortman
Clafin	Hausman	Lillie	Murphy	Schultz	
Considine	Her	Lippert	Nelson	Stephenson	
Davnie	Hornstein	Lislegard	Noor	Sundin	

The motion did not prevail and the amendment, as amended, was not adopted.

Bennett moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 6, after line 24, insert:

"Subd. 3. **Sunset of council.** This section expires July 1, 2030."

Page 10, after line 17, insert:

"Sec. 9. **SUNSET OF OPIATE PRODUCT REGISTRATION FEE.**

Sections 3, 6, and 7, shall expire July 1, 2030."

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Bennett amendment and the roll was called. There were 51 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Heinrich	Lucero	O'Neill	Swedzinski
Anderson	Drazkowski	Heintzeman	Lueck	Petersburg	Theis
Bahr	Erickson	Hertaus	McDonald	Pierson	Torkelson
Bennett	Fabian	Johnson	Mekeland	Poston	Urdahl
Boe	Garofalo	Jurgens	Miller	Quam	Vogel
Daniels	Green	Kiel	Munson	Robbins	Zerwas
Daudt	Gruenhagen	Koznick	Neu	Runbeck	
Davids	Gunther	Kresha	Nornes	Schomacker	
Demuth	Haley	Layman	O'Driscoll	Scott	

Those who voted in the negative were:

Acomb	Davnie	Her	Lippert	Nelson	Stephenson
Bahner	Dehn	Hornstein	Lislegard	Noor	Sundin
Baker	Ecklund	Howard	Loeffler	Olson	Tabke
Becker-Finn	Edelson	Huot	Long	Pelowski	Vang
Bernardy	Elkins	Klevorn	Mahoney	Persell	Wagenius
Bierman	Fischer	Koegel	Mann	Pinto	Wazlawik
Brand	Freiberg	Kotyza-Witthuhn	Mariani	Poppe	Winkler
Cantrell	Gomez	Kunesh-Podein	Marquart	Pryor	Wolgamott
Carlson, A.	Halverson	Lee	Masin	Richardson	Xiong, J.
Carlson, L.	Hamilton	Lesch	Moller	Sandell	Xiong, T.
Christensen	Hansen	Liebling	Moran	Sandstede	Youakim
Clafin	Hassan	Lien	Morrison	Sauke	Spk. Hortman
Considine	Hausman	Lillie	Murphy	Schultz	

The motion did not prevail and the amendment was not adopted.

Olson moved to amend H. F. No. 400, the fourth engrossment, as amended, as follows:

Page 17, line 16, delete "\$8,802,000" and insert "\$8,283,000"

Daudt offered an amendment to the Olson amendment to H. F. No. 400, the fourth engrossment, as amended.

POINT OF ORDER

Winkler raised a point of order pursuant to rule 3.33, paragraph (e), relating to Amendments Must Be Prefiled, that the Daudt amendment to the Olson amendment was not in order. The Speaker ruled the point of order well taken and the Daudt amendment to the Olson amendment out of order.

The question recurred on the Olson amendment to H. F. No. 400, the fourth engrossment, as amended. The motion prevailed and the amendment was adopted.

H. F. No. 400, as amended, was read for the third time.

The Speaker called Marquart to the Chair.

H. F. No. 400, A bill for an act relating to health; establishing the Opioid Addiction Advisory Council; establishing the opioid stewardship fund; establishing an opiate product registration fee; modifying provisions related to opioid addiction prevention, education, intervention, treatment, and recovery; requiring reports; appropriating money; amending Minnesota Statutes 2018, sections 16A.151, subdivision 2; 145.9269, subdivision 1; 145C.05, subdivision 2; 151.252, subdivision 1; 151.37, subdivision 12; 151.47, by adding a subdivision; 151.71, by adding a subdivision; 152.105, subdivision 2; 152.11, subdivision 2d, by adding subdivisions; 214.12, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16A; 62Q; 145; 145C; 151.

