

1.1 Stephenson and Torkelson from the Committee on Ways and Means to which was
1.2 referred:

1.3 H. F. No. 2435, A bill for an act relating to human services; making human services
1.4 forecast adjustments; appropriating money.

1.5 Reported the same back with the following amendments:

1.6 Delete everything after the enacting clause and insert:

1.7 **"ARTICLE 1**

1.8 **DEPARTMENT OF HEALTH FINANCE**

1.9 Section 1. **[144.063] DEMENTIA SERVICES PROGRAM ESTABLISHED.**

1.10 The commissioner of health shall establish the dementia services program to:

1.11 (1) facilitate the coordination and support of:

1.12 (i) state-funded policies and programs that relate to Alzheimer's disease or related forms
1.13 of dementia;

1.14 (ii) outreach programs and services between state agencies, local public health
1.15 departments, Tribal Nations, educational institutions, and community groups for the purpose
1.16 of fostering public awareness and education regarding Alzheimer's disease and related forms
1.17 of dementia; and

1.18 (iii) services and activities between groups that are interested in dementia research,
1.19 programs, and services, including area agencies on aging, service providers, advocacy
1.20 groups, legal services, emergency personnel, law enforcement, local public health
1.21 departments, Tribal Nations, and state colleges and universities;

1.22 (2) facilitate the coordination, review, publication, and implementation of and updates
1.23 to the Alzheimer's Disease State Plan;

2.1 (3) collect and analyze data related to the impact of Alzheimer's disease in Minnesota;
 2.2 and

2.3 (4) incorporate early detection and risk reduction strategies into existing department-led
 2.4 public health programs.

2.5 Sec. 2. Minnesota Statutes 2024, section 144.0758, subdivision 3, is amended to read:

2.6 Subd. 3. **Eligible grantees.** (a) Organizations eligible to receive grant funding under
 2.7 this section are Minnesota's Tribal Nations in accordance with paragraph (b) and urban
 2.8 American Indian community-based organizations in accordance with paragraph (c).

2.9 (b) Minnesota's Tribal Nations may choose to receive funding under this section according
 2.10 to a noncompetitive funding formula specified by the commissioner.

2.11 (c) Urban American Indian community-based organizations are eligible to apply for
 2.12 funding under this section by submitting a proposal for consideration by the commissioner.

2.13 Sec. 3. Minnesota Statutes 2024, section 144.1222, subdivision 2d, is amended to read:

2.14 Subd. 2d. ~~Hot tubs~~ **Spa pools on rental houseboats property.** (a) For purposes of this
 2.15 subdivision, "spa pool" has the meaning given in Minnesota Rules, part 4717.0250, subpart
 2.16 9.

2.17 (b) Except as provided in paragraph (c), a ~~hot water~~ spa pool intended for seated
 2.18 recreational use, including a hot tub or whirlpool, that is located on a ~~houseboat that is rented~~
 2.19 to the public the property of a stand-alone, single-unit rental property, offered for rent by
 2.20 the property owner or through a resort, and that is only intended to be used by the occupants
 2.21 of the rental property:

2.22 (1) is not a public pool ~~and~~;

2.23 (2) is exempt from the requirements for public pools under subdivisions 1 to 2c, 4, and
 2.24 5 and Minnesota Rules, chapter 4717, except as otherwise provided in this paragraph; and

2.25 (3) may be used by renters so long as:

2.26 (i) the water temperature in the spa pool does not exceed 106 degrees Fahrenheit;

2.27 (ii) prior to check-in by each new rental party, the resort or property owner tests the
 2.28 water in the spa pool for the concentration of chlorine or bromine, pH, and alkalinity and
 2.29 the water in the spa pool meets the requirements for disinfection residual, pH, and alkalinity
 2.30 in Minnesota Rules, part 4717.1750, subparts 4 to 6; and

3.1 (iii) at check-in, the resort or property owner provides each rental party with a notice
 3.2 that there is a spa pool on the property and that the spa pool is not subject to all of the
 3.3 requirements in state law and rules for public pools.

3.4 ~~(b)~~ (c) A spa pool intended for seated recreational use, including a hot tub or whirlpool,
 3.5 that is located on a houseboat that is rented to the public:

3.6 (1) is not a public pool;

3.7 (2) is exempt from the requirements for public pools under subdivisions 1 to 2c, 4, and
 3.8 5 and Minnesota Rules, chapter 4717; and

3.9 (3) is exempt from the requirements under paragraph (b), clause (3).

3.10 (d) A political subdivision must not adopt a local law, rule, or ordinance that prohibits
 3.11 the operation of, or establishes additional requirements for, a spa pool that meets the criteria
 3.12 in paragraph (b) or (c).

3.13 (e) A hot water spa pool under this subdivision must be conspicuously posted with the
 3.14 following notice to renters:

3.15 "NOTICE

3.16 This spa is exempt from certain state and local sanitary requirements that prevent disease
 3.17 transmission.

3.18 USE AT YOUR OWN RISK

3.19 This notice is required under Minnesota Statutes, section 144.1222, subdivision 2d."

3.20 **Sec. 4. [144.124] EDUCATION ON RECOGNIZING SIGNS OF PHYSICAL ABUSE**
 3.21 **IN INFANTS.**

3.22 Subdivision 1. **Education by health care providers.** Family practice physicians,
 3.23 pediatricians, and other pediatric primary care providers must provide parents and primary
 3.24 caregivers of infants up to six months of age with materials on how to recognize the signs
 3.25 of physical abuse in infants and how to report suspected physical abuse of infants. These
 3.26 materials must be identified and approved by the commissioner of health according to
 3.27 subdivision 2 and must be provided to an infant's parents or primary caregivers at the infant's
 3.28 first well-baby visit after birth.

3.29 Subd. 2. **Materials.** The commissioner of health, in consultation with the commissioner
 3.30 of children, youth, and families, must identify, approve, and make available to pediatric
 3.31 primary care providers materials for pediatric primary care providers to use at well-baby

4.1 visits to educate parents and primary caregivers of infants up to six months of age on
4.2 recognizing the signs of physical abuse in infants and how to report suspected physical
4.3 abuse of infants. The commissioner must make these materials available on the Department
4.4 of Health website.

4.5 Sec. 5. Minnesota Statutes 2024, section 144.125, subdivision 1, is amended to read:

4.6 Subdivision 1. **Duty to perform testing.** (a) It is the duty of (1) the administrative officer
4.7 or other person in charge of each institution caring for infants 28 days or less of age, (2) the
4.8 person required in pursuance of the provisions of section 144.215, to register the birth of a
4.9 child, or (3) the nurse midwife or midwife in attendance at the birth, to arrange to have
4.10 administered to every infant or child in its care tests for heritable and congenital disorders
4.11 according to subdivision 2 and rules prescribed by the state commissioner of health.

4.12 (b) Testing, recording of test results, reporting of test results, and follow-up of infants
4.13 with heritable congenital disorders, including hearing loss detected through the early hearing
4.14 detection and intervention program in section 144.966, shall be performed at the times and
4.15 in the manner prescribed by the commissioner of health.

4.16 (c) The fee to support the newborn screening program, including tests administered
4.17 under this section and section 144.966, shall be ~~\$177~~ \$184 per specimen. This fee amount
4.18 shall be deposited in the state treasury and credited to the state government special revenue
4.19 fund.

4.20 (d) The fee to offset the cost of the support services provided under section 144.966,
4.21 subdivision 3a, shall be \$15 per specimen. This fee shall be deposited in the state treasury
4.22 and credited to the general fund.

4.23 Sec. 6. Minnesota Statutes 2024, section 144.125, subdivision 2, is amended to read:

4.24 Subd. 2. **Determination of tests to be administered.** (a) The commissioner shall
4.25 periodically revise the list of tests to be administered for determining the presence of a
4.26 heritable or congenital disorder. Revisions to the list shall reflect advances in medical
4.27 science, new and improved testing methods, or other factors that will improve the public
4.28 health. In determining whether a test must be administered, the commissioner shall take
4.29 into consideration the adequacy of analytical methods to detect the heritable or congenital
4.30 disorder, the ability to treat or prevent medical conditions caused by the heritable or
4.31 congenital disorder, and the severity of the medical conditions caused by the heritable or
4.32 congenital disorder. The list of tests to be performed may be revised if the changes are
4.33 recommended by the advisory committee established under section 144.1255, approved by

5.1 the commissioner, and published in the State Register. The revision is exempt from the
5.2 rulemaking requirements in chapter 14, and sections 14.385 and 14.386 do not apply.

5.3 (b) The commissioner shall revise the list of tests to be administered for determining
5.4 the presence of a heritable or congenital disorder to include metachromatic leukodystrophy
5.5 (MLD).

5.6 Sec. 7. Minnesota Statutes 2024, section 144.562, subdivision 2, is amended to read:

5.7 Subd. 2. **Eligibility for license condition.** (a) A hospital is not eligible to receive a
5.8 license condition for swing beds unless (1) it either has a licensed bed capacity of less than
5.9 50 beds defined in the federal Medicare regulations, Code of Federal Regulations, title 42,
5.10 section 482.66, or it has a licensed bed capacity of 50 beds or more and has swing beds that
5.11 were approved for Medicare reimbursement before May 1, 1985, or it has a licensed bed
5.12 capacity of less than 65 beds and the available nursing homes within 50 miles have had, in
5.13 the aggregate, an average occupancy rate of 96 percent or higher in the most recent two
5.14 years as documented on the statistical reports to the Department of Health; and (2) it is
5.15 located in a rural area as defined in the federal Medicare regulations, Code of Federal
5.16 Regulations, title 42, section 482.66.

5.17 (b) Except for those critical access hospitals established under section 144.1483, clause
5.18 (9), and section 1820 of the federal Social Security Act, United States Code, title 42, section
5.19 1395i-4, that have an attached nursing home or that owned a nursing home located in the
5.20 same municipality as of May 1, 2005, eligible hospitals are allowed a total number of days
5.21 of swing bed use per year as provided in paragraph (c). Critical access hospitals that have
5.22 an attached nursing home or that owned a nursing home located in the same municipality
5.23 as of May 1, 2005, are allowed swing bed use as provided in federal law. A critical access
5.24 hospital described in section 144.5621 is allowed an unlimited number of days of swing
5.25 bed use per year.

5.26 (c) An eligible hospital is allowed a total of 3,000 days of swing bed use in calendar
5.27 year 2020. Beginning in calendar year 2021, and for each subsequent calendar year until
5.28 calendar year 2027, the total number of days of swing bed use per year is increased by 200
5.29 swing bed use days. Beginning in calendar year 2028, an eligible hospital is allowed a total
5.30 of 4,500 days of swing bed use per year.

5.31 (d) Days of swing bed use for medical care that an eligible hospital has determined are
5.32 charity care shall not count toward the applicable limit in paragraph (b) or (c). For purposes
5.33 of this paragraph, "charity care" means care that an eligible hospital provided for free or at

6.1 a discount to persons who cannot afford to pay and for which the eligible hospital did not
6.2 expect payment.

6.3 (e) Days of swing bed use for care of a person who has been denied admission to every
6.4 Medicare-certified skilled nursing facility within 25 miles of the eligible hospital shall not
6.5 count toward the applicable limit in paragraphs (b) and (c). Eligible hospitals must maintain
6.6 documentation that they have contacted each skilled nursing facility within 25 miles to
6.7 determine if any skilled nursing facility beds are available and if the skilled nursing facilities
6.8 are willing to admit the patient. Skilled nursing facilities that are contacted must admit the
6.9 patient or deny admission within 24 hours of being contacted by the eligible hospital. Failure
6.10 to respond within 24 hours is deemed a denial of admission.

6.11 ~~(f) Except for critical access hospitals that have an attached nursing home or that owned
6.12 a nursing home located in the same municipality as of May 1, 2005, the commissioner of
6.13 health may approve swing bed use beyond 2,000 days as long as there are no Medicare
6.14 certified skilled nursing facility beds available within 25 miles of that hospital that are
6.15 willing to admit the patient and the patient agrees to the referral being sent to the skilled
6.16 nursing facility. Critical access hospitals exceeding 2,000 swing bed days must maintain
6.17 documentation that they have contacted skilled nursing facilities within 25 miles to determine
6.18 if any skilled nursing facility beds are available that are willing to admit the patient and the
6.19 patient agrees to the referral being sent to the skilled nursing facility. This paragraph expires
6.20 January 1, 2020.~~

6.21 ~~(g) After reaching 2,000 days of swing bed use in a year, an eligible hospital to which
6.22 this limit applies may admit six additional patients to swing beds each year without seeking
6.23 approval from the commissioner or being in violation of this subdivision. These six swing
6.24 bed admissions are exempt from the limit of 2,000 annual swing bed days for hospitals
6.25 subject to this limit. This paragraph expires January 1, 2020.~~

6.26 ~~(h) A health care system that is in full compliance with this subdivision may allocate its
6.27 total limit of swing bed days among the hospitals within the system, provided that no hospital
6.28 in the system without an attached nursing home may exceed 2,000 swing bed days per year.
6.29 This paragraph expires January 1, 2020.~~

6.30 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
6.31 whichever is later. The commissioners of health and human services shall inform the revisor
6.32 of statutes when federal approval is obtained.

7.1 Sec. 8. Minnesota Statutes 2024, section 144.562, subdivision 3, is amended to read:

7.2 Subd. 3. **Approval of license condition.** (a) The commissioner of health shall approve
7.3 a license condition for swing beds if the hospital meets all of the criteria of this subdivision.

7.4 (b) The hospital must meet the eligibility criteria in subdivision 2.

7.5 (c) The hospital must be in compliance with the Medicare conditions of participation
7.6 for swing beds under Code of Federal Regulations, title 42, section 482.66.

7.7 (d) Except as provided in section 144.5621, the hospital must agree, in writing, to limit
7.8 the length of stay of a patient receiving services in a swing bed to not more than 40 days,
7.9 or the duration of Medicare eligibility, unless the commissioner of health approves a greater
7.10 length of stay in an emergency situation. To determine whether an emergency situation
7.11 exists, the commissioner shall require the hospital to provide documentation that continued
7.12 services in the swing bed are required by the patient; that no skilled nursing facility beds
7.13 are available within 25 miles from the patient's home, or in some more remote facility of
7.14 the resident's choice, that can provide the appropriate level of services required by the
7.15 patient; and that other alternative services are not available to meet the needs of the patient.
7.16 If the commissioner approves a greater length of stay, the hospital shall develop a plan
7.17 providing for the discharge of the patient upon the availability of a nursing home bed or
7.18 other services that meet the needs of the patient. Permission to extend a patient's length of
7.19 stay must be requested by the hospital at least ten days prior to the end of the maximum
7.20 length of stay.

7.21 (e) Except as provided in section 144.5621, the hospital must agree, in writing, to limit
7.22 admission to a swing bed only to (1) patients who have been hospitalized and not yet
7.23 discharged from the facility, or (2) patients who are transferred directly from an acute care
7.24 hospital.

7.25 (f) The hospital must agree, in writing, to report to the commissioner of health by
7.26 December 1, 1985, and annually thereafter, in a manner required by the commissioner (1)
7.27 the number of patients readmitted to a swing bed within 60 days of a patient's discharge
7.28 from the facility, (2) the hospital's charges for care in a swing bed during the reporting
7.29 period with a description of the care provided for the rate charged, and (3) the number of
7.30 beds used by the hospital for transitional care and similar subacute inpatient care.

7.31 (g) The hospital must agree, in writing, to report statistical data on the utilization of the
7.32 swing beds on forms supplied by the commissioner. The data must include the number of
7.33 swing beds, the number of admissions to and discharges from swing beds, Medicare

8.1 reimbursed patient days, total patient days, and other information required by the
8.2 commissioner to assess the utilization of swing beds.

8.3 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
8.4 whichever is later. The commissioners of health and human services shall inform the revisor
8.5 of statutes when federal approval is obtained.

8.6 **Sec. 9. [144.562] SWING BED APPROVAL; EXCEPTIONS.**

8.7 Subdivision 1. **Swing bed exemption.** (a) The conditions and limitations in section
8.8 144.562, paragraphs (d) and (e), do not apply to any hospital located in Cook County that:

8.9 (1) is designated as a critical access hospital under section 144.1483, clause (9), and
8.10 United States Code, title 42, section 1395i-4; and

8.11 (2) has an attached nursing home.

8.12 (b) Any swing bed located in a hospital described in this section may be used to provide
8.13 nursing care without requiring a prior hospital stay.

8.14 (c) The nursing care provided to a patient in a swing bed is a covered medical assistance
8.15 service under section 256B.0625, subdivision 2b.

8.16 Subd. 2. **Application of the health care bill of rights.** A patient in a swing bed located
8.17 in a hospital described in this section is a resident of a nursing home for the purposes of
8.18 section 144.651.

8.19 Subd. 3. **Comprehensive resident assessment.** A patient in a swing bed located in a
8.20 hospital described in this section is a resident of a nursing home for the purposes of Minnesota
8.21 Rules, part 4658.0400.

8.22 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
8.23 whichever is later. The commissioners of health and human services shall inform the revisor
8.24 of statutes when federal approval is obtained.

8.25 Sec. 10. Minnesota Statutes 2024, section 144.563, is amended to read:

8.26 **144.563 NURSING SERVICES PROVIDED IN A HOSPITAL; PROHIBITED**
8.27 **PRACTICES.**

8.28 A hospital that has been granted a license condition under section 144.562 or 144.5621
8.29 must not provide to patients not reimbursed by Medicare or medical assistance the types of
8.30 services that would be usually and customarily provided and reimbursed under medical
8.31 assistance or Medicare as services of a skilled nursing facility or intermediate care facility

9.1 for more than 42 days and only for patients who have been hospitalized and no longer require
9.2 an acute level of care. Permission to extend a patient's length of stay may be granted by the
9.3 commissioner if requested by the physician at least ten days prior to the end of the maximum
9.4 length of stay.

9.5 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
9.6 whichever is later. The commissioners of health and human services shall inform the revisor
9.7 of statutes when federal approval is obtained.

9.8 Sec. 11. Minnesota Statutes 2024, section 144.608, subdivision 2, is amended to read:

9.9 Subd. 2. **Council administration.** (a) The council must meet at least twice a year but
9.10 may meet more frequently at the call of the chair, a majority of the council members, or the
9.11 commissioner.

9.12 (b) The terms, compensation, and removal of members of the council are governed by
9.13 section 15.059. The council expires June 30, ~~2025~~ 2035.

9.14 (c) The council may appoint subcommittees and work groups. Subcommittees shall
9.15 consist of council members. Work groups may include noncouncil members. Noncouncil
9.16 members shall be compensated for work group activities under section 15.059, subdivision
9.17 3, but shall receive expenses only.

9.18 Sec. 12. Minnesota Statutes 2024, section 144.966, subdivision 2, is amended to read:

9.19 Subd. 2. **Newborn Hearing Screening Advisory Committee.** (a) The commissioner
9.20 of health shall establish a Newborn Hearing Screening Advisory Committee to advise and
9.21 assist the Department of Health; Department of Children, Youth, and Families; and the
9.22 Department of Education in:

9.23 (1) developing protocols and timelines for screening, rescreening, and diagnostic
9.24 audiological assessment and early medical, audiological, and educational intervention
9.25 services for children who are deaf or hard-of-hearing;

9.26 (2) designing protocols for tracking children from birth through age three that may have
9.27 passed newborn screening but are at risk for delayed or late onset of permanent hearing
9.28 loss;

9.29 (3) designing a technical assistance program to support facilities implementing the
9.30 screening program and facilities conducting rescreening and diagnostic audiological
9.31 assessment;

- 10.1 (4) designing implementation and evaluation of a system of follow-up and tracking; and
- 10.2 (5) evaluating program outcomes to increase effectiveness and efficiency and ensure
- 10.3 culturally appropriate services for children with a confirmed hearing loss and their families.
- 10.4 (b) The commissioner of health shall appoint at least one member from each of the
- 10.5 following groups with no less than two of the members being deaf or hard-of-hearing:
- 10.6 (1) a representative from a consumer organization representing culturally deaf persons;
- 10.7 (2) a parent with a child with hearing loss representing a parent organization;
- 10.8 (3) a consumer from an organization representing oral communication options;
- 10.9 (4) a consumer from an organization representing cued speech communication options;
- 10.10 (5) an audiologist who has experience in evaluation and intervention of infants and
- 10.11 young children;
- 10.12 (6) a speech-language pathologist who has experience in evaluation and intervention of
- 10.13 infants and young children;
- 10.14 (7) two primary care providers who have experience in the care of infants and young
- 10.15 children, one of which shall be a pediatrician;
- 10.16 (8) a representative from the early hearing detection intervention teams;
- 10.17 (9) a representative from the Department of Education resource center for the deaf and
- 10.18 hard-of-hearing or the representative's designee;
- 10.19 (10) a representative of the Commission of the Deaf, DeafBlind and Hard of Hearing;
- 10.20 (11) a representative from the Department of Human Services Deaf and Hard-of-Hearing
- 10.21 Services Division;
- 10.22 (12) one or more of the Part C coordinators from the Department of Education; the
- 10.23 Department of Health; the Department of Children, Youth, and Families; or the Department
- 10.24 of Human Services or the department's designees;
- 10.25 (13) the Department of Health early hearing detection and intervention coordinators;
- 10.26 (14) two birth hospital representatives from one rural and one urban hospital;
- 10.27 (15) a pediatric geneticist;
- 10.28 (16) an otolaryngologist;
- 10.29 (17) a representative from the Newborn Screening Advisory Committee under this
- 10.30 subdivision;

- 11.1 (18) a representative of the Department of Education regional low-incidence facilitators;
- 11.2 (19) a representative from the deaf mentor program; and
- 11.3 (20) a representative of the Minnesota State Academy for the Deaf from the Minnesota
- 11.4 State Academies staff.

11.5 The commissioner must complete the initial appointments required under this subdivision

11.6 by September 1, 2007, and the initial appointments under clauses (19) and (20) by September

11.7 1, 2019.

11.8 (c) The Department of Health member shall chair the first meeting of the committee. At

11.9 the first meeting, the committee shall elect a chair from its membership. The committee

11.10 shall meet at the call of the chair, at least four times a year. The committee shall adopt

11.11 written bylaws to govern its activities. The Department of Health shall provide technical

11.12 and administrative support services as required by the committee. These services shall

11.13 include technical support from individuals qualified to administer infant hearing screening,

11.14 rescreening, and diagnostic audiological assessments.

11.15 Members of the committee shall receive no compensation for their service, but shall be

11.16 reimbursed as provided in section 15.059 for expenses incurred as a result of their duties

11.17 as members of the committee.

11.18 (d) By February 15, 2015, and by February 15 of the odd-numbered years after that date,

11.19 the commissioner shall report to the chairs and ranking minority members of the legislative

11.20 committees with jurisdiction over health and data privacy on the activities of the committee

11.21 that have occurred during the past two years.

11.22 ~~(e) This subdivision expires June 30, 2025.~~

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

11.24 June 30, 2025, whichever is earlier.

11.25 Sec. 13. Minnesota Statutes 2024, section 145.8811, is amended to read:

11.26 **145.8811 MATERNAL AND CHILD HEALTH ADVISORY ~~TASK FORCE~~**

11.27 **COMMITTEE.**

11.28 Subdivision 1. **Composition of ~~task force~~ committee.** The commissioner shall establish

11.29 and appoint a Maternal and Child Health Advisory ~~Task Force~~ Committee consisting of 15

11.30 members who will provide equal representation from:

- 11.31 (1) professionals with expertise in maternal and child health services;

12.1 (2) representatives of community health boards as defined in section 145A.02, subdivision
12.2 5; and

12.3 (3) consumer representatives interested in the health of mothers and children.

