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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. **4144**

03/09/2026 Authored by Nadeau; Momanyi-Hiltsley; Lee, X.; Koegel; Vang and others
The bill was read for the first time and referred to the Committee on Human Services Finance and Policy

- 1.1 A bill for an act
- 1.2 relating to human services; modifying location requirements for assisted living
- 1.3 facilities with a licensed resident capacity of six or fewer persons and licensed
- 1.4 residential programs; allowing the commissioners of health and human services
- 1.5 to delegate authority to county agencies and local units of government to conduct
- 1.6 certain inspections; modifying notification requirements to affected political
- 1.7 subdivisions for certain licenses issued by the commissioners of health and human
- 1.8 services; modifying report and notification requirements for reports of maltreatment
- 1.9 of vulnerable adults; amending Minnesota Statutes 2024, sections 144G.15;
- 1.10 144G.16, by adding a subdivision; 144G.45, subdivision 3; 245A.04, subdivisions
- 1.11 2, 2a; 245A.11, subdivision 4; 626.557, subdivision 9c.
- 1.12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.13 Section 1. Minnesota Statutes 2024, section 144G.15, is amended to read:
- 1.14 **144G.15 CONSIDERATION OF APPLICATIONS.**
- 1.15 Subdivision 1. **Consideration.** (a) Before issuing a provisional license or license or
- 1.16 renewing a license, the commissioner shall consider an applicant's compliance history in
- 1.17 providing care in this state or any other state in a facility that provides care to children, the
- 1.18 elderly, ill individuals, or individuals with disabilities. Before issuing a provisional license
- 1.19 or license for an assisted living facility with a licensed resident capacity of six or fewer, the
- 1.20 commissioner shall also consider the facility's proximity to other assisted living facilities
- 1.21 and residential programs as specified in subdivision 3.
- 1.22 (b) The applicant's compliance history shall include repeat violation, rule violations, and
- 1.23 any license or certification involuntarily suspended or terminated during an enforcement
- 1.24 process.

2.1 Subd. 2. **Grounds for licensing action.** ~~(e)~~ The commissioner may deny, revoke, suspend,
2.2 restrict, or refuse to renew the license or impose conditions if:

2.3 (1) the applicant fails to provide complete and accurate information on the application
2.4 and the commissioner concludes that the missing or corrected information is needed to
2.5 determine if a license shall be granted;

2.6 (2) the applicant, knowingly or with reason to know, made a false statement of a material
2.7 fact in an application for the license or any data attached to the application or in any matter
2.8 under investigation by the department;

2.9 (3) the applicant refused to allow agents of the commissioner to inspect its books, records,
2.10 and files related to the license application, or any portion of the premises;

2.11 (4) the applicant willfully prevented, interfered with, or attempted to impede in any way:
2.12 (i) the work of any authorized representative of the commissioner, the ombudsman for
2.13 long-term care, or the ombudsman for mental health and developmental disabilities; or (ii)
2.14 the duties of the commissioner, local law enforcement, city or county attorneys, adult
2.15 protection, county case managers, or other local government personnel;

2.16 (5) the applicant, owner, controlling individual, managerial official, or assisted living
2.17 director for the facility has a history of noncompliance with federal or state regulations that
2.18 were detrimental to the health, welfare, or safety of a resident or a client; or

2.19 (6) the applicant violates any requirement in this chapter.

2.20 Subd. 3. **Proximity to other licensed facilities.** (a) The commissioner must not grant
2.21 a provisional license or license for an assisted living facility with a licensed resident capacity
2.22 of six or fewer that will be located within 650 feet of an existing assisted living facility with
2.23 a licensed resident capacity of six or fewer or an existing residential program licensed under
2.24 chapter 245A.

2.25 (b) Notwithstanding paragraph (a), the commissioner may grant a provisional license
2.26 or license for an assisted living facility with a licensed resident capacity of six or fewer that
2.27 will be located within 650 feet of an existing assisted living facility with a licensed resident
2.28 capacity of six or fewer or an existing residential program licensed under chapter 245A if:

2.29 (1) the existing residential program is located in a hospital licensed by the commissioner;

2.30 (2) the town, municipality, or county zoning authority grants the assisted living facility
2.31 an interim use or special use permit; or

(3) the assisted living facility submits an application for certificate of need developed by the commissioner and the commissioner approves the certificate of need.

Subd. 4. **Reconsideration rights.** ~~(4)~~ If a license is denied, the applicant has the reconsideration rights available under section 144G.16, subdivision 4.