The bill was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 94 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Acomb	Dehn	Hausman	Lillie	Nelson	Stephenson
Anderson	Demuth	Her	Lippert	Noor	Sundin
Bahner	Dettmer	Hornstein	Lislegard	Olson	Tabke
Baker	Ecklund	Howard	Loeffler	Pelowski	Theis
Becker-Finn	Edelson	Huot	Long	Persell	Urdahl
Bernardy	Elkins	Jurgens	Lueck	Petersburg	Vang
Bierman	Fischer	Klevorn	Mahoney	Pinto	Wagenius
Boe	Freiberg	Koegel	Mann	Poppe	Wazlawik
Brand	Garofalo	Kotzya-Witthuhn	Mariani	Poston	Winkler
Cantrell	Gomez	Kresha	Marquart	Pryor	Wolgamott
Carlson, A.	Gunther	Kunesh-Podein	Masin	Richardson	Xiong, J.
Carlson, L.	Haley	Layman	McDonald	Sandell	Xiong, T.
Christensen	Halverson	Lee	Moller	Sandstede	Youakim
Claflin	Hamilton	Lesch	Moran	Sauke	Spk. Hortman
Considine	Hansen	Liebling	Morrison	Schultz	
Davnie	Hassan	Lien	Murphy	Scott	

Those who voted in the negative were:

Albright	Drazkowski	Heintzeman	Mekeland	O'Neill	Swedzinski
Bahr	Erickson	Hertaus	Miller	Pierson	Torkelson
Bennett	Fabian	Johnson	Munson	Quam	Vogel
Daniels	Green	Kiel	Neu	Robbins	Zerwas
Daudt	Gruenhagen	Koznick	Nornes	Runbeck	
Davids	Heinrich	Lucero	O'Driscoll	Schomacker	

The bill was passed, as amended, and its title agreed to.

The Speaker resumed the Chair.

Baker was excused for the remainder of today's session.

H. F. No. 50 was reported to the House.

Dettmer offered an amendment to H. F. No. 50, the first engrossment.

POINT OF ORDER

Long raised a point of order pursuant to rule 3.21 that the Dettmer amendment was not in order. The Speaker ruled the point of order well taken and the Dettmer amendment out of order.

Dettmer appealed the decision of the Speaker.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" It was the judgment of the House that the decision of the Speaker should stand.

Munson moved to amend H. F. No. 50, the first engrossment, as follows:

Page 1, line 9, after the comma, insert "(2) a smart watch," and strike "(2)" and insert "(3)"

Page 1, line 11, after the period, insert "A wireless communications device includes a secondary electronic device capable of interacting with a cellular phone, smart watch, or other portable electronic device to display electronic messages, as defined in section 169.476, in view of the driver, including in-vehicle heads-up displays that project electronic messages onto the windshield, smart eyewear, or other dashboard technology."

The motion did not prevail and the amendment was not adopted.

Munson moved to amend H. F. No. 50, the first engrossment, as follows:

Page 2, line 31, before the semicolon, insert ", and the user and the user's wireless carrier can provide proof to law enforcement that the use of the wireless communications device was in a voice-activated or hands-free mode"

The motion did not prevail and the amendment was not adopted.

Torkelson moved to amend H. F. No. 50, the first engrossment, as follows:

Page 3, delete section 3

Amend the title accordingly

A roll call was requested and properly seconded.

Johnson offered an amendment to the Torkelson amendment to H. F. No. 50, the first engrossment.

POINT OF ORDER

Becker-Finn raised a point of order pursuant to rule 3.21(b) that the Johnson amendment to the Torkelson amendment was not in order. The Speaker ruled the point of order well taken and the Johnson amendment to the Torkelson amendment out of order.

The question recurred on the Torkelson amendment and the roll was called. There were 53 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Hamilton	Layman	O'Driscoll	Scott
Anderson	Drazkowski	Heinrich	Lucero	O'Neill	Swedzinski
Bahr	Erickson	Heintzeman	Lueck	Petersburg	Theis
Bennett	Fabian	Hertaus	McDonald	Pierson	Torkelson
Boe	Garofalo	Johnson	Mekeland	Poston	Urdahl
Daniels	Green	Jurgens	Miller	Quam	Vang
Daudt	Gruenhagen	Kiel	Munson	Robbins	Vogel
Davids	Gunther	Koznick	Neu	Runbeck	Zerwas
Demuth	Haley	Kresha	Nornes	Schomacker	

Those who voted in the negative were:

Acomb	Dehn	Howard	Loeffler	Olson	Tabke
Bahner	Ecklund	Huot	Long	Pelowski	Wagenius
Becker-Finn	Edelson	Klevorn	Mahoney	Persell	Wazlawik
Bernardy	Elkins	Koegel	Mann	Pinto	Winkler
Bierman	Fischer	Kotzya-Witthuhn	Mariani	Poppe	Wolgamott
Brand	Freiberg	Kunesh-Podein	Marquart	Pryor	Xiong, J.
Cantrell	Gomez	Lee	Masin	Richardson	Xiong, T.
Carlson, A.	Halverson	Lesch	Moller	Sandell	Youakim
Carlson, L.	Hansen	Liebling	Moran	Sandstede	Spk. Hortman
Christensen	Hassan	Lien	Morrison	Sauke	
Clafin	Hausman	Lillie	Murphy	Schultz	
Considine	Her	Lippert	Nelson	Stephenson	
Davnie	Hornstein	Lislegard	Noor	Sundin	

The motion did not prevail and the amendment was not adopted.

Bennett moved to amend H. F. No. 50, the first engrossment, as follows:

Page 1, after line 14, insert:

"EFFECTIVE DATE; SUNSET. This section is effective August 1, 2019, and the changes made under this section expire on July 31, 2024."

Page 3, line 8, after "DATE" insert "; SUNSET"

Page 3, line 9, delete "on or after that date" and insert "from August 1, 2019, until July 31, 2024. The changes made under this section expire on July 31, 2024"

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Drazkowski moved to amend H. F. No. 50, the first engrossment, as follows:

Page 3, line 2, after the semicolon, insert "or"

Page 3, line 3, strike "; or" and insert a period

Page 3, line 4, delete the new language and strike the old language

The motion did not prevail and the amendment was not adopted.

H. F. No. 50 was read for the third time.

The Speaker called Poppe to the Chair.

H. F. No. 50, A bill for an act relating to transportation; prohibiting use of cell phones while driving under specified circumstances; requiring a study of traffic stops; requiring a report; appropriating money; amending Minnesota Statutes 2018, sections 169.011, subdivision 94; 169.475.

The bill was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 106 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Acomb	Clafin	Gruenhagen	Koegel	Lueck	O'Driscoll
Albright	Considine	Gunther	Kotyza-Witthuhn	Mahoney	Olson
Anderson	Daniels	Haley	Kresha	Mann	O'Neill
Bahner	Davnie	Halverson	Kunesh-Podein	Mariani	Pelowski
Becker-Finn	Dehn	Hamilton	Layman	Marquart	Persell
Bennett	Demuth	Hansen	Lee	Masin	Petersburg
Bernardy	Dettmer	Hassan	Lesch	McDonald	Pinto
Bierman	Ecklund	Hausman	Liebling	Moller	Poppe
Boe	Edelson	Her	Lien	Moran	Pryor
Brand	Elkins	Hornstein	Lillie	Morrison	Quam
Cantrell	Erickson	Howard	Lippert	Murphy	Richardson
Carlson, A.	Fischer	Huot	Lislegard	Nelson	Robbins
Carlson, L.	Freiberg	Jurgens	Loeffler	Noor	Runbeck
Christensen	Gomez	Klevorn	Long	Nornes	Sandell

Sandstede	Scott	Tabke	Vang	Wolgamott	Zerwas
Sauke	Stephenson	Theis	Wagenius	Xiong, J.	Spk. Hortman
Schomacker	Sundin	Torkelson	Wazlawik	Xiong, T.	
Schultz	Swedzinski	Urdahl	Winkler	Youakim	

Those who voted in the negative were:

Bahr	Fabian	Heintzeman	Koznick	Munson	Vogel
Daudt	Garofalo	Hertaus	Lucero	Neu	
Davids	Green	Johnson	Mekeland	Pierson	
Drazkowski	Heinrich	Kiel	Miller	Poston	

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

S. F. No. 1743 was reported to the House.

Christensen moved to amend S. F. No. 1743, the first engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 1982, the first engrossment:

"Section 1. **SCHOOL CALENDAR ADJUSTMENT; 2018-2019 SCHOOL YEAR.**

Subdivision 1. Required school days and hours. Notwithstanding Minnesota Statutes, sections 120A.32, 120A.41, and 126C.05, a school district or charter school that had instructional days scheduled for January 29, January 30, or January 31, 2019, on its calendar for the 2018-2019 school year as of January 1, 2019, but canceled school on one or more of those days due to health and safety concerns, may count those days as instructional days for the purposes of calculating the number of hours and days in the school year under Minnesota Statutes, section 120A.41, and the calculation of average daily membership under Minnesota Statutes, section 126C.05, for students enrolled both before and after these school closure dates.

