

1.1 Fischer from the Behavioral Health Policy Division to which was referred:

1.2 H. F. No. 1299, A bill for an act relating to human services; repealing chemical  
1.3 dependency treatment administrative rule provisions; repealing Minnesota Rules, parts  
1.4 9530.6800; 9530.6810.

1.5 Reported the same back with the following amendments:

1.6 Page 1, before line 5, insert:

1.7 "Section 1. Minnesota Statutes 2020, section 245A.043, subdivision 3, is amended to read:

1.8 Subd. 3. **Change of ownership process.** (a) When a change in ownership is proposed  
1.9 and the party intends to assume operation without an interruption in service longer than 60  
1.10 days after acquiring the program or service, the license holder must provide the commissioner  
1.11 with written notice of the proposed change on a form provided by the commissioner at least  
1.12 60 days before the anticipated date of the change in ownership. For purposes of this  
1.13 subdivision and subdivision 4, "party" means the party that intends to operate the service  
1.14 or program.

1.15 (b) The party must submit a license application under this chapter on the form and in  
1.16 the manner prescribed by the commissioner at least 30 days before the change in ownership  
1.17 is complete, and must include documentation to support the upcoming change. The party  
1.18 must comply with background study requirements under chapter 245C and shall pay the  
1.19 application fee required under section 245A.10. ~~A party that intends to assume operation  
1.20 without an interruption in service longer than 60 days after acquiring the program or service  
1.21 is exempt from the requirements of Minnesota Rules, part 9530.6800.~~

1.22 (c) The commissioner may streamline application procedures when the party is an existing  
1.23 license holder under this chapter and is acquiring a program licensed under this chapter or  
1.24 service in the same service class as one or more licensed programs or services the party  
1.25 operates and those licenses are in substantial compliance. For purposes of this subdivision,

2.1 "substantial compliance" means within the previous 12 months the commissioner did not  
2.2 (1) issue a sanction under section 245A.07 against a license held by the party, or (2) make  
2.3 a license held by the party conditional according to section 245A.06.

2.4 (d) Except when a temporary change in ownership license is issued pursuant to  
2.5 subdivision 4, the existing license holder is solely responsible for operating the program  
2.6 according to applicable laws and rules until a license under this chapter is issued to the  
2.7 party.

2.8 (e) If a licensing inspection of the program or service was conducted within the previous  
2.9 12 months and the existing license holder's license record demonstrates substantial  
2.10 compliance with the applicable licensing requirements, the commissioner may waive the  
2.11 party's inspection required by section 245A.04, subdivision 4. The party must submit to the  
2.12 commissioner (1) proof that the premises was inspected by a fire marshal or that the fire  
2.13 marshal deemed that an inspection was not warranted, and (2) proof that the premises was  
2.14 inspected for compliance with the building code or that no inspection was deemed warranted.

2.15 (f) If the party is seeking a license for a program or service that has an outstanding action  
2.16 under section 245A.06 or 245A.07, the party must submit a letter as part of the application  
2.17 process identifying how the party has or will come into full compliance with the licensing  
2.18 requirements.

2.19 (g) The commissioner shall evaluate the party's application according to section 245A.04,  
2.20 subdivision 6. If the commissioner determines that the party has remedied or demonstrates  
2.21 the ability to remedy the outstanding actions under section 245A.06 or 245A.07 and has  
2.22 determined that the program otherwise complies with all applicable laws and rules, the  
2.23 commissioner shall issue a license or conditional license under this chapter. The conditional  
2.24 license remains in effect until the commissioner determines that the grounds for the action  
2.25 are corrected or no longer exist.

2.26 (h) The commissioner may deny an application as provided in section 245A.05. An  
2.27 applicant whose application was denied by the commissioner may appeal the denial according  
2.28 to section 245A.05.

2.29 (i) This subdivision does not apply to a licensed program or service located in a home  
2.30 where the license holder resides.

2.31 Sec. 2. Minnesota Statutes 2020, section 245F.04, subdivision 2, is amended to read:

2.32 Subd. 2. **Contents of application.** Prior to the issuance of a license, an applicant must  
2.33 submit, on forms provided by the commissioner, documentation demonstrating the following:

3.1 (1) compliance with this section;

3.2 (2) compliance with applicable building, fire, and safety codes; health rules; zoning  
3.3 ordinances; and other applicable rules and regulations or documentation that a waiver has  
3.4 been granted. The granting of a waiver does not constitute modification of any requirement  
3.5 of this section; and

3.6 ~~(3) completion of an assessment of need for a new or expanded program as required by~~  
3.7 ~~Minnesota Rules, part 9530.6800; and~~

3.8 ~~(4) insurance coverage, including bonding, sufficient to cover all patient funds, property,~~  
3.9 ~~and interests.~~

3.10 Sec. 3. Minnesota Statutes 2020, section 245G.03, subdivision 2, is amended to read:

3.11 Subd. 2. **Application.** (a) Before the commissioner issues a license, an applicant must  
3.12 submit, on forms provided by the commissioner, any documents the commissioner requires.

3.13 (b) At least 60 days prior to submitting an application for licensure under this chapter,  
3.14 the applicant must notify the county human services director in writing of its intent to open  
3.15 a new treatment program."

3.16 Renumber the sections in sequence

3.17 Amend the title as follows:

3.18 Page 1, line 3, after the semicolon, insert "requiring applicants to notify local human  
3.19 services agency of intent to open new treatment program;"

3.20 Correct the title numbers accordingly

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

3.23 This Division action taken March 17, 2021

3.24 ....., Chair