EFFECTIVE DATE. This section is effective July 1, 2026, and applies to applications for a provisional license or license submitted on or after that date.

Sec. 2. Minnesota Statutes 2024, section 144G.16, is amended by adding a subdivision to read:

Subd. 8. **Notice to affected municipality.** (a) At least 30 calendar days before issuing a provisional license or facility license to an assisted living facility with a licensed resident capacity of six or fewer, the commissioner must provide the following information about the provisional licensee or licensee and the facility to the affected municipality or other political subdivision:

(1) business name of the provisional licensee or licensee;

(2) street address of the facility;

(3) license category;

(4) licensed resident capacity; and

(5) contact information for an authorized agent of the provisional licensee or licensee.

(b) The commissioner may provide notice through electronic communication.

EFFECTIVE DATE. This section is effective July 1, 2026, and applies to provisional licenses and facility licenses issued on or after that date.

Sec. 3. Minnesota Statutes 2024, section 144G.45, subdivision 3, is amended to read:

Subd. 3. **Local laws apply; delegating inspection authority.** (a) Assisted living facilities shall comply with all applicable state and local governing laws, regulations, standards, ordinances, and codes for fire safety, building, and zoning requirements, except a facility with a licensed resident capacity of six or fewer is exempt from rental licensing regulations imposed by any town, municipality, or county.

(b) At the request of a county or local unit of government, the commissioner may delegate authority to a county agency or local unit of government to inspect an assisted living facility with a licensed resident capacity of six or fewer that is in the jurisdiction of the county or

local unit of government for compliance with applicable building codes, fire and safety codes, health rules, and zoning ordinances. A county agency or local unit of government conducting an inspection must notify the commissioner of any violations or concerns within ten working days of the inspection. A county agency or local unit of government that conducts inspections under this subdivision must not inspect an assisted living facility more frequently than every six months.

(c) The commissioner must ensure that laws, rules, and codes are uniformly enforced throughout the state by reviewing each county agency and local unit of government conducting inspections under this subdivision for compliance with this subdivision and other applicable laws and rules at least every four years.

EFFECTIVE DATE. This section is effective January 1, 2027.

Sec. 4. Minnesota Statutes 2024, section 245A.04, subdivision 2, is amended to read:

Subd. 2. **Notification of affected municipality.** The commissioner must not issue a license under this chapter without giving 30 calendar days' written notice to the affected municipality or other political subdivision ~~unless the program is considered a permitted single-family residential use under sections 245A.11 and 245A.14.~~ The written notice must include the prospective license holder's name and contact information, the license type and capacity, and the proposed address of the licensed facility or program. The commissioner may provide notice through electronic communication. The notification must be given before the first issuance of a license under this chapter and annually after that time if annual notification is requested in writing by the affected municipality or other political subdivision. State funds must not be made available to or be spent by an agency or department of state, county, or municipal government for payment to a residential or nonresidential program licensed under this chapter until the provisions of this subdivision have been complied with in full. The provisions of this subdivision shall not apply to programs located in hospitals.

EFFECTIVE DATE. This section is effective July 1, 2026, and applies to licenses issued on or after that date.

Sec. 5. Minnesota Statutes 2024, section 245A.04, subdivision 2a, is amended to read:

Subd. 2a. **Meeting fire and safety codes.** (a) An applicant or license holder under sections 245A.01 to 245A.16 must document compliance with applicable building codes, fire and safety codes, health rules, and zoning ordinances, or document that an appropriate waiver has been granted.

(b) At the request of a county or local unit of government, the commissioner may delegate authority to a county agency or local unit of government to inspect a residential program serving six or fewer persons for compliance with applicable building codes, fire and safety codes, health rules, and zoning ordinances. A county agency or local unit of government conducting an inspection must notify the commissioner of any violations or concerns within ten working days of the inspection. A county agency or local unit of government that conducts inspections under this subdivision must not inspect a residential program more frequently than every six months.

(c) The commissioner must ensure that laws, rules, and codes are uniformly enforced throughout the state by reviewing each county agency and local unit of government conducting inspections under this subdivision for compliance with this subdivision and other applicable laws and rules at least every four years.

EFFECTIVE DATE. This section is effective January 1, 2027.