Subd. 2. Instructional day; employees. (a) This subdivision applies to any school district employee who:

(1) was scheduled to work on any of the days of January 29, January 30, or January 31, 2019;

(2) did not work on any or all of those days; and

(3) did not receive compensation for those days.

(b) Notwithstanding any law to the contrary, for each day identified in paragraph (a), a school district must either:

(1) allow any school district employee under paragraph (a) the opportunity to work on another day that the school district designates and must compensate the employee working on the designated day at the employee's normal rate of pay; or

(2) compensate any school district employee under paragraph (a) for each of the days not worked at the employee's normal rate of pay.

Subd. 3. **Contracted employers.** An employer that contracts to provide student services to school districts is encouraged to compensate its regularly scheduled employees, through direct pay or additional hours of work offered, for work hours lost due to the school closings listed in subdivision 1.

Subd. 4. **Probationary teachers.** For the 2018-2019 school year only, for purposes of Minnesota Statutes, sections 122A.40, subdivision 5, paragraph (e), and 122A.41, subdivision 2, paragraph (d), the minimum number of days of teacher service that a probationary teacher must complete equals the difference between 120 days and the number of scheduled instructional days that were canceled due to inclement weather.

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

Delete the title and insert:

"A bill for an act relating to education; authorizing a school calendar adjustment for instructional days and work hours lost due to school closings during the 2018-2019 school year."

The motion prevailed and the amendment was adopted.

Jurgens moved to amend S. F. No. 1743, the first engrossment, as amended, as follows:

Page 2, delete subdivision 3 and insert:

"Subd. 3. **Contract employer to pay eligible employees.** (a) For purposes of this subdivision, "contract employer" means an employer who provides student-related services throughout the school year to a school district, and "eligible employee" means a person:

(1) whose primary task is to provide services to students attending a school district;

(2) who was scheduled to work for the contract employer on any of the days January 29, January 30, or January 31, 2019;

(3) who did not work on any or all of those days; and

(4) did not receive compensation for any or all of the employee's regularly scheduled shifts on those school days.

(b) A school district must notify a contract employer which, if any, of the days under paragraph (a), clause (2), it will fully compensate the contract employer at the contract employer's full, regularly scheduled daily amount. The school district must pay the contractor for those days upon notice from the contractor under paragraph (c).

(c) A contract employer that agrees to compensate its eligible employees at their normal rate of pay for the hours of pay lost due to the inclement weather days listed in paragraph (a), clause (2), must notify the district of its intended action and once notified, the school district must fully compensate the contract employer for those days under paragraph (b).

(d) Notwithstanding paragraph (b), a school district and contract employer may adjust the full, regularly scheduled daily contract rate if special circumstances within the district warrant an adjustment."

The motion prevailed and the amendment was adopted.

Mahoney was excused for the remainder of today's session.

Haley offered an amendment to S. F. No. 1743, the first engrossment, as amended.

POINT OF ORDER

Sandstede raised a point of order pursuant to rule 3.21 that the Haley amendment was not in order. The Speaker ruled the point of order well taken and the Haley amendment out of order.

S. F. No. 1743, A bill for an act relating to education; modifying the calculation of days and hours of instruction for students affected by snow days during the 2018-2019 school year; requiring affected school districts to report to the commissioner.

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 105 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Acomb	Dehn	Her	Lippert	O'Neill	Sundin
Anderson	Demuth	Hertaus	Lislegard	Pelowski	Swedzinski
Bahner	Dettmer	Hornstein	Loeffler	Persell	Tabke
Becker-Finn	Ecklund	Howard	Long	Petersburg	Theis
Bennett	Edelson	Huot	Lueck	Pierson	Torkelson
Bernardy	Elkins	Jurgens	Mann	Pinto	Urdahl
Bierman	Erickson	Kiel	Mariani	Poppe	Vang
Boe	Fabian	Klevorn	Marquart	Poston	Wagenius
Brand	Fischer	Koegel	Masin	Pryor	Wazlawik
Cantrell	Freiberg	Kotyza-Witthuhn	Moller	Richardson	Winkler
Carlson, A.	Gomez	Kresha	Moran	Robbins	Wolgamott
Carlson, L.	Gunther	Kunesh-Podein	Morrison	Sandell	Xiong, J.
Christensen	Haley	Layman	Nelson	Sandstede	Xiong, T.
Clafin	Halverson	Lee	Neu	Sauke	Youakim
Considine	Hamilton	Lesch	Noor	Schomacker	Spk. Hortman
Daniels	Hansen	Liebling	Nornes	Schultz	
Davids	Hassan	Lien	O'Driscoll	Scott	
Davnie	Hausman	Lillie	Olson	Stephenson	

