

1.1 ..... moves to amend H.F. No. 2643 as follows:

1.2 Page 3, after line 30, insert:

1.3 "Section 1. Minnesota Statutes 2024, section 142B.18, subdivision 4, is amended to read:

1.4 Subd. 4. **License suspension, revocation, or fine.** (a) The commissioner may suspend  
1.5 or revoke a license, or impose a fine if:

1.6 (1) a license holder fails to comply fully with applicable laws or rules including but not  
1.7 limited to the requirements of this chapter and chapter 245C;

1.8 (2) a license holder, a controlling individual, or an individual living in the household  
1.9 where the licensed services are provided or is otherwise subject to a background study has  
1.10 been disqualified and the disqualification was not set aside and no variance has been granted;

1.11 (3) a license holder knowingly withholds relevant information from or gives false or  
1.12 misleading information to the commissioner in connection with an application for a license,  
1.13 in connection with the background study status of an individual, during an investigation,  
1.14 or regarding compliance with applicable laws or rules;

1.15 (4) a license holder is excluded from any program administered by the commissioner  
1.16 under section 142A.12;

1.17 (5) revocation is required under section 142B.10, subdivision 14, paragraph (d);

1.18 (6) for a family foster setting, a license holder, or an individual living in the household  
1.19 where the licensed services are provided or who is otherwise subject to a background study,  
1.20 has nondisqualifying background study information, as described in section 245C.05,  
1.21 subdivision 4, that reflects on the license holder's ability to safely provide care to foster  
1.22 children; or

1.23 (7) suspension is necessary under subdivision 3, paragraph (b), clause (2).

A license holder who has had a license issued under this chapter suspended, revoked, or has been ordered to pay a fine must be given notice of the action by certified mail, by personal service, or through the provider licensing and reporting hub. 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, by personal service, or through the provider licensing and reporting hub. 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. If the order is issued through the provider hub, the appeal must be received by the commissioner within ten calendar days from the date the commissioner issued the order through the hub. Except as provided in subdivision 3, 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 under section 142B.10, subdivision 14, paragraphs (i) and (j), 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, by personal service, or through the provider licensing and reporting hub. 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. If the order is issued through the provider hub, the appeal must be received by the commissioner within ten calendar days from the date the commissioner issued the order through the hub.

(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 children, youth, and families, 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, by personal service, or through the provider licensing and reporting hub 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 chapter 260E or the maltreatment of a vulnerable adult under section 626.557 for which the license holder is determined responsible for the maltreatment under section 260E.30, subdivision 4, paragraphs (a) and (b), or 626.557, subdivision 9c, paragraph (c);

(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 9502.0445, 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 \$500 for each occurrence of failure to comply with background study requirements under chapter 245C; and

~~(v)~~ (vi) 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~~, or \$500 fine in items (i) to ~~(iv)~~ (v).

(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

4.1 license holder will be personally liable for payment. In the case of a corporation, each  
4.2 controlling individual is personally and jointly liable for payment.

4.3 (d) Except for background study violations involving the failure to comply with an order  
4.4 to immediately remove an individual or an order to provide continuous, direct supervision,  
4.5 the commissioner shall not issue a fine under paragraph (c) relating to a background study  
4.6 violation to a license holder who self-corrects a background study violation before the  
4.7 commissioner discovers the violation. A license holder who has previously exercised the  
4.8 provisions of this paragraph to avoid a fine for a background study violation may not avoid  
4.9 a fine for a subsequent background study violation unless at least 365 days have passed  
4.10 since the license holder self-corrected the earlier background study violation."

4.11 Renumber the sections in sequence and correct the internal references

4.12 Amend the title accordingly