12.4 No members shall be employees of the Minnesota Department of Health. Section 15.059
12.5 governs the Maternal and Child Health Advisory ~~Task Force~~ Committee. Notwithstanding
12.6 section 15.059, the Maternal and Child Health Advisory ~~Task Force~~ Committee does not
12.7 expire.

12.8 Subd. 2. **Duties.** The advisory ~~task force~~ committee shall meet on a regular basis to
12.9 perform the following duties:

12.10 (1) review and report on the health care needs of mothers and children throughout the
12.11 state of Minnesota;

12.12 (2) review and report on the type, frequency, and impact of maternal and child health
12.13 care services provided to mothers and children under existing maternal and child health
12.14 care programs, including programs administered by the commissioner of health;

12.15 (3) establish, review, and report to the commissioner a list of program guidelines and
12.16 criteria which the advisory ~~task force~~ committee considers essential to providing an effective
12.17 maternal and child health care program to low-income populations and high-risk persons
12.18 and fulfilling the purposes defined in section 145.88;

12.19 (4) make recommendations to the commissioner for the use of other federal and state
12.20 funds available to meet maternal and child health needs;

12.21 (5) make recommendations to the commissioner of health on priorities for funding the
12.22 following maternal and child health services:

12.23 (i) prenatal, delivery, and postpartum care;

12.24 (ii) comprehensive health care for children, especially from birth through five years of
12.25 age;

12.26 (iii) adolescent health services;

12.27 (iv) family planning services;

12.28 (v) preventive dental care;

12.29 (vi) special services for chronically ill and disabled children; and

12.30 (vii) any other services that promote the health of mothers and children; and

13.1 (6) establish in consultation with the commissioner statewide outcomes that will improve
13.2 the health status of mothers and children.

13.3 Sec. 14. Minnesota Statutes 2024, section 256B.0625, subdivision 2, is amended to read:

13.4 Subd. 2. **Skilled and intermediate nursing care.** ~~(a) Medical assistance covers skilled~~
13.5 ~~nursing home services and services of intermediate care facilities, including training and~~
13.6 ~~habilitation services, as defined in section 252.41, subdivision 3, for persons with~~
13.7 ~~developmental disabilities who are residing in intermediate care facilities for persons with~~
13.8 ~~developmental disabilities. Medical assistance must not be used to pay the costs of nursing~~
13.9 ~~care provided to a patient in a swing bed as defined in section 144.562, unless (1) the facility~~
13.10 ~~in which the swing bed is located is eligible as a sole community provider, as defined in~~
13.11 ~~Code of Federal Regulations, title 42, section 412.92, or the facility is a public hospital~~
13.12 ~~owned by a governmental entity with 15 or fewer licensed acute care beds; (2) the Centers~~
13.13 ~~for Medicare and Medicaid Services approves the necessary state plan amendments; (3) the~~
13.14 ~~patient was screened as provided by law; (4) the patient no longer requires acute care~~
13.15 ~~services; and (5) no nursing home beds are available within 25 miles of the facility. The~~
13.16 ~~commissioner shall exempt a facility from compliance with the sole community provider~~
13.17 ~~requirement in clause (1) if, as of January 1, 2004, the facility had an agreement with the~~
13.18 ~~commissioner to provide medical assistance swing bed services.~~

13.19 ~~(b) Medical assistance also covers up to ten days of nursing care provided to a patient~~
13.20 ~~in a swing bed if: (1) the patient's physician, advanced practice registered nurse, or physician~~
13.21 ~~assistant certifies that the patient has a terminal illness or condition that is likely to result~~
13.22 ~~in death within 30 days and that moving the patient would not be in the best interests of the~~
13.23 ~~patient and patient's family; (2) no open nursing home beds are available within 25 miles~~
13.24 ~~of the facility; and (3) no open beds are available in any Medicare hospice program within~~
13.25 ~~50 miles of the facility. The daily medical assistance payment for nursing care for the patient~~
13.26 ~~in the swing bed is the statewide average medical assistance skilled nursing care per diem~~
13.27 ~~as computed annually by the commissioner on July 1 of each year.~~

13.28 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
13.29 whichever is later. The commissioners of health and human services shall inform the revisor
13.30 of statutes when federal approval is obtained.

14.1 Sec. 15. Minnesota Statutes 2024, section 256B.0625, is amended by adding a subdivision
14.2 to read:

14.3 Subd. 2b. Nursing care provided to a patient in a swing bed. (a) Medical assistance
14.4 must not be used to pay the costs of nursing care provided to a patient in a swing bed as
14.5 defined in section 144.562, unless:

14.6 (1) the facility in which the swing bed is located is eligible as a sole community provider,
14.7 as defined in Code of Federal Regulations, title 42, section 412.92, or the facility is a public
14.8 hospital owned by a governmental entity with 25 or fewer licensed acute care beds;

14.9 (2) the Centers for Medicare and Medicaid Services approves the necessary state plan
14.10 amendments;

14.11 (3) the patient was screened as provided by law;

14.12 (4) the patient no longer requires acute care services; and

14.13 (5) no nursing home beds are available within 25 miles of the facility.

14.14 (b) The commissioner shall exempt a facility from compliance with the sole community
14.15 provider requirement in paragraph (a), clause (1), if, as of January 1, 2004, the facility had
14.16 an agreement with the commissioner to provide medical assistance swing bed services.

14.17 (c) Medical assistance also covers up to ten days of nursing care provided to a patient
14.18 in a swing bed if:

14.19 (1) the patient's physician, advanced practice registered nurse, or physician assistant
14.20 certifies that the patient has a terminal illness or condition that is likely to result in death
14.21 within 30 days and that moving the patient would not be in the best interests of the patient
14.22 and patient's family;

14.23 (2) no open nursing home beds are available within 25 miles of the facility; and

14.24 (3) no open beds are available in any Medicare hospice program within 50 miles of the
14.25 facility.

14.26 (d) The commissioner shall exempt any facility described under section 144.5621 from
14.27 compliance with the requirements of paragraph (a), clauses (3) and (5), and paragraph (c),
14.28 and medical assistance covers an unlimited number of days of nursing care provided to a
14.29 patient in a swing bed at a facility described under section 144.5621.

14.30 (e) The daily medical assistance payment for nursing care for the patient in the swing
14.31 bed is the statewide average medical assistance skilled nursing care per diem as computed
14.32 annually by the commissioner on July 1 of each year.

15.1 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
15.2 whichever is later. The commissioners of health and human services shall inform the revisor
15.3 of statutes when federal approval is obtained.

15.4 Sec. 16. Minnesota Statutes 2024, section 256R.01, is amended by adding a subdivision
15.5 to read:

15.6 Subd. 1a. **Payment rates for nursing care provided to a patient in a swing**
15.7 **bed.** Payment rates paid to any hospital for nursing care provided to a patient in a swing
15.8 bed must be those rates established pursuant section 256B.0625, subdivision 2b.

15.9 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
15.10 whichever is later. The commissioners of health and human services shall inform the revisor
15.11 of statutes when federal approval is obtained.

15.12 Sec. 17. **SPOKEN LANGUAGE HEALTH CARE INTERPRETER WORK GROUP.**

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

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

15.16 (c) "Common languages" means the 15 most common languages without regard to dialect
15.17 in Minnesota.

15.18 (d) "Registered interpreter" means a spoken language interpreter who is listed on the
15.19 Department of Health's spoken language health care interpreter roster.

15.20 (e) "Work group" means the spoken language health care interpreter work group
15.21 established in this section.

15.22 Subd. 2. **Composition.** The commissioner, after receiving work group candidate
15.23 applications, must appoint 15 members to the work group consisting of the following
15.24 members:

15.25 (1) three members who are interpreters listed on the Department of Health's spoken
15.26 language health care interpreter roster and who are Minnesota residents. Of these members:

15.27 (i) each must be an interpreter for a different language;

15.28 (ii) at least one must have a national certification credential; and

16.1 (iii) at least one must have been listed on the roster as an interpreter in a language other
16.2 than the common languages and must have completed a nationally recognized training
16.3 program for health care interpreters that is, at a minimum, 40 hours in length;

16.4 (2) three members representing limited English proficiency (LEP) individuals. Of these
16.5 members, two must represent LEP individuals who are proficient in a common language
16.6 other than English and one must represent LEP individuals who are proficient in a language
16.7 that is not one of the common languages;

16.8 (3) one member representing a health plan company;

16.9 (4) one member who is not an interpreter and who is representing a Minnesota health
16.10 system;

16.11 (5) two members representing interpreter agencies, including one member representing
16.12 agencies whose main office is located outside the seven-county metropolitan area and one
16.13 member representing agencies whose main office is located within the seven-county
16.14 metropolitan area;

16.15 (6) one member representing the Department of Health;

16.16 (7) one member representing the Department of Human Services;

16.17 (8) one member representing an interpreter training program or postsecondary educational
16.18 institution program providing interpreter courses or skills assessment;

16.19 (9) one member who is affiliated with a Minnesota-based or Minnesota chapter of a
16.20 national or international organization representing interpreters; and

16.21 (10) one member who is a licensed health care provider.

16.22 Subd. 3. **Duties.** The work group must compile a list of recommendations to support
16.23 and improve access to the critical health care interpreting services provided across the state,
16.24 including but not limited to:

16.25 (1) changing requirements for registered and certified interpreters to reflect changing
16.26 needs of the Minnesota health care community and emerging national standards of training,
16.27 competency, and testing;

16.28 (2) addressing barriers for interpreters to gain access to the roster, including barriers for
16.29 interpreters of languages other than common languages and interpreters in rural areas;

16.30 (3) reimbursing spoken language health care interpreting;

17.1 (4) identifying gaps in interpreter services in rural areas and recommending ways to
17.2 address interpreter training and funding needs;

17.3 (5) training, certification, and continuing education programs;

17.4 (6) convening a meeting of public and private sector representatives of the spoken
17.5 language health care interpreter community to identify ongoing sources of financial assistance
17.6 to aid individual interpreters in meeting interpreter training and testing requirements;

17.7 (7) conducting surveys of people receiving and providing interpreter services to
17.8 understand changing needs and consumer quality of care; and

17.9 (8) suggesting changes in requirements and qualifications on telehealth or remote
17.10 interpreting.

17.11 Subd. 4. **Compensation; expense reimbursement.** Compensation shall be offered to
17.12 work group members not being compensated for their participation in work group activities
17.13 as part of their existing job duties. Work group members shall be compensated and
17.14 reimbursed for expenses for work group activities under Minnesota Statutes, section 15.059,
17.15 subdivision 3.

17.16 Subd. 5. **Administrative support; meeting space, meeting facilitation.** The
17.17 commissioner must provide meeting space and administrative support for the work group.
17.18 The commissioner may contract with a neutral independent consultant to provide this
17.19 administrative support and to facilitate and lead the meetings of the work group.

17.20 Subd. 6. **Deadline for appointments.** The commissioner must appoint members to the
17.21 work group by August 15, 2025.

17.22 Subd. 7. **Expiration.** The work group and this section expire on November 2, 2026, or
17.23 upon submission of the report required under subdivision 9, whichever is earlier.

17.24 Subd. 8. **Initial work group meetings.** The commissioner must convene the first meeting
17.25 of the work group by October 1, 2025. Prior to the first meeting, work group members must
17.26 receive survey results and evidence-based research on interpreter services in Minnesota.
17.27 During the first meetings, work group members must receive survey results and consult
17.28 with subject matter experts, including but not limited to signed language interpreting experts,
17.29 academic experts with knowledge of interpreting research, and academic health experts to
17.30 address specific gaps in spoken language health care interpreting. The work group must
17.31 provide a minimum of two opportunities for public comment. These opportunities shall be
17.32 announced with at least four weeks' notice, with publicity in the five most common languages

18.1 in Minnesota. Interpreters for those same languages shall be provided during the public
 18.2 comment opportunities.

18.3 Subd. 9. **Report.** By November 1, 2026, the commissioner must provide the chairs and
 18.4 ranking minority members of the legislative committees with jurisdiction over health care
 18.5 interpreter services with recommendations, including draft legislation and any statutory
 18.6 changes needed to implement the recommendations, to improve and support access to health
 18.7 care interpreting services statewide.

18.8 Sec. 18. **TITLE.**

18.9 The amendments to Minnesota Statutes, section 144.1222, subdivision 2d, in this act
 18.10 may be cited as the "Free the Hot Tub Act."

18.11 Sec. 19. **REPEALER.**

18.12 Minnesota Statutes 2024, section 145.361, is repealed.

18.13 **ARTICLE 2**

18.14 **DEPARTMENT OF HEALTH POLICY**

18.15 Section 1. Minnesota Statutes 2024, section 62J.51, subdivision 19a, is amended to read:

18.16 Subd. 19a. **Uniform explanation of benefits document.** "Uniform explanation of
 18.17 benefits ~~document~~" means either the document associated with and explaining the details
 18.18 of a group purchaser's claim adjudication for services rendered or its electronic equivalent
 18.19 under section 62J.581, which is sent to a patient.

18.20 Sec. 2. Minnesota Statutes 2024, section 62J.581, is amended to read:

18.21 **62J.581 STANDARDS FOR MINNESOTA UNIFORM HEALTH CARE**
 18.22 **REIMBURSEMENT DOCUMENTS.**

18.23 Subdivision 1. **Minnesota uniform remittance advice.** All group purchasers shall
 18.24 provide a uniform claim payment/advice transaction to health care providers when a claim
 18.25 is adjudicated. The uniform claim payment/advice transaction shall comply with section
 18.26 62J.536, subdivision 1, paragraph (b), and rules adopted under section 62J.536, subdivision
 18.27 2.

18.28 Subd. 2. **Minnesota uniform explanation of benefits document.** (a) All group
 18.29 purchasers shall provide a uniform explanation of benefits ~~document~~ to health care patients
 18.30 when an explanation of benefits ~~document~~ is provided as otherwise required or permitted

19.1 by law. The uniform explanation of benefits ~~document~~ shall comply with the standards
19.2 prescribed in this section.

19.3 (b) Notwithstanding paragraph (a), this section does not apply to group purchasers not
19.4 included as covered entities under United States Code, title 42, sections 1320d to 1320d-8,
19.5 as amended from time to time, and the regulations promulgated under those sections.

19.6 Subd. 3. **Scope.** For purposes of sections 62J.50 to 62J.61, the ~~uniform claim~~
19.7 ~~payment/advice transaction and~~ uniform explanation of benefits ~~document~~ format specified
19.8 in subdivision 4 shall apply to all health care services delivered by a health care provider
19.9 or health care provider organization in Minnesota, regardless of the location of the payer.
19.10 Health care services not paid on an individual claims basis, such as capitated payments, are
19.11 not included in this section. A health plan company is excluded from the requirements in
19.12 ~~subdivisions 1 and~~ subdivision 2 if they comply with section 62A.01, subdivisions 2 and
19.13 3.

19.14 Subd. 4. **Specifications.** (a) The uniform explanation of benefits ~~document~~ shall be
19.15 provided by use of a paper document conforming to the specifications in this section or its
19.16 electronic equivalent under paragraph (b).

19.17 (b) Group purchasers may make the uniform explanation of benefits available in a version
19.18 that can be accessed by health care patients electronically if:

19.19 (1) the group purchaser making the uniform explanation of benefits available
19.20 electronically provides health care patients the ability to choose whether to receive paper,
19.21 electronic, or both paper and electronic versions of their uniform explanation of benefits;

19.22 (2) the group purchaser provides clear, readily accessible information and instructions
19.23 for the patient to communicate their choice; and

19.24 (3) health care patients not responding to the opportunity to make a choice will receive
19.25 at a minimum a paper uniform explanation of benefits.

19.26 (c) The commissioner, after consulting with the Administrative Uniformity Committee,
19.27 shall specify the data elements and definitions for the paper uniform explanation of benefits
19.28 document. ~~The commissioner and the Administrative Uniformity Committee must consult~~
19.29 ~~with the Minnesota Dental Association and Delta Dental Plan of Minnesota before requiring~~
19.30 ~~under this section the use of a paper document for the uniform explanation of benefits~~
19.31 ~~document or the uniform claim payment/advice transaction for dental care services. Any~~
19.32 electronic version of the uniform explanation of benefits must use the same data elements
19.33 and definitions as the paper uniform explanation of benefits.

20.1 ~~Subd. 5. **Effective date.** The requirements in subdivisions 1 and 2 are effective June 30,~~
20.2 ~~2007. The requirements in subdivisions 1 and 2 apply regardless of when the health care~~
20.3 ~~service was provided to the patient.~~

20.4 Sec. 3. Minnesota Statutes 2024, section 144.50, is amended by adding a subdivision to
20.5 read:

20.6 Subd. 8. **Controlling person.** (a) For hospitals licensed under sections 144.50 to 144.56,
20.7 "controlling person" means an owner and the following individuals and entities, if applicable:

20.8 (1) each officer of the organization, including the chief executive officer and the chief
20.9 financial officer;

20.10 (2) the hospital administrator;

20.11 (3) any managerial official; and

20.12 (4) any individual or entity who has a direct or indirect ownership interest in:

20.13 (i) any corporation, partnership, or other business association which is a controlling
20.14 person;

20.15 (ii) the land on which a hospital is located;

20.16 (iii) the structure in which a hospital is located;

20.17 (iv) any entity with at least a five percent mortgage, contract for deed, deed of trust, or
20.18 other security interest in the land or structure comprising a hospital; or

20.19 (v) any lease or sublease of the land, structure, or facilities comprising a hospital.

20.20 (b) "Controlling person" does not include:

20.21 (1) a bank, savings bank, trust company, savings association, credit union, industrial
20.22 loan and thrift company, investment banking firm, or insurance company unless the entity
20.23 directly or through a subsidiary operates a hospital;

20.24 (2) government and government-sponsored entities such as the United States Department
20.25 of Housing and Urban Development, Ginnie Mae, Fannie Mae, Freddie Mac, and the
20.26 Minnesota Housing Finance Agency which provide loans, financing, and insurance products
20.27 for housing sites;

20.28 (3) an individual who is a state or federal official, a state or federal employee, or a
20.29 member or employee of the governing body of a political subdivision of the state or federal
20.30 government that operates one or more hospitals, unless the individual is also an officer,

21.1 owner, or managerial official of the hospital, receives any remuneration from the hospital,
 21.2 or is a controlling person not otherwise excluded in this subdivision;

21.3 (4) an individual who is a member of a tax-exempt organization under section 290.05,
 21.4 subdivision 2, unless the individual is also a controlling person not otherwise excluded in
 21.5 this subdivision; or

21.6 (5) an individual who owns less than five percent of the outstanding common shares of
 21.7 a corporation:

21.8 (i) whose securities are exempt by virtue of section 80A.45, clause (6); or

21.9 (ii) whose transactions are exempt by virtue of section 80A.46, clause (7).

21.10 Sec. 4. Minnesota Statutes 2024, section 144.555, subdivision 1a, is amended to read:

21.11 Subd. 1a. **Notice of closing, curtailing operations, relocating services, or ceasing to**
 21.12 **offer certain services; hospitals.** (a) The controlling persons of a hospital licensed under
 21.13 sections 144.50 to 144.56 or a hospital campus must notify the commissioner of health, the
 21.14 public, and others at least 182 days before the hospital or hospital campus voluntarily plans
 21.15 to implement one of the scheduled actions listed in paragraph (b), unless the controlling
 21.16 persons can demonstrate to the commissioner that meeting the advanced notice requirement
 21.17 is not feasible and the commissioner approves a shorter advanced notice.

21.18 (b) The following scheduled actions require advanced notice under paragraph (a):

21.19 (1) ceasing operations;

21.20 (2) curtailing operations to the extent that patients receiving inpatient health services or
 21.21 emergency department services must be relocated;

21.22 (3) relocating the provision of inpatient health services or emergency department services
 21.23 to another hospital or ~~another~~ hospital campus; or

21.24 (4) ceasing to offer inpatient maternity care and inpatient newborn care services, inpatient
 21.25 intensive care unit services, inpatient mental health services, or inpatient substance use
 21.26 disorder treatment services.

21.27 (c) A notice required under this subdivision must comply with the requirements in
 21.28 subdivision 1d.

21.29 (d) The commissioner shall cooperate with the controlling persons and advise them
 21.30 about relocating the patients.

22.1 (e) For purposes of this subdivision, "inpatient" means services provided to an individual
 22.2 admitted to a hospital for bed occupancy.

22.3 Sec. 5. Minnesota Statutes 2024, section 144.555, subdivision 1b, is amended to read:

22.4 Subd. 1b. **Public hearing.** Within 30 days after receiving notice under subdivision 1a,
 22.5 the commissioner shall conduct a public hearing on the scheduled cessation of operations,
 22.6 curtailment of operations, relocation of health services, or cessation in offering health
 22.7 services. The commissioner must provide adequate public notice of the hearing in a time
 22.8 and manner determined by the commissioner. The commissioner must ensure that video
 22.9 conferencing technology is used at the public hearing to allow members of the public to
 22.10 view and participate in the hearing. The controlling persons of the hospital or hospital
 22.11 campus must participate in the public hearing. The public hearing must be held at a location
 22.12 that is within ten miles of the hospital or hospital campus or with the commissioner's approval
 22.13 as close as is practicable, that can accommodate the hearing's anticipated public attendance,
 22.14 and that is provided or arranged by the hospital or hospital campus. ~~Video conferencing~~
 22.15 ~~technology must be used to allow members of the public to view and participate in the~~
 22.16 ~~hearing.~~ The public hearing must include:

22.17 (1) an explanation by the controlling persons of the reasons for ceasing or curtailing
 22.18 operations, relocating health services, or ceasing to offer any of the listed health services;

22.19 (2) a description of the actions that controlling persons will take to ensure that residents
 22.20 in the hospital's or campus's service area have continued access to the health services being
 22.21 eliminated, curtailed, or relocated;

22.22 (3) an opportunity for at least one hour of public testimony on the scheduled cessation
 22.23 or curtailment of operations, relocation of health services, or cessation in offering any of
 22.24 the listed health services, and on the hospital's or campus's plan to ensure continued access
 22.25 to those health services being eliminated, curtailed, or relocated; and

22.26 (4) an opportunity for the controlling persons to respond to questions from interested
 22.27 persons.

22.28 ARTICLE 3

22.29 HEALTH LICENSING BOARDS

22.30 Section 1. Minnesota Statutes 2024, section 144.99, subdivision 1, is amended to read:

22.31 Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and sections
 22.32 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14),

23.1 and (15); 144.1201 to 144.1204; 144.121; 144.1215; 144.1222; 144.35; 144.381 to 144.385;
 23.2 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9512; 144.97 to 144.98;
 23.3 144.992; 147.037, subdivision 1b, paragraph (d); 326.70 to 326.785; 327.10 to 327.131;
 23.4 and 327.14 to 327.28 and all rules, orders, stipulation agreements, settlements, compliance
 23.5 agreements, licenses, registrations, certificates, and permits adopted or issued by the
 23.6 department or under any other law now in force or later enacted for the preservation of
 23.7 public health may, in addition to provisions in other statutes, be enforced under this section.

23.8 **EFFECTIVE DATE.** This section is effective January 1, 2026.