Those who voted in the negative were:

Albright	Garofalo	Heintzeman	McDonald	Murphy	Zerwas
Bahr	Green	Johnson	Mekeland	Quam	
Daudt	Gruenhagen	Koznick	Miller	Runbeck	
Drazkowski	Heinrich	Lucero	Munson	Vogel	

The bill was passed, as amended, and its title agreed to.

MOTIONS AND RESOLUTIONS

Jurgens moved that the names of Acomb and Kunesh-Podein be added as authors on H. F. No. 55. The motion prevailed.

Brand moved that the names of Heintzeman, Bernardy and Baker be added as authors on H. F. No. 85. The motion prevailed.

Schultz moved that the name of Huot be added as an author on H. F. No. 90. The motion prevailed.

Moran moved that the name of Bahr be added as an author on H. F. No. 140. The motion prevailed.

Lee moved that the name of Loeffler be added as an author on H. F. No. 167. The motion prevailed.

Drazkowski moved that the name of Erickson be added as an author on H. F. No. 268. The motion prevailed.

Cantrell moved that the name of Masin be added as an author on H. F. No. 269. The motion prevailed.

Hornstein moved that the name of Long be added as an author on H. F. No. 286. The motion prevailed.

Becker-Finn moved that the name of Persell be added as an author on H. F. No. 305. The motion prevailed.

Edelson moved that the name of Hornstein be added as an author on H. F. No. 331. The motion prevailed.

Moran moved that the name of Bierman be added as an author on H. F. No. 342. The motion prevailed.

Halverson moved that the names of Bernardy, Hornstein and Christensen be added as authors on H. F. No. 349. The motion prevailed.

Mann moved that the name of Hornstein be added as an author on H. F. No. 350. The motion prevailed.

Poppe moved that the name of Acomb be added as an author on H. F. No. 436. The motion prevailed.

Schultz moved that the name of Loeffler be added as an author on H. F. No. 486. The motion prevailed.

Becker-Finn moved that the name of Persell be added as an author on H. F. No. 553. The motion prevailed.

Halverson moved that the name of West be added as an author on H. F. No. 629. The motion prevailed.

Mann moved that the name of Hornstein be added as an author on H. F. No. 684. The motion prevailed.

Mann moved that the name of Carlson, L., be added as an author on H. F. No. 748. The motion prevailed.

Sauke moved that the name of Christensen be added as an author on H. F. No. 752. The motion prevailed.

Kunesh-Podein moved that the names of Mann, Lee, Hornstein and Bierman be added as authors on H. F. No. 799. The motion prevailed.

Lippert moved that the names of Dettmer, Acomb, Hassan and Kunesh-Podein be added as authors on H. F. No. 811. The motion prevailed.

Hansen moved that the name of Persell be added as an author on H. F. No. 850. The motion prevailed.

Schultz moved that the name of Christensen be added as an author on H. F. No. 884. The motion prevailed.

Heintzeman moved that his name be stricken as an author on H. F. No. 909. The motion prevailed.

Morrison moved that the name of Mariani be added as an author on H. F. No. 909. The motion prevailed.

Kunesh-Podein moved that the name of Carlson, L., be added as an author on H. F. No. 930. The motion prevailed.

Huot moved that the name of Claflin be added as an author on H. F. No. 970. The motion prevailed.

Bahr moved that the name of Bennett be added as an author on H. F. No. 986. The motion prevailed.

Bernardy moved that the name of Huot be added as an author on H. F. No. 988. The motion prevailed.

Mann moved that the name of Loeffler be added as an author on H. F. No. 1011. The motion prevailed.

Lien moved that the name of Schomacker be added as an author on H. F. No. 1019. The motion prevailed.

Quam moved that the name of Cantrell be added as an author on H. F. No. 1023. The motion prevailed.

Edelson moved that the name of Acomb be added as an author on H. F. No. 1037. The motion prevailed.

Cantrell moved that the names of Lee and Hornstein be added as authors on H. F. No. 1043. The motion prevailed.