Sec. 6. Minnesota Statutes 2024, section 245A.11, subdivision 4, is amended to read:

Subd. 4. **Location of residential programs.** (a) In determining whether to grant a license, the commissioner shall specifically consider the population, size, land use plan, availability of community services, and the number and size of existing licensed residential programs in the town, municipality, or county in which the applicant seeks to operate a residential program. The commissioner shall not grant an initial license to any residential program if the residential program will be located within 1,320 650 feet of an existing residential program unless one of the following conditions apply: (1) the existing residential program is located in a hospital licensed by the commissioner of health; (2) the town, municipality, or county zoning authority grants the residential program a conditional use or special use permit; (3) the program serves six or fewer persons and is not located in a city of the first class; or (4) the program is foster care, or a community residential setting as defined under section 245D.02, subdivision 4a or assisted living facility with a licensed resident capacity of six or fewer persons.

(b) Notwithstanding paragraph (a), the commissioner may grant an initial license to a residential program that will be located within 650 feet of an existing residential program or assisted living facility with a licensed resident capacity of six or fewer persons if:

(1) the existing residential program is located in a hospital licensed by the commissioner of health;

6.1 (2) the town, municipality, or county zoning authority grants the residential program an
6.2 interim use or special use permit;

6.3 (3) the program submits an application for certificate of need developed by the
6.4 commissioner and the commissioner approves the certificate of need; or

6.5 (4) the program is a foster care or a community residential setting as defined under
6.6 section 245D.02, subdivision 4a; the program submits an application for a certificate of
6.7 need developed by the commissioner; and the commissioner approves the certificate of
6.8 need.

6.9 **EFFECTIVE DATE.** This section is effective July 1, 2026, and applies to applications
6.10 for initial licenses submitted on or after that date.

6.11 Sec. 7. Minnesota Statutes 2024, section 626.557, subdivision 9c, is amended to read:

6.12 Subd. 9c. **Lead investigative agency; notifications, dispositions, determinations.** (a)
6.13 ~~Upon request of the reporter,~~ The lead investigative agency shall notify the reporter and, if
6.14 applicable, the vulnerable adult's case manager and the case manager's supervisor, that it
6.15 has received the report; and provide information on the initial disposition of the report,
6.16 including the case number assigned to the report, in writing within five business days of
6.17 receipt of the report, provided that the notification will not endanger the vulnerable adult
6.18 or hamper the investigation. If the report is accepted for investigation, once the report is
6.19 assigned to an investigator the notification must include the name and contact information
6.20 of the investigator assigned to the case. If the report is not accepted for adult protective
6.21 services or investigation, the notification must state the reason the report was not accepted.

6.22 (b) In making the initial disposition of a report alleging maltreatment of a vulnerable
6.23 adult, the lead investigative agency may consider previous reports of suspected maltreatment
6.24 and may request and consider public information, records maintained by a lead investigative
6.25 agency or licensed providers, and information from any person who may have knowledge
6.26 regarding the alleged maltreatment and the basis for the adult's vulnerability.

6.27 (c) When the county social service agency does not accept a report for adult protective
6.28 services or investigation, the agency may offer assistance to the reporter or the person who
6.29 was the subject of the report.

6.30 (d) While investigating reports and providing adult protective services, the lead
6.31 investigative agency may coordinate with entities identified under subdivision 12b, paragraph
6.32 (g), and may coordinate with support persons to safeguard the welfare of the vulnerable
6.33 adult and prevent further maltreatment of the vulnerable adult.

(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.

(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 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 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 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.

(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.

(h) The lead investigative agency shall complete its final disposition within 60 calendar days. 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.

(i) When the lead investigative agency is the Department of Health or the Department of Human Services, the lead investigative agency shall provide a copy of the public investigation memorandum under subdivision 12b, paragraph (b), clause (1), within ten calendar days of completing the final disposition to the following persons:

(1) the vulnerable adult, or the vulnerable adult's guardian or health care agent, if known, 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 person or facility alleged responsible for maltreatment, 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 care agent, if known, when the allegation is applicable to the authority of the vulnerable adult's guardian or health care agent, unless the agency knows that the notification would endanger the well-being of the vulnerable adult;

(2) the individual determined responsible for maltreatment, if known; and

(3) when the alleged incident involves a personal care assistant or provider agency, the personal care provider organization under section 256B.0659. Upon implementation of Community First Services and Supports (CFSS), this notification requirement applies to the CFSS support worker or CFSS agency under section 256B.85.

(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 (i).

(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.

(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.

(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.

(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 July 1, 2026, and applies to reports submitted on or after that date.