23.9 Sec. 2. Minnesota Statutes 2024, section 147.01, subdivision 7, is amended to read:

23.10 Subd. 7. **Physician application and license fees.** (a) The board may charge the following
 23.11 nonrefundable application and license fees processed pursuant to sections 147.02, 147.03,
 23.12 147.037, 147.0375, and 147.38:

23.13 (1) physician application fee, \$200;

23.14 (2) physician annual registration renewal fee, \$192;

23.15 (3) physician endorsement to other states, \$40;

23.16 (4) physician emeritus license, \$50;

23.17 (5) physician late fee, \$60;

23.18 (6) nonrenewable 24-month limited license, \$392;

23.19 (7) initial physician license for limited license holder, \$192;

23.20 ~~(6)~~ (8) duplicate license fee, \$20;

23.21 ~~(7)~~ (9) certification letter fee, \$25;

23.22 ~~(8)~~ (10) education or training program approval fee, \$100;

23.23 ~~(9)~~ (11) report creation and generation fee, \$60 per hour;

23.24 ~~(10)~~ (12) examination administration fee (half day), \$50;

23.25 ~~(11)~~ (13) examination administration fee (full day), \$80;

23.26 ~~(12)~~ (14) fees developed by the Interstate Commission for determining physician
 23.27 qualification to register and participate in the interstate medical licensure compact, as

23.28 established in rules authorized in and pursuant to section 147.38, not to exceed \$1,000; and

23.29 ~~(13)~~ (15) verification fee, \$25.

24.1 (b) The board may prorate the initial annual license fee. All licensees are required to
24.2 pay the full fee upon license renewal. The revenue generated from the fee must be deposited
24.3 in an account in the state government special revenue fund.

24.4 Sec. 3. Minnesota Statutes 2024, section 147.037, is amended by adding a subdivision to
24.5 read:

24.6 Subd. 1b. **Limited license.** (a) A limited license under this subdivision is valid for one
24.7 24-month period and is not renewable or eligible for reapplication. The board may issue a
24.8 limited license, valid for 24 months, to any person who satisfies the requirements of
24.9 subdivision 1, paragraphs (a) to (c) and (e) to (g), and who:

24.10 (1) pursuant to a license or other authorization to practice, has practiced medicine, as
24.11 defined in section 147.081, subdivision 3, clauses (2) to (4), for at least 60 months in the
24.12 previous 12 years outside of the United States;

24.13 (2) submits sufficient evidence of an offer to practice within the context of a collaborative
24.14 agreement within a hospital or clinical setting where the limited license holder and physicians
24.15 work together to provide patient care;

24.16 (3) provides services in a designated rural area or underserved urban community as
24.17 defined in section 144.1501; and

24.18 (4) submits two letters of recommendation in support of a limited license, which must
24.19 include one letter from a physician with whom the applicant previously worked and one
24.20 letter from an administrator of the hospital or clinical setting in which the applicant previously
24.21 worked. The letters of recommendation must attest to the applicant's good medical standing.
24.22 The board may accept alternative forms of proof that demonstrate good medical standing
24.23 where there are extenuating circumstances that prevent an applicant from providing letters.

24.24 (b) For purposes of this subdivision, a person has satisfied the requirements of subdivision
24.25 1, paragraph (e), if the person has passed steps or levels one and two of the USMLE or the
24.26 COMLEX-USA with passing scores as recommended by the USMLE program or National
24.27 Board of Osteopathic Medical Examiners within three attempts.

24.28 (c) A person issued a limited license under this subdivision must not be required to
24.29 present evidence satisfactory to the board of the completion of one year of graduate clinical
24.30 medical training in a program accredited by a national accrediting organization approved
24.31 by the board.

24.32 (d) An employer of a limited license holder must pay the limited license holder at least
24.33 an amount equivalent to a medical resident in a comparable field. The employer must carry

25.1 medical malpractice insurance covering a limited license holder for the duration of the
25.2 employment. The commissioner of health may issue a correction order under section 144.99,
25.3 subdivision 3, requiring an employer to comply with this paragraph. An employer must not
25.4 retaliate against or discipline an employee for raising a complaint or pursuing enforcement
25.5 relating to this paragraph.

25.6 (e) The board may issue a full and unrestricted license to practice medicine to a person
25.7 who holds a limited license issued pursuant to paragraph (a) and who has:

25.8 (1) held the limited license for two years and is in good standing to practice medicine
25.9 in this state;

25.10 (2) practiced for a minimum of 1,692 hours per year for each of the previous two years;

25.11 (3) submitted a letter of recommendation in support of a full and unrestricted license
25.12 containing all attestations required under paragraph (i) from any physician who participated
25.13 in the collaborative agreement;

25.14 (4) passed steps or levels one, two, and three of the USMLE or COMLEX-USA with
25.15 passing scores as recommended by the USMLE program or National Board of Osteopathic
25.16 Medical Examiners within three attempts; and

25.17 (5) completed 20 hours of continuing medical education.

25.18 (f) A limited license holder must submit to the board, every six months or upon request,
25.19 a statement certifying whether the person is still employed as a physician in this state and
25.20 whether the person has been subjected to professional discipline as a result of the person's
25.21 practice. The board may suspend or revoke a limited license if a majority of the board
25.22 determines that the limited license holder is no longer employed as a physician in this state
25.23 by an employer. The limited license holder must be granted an opportunity to be heard prior
25.24 to the board's determination. Upon request by the limited license holder, the limited license
25.25 holder may have 90 days to regain employment. A limited license holder may change
25.26 employers during the duration of the limited license if the limited license holder has another
25.27 offer of employment. In the event that a change of employment occurs, the limited license
25.28 holder must still work the number of hours required under paragraph (e), clause (2), to be
25.29 eligible for a full and unrestricted license to practice medicine.

25.30 (g) In addition to any other remedy provided by law, the board may, without a hearing,
25.31 temporarily suspend the license of a limited license holder if the board finds that the limited
25.32 license holder has violated a statute or rule that the board is empowered to enforce and
25.33 continued practice by the limited license holder would create a serious risk of harm to the

26.1 public. The suspension takes effect upon written notice to the limited license holder,
26.2 specifying the statute or rule violated. The suspension remains in effect until the board
26.3 issues a final order in the matter after a hearing. At the time it issues the suspension notice,
26.4 the board shall schedule a disciplinary hearing to be held pursuant to the Administrative
26.5 Procedure Act. The limited license holder shall be provided with at least 20 days' notice of
26.6 any hearing held pursuant to this subdivision. The hearing shall be scheduled to begin no
26.7 later than 30 days after the issuance of the suspension order.

26.8 (h) For purposes of this subdivision, "collaborative agreement" means a mutually agreed
26.9 upon plan for the overall working relationship and collaborative arrangement between a
26.10 holder of a limited license and one or more physicians licensed under this chapter that
26.11 designates the scope of services that can be provided to manage the care of patients. The
26.12 limited license holder and one of the collaborating physicians must have experience in
26.13 providing care to patients with the same or similar medical conditions. Under the
26.14 collaborative agreement, the limited license holder must shadow the collaborating physician
26.15 for four weeks, after which time the limited license holder must staff all patient encounters
26.16 with the collaborating physician for an additional four weeks. After eight weeks, the
26.17 collaborating physician has discretion to allow the limited license holder to see patients
26.18 independently and may, at the discretion of the collaborating physician, require the limited
26.19 license holder to present patients. However, the limited license holder must be supervised
26.20 by the collaborating physician for a minimum of two hours per week. A limited license
26.21 holder may practice medicine without a collaborating physician physically present, but the
26.22 limited license holder and collaborating physicians must be able to easily contact each other
26.23 by radio, telephone, or other telecommunication device while the limited license holder
26.24 practices medicine. The limited license holder must have one-on-one practice reviews with
26.25 each collaborating physician, provided in person or through eye-to-eye electronic media
26.26 while maintaining visual contact, for at least two hours per week.

26.27 (i) At least one collaborating physician must submit a letter to the board, after the limited
26.28 license holder has practiced under the license for 12 months, attesting to the following:

26.29 (1) the limited license holder has a basic understanding of federal and state laws regarding
26.30 the provision of health care, including but not limited to:

26.31 (i) medical licensing obligations and standards; and

26.32 (ii) the Health Insurance Portability and Accountability Act, Public Law 104-191;

26.33 (2) the limited license holder has a basic understanding of documentation standards;

27.1 (3) the limited license holder has a thorough understanding of which medications are
27.2 available and unavailable in the United States;

27.3 (4) the limited license holder has a thorough understanding of American medical standards
27.4 of care;

27.5 (5) the limited license holder has demonstrated mastery of each of the following:

27.6 (i) gathering a history and performing a physical exam;

27.7 (ii) developing and prioritizing a differential diagnosis following a clinical encounter
27.8 and selecting a working diagnosis;

27.9 (iii) recommending and interpreting common diagnostic and screening tests;

27.10 (iv) entering and discussing orders and prescriptions;

27.11 (v) providing an oral presentation of a clinical encounter;

27.12 (vi) giving a patient handover to transition care responsibly;

27.13 (vii) recognizing a patient requiring urgent care and initiating an evaluation; and

27.14 (viii) obtaining informed consent for tests, procedures, and treatments; and

27.15 (6) the limited license holder is providing appropriate medical care.

27.16 (j) The board must not grant a license under this section unless the applicant possesses
27.17 federal immigration status that allows the applicant to practice as a physician in the United
27.18 States.

27.19 **EFFECTIVE DATE.** This section is effective January 1, 2026.

27.20 Sec. 4. Minnesota Statutes 2024, section 147D.03, subdivision 1, is amended to read:

27.21 Subdivision 1. **General.** Within the meaning of sections 147D.01 to 147D.27, a person
27.22 who shall publicly profess to be a traditional midwife and who, for a fee, shall assist or
27.23 attend to a woman in pregnancy, childbirth outside a hospital, and postpartum, shall be
27.24 regarded as practicing traditional midwifery. Effective July 1, 2026, a certified midwife
27.25 licensed by the Board of Nursing under chapter 148G is not subject to the provisions of this
27.26 chapter.

28.1 Sec. 5. Minnesota Statutes 2024, section 148.241, is amended to read:

28.2 **148.241 EXPENSES.**

28.3 Subdivision 1. **Appropriation.** The expenses of administering sections 148.171 to
28.4 148.285 and chapter 148G shall be paid from the appropriation made to the Minnesota
28.5 Board of Nursing.

28.6 Subd. 2. **Expenditure.** All amounts appropriated to the board shall be held subject to
28.7 the order of the board to be used only for the purpose of meeting necessary expenses incurred
28.8 in the performance of the purposes of sections 148.171 to 148.285 and chapter 148G, and
28.9 the duties imposed thereby as well as the promotion of nursing or certified midwifery
28.10 education and standards of nursing or certified midwifery care in this state.

28.11 Sec. 6. **[148G.01] TITLE.**

28.12 This chapter shall be referred to as the "Minnesota Certified Midwife Practice Act."

28.13 Sec. 7. **[148G.02] SCOPE; EFFECTIVE DATE.**

28.14 This chapter is effective July 1, 2026, and applies to all applicants and licensees, all
28.15 persons who use the title certified midwife, and all persons in or out of this state who provide
28.16 certified midwifery services to patients who reside in this state, unless there are specific
28.17 applicable exemptions provided by law.

28.18 Sec. 8. **[148G.03] DEFINITIONS.**

28.19 Subdivision 1. **Scope.** For purposes of this chapter, the definitions in this section have
28.20 the meanings given.

28.21 Subd. 2. **Board.** "Board" means the Minnesota Board of Nursing.

28.22 Subd. 3. **Certification.** "Certification" means the formal recognition by the American
28.23 Midwifery Certification Board of the knowledge, skills, and experience demonstrated by
28.24 the achievement of standards identified by the American College of Nurse Midwives or any
28.25 successor organization.

28.26 Subd. 4. **Certified midwife.** "Certified midwife" means an individual who holds a current
28.27 and valid national certification as a certified midwife from the American Midwifery
28.28 Certification Board or any successor organization, and who is licensed by the board under
28.29 this chapter.

28.30 Subd. 5. **Certified midwifery practice.** "Certified midwifery practice" means:

29.1 (1) managing, diagnosing, and treating women's primary health care beginning in
 29.2 adolescence, including pregnancy, childbirth, postpartum period, care of the newborn, family
 29.3 planning, partner care management relating to sexual health, and gynecological care of
 29.4 women;

29.5 (2) ordering, performing, supervising, and interpreting diagnostic studies within the
 29.6 scope of certified midwifery practice, excluding:

29.7 (i) interpreting and performing specialized ultrasound examinations; and

29.8 (ii) interpreting computed tomography scans, magnetic resonance imaging scans, positron
 29.9 emission tomography scans, nuclear scans, and mammography;

29.10 (3) prescribing pharmacologic and nonpharmacologic therapies appropriate to midwifery
 29.11 practice;

29.12 (4) consulting with, collaborating with, or referring to other health care providers as
 29.13 warranted by the needs of the patient; and

29.14 (5) performing the role of educator in the theory and practice of midwifery.

29.15 Subd. 6. **Collaborating.** "Collaborating" means the process in which two or more health
 29.16 care professionals work together to meet the health care needs of a patient, as warranted by
 29.17 the needs of the patient.

29.18 Subd. 7. **Consulting.** "Consulting" means the process in which a certified midwife who
 29.19 maintains primary management responsibility for a patient's care seeks advice or opinion
 29.20 of a physician, an advanced practice registered nurse, or another member of the health care
 29.21 team.

29.22 Subd. 8. **Encumbered.** "Encumbered" means:

29.23 (1) a license or other credential that is revoked, is suspended, or contains limitations on
 29.24 the full and unrestricted practice of certified midwifery when the revocation, suspension,
 29.25 or limitation is imposed by a state licensing board or other state regulatory entity; or

29.26 (2) a license or other credential that is voluntarily surrendered.

29.27 Subd. 9. **Licensure period.** "Licensure period" means the interval of time during which
 29.28 the certified midwife is authorized to engage in certified midwifery. The initial licensure
 29.29 period is from six to 29 full calendar months starting on the day of licensure and ending on
 29.30 the last day of the certified midwife's month of birth in an even-numbered year if the year
 29.31 of birth is an even-numbered year, or in an odd-numbered year if the year of birth is in an
 29.32 odd-numbered year. Subsequent licensure renewal periods are 24 months. For licensure

30.1 renewal, the period starts on the first day of the month following expiration of the previous
30.2 licensure period. The period ends the last day of the certified midwife's month of birth in
30.3 an even- or odd-numbered year according to the certified midwife's year of birth.

30.4 Subd. 10. **Licensed practitioner.** "Licensed practitioner" means a physician licensed
30.5 under chapter 147, an advanced practice registered nurse licensed under sections 148.171
30.6 to 148.235, or a certified midwife licensed under this chapter.

30.7 Subd. 11. **Midwifery education program.** "Midwifery education program" means a
30.8 program of theory and practice, offered by a university or college, that leads to the preparation
30.9 and eligibility for certification in midwifery and is accredited by the Accreditation
30.10 Commission for Midwifery Education or any successor organization recognized by the
30.11 United States Department of Education or the Council for Higher Education Accreditation.

30.12 Subd. 12. **Patient.** "Patient" means a recipient of care provided by a certified midwife
30.13 within the scope of certified midwifery practice, including an individual, family, group, or
30.14 community.

30.15 Subd. 13. **Prescribing.** "Prescribing" means the act of generating a prescription for the
30.16 preparation of, use of, or manner of using a drug or therapeutic device under section 148G.09.
30.17 Prescribing does not include recommending the use of a drug or therapeutic device that is
30.18 not required by the federal Food and Drug Administration to meet the labeling requirements
30.19 for prescription drugs and devices.

30.20 Subd. 14. **Prescription.** "Prescription" means a written direction or an oral direction
30.21 reduced to writing provided to or for a patient for the preparation or use of a drug or
30.22 therapeutic device. The requirements of section 151.01, subdivisions 16, 16a, and 16b, apply
30.23 to prescriptions for drugs.

30.24 Subd. 15. **Referral.** "Referral" means the process in which a certified midwife directs
30.25 a patient to a physician or another health care professional for management of a particular
30.26 problem or aspect of the patient's care.

30.27 Subd. 16. **Supervision.** "Supervision" means monitoring and establishing the initial
30.28 direction of, setting expectations for, directing activities in, evaluating, and changing a
30.29 course of action in certified midwifery care.

30.30 **Sec. 9. [148G.04] CERTIFIED MIDWIFE LICENSING.**

30.31 Subdivision 1. **Licensure.** (a) No person shall practice as a certified midwife or serve
30.32 as the faculty of record for clinical instruction in a midwifery distance learning program
30.33 unless the person is licensed by the board under this chapter.

31.1 (b) An applicant for a license to practice as a certified midwife must apply to the board
31.2 in a format prescribed by the board and pay a fee in an amount determined under section
31.3 148G.11.

31.4 (c) To be eligible for licensure, an applicant must:

31.5 (1) not hold an encumbered license or other credential as a certified midwife or equivalent
31.6 professional designation in any state or territory;

31.7 (2) hold a current and valid certification as a certified midwife from the American
31.8 Midwifery Certification Board or any successor organization acceptable to the board and
31.9 provide primary source verification of certification to the board in a format prescribed by
31.10 the board;

31.11 (3) have completed a graduate level midwifery education program that includes clinical
31.12 experience, is accredited by the Accreditation Commission for Midwifery Education or any
31.13 successor organization recognized by the United States Department of Education or the
31.14 Council for Higher Education Accreditation, and leads to a graduate degree. The applicant
31.15 must submit primary source verification of program completion to the board in a format
31.16 prescribed by the board. The primary source verification must verify the applicant completed
31.17 three separate graduate-level courses in physiology and pathophysiology; advanced health
31.18 assessment; and advanced pharmacology, including pharmacodynamics, pharmacokinetics,
31.19 and pharmacotherapeutics of all broad categories of agents;

31.20 (4) report any criminal conviction, nolo contendere plea, Alford plea, or other plea
31.21 arrangement in lieu of conviction; and

31.22 (5) not have committed any acts or omissions that are grounds for disciplinary action in
31.23 another jurisdiction or, if these acts were committed and would be grounds for disciplinary
31.24 action as set forth in section 148G.13, the board has found after an investigation that sufficient
31.25 remediation was made.

31.26 Subd. 2. **Clinical practice component.** If more than five years have elapsed since the
31.27 applicant has practiced in the certified midwife role, the applicant must complete a
31.28 reorientation plan as a certified midwife. The plan must include supervision during the
31.29 clinical component by a licensed practitioner with experience in providing care to patients
31.30 with the same or similar health care needs. The applicant must submit the plan and the name
31.31 of the practitioner to the board. The plan must include a minimum of 500 hours of supervised
31.32 certified midwifery practice. The certified midwife must submit verification of completion
31.33 of the clinical reorientation to the board when the reorientation is complete.

32.1 **Sec. 10. [148G.05] LICENSURE RENEWAL; RELICENSURE.**

32.2 **Subdivision 1. Renewal; current applicants.** (a) A certified midwife must apply for
32.3 renewal of the certified midwife's license before the certified midwife's licensure period
32.4 ends. To be considered timely, the board must receive the certified midwife's application
32.5 on or before the last day of the certified midwife's licensure period. A certified midwife's
32.6 license lapses if the certified midwife's application is untimely.

32.7 (b) An applicant for license renewal must provide the board evidence of current
32.8 certification or recertification as a certified midwife by the American Midwifery Certification
32.9 Board or any successor organization.

32.10 (c) An applicant for license renewal must submit to the board the fee under section
32.11 148G.11, subdivision 2.

32.12 **Subd. 2. Clinical practice component.** If more than five years have elapsed since the
32.13 applicant has practiced as a certified midwife, the applicant must complete a reorientation
32.14 plan as a certified midwife. The plan must include supervision during the clinical component
32.15 by a licensed practitioner with experience in providing care to patients with the same or
32.16 similar health care needs. The licensee must submit the plan and the name of the practitioner
32.17 to the board. The plan must include a minimum of 500 hours of supervised certified
32.18 midwifery practice. The certified midwife must submit verification of completion of the
32.19 clinical reorientation to the board when the reorientation is complete.

32.20 **Subd. 3. Relicensure; lapsed applicants.** A person whose license has lapsed and who
32.21 desires to resume practice as a certified midwife must apply for relicensure, submit to the
32.22 board satisfactory evidence of compliance with the procedures and requirements established
32.23 by the board, and pay the board the relicensure fee under section 148G.11, subdivision 4,
32.24 for the current licensure period. A penalty fee under section 148G.11, subdivision 4, is
32.25 required from a person who practiced certified midwifery without current licensure. The
32.26 board must relicense a person who meets the requirements of this subdivision.

32.27 **Sec. 11. [148G.06] FAILURE OR REFUSAL TO PROVIDE INFORMATION.**

32.28 **Subdivision 1. Notification requirement.** An individual licensed as a certified midwife
32.29 must notify the board when the individual renews their certification. If a licensee fails to
32.30 provide notification, the licensee is prohibited from practicing as a certified midwife.

32.31 **Subd. 2. Denial of license.** Refusal of an applicant to supply information necessary to
32.32 determine the applicant's qualifications, failure to demonstrate qualifications, or failure to
32.33 satisfy the requirements for a license contained in this chapter or rules of the board may

33.1 result in denial of a license. The burden of proof is upon the applicant to demonstrate the
33.2 qualifications and satisfaction of the requirements.

33.3 **Sec. 12. [148G.07] NAME CHANGE AND CHANGE OF ADDRESS.**

33.4 A certified midwife must maintain a current name and address with the board and must
33.5 notify the board in writing within 30 days of any change in name or address. All notices or
33.6 other correspondence mailed to or served upon a certified midwife by the board at the
33.7 licensee's address on file with the board are considered received by the licensee.

33.8 **Sec. 13. [148G.08] IDENTIFICATION OF CERTIFIED MIDWIVES.**

33.9 Only those persons who hold a current license to practice certified midwifery in this
33.10 state may use the title of certified midwife. A certified midwife licensed by the board must
33.11 use the designation of "CM" for professional identification and in documentation of services
33.12 provided.

33.13 **Sec. 14. [148G.09] PRESCRIBING DRUGS AND THERAPEUTIC DEVICES.**

33.14 Subdivision 1. **Diagnosing, prescribing, and ordering.** Certified midwives, within the
33.15 scope of certified midwifery practice, are authorized to:

33.16 (1) diagnose, prescribe, and institute therapy or referrals of patients to health care agencies
33.17 and providers;

33.18 (2) prescribe, procure, sign for, record, administer, and dispense over-the-counter, legend,
33.19 and controlled substances, including sample drugs; and

33.20 (3) plan and initiate a therapeutic regimen that includes ordering and prescribing durable
33.21 medical devices and equipment, nutrition, diagnostic services, and supportive services,
33.22 including but not limited to home health care, physical therapy, and occupational therapy.

33.23 Subd. 2. **Drug Enforcement Administration requirements.** (a) Certified midwives
33.24 must:

33.25 (1) comply with federal Drug Enforcement Administration (DEA) requirements related
33.26 to controlled substances; and

33.27 (2) file the certified midwife's DEA registrations and numbers, if any, with the board.

33.28 (b) The board must maintain current records of all certified midwives with a DEA
33.29 registration and number.

34.1 **Sec. 15. [148G.10] FEES.**

34.2 The fees specified in section 148G.11 are nonrefundable and must be deposited in the
34.3 state government special revenue fund.

34.4 **Sec. 16. [148G.11] FEE AMOUNTS.**

34.5 Subdivision 1. **Licensure.** The fee for licensure is \$105.

34.6 Subd. 2. **Renewal.** The fee for licensure renewal is \$85.

34.7 Subd. 3. **Practicing without current certification.** The penalty fee for a person who
34.8 practices certified midwifery without a current certification or recertification, or who practices
34.9 certified midwifery without current certification or recertification on file with the board, is
34.10 \$200 for the first month or part of a month and an additional \$100 for each subsequent
34.11 month or parts of months of practice. The penalty fee must be calculated from the first day
34.12 the certified midwife practiced without a current certification to the last day of practice
34.13 without a current certification, or from the first day the certified midwife practiced without
34.14 a current certification or recertification on file with the board until the day the current
34.15 certification or recertification is filed with the board.