Quam moved that the name of Cantrell be added as an author on H. F. No. 1047. The motion prevailed.

Quam moved that the name of Cantrell be added as an author on H. F. No. 1048. The motion prevailed.

Cantrell moved that the names of Acomb, Hassan and Kunesh-Podein be added as authors on H. F. No. 1049. The motion prevailed.

Acomb moved that the name of Claflin be added as an author on H. F. No. 1092. The motion prevailed.

Fischer moved that the name of Bierman be added as an author on H. F. No. 1138. The motion prevailed.

Hausman moved that the name of Lee be added as an author on H. F. No. 1151. The motion prevailed.

Tabke moved that the names of Becker-Finn and Huot be added as authors on H. F. No. 1156. The motion prevailed.

Morrison moved that the name of Mariani be added as an author on H. F. No. 1167. The motion prevailed.

Morrison moved that the name of Hassan be added as an author on H. F. No. 1199. The motion prevailed.

Bahner moved that the name of Mariani be added as an author on H. F. No. 1226. The motion prevailed.

Baker moved that the name of Ecklund be added as an author on H. F. No. 1247. The motion prevailed.

Cantrell moved that the name of Hornstein be added as an author on H. F. No. 1257. The motion prevailed.

Cantrell moved that the name of Schomacker be added as an author on H. F. No. 1264. The motion prevailed.

Murphy moved that the name of Schomacker be added as an author on H. F. No. 1282. The motion prevailed.

Scott moved that the name of Mekeland be added as an author on H. F. No. 1312. The motion prevailed.

Lien moved that the names of Hassan, Becker-Finn and Loeffler be added as authors on H. F. No. 1340. The motion prevailed.

Kunesh-Podein moved that the name of Her be added as an author on H. F. No. 1346. The motion prevailed.

Koegel moved that the name of Christensen be added as an author on H. F. No. 1353. The motion prevailed.

Her moved that the name of Persell be added as an author on H. F. No. 1362. The motion prevailed.

Erickson moved that the name of Her be added as an author on H. F. No. 1370. The motion prevailed.

Hansen moved that the name of Claflin be added as an author on H. F. No. 1374. The motion prevailed.

Liebling moved that the name of Loeffler be added as an author on H. F. No. 1378. The motion prevailed.

Koegel moved that the name of Pryor be added as an author on H. F. No. 1394. The motion prevailed.

Stephenson moved that the name of Christensen be added as an author on H. F. No. 1398. The motion prevailed.

Howard moved that the name of Huot be added as an author on H. F. No. 1402. The motion prevailed.

Lippert moved that the name of Claflin be added as an author on H. F. No. 1413. The motion prevailed.

Considine moved that the name of Brand be added as an author on H. F. No. 1420. The motion prevailed.

Baker moved that the name of Hornstein be added as an author on H. F. No. 1422. The motion prevailed.

Richardson moved that the name of Hornstein be added as an author on H. F. No. 1542. The motion prevailed.

Claflin moved that the name of Stephenson be added as an author on H. F. No. 1607. The motion prevailed.

Schultz moved that the name of Hornstein be added as an author on H. F. No. 1659. The motion prevailed.

Demuth moved that the name of Hornstein be added as an author on H. F. No. 1665. The motion prevailed.

Scott moved that the name of Mekeland be added as an author on H. F. No. 1666. The motion prevailed.

Noor moved that the name of Loeffler be added as an author on H. F. No. 1719. The motion prevailed.

Bernardy moved that the name of Long be added as an author on H. F. No. 1726. The motion prevailed.

Zerwas moved that the names of Pryor and Mann be added as authors on H. F. No. 1741. The motion prevailed.

Cantrell moved that the names of Mann, Lee and Hornstein be added as authors on H. F. No. 1805. The motion prevailed.

Jurgens moved that the name of Backer be added as an author on H. F. No. 1812. The motion prevailed.

Ecklund moved that the name of Robbins be added as an author on H. F. No. 1839. The motion prevailed.

Lee moved that the name of Claflin be added as an author on H. F. No. 1853. The motion prevailed.

Hansen moved that the name of Moran be added as an author on H. F. No. 1860. The motion prevailed.

Loeffler moved that the name of Bierman be added as an author on H. F. No. 1879. The motion prevailed.

Bernardy moved that the name of Lippert be added as an author on H. F. No. 1882. The motion prevailed.

Long moved that the name of Elkins be added as an author on H. F. No. 1956. The motion prevailed.

Cantrell moved that the name of Loeffler be added as an author on H. F. No. 2009. The motion prevailed.

Bierman moved that the name of Claflin be added as an author on H. F. No. 2022. The motion prevailed.

Lippert moved that the name of Baker be added as an author on H. F. No. 2033. The motion prevailed.

Klevorn moved that the names of Persell and Claflin be added as authors on H. F. No. 2061. The motion prevailed.

Hansen moved that the name of Christensen be added as an author on H. F. No. 2067. The motion prevailed.

Poppe moved that the names of Haley and Boe be added as authors on H. F. No. 2093. The motion prevailed.

Vang moved that the name of Huot be added as an author on H. F. No. 2112. The motion prevailed.

Freiberg moved that the name of Huot be added as an author on H. F. No. 2117. The motion prevailed.

Carlson, A., moved that the names of Fabian, O'Neill, Daudt and Neu be added as authors on H. F. No. 2126. The motion prevailed.

Freiberg moved that the names of Huot and Lippert be added as authors on H. F. No. 2152. The motion prevailed.

Cantrell moved that the name of Huot be added as an author on H. F. No. 2166. The motion prevailed.

Ecklund moved that his name be stricken as an author on H. F. No. 2188. The motion prevailed.

Elkins moved that the name of Pryor be added as an author on H. F. No. 2194. The motion prevailed.

Pryor moved that the name of Huot be added as an author on H. F. No. 2195. The motion prevailed.

Richardson moved that the name of Huot be added as an author on H. F. No. 2218. The motion prevailed.

Fabian moved that his name be stricken as an author on H. F. No. 2253. The motion prevailed.

Gomez moved that the name of Huot be added as an author on H. F. No. 2289. The motion prevailed.

Loeffler moved that the name of Bernardy be added as an author on H. F. No. 2348. The motion prevailed.

Loeffler moved that the name of Bernardy be added as an author on H. F. No. 2349. The motion prevailed.

Brand moved that the name of Edelson be added as an author on H. F. No. 2351. The motion prevailed.

Pryor moved that the names of Kunesh-Podein and Huot be added as authors on H. F. No. 2366. The motion prevailed.

Albright moved that the names of Baker and Olson be added as authors on H. F. No. 2371. The motion prevailed.

Gomez moved that the name of Huot be added as an author on H. F. No. 2374. The motion prevailed.

Hornstein moved that the name of Tabke be added as an author on H. F. No. 2403. The motion prevailed.

Moran moved that the name of Huot be added as an author on H. F. No. 2415. The motion prevailed.

Persell moved that the name of Baker be added as an author on H. F. No. 2457. The motion prevailed.

Claflin moved that the name of Sandell be added as an author on H. F. No. 2474. The motion prevailed.

Schultz moved that the name of Sandell be added as an author on H. F. No. 2475. The motion prevailed.

Demuth moved that the name of Daniels be added as an author on H. F. No. 2476. The motion prevailed.

Koegel moved that the name of Lillie be added as an author on H. F. No. 2484. The motion prevailed.

Tabke moved that the name of Sandell be added as an author on H. F. No. 2487. The motion prevailed.

Mariani moved that the name of Xiong, J., be added as an author on H. F. No. 2488. The motion prevailed.

Garofalo moved that the name of Boe be added as an author on H. F. No. 2492. The motion prevailed.

Kresha moved that the name of Theis be added as an author on H. F. No. 2493. The motion prevailed.

Pierson moved that the name of Poston be added as an author on H. F. No. 2500. The motion prevailed.

Munson moved that the name of Lucero be added as an author on H. F. No. 2517. The motion prevailed.

Munson moved that the name of Lucero be added as an author on H. F. No. 2518. The motion prevailed.

Hausman moved that the names of Jurgens, Hassan and Gomez be added as authors on H. F. No. 2526. The motion prevailed.

Runbeck moved that H. F. No. 2066 be recalled from the Committee on Government Operations and be re-referred to the Public Safety and Criminal Justice Reform Finance and Policy Division. The motion prevailed.

ADJOURNMENT

Winkler moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, March 20, 2019. The motion prevailed.

Winkler moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, March 20, 2019.

PATRICK D. MURPHY, Chief Clerk, House of Representatives