34.16 Subd. 4. **Relicensure.** The fee for relicensure is \$105. The fee for practicing without
34.17 current licensure is two times the amount of the current renewal fee for any part of the first
34.18 calendar month, plus the current renewal fee for any part of each subsequent month up to
34.19 24 months.

34.20 Subd. 5. **Dishonored check fee.** The service fee for a dishonored check is as provided
34.21 in section 604.113.

34.22 **Sec. 17. [148G.12] APPROVED MIDWIFERY EDUCATION PROGRAM.**

34.23 Subdivision 1. **Initial approval.** A university or college desiring to conduct a certified
34.24 midwifery education program must submit evidence to the board that the university or
34.25 college is prepared to:

34.26 (1) provide a program of theory and practice in certified midwifery leading to eligibility
34.27 for certification in midwifery;

34.28 (2) achieve preaccreditation and eventual full accreditation by the American Commission
34.29 for Midwifery Education or any successor organization recognized by the United States
34.30 Department of Education or the Council for Higher Education Accreditation. Instruction
34.31 and required experience may be obtained in one or more institutions or agencies outside

35.1 the applying university or college if the program retains accountability for all clinical and
 35.2 nonclinical teaching; and

35.3 (3) meet other standards established by law and by the board.

35.4 Subd. 2. **Continuing approval.** The board must, through the board's representative,
 35.5 annually survey all midwifery education programs in the state for current accreditation
 35.6 status by the American Commission for Midwifery Education or any successor organization
 35.7 recognized by the United States Department of Education or the Council for Higher Education
 35.8 Accreditation. If the results of the survey show that a certified midwifery education program
 35.9 meets all standards for continuing accreditation, the board must continue approval of the
 35.10 certified midwifery education program.

35.11 Subd. 3. **Loss of approval.** If the board determines that an accredited certified midwifery
 35.12 education program is not maintaining the standards required by the American Commission
 35.13 on Midwifery Education or any successor organization, the board must obtain the defect in
 35.14 writing from the accrediting body. If a program fails to correct the defect to the satisfaction
 35.15 of the accrediting body and the accrediting body revokes the program's accreditation, the
 35.16 board must remove the program from the list of approved certified midwifery education
 35.17 programs.

35.18 Subd. 4. **Reinstatement of approval.** The board must reinstate approval of a certified
 35.19 midwifery education program upon submission of satisfactory evidence that the certified
 35.20 midwifery education program of theory and practice meets the standards required by the
 35.21 accrediting body.

35.22 **Sec. 18. [148G.13] GROUNDS FOR DISCIPLINARY ACTION.**

35.23 Subdivision 1. **Grounds listed.** The board may deny, revoke, suspend, limit, or condition
 35.24 the license of any person to practice certified midwifery under this chapter or otherwise
 35.25 discipline a licensee or applicant as described in section 148G.14. The following are grounds
 35.26 for disciplinary action:

35.27 (1) failure to demonstrate the qualifications or satisfy the requirements for a license
 35.28 contained in this chapter or rules of the board. In the case of an applicant for licensure, the
 35.29 burden of proof is upon the applicant to demonstrate the qualifications or satisfaction of the
 35.30 requirements;

35.31 (2) employing fraud or deceit in procuring or attempting to procure a license to practice
 35.32 certified midwifery;

36.1 (3) conviction of a felony or gross misdemeanor reasonably related to the practice of
36.2 certified midwifery. Conviction, as used in this subdivision, includes a conviction of an
36.3 offense that if committed in this state would be considered a felony or gross misdemeanor
36.4 without regard to its designation elsewhere, or a criminal proceeding where a finding or
36.5 verdict of guilt is made or returned, but the adjudication of guilt is either withheld or not
36.6 entered;

36.7 (4) revocation, suspension, limitation, conditioning, or other disciplinary action against
36.8 the person's certified midwife credential in another state, territory, or country; failure to
36.9 report to the board that charges regarding the person's certified midwifery license,
36.10 certification, or other credential are pending in another state, territory, or country; or failure
36.11 to report to the board having been refused a license or other credential by another state,
36.12 territory, or country;

36.13 (5) failure or inability to practice as a certified midwife with reasonable skill and safety,
36.14 or departure from or failure to conform to standards of acceptable and prevailing certified
36.15 midwifery, including failure of a certified midwife to adequately supervise or monitor the
36.16 performance of acts by any person working at the certified midwife's direction;

36.17 (6) engaging in unprofessional conduct, including but not limited to a departure from
36.18 or failure to conform to statutes relating to certified midwifery practice or to the minimal
36.19 standards of acceptable and prevailing certified midwifery practice, or engaging in any
36.20 certified midwifery practice that may create unnecessary danger to a patient's life, health,
36.21 or safety. Actual injury to a patient need not be established under this clause;

36.22 (7) supervision or accepting the supervision of a midwifery function or a prescribed
36.23 health care function when the acceptance could reasonably be expected to result in unsafe
36.24 or ineffective patient care;

36.25 (8) actual or potential inability to practice certified midwifery with reasonable skill and
36.26 safety to patients by reason of illness; by reason of the use of alcohol, drugs, chemicals, or
36.27 any other material; or as a result of any mental or physical condition;

36.28 (9) adjudication as mentally incompetent, mentally ill, a chemically dependent person,
36.29 or a person dangerous to the public by a court of competent jurisdiction, within or outside
36.30 of this state;

36.31 (10) engaging in any unethical conduct, including but not limited to conduct likely to
36.32 deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for
36.33 the health, welfare, or safety of a patient. Actual injury need not be established under this
36.34 clause;

37.1 (11) engaging in conduct with a patient that is sexual or may reasonably be interpreted
37.2 by the patient as sexual, in any verbal behavior that is seductive or sexually demeaning to
37.3 a patient, or in sexual exploitation of a patient or former patient;

37.4 (12) obtaining money, property, or services from a patient, other than reasonable fees
37.5 for services provided to the patient, through the use of undue influence, harassment, duress,
37.6 deception, or fraud;

37.7 (13) revealing a privileged communication from or relating to a patient except when
37.8 otherwise required or permitted by law;

37.9 (14) engaging in abusive or fraudulent billing practices, including violations of federal
37.10 Medicare and Medicaid laws or state medical assistance laws;

37.11 (15) improper management of patient records, including failure to maintain adequate
37.12 patient records, to comply with a patient's request made pursuant to sections 144.291 to
37.13 144.298, or to furnish a patient record or report required by law;

37.14 (16) knowingly aiding, assisting, advising, or allowing an unlicensed person to engage
37.15 in the unlawful practice of certified midwifery;

37.16 (17) violating a rule adopted by the board, an order of the board, a state or federal law
37.17 relating to the practice of certified midwifery, or a state or federal narcotics or controlled
37.18 substance law;

37.19 (18) knowingly providing false or misleading information to a patient that is directly
37.20 related to the care of that patient unless done for an accepted therapeutic purpose such as
37.21 the administration of a placebo;

37.22 (19) aiding suicide or aiding attempted suicide in violation of section 609.215 as
37.23 established by any of the following:

37.24 (i) a copy of the record of criminal conviction or plea of guilty for a felony in violation
37.25 of section 609.215, subdivision 1 or 2;

37.26 (ii) a copy of the record of a judgment of contempt of court for violating an injunction
37.27 issued under section 609.215, subdivision 4;

37.28 (iii) a copy of the record of a judgment assessing damages under section 609.215,
37.29 subdivision 5; or

37.30 (iv) a finding by the board that the person violated section 609.215, subdivision 1 or 2.
37.31 The board must investigate any complaint of a violation of section 609.215, subdivision 1
37.32 or 2;

38.1 (20) practicing outside the scope of certified midwifery practice as defined under section
38.2 148G.03, subdivision 5;

38.3 (21) making a false statement or knowingly providing false information to the board,
38.4 failing to make reports as required by section 148G.15, or failing to cooperate with an
38.5 investigation of the board as required by section 148G.17;

38.6 (22) engaging in false, fraudulent, deceptive, or misleading advertising;

38.7 (23) failure to inform the board of the person's certification or recertification status as
38.8 a certified midwife;

38.9 (24) engaging in certified midwifery practice without a license and current certification
38.10 or recertification by the American Midwifery Certification Board or any successor
38.11 organization; or

38.12 (25) failure to maintain appropriate professional boundaries with a patient. A certified
38.13 midwife must not engage in practices that create an unacceptable risk of patient harm or of
38.14 the impairment of a certified midwife's objectivity or professional judgment. A certified
38.15 midwife must not act or fail to act in a way that, as judged by a reasonable and prudent
38.16 certified midwife, inappropriately encourages the patient to relate to the certified midwife
38.17 outside of the boundaries of the professional relationship, or in a way that interferes with
38.18 the patient's ability to benefit from certified midwife services. A certified midwife must not
38.19 use the professional relationship with a patient, student, supervisee, or intern to further the
38.20 certified midwife's personal, emotional, financial, sexual, religious, political, or business
38.21 benefit or interests.

38.22 Subd. 2. **Conviction of a felony-level criminal sexual offense.** (a) Except as provided
38.23 in paragraph (e), the board must not grant or renew a license to practice certified midwifery
38.24 to any person who has been convicted on or after August 1, 2014, of any of the provisions
38.25 of section 609.342, subdivision 1 or 1a; 609.343, subdivision 1 or 1a; 609.344, subdivision
38.26 1 or 1a, paragraphs (c) to (g); or 609.345, subdivision 1 or 1a, paragraphs (c) to (g); or a
38.27 similar statute in another jurisdiction.

38.28 (b) A license to practice certified midwifery is automatically revoked if the licensee is
38.29 convicted of an offense listed in paragraph (a).

38.30 (c) A license to practice certified midwifery that has been denied or revoked under this
38.31 subdivision is not subject to chapter 364.

38.32 (d) For purposes of this subdivision, "conviction" means a plea of guilty, a verdict of
38.33 guilty by a jury, or a finding of guilty by the court, unless the court stays imposition or

39.1 execution of the sentence and final disposition of the case is accomplished at a nonfelony
39.2 level.

39.3 (e) The board may establish criteria whereby an individual convicted of an offense listed
39.4 in paragraph (a) may become licensed if the criteria:

39.5 (1) utilize a rebuttable presumption that the applicant is not suitable for licensing;

39.6 (2) provide a standard for overcoming the presumption; and

39.7 (3) require that a minimum of ten years has elapsed since the applicant's sentence was
39.8 discharged.

39.9 (f) The board must not consider an application under paragraph (e) if the board determines
39.10 that the victim involved in the offense was a patient or a client of the applicant at the time
39.11 of the offense.

39.12 Subd. 3. Evidence. In disciplinary actions alleging a violation of subdivision 1, clause
39.13 (3) or (4), or 2, a copy of the judgment or proceeding under the seal of the court administrator
39.14 or of the administrative agency that entered the same is admissible into evidence without
39.15 further authentication and constitutes prima facie evidence of the violation concerned.

39.16 Subd. 4. Examination; access to medical data. (a) If the board has probable cause to
39.17 believe that grounds for disciplinary action exist under subdivision 1, clause (8) or (9), it
39.18 may direct the applicant or certified midwife to submit to a mental or physical examination
39.19 or chemical dependency evaluation. For the purpose of this subdivision, when a certified
39.20 midwife licensed under this chapter is directed in writing by the board to submit to a mental
39.21 or physical examination or chemical dependency evaluation, that person is considered to
39.22 have consented and to have waived all objections to admissibility on the grounds of privilege.
39.23 Failure of the applicant or certified midwife to submit to an examination when directed
39.24 constitutes an admission of the allegations against the applicant or certified midwife, unless
39.25 the failure was due to circumstances beyond the person's control, and the board may enter
39.26 a default and final order without taking testimony or allowing evidence to be presented. A
39.27 certified midwife affected under this paragraph must, at reasonable intervals, be given an
39.28 opportunity to demonstrate that the competent practice of certified midwifery can be resumed
39.29 with reasonable skill and safety to patients. Neither the record of proceedings nor the orders
39.30 entered by the board in a proceeding under this paragraph may be used against a certified
39.31 midwife in any other proceeding.

39.32 (b) Notwithstanding sections 13.384, 144.651, and 595.02, or any other law limiting
39.33 access to medical or other health data, the board may obtain medical data and health records

40.1 relating to a certified midwife or applicant for a license without that person's consent if the
 40.2 board has probable cause to believe that grounds for disciplinary action exist under
 40.3 subdivision 1, clause (8) or (9). The medical data may be requested from a provider, as
 40.4 defined in section 144.291, subdivision 2; an insurance company; or a government agency,
 40.5 including the Department of Human Services or Direct Care and Treatment. A provider,
 40.6 insurance company, or government agency must comply with any written request of the
 40.7 board under this subdivision and is not liable in any action for damages for releasing the
 40.8 data requested by the board if the data are released pursuant to a written request under this
 40.9 subdivision, unless the information is false and the provider giving the information knew
 40.10 or had reason to believe the information was false. Information obtained under this
 40.11 subdivision is classified as private data on individuals as defined in section 13.02.

40.12 **Sec. 19. [148G.14] FORMS OF DISCIPLINARY ACTION; AUTOMATIC**
 40.13 **SUSPENSION; TEMPORARY SUSPENSION; REISSUANCE.**

40.14 **Subdivision 1. Forms of disciplinary action.** If the board finds that grounds for
 40.15 disciplinary action exist under section 148G.13, it may take one or more of the following
 40.16 actions:

40.17 (1) deny the license application or application for license renewal;

40.18 (2) revoke the license;

40.19 (3) suspend the license;

40.20 (4) impose limitations on the certified midwife's practice of certified midwifery, including
 40.21 but not limited to limitation of scope of practice or the requirement of practice under
 40.22 supervision;

40.23 (5) impose conditions on the retention of the license, including but not limited to the
 40.24 imposition of retraining or rehabilitation requirements or the conditioning of continued
 40.25 practice on demonstration of knowledge or skills by appropriate examination, monitoring,
 40.26 or other review;

40.27 (6) impose a civil penalty not exceeding \$10,000 for each separate violation. The amount
 40.28 of the civil penalty must be fixed so as to deprive the certified midwife of any economic
 40.29 advantage gained by reason of the violation charged; to reimburse the board for the cost of
 40.30 counsel, investigation, and proceeding; and to discourage repeated violations;

40.31 (7) order the certified midwife to provide unremunerated service;

40.32 (8) censure or reprimand the certified midwife; or

41.1 (9) any other action justified by the facts in the case.

41.2 Subd. 2. **Automatic suspension of license.** (a) Unless the board orders otherwise, a
41.3 license to practice certified midwifery is automatically suspended if:

41.4 (1) a guardian of a certified midwife is appointed by order of a court under sections
41.5 524.5-101 to 524.5-502;

41.6 (2) the certified midwife is committed by order of a court under chapter 253B; or

41.7 (3) the certified midwife is determined to be mentally incompetent, mentally ill,
41.8 chemically dependent, or a person dangerous to the public by a court of competent
41.9 jurisdiction within or outside of this state.

41.10 (b) The license remains suspended until the certified midwife is restored to capacity by
41.11 a court and, upon petition by the certified midwife, the suspension is terminated by the
41.12 board after a hearing or upon agreement between the board and the certified midwife.

41.13 Subd. 3. **Temporary suspension of license.** In addition to any other remedy provided
41.14 by law, the board may, through its designated board member under section 214.10,
41.15 subdivision 2, temporarily suspend the license of a certified midwife without a hearing if
41.16 the board finds that there is probable cause to believe the certified midwife has violated a
41.17 statute or rule the board is empowered to enforce and continued practice by the certified
41.18 midwife would create a serious risk of harm to others. The suspension takes effect upon
41.19 written notice to the certified midwife, served by first-class mail, specifying the statute or
41.20 rule violated. The suspension must remain in effect until the board issues a temporary stay
41.21 of suspension or a final order in the matter after a hearing or upon agreement between the
41.22 board and the certified midwife. At the time it issues the suspension notice, the board must
41.23 schedule a disciplinary hearing to be held under the Administrative Procedure Act. The
41.24 board must provide the certified midwife at least 20 days' notice of any hearing held under
41.25 this subdivision. The board must schedule the hearing to begin no later than 30 days after
41.26 the issuance of the suspension order.

41.27 Subd. 4. **Reissuance.** The board may reinstate and reissue a license to practice certified
41.28 midwifery, but as a condition may impose any disciplinary or corrective measure that it
41.29 might originally have imposed. Any person whose license has been revoked, suspended, or
41.30 limited may have the license reinstated and a new license issued when, at the discretion of
41.31 the board, the action is warranted, provided that the board must require the person to pay
41.32 the costs of the proceedings resulting in the revocation, suspension, or limitation of the
41.33 license; the relicensure fee; and the fee for the current licensure period. The cost of
41.34 proceedings includes but is not limited to the cost paid by the board to the Office of

42.1 Administrative Hearings and the Office of the Attorney General for legal and investigative
42.2 services; the costs of a court reporter and witnesses, reproduction of records, board staff
42.3 time, travel, and expenses; and the costs of board members' per diem reimbursements, travel
42.4 costs, and expenses.

42.5 Sec. 20. **[148G.15] REPORTING OBLIGATIONS.**

42.6 Subdivision 1. **Permission to report.** A person who has knowledge of any conduct
42.7 constituting grounds for discipline under section 148G.13 may report the alleged violation
42.8 to the board.

42.9 Subd. 2. **Institutions.** The chief nursing executive or chief administrative officer of any
42.10 hospital, clinic, prepaid medical plan, or other health care institution or organization located
42.11 in this state must report to the board any action taken by the institution or organization or
42.12 any of its administrators or committees to revoke, suspend, limit, or condition a certified
42.13 midwife's privilege to practice in the institution, or as part of the organization, any denial
42.14 of privileges, any dismissal from employment, or any other disciplinary action. The institution
42.15 or organization must also report the resignation of any certified midwife before the conclusion
42.16 of any disciplinary proceeding, or before commencement of formal charges, but after the
42.17 certified midwife had knowledge that formal charges were contemplated or in preparation.
42.18 The reporting described by this subdivision is required only if the action pertains to grounds
42.19 for disciplinary action under section 148G.13.

42.20 Subd. 3. **Licensed professionals.** A person licensed by a health-related licensing board
42.21 as defined in section 214.01, subdivision 2, must report to the board personal knowledge
42.22 of any conduct the person reasonably believes constitutes grounds for disciplinary action
42.23 under section 148G.13 by any certified midwife, including conduct indicating that the
42.24 certified midwife may be incompetent, may have engaged in unprofessional or unethical
42.25 conduct, or may be mentally or physically unable to engage safely in the practice of certified
42.26 midwifery.

42.27 Subd. 4. **Insurers.** (a) By the first day of February, May, August, and November, each
42.28 insurer authorized to sell insurance described in section 60A.06, subdivision 1, clause (13),
42.29 and providing professional liability insurance to certified midwives must submit to the board
42.30 a report concerning any certified midwife against whom a malpractice award has been made
42.31 or who has been a party to a settlement. The report must contain at least the following
42.32 information:

42.33 (1) the total number of settlements or awards;

- 43.1 (2) the date a settlement or award was made;
 43.2 (3) the allegations contained in the claim or complaint leading to the settlement or award;
 43.3 (4) the dollar amount of each malpractice settlement or award and whether that amount
 43.4 was paid as a result of a settlement or of an award; and
 43.5 (5) the name and address of the practice of the certified midwife against whom an award
 43.6 was made or with whom a settlement was made.

- 43.7 (b) An insurer must also report to the board any information it possesses that tends to
 43.8 substantiate a charge that a certified midwife may have engaged in conduct in violation of
 43.9 this chapter.

- 43.10 Subd. 5. **Courts.** The court administrator of district court or another court of competent
 43.11 jurisdiction must report to the board any judgment or other determination of the court that
 43.12 adjudges or includes a finding that a certified midwife is a person who is mentally ill,
 43.13 mentally incompetent, chemically dependent, dangerous to the public, guilty of a felony or
 43.14 gross misdemeanor, guilty of a violation of federal or state narcotics laws or controlled
 43.15 substances act, guilty of operating a motor vehicle while under the influence of alcohol or
 43.16 a controlled substance, or guilty of an abuse or fraud under Medicare or Medicaid; or if the
 43.17 court appoints a guardian of the certified midwife under sections 524.5-101 to 524.5-502
 43.18 or commits a certified midwife under chapter 253B.

- 43.19 Subd. 6. **Deadlines; forms.** Reports required by subdivisions 2, 3, and 5 must be
 43.20 submitted no later than 30 days after the occurrence of the reportable event or transaction.
 43.21 The board may provide forms for the submission of reports required by this section, may
 43.22 require that the reports be submitted on the forms provided, and may adopt rules necessary
 43.23 to ensure prompt and accurate reporting. The board must review all reports, including those
 43.24 submitted after the deadline.

- 43.25 Subd. 7. **Failure to report.** Any person, institution, insurer, or organization that fails to
 43.26 report as required under subdivisions 2 to 6 is subject to civil penalties for failing to report
 43.27 as required by law.

43.28 Sec. 21. **[148G.16] IMMUNITY.**

- 43.29 Subdivision 1. **Reporting.** Any person, health care facility, business, or organization is
 43.30 immune from civil liability and criminal prosecution for submitting in good faith a report
 43.31 to the board under section 148G.15 or for otherwise reporting in good faith to the board
 43.32 violations or alleged violations of this chapter. All such reports are investigative data as
 43.33 defined in chapter 13.

44.1 Subd. 2. **Investigation.** (a) Members of the board and persons employed by the board
 44.2 or engaged in the investigation of violations and in the preparation and management of
 44.3 charges of violations of this chapter on behalf of the board, or persons participating in the
 44.4 investigation or testifying regarding charges of violations, are immune from civil liability
 44.5 and criminal prosecution for any actions, transactions, or publications in the execution of,
 44.6 or relating to, their duties under this chapter.

44.7 (b) Members of the board and persons employed by the board or engaged in maintaining
 44.8 records and making reports regarding adverse health care events are immune from civil
 44.9 liability and criminal prosecution for any actions, transactions, or publications in the
 44.10 execution of, or relating to, their duties under this chapter.

44.11 **Sec. 22. [148G.17] CERTIFIED MIDWIFE COOPERATION.**

44.12 A certified midwife who is the subject of an investigation by or on behalf of the board
 44.13 must cooperate fully with the investigation. Cooperation includes responding fully and
 44.14 promptly to any question raised by or on behalf of the board relating to the subject of the
 44.15 investigation and providing copies of patient or other records in the certified midwife's
 44.16 possession, as reasonably requested by the board, to assist the board in its investigation and
 44.17 to appear at conferences and hearings scheduled by the board. The board must pay for copies
 44.18 requested. If the board does not have written consent from a patient permitting access to
 44.19 the patient's records, the certified midwife must delete any data in the record that identify
 44.20 the patient before providing it to the board. The board must maintain any records obtained
 44.21 pursuant to this section as investigative data under chapter 13. The certified midwife must
 44.22 not be excused from giving testimony or producing any documents, books, records, or
 44.23 correspondence on the grounds of self-incrimination, but the testimony or evidence must
 44.24 not be used against the certified midwife in any criminal case.

44.25 **Sec. 23. [148G.18] DISCIPLINARY RECORD ON JUDICIAL REVIEW.**

44.26 Upon judicial review of any board disciplinary action taken under this chapter, the
 44.27 reviewing court must seal the administrative record, except for the board's final decision,
 44.28 and must not make the administrative record available to the public.

44.29 **Sec. 24. [148G.19] EXEMPTIONS.**

44.30 The provisions of this chapter do not prohibit:

44.31 (1) the furnishing of certified midwifery assistance in an emergency;

45.1 (2) the practice of certified midwifery by any legally qualified certified midwife of
 45.2 another state who is employed by the United States government or any bureau, division, or
 45.3 agency thereof while in the discharge of official duties;

45.4 (3) the practice of any profession or occupation licensed by the state, other than certified
 45.5 midwifery, by any person licensed to practice the profession or occupation, or the
 45.6 performance by a person of any acts properly coming within the scope of the profession,
 45.7 occupation, or license;

45.8 (4) the practice of traditional midwifery as specified under section 147D.03;

45.9 (5) certified midwifery practice by a student practicing under the supervision of an
 45.10 instructor while the student is enrolled in an approved certified midwifery education program;
 45.11 or

45.12 (6) certified midwifery practice by a certified midwife licensed in another state, territory,
 45.13 or jurisdiction who is in Minnesota temporarily:

45.14 (i) providing continuing or in-service education;

45.15 (ii) serving as a guest lecturer;

45.16 (iii) presenting at a conference; or

45.17 (iv) teaching didactic content via distance education to a student located in Minnesota
 45.18 who is enrolled in a formal, structured course of study, such as a course leading to a higher
 45.19 degree in midwifery.

45.20 **Sec. 25. [148G.20] VIOLATIONS; PENALTY.**

45.21 Subdivision 1. **Violations described.** It is unlawful for any person, corporation, firm,
 45.22 or association to:

45.23 (1) sell or fraudulently obtain or furnish any certified midwifery diploma, license, or
 45.24 record, or aid or abet therein;

45.25 (2) practice certified midwifery under cover of any diploma, permit, license, certified
 45.26 midwife credential, or record illegally or fraudulently obtained or signed or issued unlawfully
 45.27 or under fraudulent representation;

45.28 (3) practice certified midwifery unless the person is licensed to do so under this chapter;

45.29 (4) use the professional title certified midwife or licensed certified midwife unless
 45.30 licensed to practice certified midwifery under this chapter;

46.1 (5) use any abbreviation or other designation tending to imply licensure as a certified
 46.2 midwife unless licensed to practice certified midwifery under this chapter;

46.3 (6) practice certified midwifery in a manner prohibited by the board in any limitation
 46.4 of a license issued under this chapter;

46.5 (7) practice certified midwifery during the time a license issued under this chapter is
 46.6 suspended or revoked;

46.7 (8) knowingly employ persons in the practice of certified midwifery who have not been
 46.8 issued a current license to practice as a certified midwife in this state; or

46.9 (9) conduct a certified midwifery program for the education of persons to become certified
 46.10 midwives unless the program has been approved by the board.

46.11 Subd. 2. **Penalty.** Any person, corporation, or association violating any provision of
 46.12 subdivision 1 is guilty of a gross misdemeanor and must be punished according to law.

46.13 Subd. 3. **Penalty; certified midwives.** In addition to subdivision 2, a person who practices
 46.14 certified midwifery without a current license and certification or recertification, or without
 46.15 current certification or recertification on file with the board, is subject to the applicable
 46.16 penalties in section 148G.11.

46.17 Sec. 26. **[148G.21] UNAUTHORIZED PRACTICE OF MIDWIFERY.**

46.18 The practice of certified midwifery by any person who is not licensed to practice certified
 46.19 midwifery under this chapter, whose license has been suspended or revoked, or whose
 46.20 national certification credential has expired, is inimical to the public health and welfare and
 46.21 constitutes a public nuisance. Upon a complaint being made by the board or any prosecuting
 46.22 officer, and upon a proper showing of the facts, the district court of the county where such
 46.23 practice occurred may enjoin such acts and practice. The injunction proceeding is in addition
 46.24 to, and not in lieu of, all other penalties and remedies provided by law.

46.25 Sec. 27. Minnesota Statutes 2024, section 151.01, subdivision 23, is amended to read:

46.26 Subd. 23. **Practitioner.** "Practitioner" means a licensed doctor of medicine, licensed
 46.27 doctor of osteopathic medicine duly licensed to practice medicine, licensed doctor of
 46.28 dentistry, licensed doctor of optometry, licensed podiatrist, licensed veterinarian, licensed
 46.29 advanced practice registered nurse, licensed certified midwife effective July 1, 2026, or
 46.30 licensed physician assistant. For purposes of sections 151.15, subdivision 4; 151.211,
 46.31 subdivision 3; 151.252, subdivision 3; 151.37, subdivision 2, paragraph (b); and 151.461,
 46.32 "practitioner" also means a dental therapist authorized to dispense and administer under

47.1 chapter 150A. For purposes of sections 151.252, subdivision 3, and 151.461, "practitioner"
47.2 also means a pharmacist authorized to prescribe self-administered hormonal contraceptives,
47.3 nicotine replacement medications, or opiate antagonists under section 151.37, subdivision
47.4 14, 15, or 16, or authorized to prescribe drugs to prevent the acquisition of human
47.5 immunodeficiency virus (HIV) under section 151.37, subdivision 17.

47.6 Sec. 28. Minnesota Statutes 2024, section 151.555, subdivision 6, is amended to read:

47.7 Subd. 6. **Standards and procedures for accepting donations of drugs and supplies**
47.8 **and purchasing drugs from licensed wholesalers.** (a) Notwithstanding any other law or
47.9 rule, a donor may donate drugs or medical supplies to the central repository or a local
47.10 repository if the drug or supply meets the requirements of this section as determined by a
47.11 pharmacist or practitioner who is employed by or under contract with the central repository
47.12 or a local repository.

47.13 (b) A drug is eligible for donation under the medication repository program if the
47.14 following requirements are met:

47.15 (1) the drug's expiration date is at least six months after the date the drug was donated.
47.16 If a donated drug bears an expiration date that is less than six months from the donation
47.17 date, the drug may be accepted and distributed if the drug is in high demand and can be
47.18 dispensed for use by a patient before the drug's expiration date;

47.19 (2) the drug is in its original, sealed, unopened, tamper-evident packaging that includes
47.20 the expiration date. Single-unit-dose drugs may be accepted if the single-unit-dose packaging
47.21 is unopened;

47.22 (3) the drug or the packaging does not have any physical signs of tampering, misbranding,
47.23 deterioration, compromised integrity, or adulteration;

47.24 (4) the drug does not require storage temperatures other than normal room temperature
47.25 as specified by the manufacturer or United States Pharmacopoeia, unless the drug is being
47.26 donated directly by its manufacturer, a wholesale drug distributor, or a pharmacy located
47.27 in Minnesota; and

47.28 (5) the drug is not a controlled substance.

47.29 (c) A medical supply is eligible for donation under the medication repository program
47.30 if the following requirements are met:

47.31 (1) the supply has no physical signs of tampering, misbranding, or alteration and there
47.32 is no reason to believe it has been adulterated, tampered with, or misbranded;

48.1 (2) the supply is in its original, unopened, sealed packaging; and

48.2 (3) if the supply bears an expiration date, the date is at least six months later than the
48.3 date the supply was donated. If the donated supply bears an expiration date that is less than
48.4 six months from the date the supply was donated, the supply may be accepted and distributed
48.5 if the supply is in high demand and can be dispensed for use by a patient before the supply's
48.6 expiration date.

48.7 (d) The board shall develop the medication repository donor form and make it available
48.8 on the board's website. Prior to the first donation from a new donor, a central repository or
48.9 local repository shall verify and record the following information on the donor form:

48.10 (1) the donor's name, address, phone number, and license number, if applicable;

48.11 (2) that the donor will only make donations in accordance with the program;

48.12 (3) to the best of the donor's knowledge, only drugs or supplies that have been properly
48.13 stored under appropriate temperature and humidity conditions will be donated; and

48.14 (4) to the best of the donor's knowledge, only drugs or supplies that have never been
48.15 opened, used, tampered with, adulterated, or misbranded will be donated.

48.16 (e) Notwithstanding any other law or rule, a central repository or a local repository may
48.17 receive donated drugs from donors. Donated drugs and supplies may be shipped or delivered
48.18 to the premises of the central repository or a local repository, and shall be inspected by a
48.19 pharmacist or an authorized practitioner who is employed by or under contract with the
48.20 repository and who has been designated by the repository prior to dispensing. A drop box
48.21 must not be used to deliver or accept donations.

48.22 (f) The central repository and local repository shall maintain a written or electronic
48.23 inventory of all drugs and supplies donated to the repository upon acceptance of each drug
48.24 or supply. For each drug, the inventory must include the drug's name, strength, quantity,
48.25 manufacturer, expiration date, and the date the drug was donated. For each medical supply,
48.26 the inventory must include a description of the supply, its manufacturer, the date the supply
48.27 was donated, and, if applicable, the supply's brand name and expiration date. The board
48.28 may waive the requirement under this paragraph if an entity is under common ownership
48.29 or control with a central repository or local repository and either the entity or the repository
48.30 maintains an inventory containing all the information required under this paragraph.

48.31 (g) The central repository may purchase a drug from a wholesaler licensed by the board
48.32 to fill prescriptions for eligible patients when the repository does not have a sufficient supply
48.33 of donated drugs to fill the prescription. The central repository may use any purchased drugs

49.1 remaining after filling the prescriptions for which the drugs were initially purchased to fill
49.2 other prescriptions. Whenever possible, the repository must use donated drugs to fill
49.3 prescriptions.

49.4 Sec. 29. Minnesota Statutes 2024, section 151.555, subdivision 10, is amended to read:

49.5 Subd. 10. **Distribution of donated drugs and supplies.** (a) The central repository and
49.6 local repositories may distribute drugs and supplies donated under the medication repository
49.7 program to other participating repositories for use pursuant to this program.

49.8 (b) A local repository that elects not to dispense donated drugs or supplies that are
49.9 suitable for donation and dispensing must transfer ~~all~~ those donated drugs and supplies to
49.10 the central repository. A copy of the donor form that was completed by the original donor
49.11 under subdivision 6 must be provided to the central repository at the time of transfer. A
49.12 local repository must dispose of drugs and supplies in its possession that are not suitable
49.13 for donation or dispensing pursuant to subdivision 7.

49.14 Sec. 30. Minnesota Statutes 2024, section 152.12, subdivision 1, is amended to read:

49.15 Subdivision 1. **Prescribing, dispensing, administering controlled substances in**
49.16 **Schedules II through V.** A licensed doctor of medicine, a doctor of osteopathic medicine,
49.17 duly licensed to practice medicine, a doctor of dental surgery, a doctor of dental medicine,
49.18 a licensed doctor of podiatry, a licensed advanced practice registered nurse, a licensed
49.19 certified midwife effective July 1, 2026, a licensed physician assistant, or a licensed doctor
49.20 of optometry limited to Schedules IV and V, and in the course of professional practice only,
49.21 may prescribe, administer, and dispense a controlled substance included in Schedules II
49.22 through V of section 152.02, may cause the same to be administered by a nurse, an intern
49.23 or an assistant under the direction and supervision of the doctor, and may cause a person
49.24 who is an appropriately certified and licensed health care professional to prescribe and
49.25 administer the same within the expressed legal scope of the person's practice as defined in
49.26 Minnesota Statutes.

49.27 Sec. 31. Minnesota Statutes 2024, section 256B.0625, is amended by adding a subdivision
49.28 to read:

49.29 Subd. 28c. **Certified midwifery practice services.** Effective January 1, 2026, or upon
49.30 federal approval, whichever is later, medical assistance covers services performed by a
49.31 licensed certified midwife if:

50.1 (1) the service provided on an inpatient basis is not included as part of the cost for
 50.2 inpatient services included in the facility payment;

50.3 (2) the service is otherwise covered under this chapter as a physician service; and

50.4 (3) the service is within the scope of practice of the certified midwife's license as defined
 50.5 under chapter 148G.

50.6 ARTICLE 4

50.7 PHARMACY BENEFITS

50.8 Section 1. Minnesota Statutes 2024, section 256B.0625, subdivision 13c, is amended to
 50.9 read:

50.10 Subd. 13c. **Formulary Committee.** The commissioner, after receiving recommendations
 50.11 from professional medical associations and professional pharmacy associations, and consumer
 50.12 groups shall designate a Formulary Committee to carry out duties as described in subdivisions
 50.13 13 to 13g. The Formulary Committee shall be comprised of at least five licensed physicians
 50.14 actively engaged in the practice of medicine in Minnesota, one of whom is an actively
 50.15 practicing psychiatrist, one of whom specializes in the diagnosis and treatment of rare
 50.16 diseases, one of whom specializes in pediatrics, and one of whom actively treats persons
 50.17 with disabilities; at least three licensed pharmacists actively engaged in the practice of
 50.18 pharmacy in Minnesota, one of whom practices outside the metropolitan counties listed in
 50.19 section 473.121, subdivision 4, one of whom practices in the metropolitan counties listed
 50.20 in section 473.121, subdivision 4, and one of whom is a practicing hospital pharmacist; at
 50.21 least two consumer representatives, all of whom must have a personal or professional
 50.22 connection to medical assistance; and one representative designated by the Minnesota Rare
 50.23 Disease Advisory Council established under section 256.4835; the remainder to be made
 50.24 up of health care professionals who are licensed in their field and have recognized knowledge
 50.25 in the clinically appropriate prescribing, dispensing, and monitoring of covered outpatient
 50.26 drugs. Members of the Formulary Committee shall not be employed by the Department of
 50.27 Human Services or have a personal interest in a pharmaceutical company, pharmacy benefits
 50.28 manager, health plan company, or their affiliate organizations, but the committee shall be
 50.29 staffed by an employee of the department who shall serve as an ex officio, nonvoting member
 50.30 of the committee. For the purposes of this subdivision, "personal interest" means that a
 50.31 person owns at least five percent of the voting interest or equity interest in the entity, the
 50.32 equity interest owned by a person represents at least five percent of that person's net worth,
 50.33 or more than five percent of a person's gross income for the preceding year was derived
 50.34 from the entity. A committee member must notify the committee of any potential conflict

51.1 of interest and recuse themselves from any communications, discussion, or vote on any
51.2 matter where a conflict of interest exists. A conflict of interest alone, without a personal
51.3 interest, does not preclude an applicant from serving as a member of the Formulary
51.4 Committee. Members may be removed from the committee for cause after a recommendation
51.5 for removal by a majority of the committee membership. For the purposes of this subdivision,
51.6 "cause" does not include offering a differing or dissenting clinical opinion on a drug or drug
51.7 class. The department's medical director shall also serve as an ex officio, nonvoting member
51.8 for the committee. Committee members shall serve three-year terms and may be reappointed
51.9 twice by the commissioner. The committee members shall vote on a chair and vice chair
51.10 from among their membership. The chair shall preside over all committee meetings, and
51.11 the vice chair shall preside over the meetings if the chair is not present. The Formulary
51.12 Committee shall meet at least three times per year. The commissioner may require more
51.13 frequent Formulary Committee meetings as needed. An honorarium of \$100 per meeting
51.14 and reimbursement for mileage shall be paid to each committee member in attendance. The
51.15 Formulary Committee expires June 30, ~~2027~~ 2029. The Formulary Committee is subject to
51.16 the Open Meeting Law under chapter 13D. For purposes of establishing a quorum to transact
51.17 business, vacant committee member positions do not count in the calculation as long as at
51.18 least 60 percent of the committee member positions are filled.

51.19 Sec. 2. Minnesota Statutes 2024, section 256B.0625, subdivision 13e, is amended to read:

51.20 Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall
51.21 be the lower of the ingredient costs of the drugs plus the professional dispensing fee; or the
51.22 usual and customary price charged to the public. The usual and customary price means the
51.23 lowest price charged by the provider to a patient who pays for the prescription by cash,
51.24 check, or charge account and includes prices the pharmacy charges to a patient enrolled in
51.25 a prescription savings club or prescription discount club administered by the pharmacy or
51.26 pharmacy chain, unless the prescription savings club or prescription discount club is one
51.27 in which an individual pays a recurring monthly access fee for unlimited access to a defined
51.28 list of drugs for which the pharmacy does not bill the member or a payer on a
51.29 per-standard-transaction basis. The amount of payment basis must be reduced to reflect all
51.30 discount amounts applied to the charge by any third-party provider/insurer agreement or
51.31 contract for submitted charges to medical assistance programs. The net submitted charge
51.32 may not be greater than the patient liability for the service. The professional dispensing fee
51.33 shall be \$11.55 for prescriptions filled with legend drugs meeting the definition of "covered
51.34 outpatient drugs" according to United States Code, title 42, section 1396r-8(k)(2). The
51.35 dispensing fee for intravenous solutions that must be compounded by the pharmacist shall

52.1 be \$11.55 per claim. The professional dispensing fee for prescriptions filled with
 52.2 over-the-counter drugs meeting the definition of covered outpatient drugs shall be \$11.55
 52.3 for dispensed quantities equal to or greater than the number of units contained in the
 52.4 manufacturer's original package. The professional dispensing fee shall be prorated based
 52.5 on the percentage of the package dispensed when the pharmacy dispenses a quantity less
 52.6 than the number of units contained in the manufacturer's original package. The pharmacy
 52.7 dispensing fee for prescribed over-the-counter drugs not meeting the definition of covered
 52.8 outpatient drugs shall be \$3.65 for quantities equal to or greater than the number of units
 52.9 contained in the manufacturer's original package and shall be prorated based on the
 52.10 percentage of the package dispensed when the pharmacy dispenses a quantity less than the
 52.11 number of units contained in the manufacturer's original package. The ingredient cost for
 52.12 a drug is the lowest of the National Average Drug Acquisition Cost (NADAC) shall be used
 52.13 to determine the ingredient cost of a drug; the Minnesota actual acquisition cost (MNAAC),
 52.14 as defined in paragraph (i); or the maximum allowable cost. For drugs for which a NADAC,
 52.15 MNAAC, or maximum allowable cost is not reported, the commissioner shall estimate the
 52.16 ingredient cost at the wholesale acquisition cost minus two percent. The ingredient cost of
 52.17 a drug for a provider participating in the federal 340B Drug Pricing Program shall be ~~either~~
 52.18 the 340B Drug Pricing Program ceiling price established by the Health Resources and
 52.19 Services Administration ~~or~~, the NADAC, the MNAAC, or the maximum allowable cost,
 52.20 whichever is lower lowest. Wholesale acquisition cost is defined as the manufacturer's list
 52.21 price for a drug or biological to wholesalers or direct purchasers in the United States, not
 52.22 including prompt pay or other discounts, rebates, or reductions in price, for the most recent
 52.23 month for which information is available, as reported in wholesale price guides or other
 52.24 publications of drug or biological pricing data. The maximum allowable cost of a ~~multisource~~
 52.25 drug may be set by the commissioner and it shall be comparable to the actual acquisition
 52.26 cost of the drug product and no higher than the NADAC of the generic product. Establishment
 52.27 of the amount of payment for drugs shall not be subject to the requirements of the
 52.28 Administrative Procedure Act.

52.29 (b) Pharmacies dispensing prescriptions to residents of long-term care facilities using
 52.30 an automated drug distribution system meeting the requirements of section 151.58, or a
 52.31 packaging system meeting the packaging standards set forth in Minnesota Rules, part
 52.32 6800.2700, that govern the return of unused drugs to the pharmacy for reuse, may employ
 52.33 retrospective billing for prescription drugs dispensed to long-term care facility residents. A
 52.34 retrospectively billing pharmacy must submit a claim only for the quantity of medication
 52.35 used by the enrolled recipient during the defined billing period. A retrospectively billing
 52.36 pharmacy must use a billing period not less than one calendar month or 30 days.

53.1 (c) A pharmacy provider using packaging that meets the standards set forth in Minnesota
 53.2 Rules, part 6800.2700, is required to credit the department for the actual acquisition cost
 53.3 of all unused drugs that are eligible for reuse, unless the pharmacy is using retrospective
 53.4 billing. The commissioner may permit the drug clozapine to be dispensed in a quantity that
 53.5 is less than a 30-day supply.

53.6 (d) If a pharmacy dispenses a multisource drug, the ingredient cost shall be the lesser
 53.7 of the NADAC of the generic product, the MNAAC of the generic product, or the maximum
 53.8 allowable cost of the generic product established by the commissioner unless prior
 53.9 authorization for the brand name product has been granted according to the criteria
 53.10 established by the Drug Formulary Committee as required by subdivision 13f, paragraph
 53.11 (a), and the prescriber has indicated "dispense as written" on the prescription in a manner
 53.12 consistent with section 151.21, subdivision 2. If prior authorization is granted, the ingredient
 53.13 cost shall be the lesser of the NADAC of the brand name product, the MNAAC of the brand
 53.14 name product, or the maximum allowable cost of the brand name product. A generic product
 53.15 includes a generic drug, an authorized generic drug, and a biosimilar biological product as
 53.16 defined in Code of Federal Regulations, title 42, section 423.4. A brand name product
 53.17 includes a brand name drug, a brand name biological product, and an unbranded biological
 53.18 product as defined in Code of Federal Regulations, title 42, section 423.4.

53.19 (e) The basis for determining the amount of payment for drugs administered in an
 53.20 outpatient setting shall be the lower of the usual and customary cost submitted by the
 53.21 provider, 106 percent of the average sales price as determined by the United States
 53.22 Department of Health and Human Services pursuant to title XVIII, section 1847a of the
 53.23 federal Social Security Act, the ~~specialty pharmacy rate~~ MNAAC, or the maximum allowable
 53.24 cost set by the commissioner. ~~If average sales price is, MNAAC, and the maximum allowable~~
 53.25 ~~cost are unavailable, the amount of payment must be lower of the usual and customary cost~~
 53.26 ~~submitted by the provider, or the wholesale acquisition cost, the specialty pharmacy rate,~~
 53.27 ~~or the maximum allowable cost set by the commissioner.~~ The commissioner shall discount
 53.28 the payment rate for drugs obtained through the federal 340B Drug Pricing Program by
 53.29 28.6 percent. The payment for drugs administered in an outpatient setting shall be made to
 53.30 the administering facility or practitioner. A retail or specialty pharmacy dispensing a drug
 53.31 for administration in an outpatient setting is not eligible for direct reimbursement.

53.32 ~~(f) The commissioner may establish maximum allowable cost rates for specialty pharmacy~~
 53.33 ~~products that are lower than the ingredient cost formulas specified in paragraph (a). The~~
 53.34 ~~commissioner may require individuals enrolled in the health care programs administered~~
 53.35 ~~by the department to obtain specialty pharmacy products from providers with whom the~~

54.1 ~~commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are~~
54.2 ~~defined as those used by a small number of recipients or recipients with complex and chronic~~
54.3 ~~diseases that require expensive and challenging drug regimens. Examples of these conditions~~
54.4 ~~include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C,~~
54.5 ~~growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of~~
54.6 ~~cancer. Specialty pharmaceutical products include injectable and infusion therapies,~~
54.7 ~~biotechnology drugs, antihemophilic factor products, high-cost therapies, and therapies that~~
54.8 ~~require complex care. The commissioner shall consult with the Formulary Committee to~~
54.9 ~~develop a list of specialty pharmacy products subject to maximum allowable cost~~
54.10 ~~reimbursement. In consulting with the Formulary Committee in developing this list, the~~
54.11 ~~commissioner shall take into consideration the population served by specialty pharmacy~~
54.12 ~~products, the current delivery system and standard of care in the state, and access to care~~
54.13 ~~issues. The commissioner shall have the discretion to adjust the maximum allowable cost~~
54.14 ~~to prevent access to care issues.~~

54.15 ~~(g)~~ (f) Home infusion therapy services provided by home infusion therapy pharmacies
54.16 must be paid at rates according to subdivision 8d.

54.17 ~~(h)~~ (g) The commissioner shall contract with a vendor to conduct a cost of dispensing
54.18 survey for all pharmacies that are physically located in the state of Minnesota that dispense
54.19 outpatient drugs under medical assistance. The commissioner shall ensure that the vendor
54.20 has prior experience in conducting cost of dispensing surveys. Each pharmacy enrolled with
54.21 the department to dispense outpatient prescription drugs to fee-for-service members must
54.22 respond to the cost of dispensing survey. The commissioner may sanction a pharmacy under
54.23 section 256B.064 for failure to respond. The commissioner shall require the vendor to
54.24 measure a single statewide cost of dispensing for specialty prescription drugs and a single
54.25 statewide cost of dispensing for nonspecialty prescription drugs for all responding pharmacies
54.26 to measure the mean, mean weighted by total prescription volume, mean weighted by
54.27 medical assistance prescription volume, median, median weighted by total prescription
54.28 volume, and median weighted by total medical assistance prescription volume. The
54.29 commissioner shall post a copy of the final cost of dispensing survey report on the
54.30 department's website. The initial survey must be completed no later than January 1, 2021,
54.31 and repeated every three years. The commissioner shall provide a summary of the results
54.32 of each cost of dispensing survey and provide recommendations for any changes to the
54.33 dispensing fee to the chairs and ranking minority members of the legislative committees
54.34 with jurisdiction over medical assistance pharmacy reimbursement. Notwithstanding section
54.35 256.01, subdivision 42, this paragraph does not expire.

55.1 ~~(f)~~ (h) The commissioner shall increase the ingredient cost reimbursement calculated in
 55.2 paragraphs (a) and ~~(f)~~ (e) by ~~1.8 percent~~ the amount of the wholesale drug distributor tax
 55.3 for prescription and nonprescription drugs subject to the wholesale drug distributor tax
 55.4 under section 295.52.

55.5 (i) The commissioner shall contract with a vendor to create the MNAAC through a
 55.6 periodic survey of enrolled pharmacy providers. Each pharmacy enrolled with the department
 55.7 to dispense outpatient prescription drugs must respond to the periodic surveys. The
 55.8 commissioner may sanction a pharmacy under section 256B.064 for failure to respond. The
 55.9 current MNAAC rates must be publicly available on the department's or vendor's website.
 55.10 The commissioner must require that the MNAAC is measured and calculated at least
 55.11 quarterly, but the MNAAC can be measured and calculated more frequently. The
 55.12 commissioner must ensure that the vendor has an appeal process available to providers for
 55.13 the time between the measurement and calculation of the periodically updated MNAAC
 55.14 rates if price fluctuations result in a MNAAC that is lower than what enrolled providers can
 55.15 purchase a drug for. Establishment of the MNAAC and survey reporting requirements are
 55.16 not subject to the requirements of the Administrative Procedure Act. Data provided by
 55.17 pharmacies for the measurement and calculation of the MNAAC is nonpublic data as defined
 55.18 under section 13.02, subdivision 9.

55.19 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,
 55.20 whichever is later. The commissioner of human services shall notify the revisor of statutes
 55.21 when federal approval is obtained.

55.22 Sec. 3. Minnesota Statutes 2024, section 256B.064, subdivision 1a, is amended to read:

55.23 Subd. 1a. **Grounds for sanctions.** (a) The commissioner may impose sanctions against
 55.24 any individual or entity that receives payments from medical assistance or provides goods
 55.25 or services for which payment is made from medical assistance for any of the following:
 55.26 (1) fraud, theft, or abuse in connection with the provision of goods and services to recipients
 55.27 of public assistance for which payment is made from medical assistance; (2) a pattern of
 55.28 presentment of false or duplicate claims or claims for services not medically necessary; (3)
 55.29 a pattern of making false statements of material facts for the purpose of obtaining greater
 55.30 compensation than that to which the individual or entity is legally entitled; (4) suspension
 55.31 or termination as a Medicare vendor; (5) refusal to grant the state agency access during
 55.32 regular business hours to examine all records necessary to disclose the extent of services
 55.33 provided to program recipients and appropriateness of claims for payment; (6) failure to
 55.34 repay an overpayment or a fine finally established under this section; (7) failure to correct

56.1 errors in the maintenance of health service or financial records for which a fine was imposed
56.2 or after issuance of a warning by the commissioner; and (8) any reason for which an
56.3 individual or entity could be excluded from participation in the Medicare program under
56.4 section 1128, 1128A, or 1866(b)(2) of the Social Security Act. For the purposes of this
56.5 section, goods or services for which payment is made from medical assistance includes but
56.6 is not limited to care and services identified in section 256B.0625 or provided pursuant to
56.7 any federally approved waiver.

56.8 (b) The commissioner may impose sanctions against a pharmacy provider for failure to
56.9 respond to a cost of dispensing survey under section 256B.0625, subdivision 13e, paragraph
56.10 (h).

56.11 (c) The commissioner may impose sanctions against a pharmacy provider for failure to
56.12 respond to a Minnesota drug acquisition cost survey under section 256B.0625, subdivision
56.13 13e, paragraph (i).

56.14 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,
56.15 whichever is later. The commissioner of human services shall notify the revisor of statutes
56.16 when federal approval is obtained.

56.17 Sec. 4. Minnesota Statutes 2024, section 256B.69, subdivision 6d, is amended to read:

56.18 Subd. 6d. **Prescription drugs.** (a) The commissioner may exclude or modify coverage
56.19 for prescription drugs from the prepaid managed care contracts entered into under this
56.20 section in order to increase savings to the state by collecting additional prescription drug
56.21 rebates.

56.22 (b) The contracts must maintain incentives for the managed care plan to manage drug
56.23 costs and utilization and may require that the managed care plans maintain an open drug
56.24 formulary. In order to manage drug costs and utilization, the contracts may authorize the
56.25 managed care plans to use preferred drug lists and prior authorization. The contracts must
56.26 require that the managed care plans enter into contracts with the state pharmacy benefit
56.27 manager under section 256B.696 to administer the pharmacy benefit.

56.28 (c) This subdivision is contingent on federal approval of the managed care contract
56.29 changes and the collection of additional prescription drug rebates.

57.1 Sec. 5. [256B.696] PRESCRIPTION DRUGS; STATE PHARMACY BENEFIT
57.2 MANAGER.

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

57.5 (b) "Managed care enrollees" means medical assistance and MinnesotaCare enrollees
57.6 receiving coverage from managed care plans.

57.7 (c) "Managed care plans" means health plans and county-based purchasing organizations
57.8 providing coverage to medical assistance and MinnesotaCare enrollees under the managed
57.9 care delivery system.

57.10 (d) "State pharmacy benefit manager" means the pharmacy benefit manager that is a
57.11 prepaid ambulatory plan as defined in Code of Federal Regulations, title 42, section 438.2,
57.12 selected pursuant to the procurement process in subdivision 2.

57.13 Subd. 2. Procurement process. (a) The commissioner must, through a competitive
57.14 procurement process in compliance with paragraph (b), select a single pharmacy benefit
57.15 manager to comply with the requirements set forth in subdivision 3.

57.16 (b) The commissioner must, when selecting the single pharmacy benefit manager, do
57.17 the following:

57.18 (1) accept applications for entities seeking to become the single pharmacy benefit
57.19 manager;

57.20 (2) establish eligibility criteria an entity must meet in order to become the single pharmacy
57.21 benefit manager; and

57.22 (3) enter into a master contract with a single pharmacy benefit manager.

57.23 (c) The contract required under paragraph (b), clause (3), must include a prohibition on:

57.24 (1) the single pharmacy benefit manager requiring an enrollee to obtain a drug from a
57.25 pharmacy owned or otherwise affiliated with the single pharmacy benefit manager; and

57.26 (2) paying or reimbursing a pharmacy or pharmacist for the ingredient drug product
57.27 component of pharmacist services, including a prescription drug, less than the lesser of the
57.28 national average drug acquisition cost; the Minnesota actual acquisition cost (MNAAC) as
57.29 defined in section 256B.0625, subdivision 13e, paragraph (j); or the maximum allowable
57.30 cost as defined in section 62W.08, of that pharmacy service or prescription drug, or, if the
57.31 national average drug acquisition cost is unavailable, the wholesale acquisition cost minus
57.32 two percent at the time the drug is administered or dispensed, plus a professional dispensing

58.1 fee equal to the amount of the dispensing fee if it were determined pursuant to section
58.2 256B.0625, subdivision 13e.

58.3 (d) Applicants for the single pharmacy benefit manager must disclose to the commissioner
58.4 the following during the procurement process:

58.5 (1) any activity, policy, practice, contract, or arrangement of the single pharmacy benefit
58.6 manager that may directly or indirectly present any conflict of interest with the pharmacy
58.7 benefit manager's relationship with or obligation to the Department of Human Services, a
58.8 health plan company, or county-based purchasing organization;

58.9 (2) all common ownership, members of a board of directors, managers, or other control
58.10 of the pharmacy benefit manager or any of the pharmacy benefit manager's affiliated
58.11 companies with:

58.12 (i) a health plan company administering the medical assistance or MinnesotaCare benefits
58.13 or an affiliate of the health plan company;

58.14 (ii) a county-based purchasing organization;

58.15 (iii) an entity that contracts on behalf of a pharmacy or any pharmacy services
58.16 administration organization and its affiliates;

58.17 (iv) a drug wholesaler or distributor and its affiliates;

58.18 (v) a third-party payer and its affiliates; or

58.19 (vi) a pharmacy and its affiliates that are enrolled to provide medical assistance or
58.20 MinnesotaCare;

58.21 (3) any direct or indirect fees, charges, or any kind of assessments imposed by the
58.22 pharmacy benefit manager on pharmacies licensed in this state with which the pharmacy
58.23 benefit manager shares common ownership, management, or control, or that are owned,
58.24 managed, or controlled by any of the pharmacy benefit manager's affiliated companies;

58.25 (4) any direct or indirect fees, charges, or any kind of assessments imposed by the
58.26 pharmacy benefit manager on pharmacies licensed in this state; and

58.27 (5) any financial terms and arrangements between the pharmacy benefit manager and a
58.28 prescription drug manufacturer or labeler, including formulary management, drug substitution
58.29 programs, educational support claims processing, or data sales fees.

58.30 Subd. 3. **Drug coverage.** (a) The commissioner may require the pharmacy benefit
58.31 manager to modify utilization review limitations, requirements, and strategies imposed by
58.32 managed care plans on prescription drug coverage.

59.1 (b) The state pharmacy benefit manager is responsible for processing all point of sale
59.2 outpatient pharmacy claims under the managed care delivery system. Managed care plans
59.3 must use the state pharmacy benefit manager pursuant to the terms of the master contract
59.4 required under subdivision 2, paragraph (b), clause (3). The pharmacy benefit manager
59.5 selected is the exclusive pharmacy benefit manager used by health plan companies and
59.6 county-based purchasing organizations when providing coverage to enrollees. The
59.7 commissioner may require the managed care plans and pharmacy benefit manager to directly
59.8 exchange data and files for members enrolled with managed care plans.

59.9 (c) All payment arrangements between the Department of Human Services, managed
59.10 care plans, and the state pharmacy benefit manager must comply with state and federal
59.11 statutes, regulations adopted by the Centers for Medicare and Medicaid Services, and any
59.12 other agreement between the department and the Centers for Medicare and Medicaid Services.
59.13 The commissioner may change a payment arrangement to comply with this paragraph.

59.14 (d) The commissioner must administer and oversee this section to:

59.15 (1) ensure proper administration of prescription drug benefits for managed care enrollees;
59.16 and

59.17 (2) increase the transparency of prescription drug prices and other information for the
59.18 benefit of pharmacies.

59.19 Subd. 4. **Prescription drug disclosures.** (a) The state pharmacy benefit manager must,
59.20 on request from the commissioner, disclose to the commissioner all sources of payment the
59.21 state pharmacy benefit manager receives for prescribed drugs, including any financial
59.22 benefits, drug rebates, discounts, credits, clawbacks, fees, grants, chargebacks,
59.23 reimbursements, or other payments related to services provided for a managed care plan.

59.24 (b) Each managed care plan must disclose to the commissioner, in the format specified
59.25 by the commissioner, the entity's administrative costs associated with providing pharmacy
59.26 services under the managed care delivery system.

59.27 (c) The state pharmacy benefit manager must provide a written quarterly report to the
59.28 commissioner containing the following information from the immediately preceding quarter:

59.29 (1) the prices the state pharmacy benefit manager negotiated for prescribed drugs under
59.30 the managed care delivery system. The price must include any rebates the state pharmacy
59.31 benefit manager received from the drug manufacturer;

59.32 (2) any rebate amounts the state pharmacy benefit manager passed on to individual
59.33 pharmacies;

60.1 (3) any changes to the information previously disclosed under subdivision 2, paragraph
60.2 (d); and

60.3 (4) any other information required by the commissioner, including unredacted copies
60.4 of contracts between the pharmacy benefit manager and enrolled pharmacies.

60.5 (d) The commissioner may request and collect additional information and clinical data
60.6 from the state pharmacy benefit manager.

60.7 (e) At the time of contract execution, renewal, or modification, the commissioner must
60.8 modify the reporting requirements under its managed care contracts as necessary to meet
60.9 the requirements of this subdivision.

60.10 Subd. 5. **Program authority.** (a) To accomplish the requirements of subdivision 3, the
60.11 commissioner, in consultation with the Formulary Committee established under section
60.12 256B.0625, subdivision 13c, has the authority to:

60.13 (1) adopt or develop a preferred drug list for managed care plans;

60.14 (2) at the commissioner's discretion, engage in price negotiations with prescription drug
60.15 manufacturers, wholesalers, or group purchasing organizations in place of the state pharmacy
60.16 benefit manager to obtain price discounts and rebates for prescription drugs for managed
60.17 care enrollees; and

60.18 (3) develop and manage a drug formulary for managed care plans.

60.19 (b) The commissioner may contract with one or more entities to perform any of the
60.20 functions described in paragraph (a).

60.21 Subd. 6. **Pharmacies.** The commissioner may review contracts between the state
60.22 pharmacy benefit manager and pharmacies for compliance with this section and the master
60.23 contract required under subdivision 2, paragraph (b), clause (3). The commissioner may
60.24 amend any term or condition of a contract that does not comply with this section or the
60.25 master contract.

60.26 Subd. 7. **Federal approval.** The commissioner must seek any necessary federal approvals
60.27 to implement this section.

60.28 **EFFECTIVE DATE.** Subdivisions 1 to 6 are effective January 1, 2027, or upon federal
60.29 approval, whichever is later. The commissioner of human services shall notify the revisor
60.30 of statutes when federal approval is obtained. Subdivision 7 is effective the day following
60.31 final enactment.

61.1 Sec. 6. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
61.2 **DIRECTED PHARMACY DISPENSING PAYMENTS.**

61.3 (a) For plan year 2026, the commissioner shall provide a directed pharmacy dispensing
61.4 payment of \$1.84 per filled prescription under the medical assistance program to eligible
61.5 outpatient retail pharmacies in Minnesota to improve and maintain access to pharmaceutical
61.6 services in rural and underserved areas of the state. Managed care and county-based
61.7 purchasing plans delivering services under Minnesota Statutes, section 256B.69 or 256B.692,
61.8 and any pharmacy benefit managers under contract with these entities, must pay the directed
61.9 pharmacy dispensing payment to eligible outpatient retail pharmacies for drugs dispensed
61.10 to medical assistance enrollees. The directed pharmacy dispensing payment is in addition
61.11 to, and must not supplant or reduce, any other dispensing fee paid by these entities to the
61.12 pharmacy. Entities paying the directed pharmacy dispensing payment must not reduce other
61.13 payments to the pharmacy as a result of payment of the directed pharmacy dispensing
61.14 payment.

61.15 (b) For purposes of this section, "eligible outpatient retail pharmacy" means an outpatient
61.16 retail pharmacy licensed under chapter 151 that is not owned, either directly or indirectly
61.17 or through an affiliate or subsidiary, by a pharmacy benefit manager licensed under chapter
61.18 62W or a health carrier, as defined in Minnesota Statutes, section 62A.011, subdivision 2,
61.19 and that:

61.20 (1) is located in a medically underserved area or primarily serves a medically underserved
61.21 population, as defined by the United States Department of Health and Human Services
61.22 Health Resources and Services Administration under United States Code, title 42, section
61.23 254; or

61.24 (2) shares common ownership with 13 or fewer Minnesota pharmacies.

61.25 (c) In order to receive the directed pharmacy dispensing payment, a pharmacy must
61.26 submit to the commissioner a form, developed by the commissioner, attesting that the
61.27 pharmacy meets the requirements of paragraph (b).

61.28 (d) The commissioner shall set and adjust the amount of the directed pharmacy dispensing
61.29 payment to reflect the available state and federal funding.

61.30 (e) Managed care and county-based purchasing plans, and any pharmacy benefit managers
61.31 under contract with these entities, shall pay the directed pharmacy dispensing payment to
61.32 eligible outpatient retail pharmacies. The commissioner shall monitor the effect of this
61.33 requirement on access to pharmaceutical services in rural and underserved areas of the state.
61.34 If, for any contract year, federal approval is not received for this section, the commissioner

62.1 must adjust the capitation rates paid to managed care plans and county-based purchasing
 62.2 plans for that contract year to reflect removal of this section. Contracts between managed
 62.3 care plans and county-based purchasing plans, and any pharmacy benefit managers under
 62.4 contract with these entities, and providers to whom this section applies, must allow recovery
 62.5 of payments from those providers if capitation rates are adjusted in accordance with this
 62.6 paragraph. Payment recoveries must not exceed the amount equal to any increase in rates
 62.7 that results from this section. This section expires if federal approval is not received for this
 62.8 section at any time.

62.9 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
 62.10 whichever is later. The commissioner of human services shall notify the revisor of statutes
 62.11 when federal approval is obtained.

62.12 **ARTICLE 5**

62.13 **HEALTH CARE FINANCE**

62.14 Section 1. Minnesota Statutes 2024, section 62A.673, subdivision 2, is amended to read:

62.15 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
 62.16 have the meanings given.

62.17 (b) "Distant site" means a site at which a health care provider is located while providing
 62.18 health care services or consultations by means of telehealth.

62.19 (c) "Health care provider" means a health care professional who is licensed or registered
 62.20 by the state to perform health care services within the provider's scope of practice and in
 62.21 accordance with state law. A health care provider includes a mental health professional
 62.22 under section 245I.04, subdivision 2; a mental health practitioner under section 245I.04,
 62.23 subdivision 4; a clinical trainee under section 245I.04, subdivision 6; a treatment coordinator
 62.24 under section 245G.11, subdivision 7; an alcohol and drug counselor under section 245G.11,
 62.25 subdivision 5; and a recovery peer under section 245G.11, subdivision 8.

62.26 (d) "Health carrier" has the meaning given in section 62A.011, subdivision 2.

62.27 (e) "Health plan" has the meaning given in section 62A.011, subdivision 3. Health plan
 62.28 includes dental plans as defined in section 62Q.76, subdivision 3, but does not include dental
 62.29 plans that provide indemnity-based benefits, regardless of expenses incurred, and are designed
 62.30 to pay benefits directly to the policy holder.

62.31 (f) "Originating site" means a site at which a patient is located at the time health care
 62.32 services are provided to the patient by means of telehealth. For purposes of store-and-forward

63.1 technology, the originating site also means the location at which a health care provider
63.2 transfers or transmits information to the distant site.

63.3 (g) "Store-and-forward technology" means the asynchronous electronic transfer or
63.4 transmission of a patient's medical information or data from an originating site to a distant
63.5 site for the purposes of diagnostic and therapeutic assistance in the care of a patient.

63.6 (h) "Telehealth" means the delivery of health care services or consultations through the
63.7 use of real time two-way interactive audio and visual communications to provide or support
63.8 health care delivery and facilitate the assessment, diagnosis, consultation, treatment,
63.9 education, and care management of a patient's health care. Telehealth includes the application
63.10 of secure video conferencing, store-and-forward technology, and synchronous interactions
63.11 between a patient located at an originating site and a health care provider located at a distant
63.12 site. Until July 1, ~~2025~~ 2028, telehealth also includes audio-only communication between
63.13 a health care provider and a patient ~~in accordance with subdivision 6, paragraph (b) if the~~
63.14 communication is a scheduled appointment and the standard of care for that particular
63.15 service can be met through the use of audio-only communication or if, for substance use
63.16 disorder treatment services and mental health care services delivered through telehealth by
63.17 means of audio-only communication, the communication was initiated by the enrollee while
63.18 in an emergency or crisis situation and a scheduled appointment was not possible due to
63.19 the need of an immediate response. Telehealth does not include communication between
63.20 health care providers that consists solely of a telephone conversation, email, or facsimile
63.21 transmission. Telehealth does not include communication between a health care provider
63.22 and a patient that consists solely of an email or facsimile transmission. Telehealth does not
63.23 include telemonitoring services as defined in paragraph (i).

63.24 (i) "Telemonitoring services" means the remote monitoring of clinical data related to
63.25 the enrollee's vital signs or biometric data by a monitoring device or equipment that transmits
63.26 the data electronically to a health care provider for analysis. Telemonitoring is intended to
63.27 collect an enrollee's health-related data for the purpose of assisting a health care provider
63.28 in assessing and monitoring the enrollee's medical condition or status.

63.29 **EFFECTIVE DATE.** This section is effective July 1, 2025.

63.30 Sec. 2. Minnesota Statutes 2024, section 174.30, subdivision 3, is amended to read:

63.31 Subd. 3. **Other standards; wheelchair securement; protected transport.** (a) A special
63.32 transportation service that transports individuals occupying wheelchairs is subject to the
63.33 provisions of sections 299A.11 to 299A.17 concerning wheelchair securement devices. The
63.34 commissioners of transportation and public safety shall cooperate in the enforcement of

64.1 this section and sections 299A.11 to 299A.17 so that a single inspection is sufficient to
 64.2 ascertain compliance with sections 299A.11 to 299A.17 and with the standards adopted
 64.3 under this section. Representatives of the Department of Transportation may inspect
 64.4 wheelchair securement devices in vehicles operated by special transportation service
 64.5 providers to determine compliance with sections 299A.11 to 299A.17 and to issue certificates
 64.6 under section 299A.14, subdivision 4.

64.7 (b) In place of a certificate issued under section 299A.14, the commissioner may issue
 64.8 a decal under subdivision 4 for a vehicle equipped with a wheelchair securement device if
 64.9 the device complies with sections 299A.11 to 299A.17 and the decal displays the information
 64.10 in section 299A.14, subdivision 4.

64.11 (c) For vehicles designated as protected transport under section 256B.0625, subdivision
 64.12 17, paragraph ~~(h)~~ (n), the commissioner of transportation, during the commissioner's
 64.13 inspection, shall check to ensure the safety provisions contained in that paragraph are in
 64.14 working order.

64.15 Sec. 3. Minnesota Statutes 2024, section 256.9657, subdivision 2, is amended to read:

64.16 Subd. 2. **Hospital surcharge.** (a) Effective October 1, 1992, each Minnesota hospital
 64.17 except facilities of the federal Indian Health Service and regional treatment centers shall
 64.18 pay to the ~~medical assistance account~~ health care access fund a surcharge equal to 1.4 percent
 64.19 of net patient revenues excluding net Medicare revenues reported by that provider to the
 64.20 health care cost information system according to the schedule in subdivision 4.

64.21 (b) Effective July 1, 1994, the surcharge under paragraph (a) is increased to 1.56 percent.

64.22 (c) Notwithstanding the Medicare cost finding and allowable cost principles, the hospital
 64.23 surcharge is not an allowable cost for purposes of rate setting under sections 256.9685 to
 64.24 256.9695.

64.25 Sec. 4. Minnesota Statutes 2024, section 256.9657, is amended by adding a subdivision
 64.26 to read:

64.27 Subd. 2b. **Hospital assessment.** (a) For purposes of this subdivision, the following terms
 64.28 have the meanings given:

64.29 (1) "eligible hospital" means a hospital:

64.30 (i) licensed under section 144.50;

64.31 (ii) located in Minnesota; and

65.1 (iii) with a Medicare cost report filed and showing in the Healthcare Cost Report
65.2 Information System (HCRIS);

65.3 (2) "net outpatient revenue" means the value to reflect total outpatient revenue less
65.4 Medicare revenue as calculated from Worksheet G of the hospital's Medicare cost report;
65.5 and

65.6 (3) "total patient days" means the value to reflect total hospital inpatient days as reported
65.7 on Worksheet S-3 of the hospital's Medicare cost report.

65.8 (b) Subject to paragraphs (k) to (n), each eligible hospital must pay assessments to the
65.9 hospital directed payment program account, with an aggregate annual assessment amount
65.10 equal to the sum of the following:

65.11 (1) \$120.22 multiplied by total patient days; and

65.12 (2) 5.96 percent of the hospital's net outpatient revenue.

65.13 (c) The assessment amount for calendar years 2026 and 2027 must be based on the total
65.14 patient days and net outpatient revenue reflected on an eligible hospital's Medicare cost
65.15 report as follows:

65.16 (1) an eligible hospital with a fiscal year ending on March 31 or June 30 must use data
65.17 from a cost report from hospital fiscal year 2022; and

65.18 (2) an eligible hospital with a fiscal year ending on September 30 or December 31 must
65.19 use data from a cost report from hospital fiscal year 2021.

65.20 The annual assessment amount for calendar years after 2027 must be set for a two-year
65.21 period and must be based on the total patient days and net outpatient revenue reflected on
65.22 an eligible hospital's most recent Medicare cost report filed and showing in HCRIS as of
65.23 August 1 of the year prior to the subsequent two-year period.

65.24 (d) The commissioner may, after consultation with the Minnesota Hospital Association,
65.25 modify the rates of assessment in paragraph (b) as necessary to comply with federal law,
65.26 obtain or maintain a waiver under Code of Federal Regulations, title 42, section 433.72, or
65.27 otherwise maximize under this section federal financial participation for medical assistance.

65.28 (e) Eligible hospitals must pay the annual assessment amount under paragraph (b) to the
65.29 commissioner by paying four equal, quarterly assessments. Eligible hospitals must pay the
65.30 quarterly assessments by January 1, April 1, July 1, and October 1 each year. Assessments
65.31 must be paid in the form and manner specified by the commissioner. An eligible hospital

66.1 is prohibited from paying a quarterly assessment until the eligible hospital has received the
66.2 applicable invoice under paragraph (f).

66.3 (f) The commissioner must provide eligible hospitals with an invoice by December 1
66.4 for the assessment due January 1, March 1 for the assessment due April 1, June 1 for the
66.5 assessment due July 1, and September 1 for the assessment due October 1 each year.

66.6 (g) The commissioner must notify each eligible hospital of its estimated annual assessment
66.7 amount for the subsequent calendar year by October 15 each year.

66.8 (h) If any of the dates for assessments or invoices in paragraphs (d) to (f) fall on a holiday,
66.9 the applicable date is the next business day.

66.10 (i) A hospital that has merged with another hospital must have the hospital's assessment
66.11 revised at the start of the first full fiscal year after the merger is complete. A closed hospital
66.12 is retroactively responsible for assessments owed for services provided through the final
66.13 date of operations.

66.14 (j) If the commissioner determines that a hospital has underpaid or overpaid an
66.15 assessment, the commissioner must notify the hospital of the unpaid assessment or of any
66.16 refund due.

66.17 (k) Revenue from an assessment under this subdivision must only be used by the
66.18 commissioner to pay the nonfederal share of the directed payment program under section
66.19 256B.1974.

66.20 (l) The commissioner is prohibited from collecting any assessment under this subdivision
66.21 during any period of time when:

66.22 (1) federal financial participation is unavailable or disallowed, or if the approved federal
66.23 financial participation for the directed payment under section 256B.1974 is less than 51
66.24 percent; or

66.25 (2) a directed payment under section 256B.1974 is not approved by the Centers for
66.26 Medicare and Medicaid Services.

66.27 (m) The commissioner must make the following discounts from the inpatient portion of
66.28 the assessment under paragraph (b), clause (1), in the stated amount or as necessary to
66.29 achieve federal approval of the assessment in this section:

66.30 (1) Hennepin Healthcare, with a discount of 25 percent off the inpatient portion of the
66.31 assessment rate;

67.1 (2) Mayo Rochester, with a discount of ten percent off the inpatient portion of the
67.2 assessment rate;

67.3 (3) Gillette Children's Hospital, with a discount of 90 percent off the inpatient portion
67.4 of the assessment rate;

67.5 (4) each hospital not included in another discount category, and with greater than
67.6 \$200,000,000 in total medical assistance inpatient and outpatient revenue in fee-for-service
67.7 and managed care, as reported in the state fiscal year 2022 Medicare cost report, with a
67.8 discount of five percent off the inpatient portion of the assessment rate; and

67.9 (5) a discount off the inpatient portion of the assessment rate, as is necessary, in order
67.10 to ensure that no single hospital is responsible for greater than 12 percent of the total
67.11 assessment annually collected statewide.

67.12 (n) The commissioner must make the following discounts from the outpatient portion
67.13 of the assessment under paragraph (b), clause (2), in the stated amount or as necessary to
67.14 achieve federal approval of the assessment in this section:

67.15 (1) each critical access hospital or independent hospital located outside a city of the first
67.16 class and paid under the Medicare prospective payment system, with a discount of 40 percent
67.17 off the outpatient portion of the assessment rate;

67.18 (2) Gillette Children's Hospital, with a discount of 90 percent off the outpatient portion
67.19 of the assessment rate;

67.20 (3) Hennepin Healthcare, with a discount of 60 percent off the outpatient portion of the
67.21 assessment rate;

67.22 (4) Mayo Rochester, with a discount of 20 percent off the outpatient portion of the
67.23 assessment rate; and

67.24 (5) each hospital not included in another discount category, and with greater than
67.25 \$200,000,000 in total medical assistance inpatient and outpatient revenue in fee-for-service
67.26 and managed care, as reported in the state fiscal year 2022 Medicare cost report, with a
67.27 discount of ten percent off the outpatient portion of the assessment rate.

67.28 (o) The commissioner must fully exempt the following from the assessment in this
67.29 section:

67.30 (1) federal Indian Health Service facilities;

67.31 (2) state-owned or state-operated regional treatment centers and all state-operated services;

67.32 (3) federal Veterans Administration Medical Centers; and

68.1 (4) long-term acute care hospitals.

68.2 (p) If the federal share of the hospital directed payment program under section 256B.1974
68.3 is increased as the result of an increase to the federal medical assistance percentage, the
68.4 commissioner must reduce the assessment on a uniform percentage basis across eligible
68.5 hospitals on which the assessment is imposed, such that the aggregate amount collected
68.6 from hospitals under this subdivision does not exceed the total amount needed to maintain
68.7 the same aggregate state and federal funding level for the directed payments authorized by
68.8 section 256B.1974.

68.9 (q) Hospitals subject to the assessment under this subdivision must submit to the
68.10 commissioner on an annual basis, in the form and manner specified by the commissioner
68.11 in consultation with the Minnesota Hospital Association, all documentation necessary to
68.12 determine the assessment amounts under this subdivision.

68.13 **EFFECTIVE DATE.** (a) This section is effective the later of January 1, 2026, or federal
68.14 approval of all of the following:

68.15 (1) the waiver for the assessment required under this section; and

68.16 (2) the amendments in this act to Minnesota Statutes, sections 256B.1973 and 256B.1974.

68.17 (b) The commissioner of human services shall notify the revisor of statutes when federal
68.18 approval for all amendments set forth in paragraph (a) is obtained.

68.19 Sec. 5. Minnesota Statutes 2024, section 256.969, subdivision 2f, is amended to read:

68.20 Subd. 2f. **Alternate inpatient payment rate.** (a) Effective January 1, 2022, for a hospital
68.21 eligible to receive disproportionate share hospital payments under subdivision 9, paragraph
68.22 (d), clause (6), the commissioner shall reduce the amount calculated under subdivision 9,
68.23 paragraph (d), clause (6), by 99 percent and compute an alternate inpatient payment rate.
68.24 The alternate payment rate shall be structured to target a total aggregate reimbursement
68.25 amount equal to what the hospital would have received for providing fee-for-service inpatient
68.26 services under this section to patients enrolled in medical assistance had the hospital received
68.27 the entire amount calculated under subdivision 9, paragraph (d), clause (6). This paragraph
68.28 expires when paragraph (b) becomes effective.

68.29 (b) For hospitals eligible to receive payment under section 256B.1973 or 256B.1974
68.30 and meeting the criteria in subdivision 9, paragraph (d), the commissioner shall reduce the
68.31 amount calculated under subdivision 9, paragraph (d), by one percent and compute an
68.32 alternate inpatient payment rate. The alternate payment rate shall be structured to target a
68.33 total aggregate reimbursement amount equal to what the hospital would have received for

69.1 providing fee-for-service inpatient services under this section to patients enrolled in medical
 69.2 assistance had the hospital received 99 percent of the entire amount calculated under
 69.3 subdivision 9, paragraph (d). Hospitals that do not meet federal requirements for Medicaid
 69.4 disproportionate share hospitals are not eligible for this alternate payment.

69.5 **EFFECTIVE DATE.** (a) Paragraph (b) of this section is effective the later of January
 69.6 1, 2026, or federal approval of all of the following:

69.7 (1) this section; and

69.8 (2) the amendments in this act to Minnesota Statutes, sections 256B.1973 and 256B.1974.

69.9 (b) The commissioner of human services shall notify the revisor of statutes when federal
 69.10 approval for all amendments set forth in paragraph (a) is obtained.

69.11 Sec. 6. Minnesota Statutes 2024, section 256B.0371, subdivision 3, is amended to read:

69.12 Subd. 3. **Contingent contract with dental administrator.** (a) The commissioner shall
 69.13 determine the extent to which managed care ~~and county-based purchasing~~ plans in the
 69.14 aggregate meet the performance benchmark specified in subdivision 1 for coverage year
 69.15 2024. If managed care ~~and county-based purchasing~~ plans in the aggregate fail to meet the
 69.16 performance benchmark, the commissioner, after issuing a request for information followed
 69.17 by a request for proposals, shall contract with a dental administrator to administer dental
 69.18 services beginning January 1, ~~2026~~ 2028, for all recipients of medical assistance and
 69.19 MinnesotaCare, ~~including persons who are served under fee-for-service and persons receiving~~
 69.20 services through managed care ~~and county-based purchasing~~ plans.

69.21 (b) The dental administrator must provide administrative services, including but not
 69.22 limited to:

69.23 (1) provider recruitment, contracting, and assistance;

69.24 (2) recipient outreach and assistance;

69.25 (3) utilization management and reviews of medical necessity for dental services;

69.26 (4) dental claims processing;

69.27 (5) coordination of dental care with other services;

69.28 (6) management of fraud and abuse;

69.29 (7) monitoring access to dental services statewide;

69.30 (8) performance measurement;

70.1 (9) quality improvement and evaluation; ~~and~~

70.2 (10) management of third-party liability requirements; and

70.3 (11) establishment of grievance and appeals processes for providers and enrollees that
70.4 the commissioner can monitor.

70.5 (c) Dental administrator payments to contracted dental providers must be ~~at the~~ based
70.6 on rates established under sections 256B.76 and 256L.11 recommended by the dental access
70.7 working group. If the recommended rates are not established in law prior to July 1, 2027,
70.8 then dental administrator payments to contracted dental providers must be at the rates
70.9 established under sections 256B.76 and 256L.11.

70.10 (d) Recipients must be given a choice of dental provider, including any provider who
70.11 agrees to provider participation requirements and payment rates established by the
70.12 commissioner and dental administrator. The dental administrator must comply with the
70.13 network adequacy and geographic access requirements that apply to managed care ~~and~~
70.14 ~~county-based purchasing plans for dental services under section 62K.14.~~

70.15 (e) The contract with the dental administrator must include ~~a provision that states that~~
70.16 ~~if the dental administrator fails to meet, by calendar year 2029, a performance benchmark~~
70.17 ~~under which at least 55 percent of children and adults who were continuously enrolled for~~
70.18 ~~at least 11 months in either medical assistance or MinnesotaCare received at least one dental~~
70.19 ~~visit during the calendar year, the contract must be terminated and the commissioner must~~
70.20 ~~enter into a contract with a new dental administrator as soon as practicable~~ performance
70.21 benchmarks, accountability measures, and progress rewards based on the recommendations
70.22 from the dental access working group.

70.23 ~~(f) The commissioner shall implement this subdivision in consultation with representatives~~
70.24 ~~of providers who provide dental services to patients enrolled in medical assistance or~~
70.25 ~~MinnesotaCare, including but not limited to providers serving primarily low-income and~~
70.26 ~~socioeconomically complex populations, and with representatives of managed care plans~~
70.27 ~~and county-based purchasing plans.~~

70.28 Sec. 7. Minnesota Statutes 2024, section 256B.04, subdivision 12, is amended to read:

70.29 Subd. 12. **Limitation on services.** (a) The commissioner shall place limits on the types
70.30 of services covered by medical assistance, the frequency with which the same or similar
70.31 services may be covered by medical assistance for an individual recipient, and the amount
70.32 paid for each covered service. The state agency shall promulgate rules establishing maximum
70.33 reimbursement rates for emergency and nonemergency transportation.

71.1 The rules shall provide:

71.2 (1) an opportunity for all recognized transportation providers to be reimbursed for
71.3 nonemergency transportation consistent with the maximum rates established by the agency;
71.4 and

71.5 (2) reimbursement of public and private nonprofit providers serving the population with
71.6 a disability generally at reasonable maximum rates that reflect the cost of providing the
71.7 service regardless of the fare that might be charged by the provider for similar services to
71.8 individuals other than those receiving medical assistance or medical care under this chapter.
71.9 This paragraph expires July 1, 2026, for medical assistance fee-for-service and January 1,
71.10 2027, for prepaid medical assistance.

71.11 (b) The commissioner shall encourage providers reimbursed under this chapter to
71.12 coordinate their operation with similar services that are operating in the same community.
71.13 To the extent practicable, the commissioner shall encourage eligible individuals to utilize
71.14 less expensive providers capable of serving their needs. This paragraph expires July 1, 2026,
71.15 for medical assistance fee-for-service and January 1, 2027, for prepaid medical assistance.

71.16 (c) For the purpose of this subdivision and section 256B.02, subdivision 8, and effective
71.17 on January 1, 1981, "recognized provider of transportation services" means an operator of
71.18 special transportation service as defined in section 174.29 that has been issued a current
71.19 certificate of compliance with operating standards of the commissioner of transportation
71.20 or, if those standards do not apply to the operator, that the agency finds is able to provide
71.21 the required transportation in a safe and reliable manner. Until January 1, 1981, "recognized
71.22 transportation provider" includes an operator of special transportation service that the agency
71.23 finds is able to provide the required transportation in a safe and reliable manner. This
71.24 paragraph expires July 1, 2026, for medical assistance fee-for-service and January 1, 2027,
71.25 for prepaid medical assistance.

71.26 (d) Effective July 1, 2026, for medical assistance fee-for-service and January 1, 2027,
71.27 for prepaid medical assistance, the commissioner shall place limits on the types of services
71.28 covered by medical assistance, the frequency with which the same or similar services may
71.29 be covered by medical assistance for an individual recipient, and the amount paid for each
71.30 covered service.

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

72.1 Sec. 8. Minnesota Statutes 2024, section 256B.04, subdivision 14, is amended to read:

72.2 Subd. 14. **Competitive bidding.** (a) When determined to be effective, economical, and
72.3 feasible, the commissioner may utilize volume purchase through competitive bidding and
72.4 negotiation under the provisions of chapter 16C, to provide items under the medical assistance
72.5 program including but not limited to the following:

72.6 (1) eyeglasses;

72.7 (2) oxygen. The commissioner shall provide for oxygen needed in an emergency situation
72.8 on a short-term basis, until the vendor can obtain the necessary supply from the contract
72.9 dealer;

72.10 (3) hearing aids and supplies;

72.11 (4) durable medical equipment, including but not limited to:

72.12 (i) hospital beds;

72.13 (ii) commodes;

72.14 (iii) glide-about chairs;

72.15 (iv) patient lift apparatus;

72.16 (v) wheelchairs and accessories;

72.17 (vi) oxygen administration equipment;

72.18 (vii) respiratory therapy equipment;

72.19 (viii) electronic diagnostic, therapeutic and life-support systems; and

72.20 (ix) allergen-reducing products as described in section 256B.0625, subdivision 67,
72.21 paragraph (c) or (d);

72.22 (5) nonemergency medical transportation level of need determinations, disbursement of
72.23 public transportation passes and tokens, and volunteer and recipient mileage and parking
72.24 reimbursements;

72.25 (6) drugs; and

72.26 (7) quitline services as described in section 256B.0625, subdivision 68, paragraph (c).

72.27 This paragraph expires July 1, 2026, for medical assistance fee-for-service and January 1,
72.28 2027, for prepaid medical assistance.

72.29 (b) Effective July 1, 2026, for medical assistance fee-for-service and January 1, 2027,
72.30 for prepaid medical assistance, when determined to be effective, economical, and feasible,

73.1 the commissioner may utilize volume purchase through competitive bidding and negotiation
 73.2 under the provisions of chapter 16C to provide items under the medical assistance program,
 73.3 including but not limited to the following:

73.4 (1) eyeglasses;

73.5 (2) oxygen. The commissioner shall provide for oxygen needed in an emergency situation
 73.6 on a short-term basis, until the vendor can obtain the necessary supply from the contract
 73.7 dealer;

73.8 (3) hearing aids and supplies;

73.9 (4) durable medical equipment, including but not limited to:

73.10 (i) hospital beds;

73.11 (ii) commodes;

73.12 (iii) glide-about chairs;

73.13 (iv) patient lift apparatus;

73.14 (v) wheelchairs and accessories;

73.15 (vi) oxygen administration equipment;

73.16 (vii) respiratory therapy equipment; and

73.17 (viii) electronic diagnostic, therapeutic, and life-support systems;

73.18 (5) nonemergency medical transportation; and

73.19 (6) drugs.

73.20 ~~(b)~~ (c) Rate changes and recipient cost-sharing under this chapter and chapter 256L do
 73.21 not affect contract payments under this subdivision unless specifically identified.

73.22 ~~(e)~~ (d) The commissioner may not utilize volume purchase through competitive bidding
 73.23 and negotiation under the provisions of chapter 16C for special transportation services or
 73.24 incontinence products and related supplies. This paragraph expires July 1, 2026, for medical
 73.25 assistance fee-for-service and January 1, 2027, for prepaid medical assistance.

73.26 (e) Effective July 1, 2026, for medical assistance fee-for-service and January 1, 2027,
 73.27 for prepaid medical assistance, the commissioner must not utilize volume purchase through
 73.28 competitive bidding and negotiation under the provisions of chapter 16C for incontinence
 73.29 products and related supplies.

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

74.1 Sec. 9. Minnesota Statutes 2024, section 256B.0625, subdivision 3b, is amended to read:

74.2 Subd. 3b. **Telehealth services.** (a) Medical assistance covers medically necessary services
74.3 and consultations delivered by a health care provider through telehealth in the same manner
74.4 as if the service or consultation was delivered through in-person contact. Services or
74.5 consultations delivered through telehealth shall be paid at the full allowable rate.

74.6 (b) The commissioner may establish criteria that a health care provider must attest to in
74.7 order to demonstrate the safety or efficacy of delivering a particular service through
74.8 telehealth. The attestation may include that the health care provider:

74.9 (1) has identified the categories or types of services the health care provider will provide
74.10 through telehealth;

74.11 (2) has written policies and procedures specific to services delivered through telehealth
74.12 that are regularly reviewed and updated;

74.13 (3) has policies and procedures that adequately address patient safety before, during,
74.14 and after the service is delivered through telehealth;

74.15 (4) has established protocols addressing how and when to discontinue telehealth services;
74.16 and

74.17 (5) has an established quality assurance process related to delivering services through
74.18 telehealth.

74.19 (c) As a condition of payment, a licensed health care provider must document each
74.20 occurrence of a health service delivered through telehealth to a medical assistance enrollee.
74.21 Health care service records for services delivered through telehealth must meet the
74.22 requirements set forth in Minnesota Rules, part 9505.2175, subparts 1 and 2, and must
74.23 document:

74.24 (1) the type of service delivered through telehealth;

74.25 (2) the time the service began and the time the service ended, including an a.m. and p.m.
74.26 designation;

74.27 (3) the health care provider's basis for determining that telehealth is an appropriate and
74.28 effective means for delivering the service to the enrollee;

74.29 (4) the mode of transmission used to deliver the service through telehealth and records
74.30 evidencing that a particular mode of transmission was utilized;

74.31 (5) the location of the originating site and the distant site;

75.1 (6) if the claim for payment is based on a physician's consultation with another physician
75.2 through telehealth, the written opinion from the consulting physician providing the telehealth
75.3 consultation; and

75.4 (7) compliance with the criteria attested to by the health care provider in accordance
75.5 with paragraph (b).

75.6 (d) Telehealth visits provided through audio and visual communication or accessible
75.7 video-based platforms may be used to satisfy the face-to-face requirement for reimbursement
75.8 under the payment methods that apply to a federally qualified health center, rural health
75.9 clinic, Indian health service, 638 tribal clinic, and certified community behavioral health
75.10 clinic, if the service would have otherwise qualified for payment if performed in person.

75.11 (e) For purposes of this subdivision, unless otherwise covered under this chapter:

75.12 (1) "telehealth" means the delivery of health care services or consultations using real-time
75.13 two-way interactive audio and visual communication or accessible telehealth video-based
75.14 platforms to provide or support health care delivery and facilitate the assessment, diagnosis,
75.15 consultation, treatment, education, and care management of a patient's health care. Telehealth
75.16 includes: the application of secure video conferencing consisting of a real-time, full-motion
75.17 synchronized video; store-and-forward technology; and synchronous interactions, between
75.18 a patient located at an originating site and a health care provider located at a distant site.
75.19 Telehealth does not include communication between health care providers, or between a
75.20 health care provider and a patient that consists solely of an audio-only communication,
75.21 email, or facsimile transmission or as specified by law, except that between July 1, 2025,
75.22 and July 1, 2028, telehealth includes communication between a health care provider and a
75.23 patient that solely consists of audio-only communication;

75.24 (2) "health care provider" means a health care provider as defined under section 62A.673;
75.25 a community paramedic as defined under section 144E.001, subdivision 5f; a community
75.26 health worker who meets the criteria under subdivision 49, paragraph (a); a mental health
75.27 certified peer specialist under section 245I.04, subdivision 10; a mental health certified
75.28 family peer specialist under section 245I.04, subdivision 12; a mental health rehabilitation
75.29 worker under section 245I.04, subdivision 14; a mental health behavioral aide under section
75.30 245I.04, subdivision 16; a treatment coordinator under section 245G.11, subdivision 7; an
75.31 alcohol and drug counselor under section 245G.11, subdivision 5; or a recovery peer under
75.32 section 245G.11, subdivision 8; and

75.33 (3) "originating site," "distant site," and "store-and-forward technology" have the
75.34 meanings given in section 62A.673, subdivision 2.

76.1 **EFFECTIVE DATE.** This section is effective July 1, 2025.

76.2 Sec. 10. Minnesota Statutes 2024, section 256B.0625, subdivision 17, is amended to read:

76.3 Subd. 17. **Transportation costs.** (a) "Nonemergency medical transportation service"
76.4 means motor vehicle transportation provided by a public or private person that serves
76.5 Minnesota health care program beneficiaries who do not require emergency ambulance
76.6 service, as defined in section 144E.001, subdivision 3, to obtain covered medical services.

76.7 (b) For purposes of this subdivision, "rural urban commuting area" or "RUCA" means
76.8 a census-tract based classification system under which a geographical area is determined
76.9 to be urban, rural, or super rural. This paragraph expires July 1, 2026, for medical assistance
76.10 fee-for-service and January 1, 2027, for prepaid medical assistance.

76.11 (c) Medical assistance covers medical transportation costs incurred solely for obtaining
76.12 emergency medical care or transportation costs incurred by eligible persons in obtaining
76.13 emergency or nonemergency medical care when paid directly to an ambulance company,
76.14 nonemergency medical transportation company, or other recognized providers of
76.15 transportation services. Medical transportation must be provided by:

76.16 (1) nonemergency medical transportation providers who meet the requirements of this
76.17 subdivision;

76.18 (2) ambulances, as defined in section 144E.001, subdivision 2;

76.19 (3) taxicabs that meet the requirements of this subdivision;

76.20 (4) public transportation, within the meaning of "public transportation" as defined in
76.21 section 174.22, subdivision 7; or

76.22 (5) not-for-hire vehicles, including volunteer drivers, as defined in section 65B.472,
76.23 subdivision 1, paragraph (p).

76.24 (d) Medical assistance covers nonemergency medical transportation provided by
76.25 nonemergency medical transportation providers enrolled in the Minnesota health care
76.26 programs. All nonemergency medical transportation providers must comply with the
76.27 operating standards for special transportation service as defined in sections 174.29 to 174.30
76.28 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the
76.29 commissioner and reported on the claim as the individual who provided the service. All
76.30 nonemergency medical transportation providers shall bill for nonemergency medical
76.31 transportation services in accordance with Minnesota health care programs criteria. Publicly

77.1 operated transit systems, volunteers, and not-for-hire vehicles are exempt from the
77.2 requirements outlined in this paragraph.

77.3 (e) An organization may be terminated, denied, or suspended from enrollment if:

77.4 (1) the provider has not initiated background studies on the individuals specified in
77.5 section 174.30, subdivision 10, paragraph (a), clauses (1) to (3); or

77.6 (2) the provider has initiated background studies on the individuals specified in section
77.7 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

77.8 (i) the commissioner has sent the provider a notice that the individual has been
77.9 disqualified under section 245C.14; and

77.10 (ii) the individual has not received a disqualification set-aside specific to the special
77.11 transportation services provider under sections 245C.22 and 245C.23.

77.12 (f) The administrative agency of nonemergency medical transportation must:

77.13 (1) adhere to the policies defined by the commissioner;

77.14 (2) pay nonemergency medical transportation providers for services provided to
77.15 Minnesota health care programs beneficiaries to obtain covered medical services;

77.16 (3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled
77.17 trips, and number of trips by mode; and

77.18 (4) by July 1, 2016, in accordance with subdivision 18e, utilize a web-based single
77.19 administrative structure assessment tool that meets the technical requirements established
77.20 by the commissioner, reconciles trip information with claims being submitted by providers,
77.21 and ensures prompt payment for nonemergency medical transportation services. This
77.22 paragraph expires July 1, 2026, for medical assistance fee-for-service and January 1, 2027,
77.23 for prepaid medical assistance.

77.24 (g) Effective July 1, 2026, for medical fee-for-service and January 1, 2027, for prepaid
77.25 medical assistance, the administrative agency of nonemergency medical transportation must:

77.26 (1) adhere to the policies defined by the commissioner;

77.27 (2) pay nonemergency medical transportation providers for services provided to
77.28 Minnesota health care program beneficiaries to obtain covered medical services; and

77.29 (3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled
77.30 trips, and number of trips by mode.

78.1 ~~(g)~~ (h) Until the commissioner implements the single administrative structure and delivery
 78.2 system under subdivision 18e, clients shall obtain their level-of-service certificate from the
 78.3 commissioner or an entity approved by the commissioner that does not dispatch rides for
 78.4 clients using modes of transportation under paragraph ~~(h)~~ (n), clauses (4), (5), (6), and (7).
 78.5 This paragraph expires July 1, 2026, for medical assistance fee-for-service and January 1,
 78.6 2027, for prepaid medical assistance.

78.7 ~~(h)~~ (i) The commissioner may use an order by the recipient's attending physician,
 78.8 advanced practice registered nurse, physician assistant, or a medical or mental health
 78.9 professional to certify that the recipient requires nonemergency medical transportation
 78.10 services. Nonemergency medical transportation providers shall perform driver-assisted
 78.11 services for eligible individuals, when appropriate. Driver-assisted service includes passenger
 78.12 pickup at and return to the individual's residence or place of business, assistance with
 78.13 admittance of the individual to the medical facility, and assistance in passenger securement
 78.14 or in securing of wheelchairs, child seats, or stretchers in the vehicle.

78.15 ~~(i)~~ (j) Nonemergency medical transportation providers must take clients to the health
 78.16 care provider using the most direct route, and must not exceed 30 miles for a trip to a primary
 78.17 care provider or 60 miles for a trip to a specialty care provider, unless the client receives
 78.18 authorization from the local agency. This paragraph expires July 1, 2026, for medical
 78.19 assistance fee-for-service and January 1, 2027, for prepaid medical assistance.

78.20 (k) Effective July 1, 2026, for medical assistance fee-for-service and January 1, 2027,
 78.21 for prepaid medical assistance, nonemergency medical transportation providers must take
 78.22 clients to the health care provider using the most direct route and must not exceed 30 miles
 78.23 for a trip to a primary care provider or 60 miles for a trip to a specialty care provider, unless
 78.24 the client receives authorization from the administrator.

78.25 ~~(j)~~ (l) Nonemergency medical transportation providers may not bill for separate base
 78.26 rates for the continuation of a trip beyond the original destination. Nonemergency medical
 78.27 transportation providers must maintain trip logs, which include pickup and drop-off times,
 78.28 signed by the medical provider or client, whichever is deemed most appropriate, attesting
 78.29 to mileage traveled to obtain covered medical services. Clients requesting client mileage
 78.30 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical
 78.31 services.

78.32 ~~(k)~~ (m) The administrative agency shall use the level of service process established by
 78.33 the commissioner to determine the client's most appropriate mode of transportation. If public

79.1 transit or a certified transportation provider is not available to provide the appropriate service
79.2 mode for the client, the client may receive a onetime service upgrade.

79.3 ~~(h)~~ (n) The covered modes of transportation are:

79.4 (1) client reimbursement, which includes client mileage reimbursement provided to
79.5 clients who have their own transportation, or to family or an acquaintance who provides
79.6 transportation to the client;

79.7 (2) volunteer transport, which includes transportation by volunteers using their own
79.8 vehicle;

79.9 (3) unassisted transport, which includes transportation provided to a client by a taxicab
79.10 or public transit. If a taxicab or public transit is not available, the client can receive
79.11 transportation from another nonemergency medical transportation provider;

79.12 (4) assisted transport, which includes transport provided to clients who require assistance
79.13 by a nonemergency medical transportation provider;

79.14 (5) lift-equipped/ramp transport, which includes transport provided to a client who is
79.15 dependent on a device and requires a nonemergency medical transportation provider with
79.16 a vehicle containing a lift or ramp;

79.17 (6) protected transport, which includes transport provided to a client who has received
79.18 a prescreening that has deemed other forms of transportation inappropriate and who requires
79.19 a provider: (i) with a protected vehicle that is not an ambulance or police car and has safety
79.20 locks, a video recorder, and a transparent thermoplastic partition between the passenger and
79.21 the vehicle driver; and (ii) who is certified as a protected transport provider; and

79.22 (7) stretcher transport, which includes transport for a client in a prone or supine position
79.23 and requires a nonemergency medical transportation provider with a vehicle that can transport
79.24 a client in a prone or supine position.

79.25 ~~(m)~~ (o) The local agency shall be the single administrative agency and shall administer
79.26 and reimburse for modes defined in paragraph ~~(h)~~ (n) according to paragraphs ~~(p)~~ and ~~(q)~~
79.27 (r) to (t) when the commissioner has developed, made available, and funded the web-based
79.28 single administrative structure, assessment tool, and level of need assessment under
79.29 subdivision 18e. The local agency's financial obligation is limited to funds provided by the
79.30 state or federal government. This paragraph expires July 1, 2026, for medical assistance
79.31 fee-for-service and January 1, 2027, for prepaid medical assistance.

79.32 ~~(n)~~ (p) The commissioner shall:

- 80.1 (1) verify that the mode and use of nonemergency medical transportation is appropriate;
- 80.2 (2) verify that the client is going to an approved medical appointment; and
- 80.3 (3) investigate all complaints and appeals.

80.4 ~~(p)~~ (q) The administrative agency shall pay for the services provided in this subdivision
 80.5 and seek reimbursement from the commissioner, if appropriate. As vendors of medical care,
 80.6 local agencies are subject to the provisions in section 256B.041, the sanctions and monetary
 80.7 recovery actions in section 256B.064, and Minnesota Rules, parts 9505.2160 to 9505.2245.
 80.8 This paragraph expires July 1, 2026, for medical assistance fee-for-service and January 1,
 80.9 2027, for prepaid medical assistance.

80.10 ~~(p)~~ (r) Payments for nonemergency medical transportation must be paid based on the
 80.11 client's assessed mode under paragraph ~~(k)~~ (m), not the type of vehicle used to provide the
 80.12 service. The medical assistance reimbursement rates for nonemergency medical transportation
 80.13 services that are payable by or on behalf of the commissioner for nonemergency medical
 80.14 transportation services are:

- 80.15 (1) \$0.22 per mile for client reimbursement;
- 80.16 (2) up to 100 percent of the Internal Revenue Service business deduction rate for volunteer
 80.17 transport;
- 80.18 (3) equivalent to the standard fare for unassisted transport when provided by public
 80.19 transit, and \$12.10 for the base rate and \$1.43 per mile when provided by a nonemergency
 80.20 medical transportation provider;
- 80.21 (4) \$14.30 for the base rate and \$1.43 per mile for assisted transport;
- 80.22 (5) \$19.80 for the base rate and \$1.70 per mile for lift-equipped/ramp transport;
- 80.23 (6) \$75 for the base rate and \$2.40 per mile for protected transport; and
- 80.24 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for
 80.25 an additional attendant if deemed medically necessary. This paragraph expires July 1, 2026,
 80.26 for medical assistance fee-for-service and January 1, 2027, for prepaid medical assistance.

80.27 (s) Effective July 1, 2026, for medical assistance fee-for-service and January 1, 2027,
 80.28 for prepaid medical assistance, payments for nonemergency medical transportation must
 80.29 be paid based on the client's assessed mode under paragraph (m), not the type of vehicle
 80.30 used to provide the service.

80.31 ~~(q)~~ (t) The base rate for nonemergency medical transportation services in areas defined
 80.32 under RUCA to be super rural is equal to 111.3 percent of the respective base rate in

81.1 paragraph ~~(p)~~ (r), clauses (1) to (7). The mileage rate for nonemergency medical
81.2 transportation services in areas defined under RUCA to be rural or super rural areas is:

81.3 (1) for a trip equal to 17 miles or less, equal to 125 percent of the respective mileage
81.4 rate in paragraph ~~(p)~~ (r), clauses (1) to (7); and

81.5 (2) for a trip between 18 and 50 miles, equal to 112.5 percent of the respective mileage
81.6 rate in paragraph ~~(p)~~ (r), clauses (1) to (7). This paragraph expires July 1, 2026, for medical
81.7 assistance fee-for-service and January 1, 2027, for prepaid medical assistance.

81.8 ~~(t)~~ (u) For purposes of reimbursement rates for nonemergency medical transportation
81.9 services under paragraphs ~~(p)~~ and ~~(q)~~ (r) to (t), the zip code of the recipient's place of
81.10 residence shall determine whether the urban, rural, or super rural reimbursement rate applies.
81.11 This paragraph expires July 1, 2026, for medical assistance fee-for-service and January 1,
81.12 2027, for prepaid medical assistance.

81.13 ~~(s)~~ (v) The commissioner, when determining reimbursement rates for nonemergency
81.14 medical transportation under paragraphs ~~(p)~~ and ~~(q)~~, shall exempt all modes of transportation
81.15 listed under paragraph ~~(t)~~ (n) from Minnesota Rules, part 9505.0445, item R, subitem (2).

81.16 ~~(t)~~ (w) Effective for the first day of each calendar quarter in which the price of gasoline
81.17 as posted publicly by the United States Energy Information Administration exceeds \$3.00
81.18 per gallon, the commissioner shall adjust the rate paid per mile in paragraph ~~(p)~~ (r) by one
81.19 percent up or down for every increase or decrease of ten cents for the price of gasoline. The
81.20 increase or decrease must be calculated using a base gasoline price of \$3.00. The percentage
81.21 increase or decrease must be calculated using the average of the most recently available
81.22 price of all grades of gasoline for Minnesota as posted publicly by the United States Energy
81.23 Information Administration. This paragraph expires July 1, 2026, for medical assistance
81.24 fee-for-service and January 1, 2027, for prepaid medical assistance.

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

81.26 Sec. 11. Minnesota Statutes 2024, section 256B.0625, subdivision 17a, is amended to
81.27 read:

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

82.1 (b) Effective for services provided on or after July 1, 2016, medical assistance payment
82.2 rates for ambulance services identified in this paragraph are increased by five percent.

82.3 Capitation payments made to managed care plans and county-based purchasing plans for
82.4 ambulance services provided on or after January 1, 2017, shall be increased to reflect this
82.5 rate increase. The increased rate described in this paragraph applies to ambulance service
82.6 providers whose base of operations as defined in section 144E.10 is located:

82.7 (1) outside the metropolitan counties listed in section 473.121, subdivision 4, and outside
82.8 the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or

82.9 (2) within a municipality with a population of less than 1,000.

82.10 (c) Effective for services provided statewide on or after January 1, 2026, medical
82.11 assistance payment rates for ambulance services are increased by 13.68 percent. Capitation
82.12 payments made to managed care plans and county-based purchasing plans for ambulance
82.13 services provided on or after January 1, 2026, must be increased to reflect this rate increase.

82.14 ~~(e)~~ (d) Effective for the first day of each calendar quarter in which the price of gasoline
82.15 as posted publicly by the United States Energy Information Administration exceeds \$3.00
82.16 per gallon, the commissioner shall adjust the rate paid per mile in paragraph (a) by one
82.17 percent up or down for every increase or decrease of ten cents for the price of gasoline. The
82.18 increase or decrease must be calculated using a base gasoline price of \$3.00. The percentage
82.19 increase or decrease must be calculated using the average of the most recently available
82.20 price of all grades of gasoline for Minnesota as posted publicly by the United States Energy
82.21 Information Administration.

82.22 ~~(d)~~ (e) Managed care plans and county-based purchasing plans must provide a fuel
82.23 adjustment for ambulance services rates when fuel exceeds \$3 per gallon. If, for any contract
82.24 year, federal approval is not received for this paragraph, the commissioner must adjust the
82.25 capitation rates paid to managed care plans and county-based purchasing plans for that
82.26 contract year to reflect the removal of this provision. Contracts between managed care plans
82.27 and county-based purchasing plans and providers to whom this paragraph applies must
82.28 allow recovery of payments from those providers if capitation rates are adjusted in accordance
82.29 with this paragraph. Payment recoveries must not exceed the amount equal to any increase
82.30 in rates that results from this paragraph. This paragraph expires if federal approval is not
82.31 received for this paragraph at any time.

83.1 Sec. 12. Minnesota Statutes 2024, section 256B.0625, is amended by adding a subdivision
83.2 to read:

83.3 Subd. 18i. Administration of nonemergency medical transportation. Effective July
83.4 1, 2026, for medical assistance fee-for-service and January 1, 2027, for prepaid medical
83.5 assistance, the commissioner must contract either statewide or regionally for the
83.6 administration of the nonemergency medical transportation program in compliance with
83.7 the provisions of this chapter. The contract must include the administration of the
83.8 nonemergency medical transportation benefit for those enrolled in managed care as described
83.9 in section 256B.69.

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

83.11 Sec. 13. Minnesota Statutes 2024, section 256B.0625, subdivision 30, is amended to read:

83.12 Subd. 30. **Other clinic services.** (a) Medical assistance covers rural health clinic services,
83.13 federally qualified health center services, nonprofit community health clinic services, and
83.14 public health clinic services. Rural health clinic services and federally qualified health center
83.15 services mean services defined in United States Code, title 42, section 1396d(a)(2)(B) and
83.16 (C). Payment for rural health clinic and federally qualified health center services shall be
83.17 made according to applicable federal law and regulation.

83.18 (b) A federally qualified health center (FQHC) that is beginning initial operation shall
83.19 submit an estimate of budgeted costs and visits for the initial reporting period in the form
83.20 and detail required by the commissioner. An FQHC that is already in operation shall submit
83.21 an initial report using actual costs and visits for the initial reporting period. Within 90 days
83.22 of the end of its reporting period, an FQHC shall submit, in the form and detail required by
83.23 the commissioner, a report of its operations, including allowable costs actually incurred for
83.24 the period and the actual number of visits for services furnished during the period, and other
83.25 information required by the commissioner. FQHCs that file Medicare cost reports shall
83.26 provide the commissioner with a copy of the most recent Medicare cost report filed with
83.27 the Medicare program intermediary for the reporting year which support the costs claimed
83.28 on their cost report to the state.

83.29 (c) In order to continue cost-based payment under the medical assistance program
83.30 according to paragraphs (a) and (b), an FQHC or rural health clinic must apply for designation
83.31 as an essential community provider within six months of final adoption of rules by the
83.32 Department of Health according to section 62Q.19, subdivision 7. For those FQHCs and
83.33 rural health clinics that have applied for essential community provider status within the
83.34 six-month time prescribed, medical assistance payments will continue to be made according

84.1 to paragraphs (a) and (b) for the first three years after application. For FQHCs and rural
84.2 health clinics that either do not apply within the time specified above or who have had
84.3 essential community provider status for three years, medical assistance payments for health
84.4 services provided by these entities shall be according to the same rates and conditions
84.5 applicable to the same service provided by health care providers that are not FQHCs or rural
84.6 health clinics.

84.7 (d) Effective July 1, 1999, the provisions of paragraph (c) requiring an FQHC or a rural
84.8 health clinic to make application for an essential community provider designation in order
84.9 to have cost-based payments made according to paragraphs (a) and (b) no longer apply.

84.10 (e) Effective January 1, 2000, payments made according to paragraphs (a) and (b) shall
84.11 be limited to the cost phase-out schedule of the Balanced Budget Act of 1997.

84.12 (f) Effective January 1, 2001, through December 31, 2020, each FQHC and rural health
84.13 clinic may elect to be paid either under the prospective payment system established in United
84.14 States Code, title 42, section 1396a(aa), or under an alternative payment methodology
84.15 consistent with the requirements of United States Code, title 42, section 1396a(aa), and
84.16 approved by the Centers for Medicare and Medicaid Services. The alternative payment
84.17 methodology shall be 100 percent of cost as determined according to Medicare cost
84.18 principles.

84.19 (g) Effective for services provided on or after January 1, 2021, all claims for payment
84.20 of clinic services provided by FQHCs and rural health clinics shall be paid by the
84.21 commissioner, according to an annual election by the FQHC or rural health clinic, under
84.22 the current prospective payment system described in paragraph (f) or the alternative payment
84.23 methodology described in paragraph (l), or, upon federal approval, for FQHCs that are also
84.24 urban Indian organizations under Title V of the federal Indian Health Improvement Act, as
84.25 provided under paragraph (k).

84.26 (h) For purposes of this section, "nonprofit community clinic" is a clinic that:

84.27 (1) has nonprofit status as specified in chapter 317A;

84.28 (2) has tax exempt status as provided in Internal Revenue Code, section 501(c)(3);

84.29 (3) is established to provide health services to low-income population groups, uninsured,
84.30 high-risk and special needs populations, underserved and other special needs populations;

84.31 (4) employs professional staff at least one-half of which are familiar with the cultural
84.32 background of their clients;

85.1 (5) charges for services on a sliding fee scale designed to provide assistance to
85.2 low-income clients based on current poverty income guidelines and family size; and

85.3 (6) does not restrict access or services because of a client's financial limitations or public
85.4 assistance status and provides no-cost care as needed.

85.5 (i) Effective for services provided on or after January 1, 2015, all claims for payment
85.6 of clinic services provided by FQHCs and rural health clinics shall be paid by the
85.7 commissioner. the commissioner shall determine the most feasible method for paying claims
85.8 from the following options:

85.9 (1) FQHCs and rural health clinics submit claims directly to the commissioner for
85.10 payment, and the commissioner provides claims information for recipients enrolled in a
85.11 managed care or county-based purchasing plan to the plan, on a regular basis; or

85.12 (2) FQHCs and rural health clinics submit claims for recipients enrolled in a managed
85.13 care or county-based purchasing plan to the plan, and those claims are submitted by the
85.14 plan to the commissioner for payment to the clinic.

85.15 (j) For clinic services provided prior to January 1, 2015, the commissioner shall calculate
85.16 and pay monthly the proposed managed care supplemental payments to clinics, and clinics
85.17 shall conduct a timely review of the payment calculation data in order to finalize all
85.18 supplemental payments in accordance with federal law. Any issues arising from a clinic's
85.19 review must be reported to the commissioner by January 1, 2017. Upon final agreement
85.20 between the commissioner and a clinic on issues identified under this subdivision, and in
85.21 accordance with United States Code, title 42, section 1396a(bb), no supplemental payments
85.22 for managed care plan or county-based purchasing plan claims for services provided prior
85.23 to January 1, 2015, shall be made after June 30, 2017. If the commissioner and clinics are
85.24 unable to resolve issues under this subdivision, the parties shall submit the dispute to the
85.25 arbitration process under section 14.57.

85.26 (k) The commissioner shall establish an encounter payment rate that is equivalent to the
85.27 all inclusive rate (AIR) payment established by the Indian Health Service and published in
85.28 the Federal Register. The encounter rate must be updated annually and must reflect the
85.29 changes in the AIR established by the Indian Health Service each calendar year. FQHCs
85.30 that are also urban Indian organizations under Title V of the federal Indian Health
85.31 Improvement Act may elect to be paid: (1) at the encounter rate established under this
85.32 paragraph; (2) under the alternative payment methodology described in paragraph (l); or
85.33 (3) under the federally required prospective payment system described in paragraph (f).
85.34 FQHCs that elect to be paid at the encounter rate established under this paragraph must

86.1 continue to meet all state and federal requirements related to FQHCs and urban Indian
86.2 organizations, and must maintain their statuses as FQHCs and urban Indian organizations.

86.3 (l) All claims for payment of clinic services provided by FQHCs and rural health clinics,
86.4 that have elected to be paid under this paragraph, shall be paid by the commissioner according
86.5 to the following requirements:

86.6 (1) the commissioner shall establish a single medical and single dental organization
86.7 encounter rate for each FQHC and rural health clinic when applicable;

86.8 (2) each FQHC and rural health clinic is eligible for same day reimbursement of one
86.9 medical and one dental organization encounter rate if eligible medical and dental visits are
86.10 provided on the same day;

86.11 (3) the commissioner shall reimburse FQHCs and rural health clinics, in accordance
86.12 with current applicable Medicare cost principles, their allowable costs, including direct
86.13 patient care costs and patient-related support services. Nonallowable costs include, but are
86.14 not limited to:

86.15 (i) general social services and administrative costs;

86.16 (ii) retail pharmacy;

86.17 (iii) patient incentives, food, housing assistance, and utility assistance;

86.18 (iv) external lab and x-ray;

86.19 (v) navigation services;

86.20 (vi) health care taxes;

86.21 (vii) advertising, public relations, and marketing;

86.22 (viii) office entertainment costs, food, alcohol, and gifts;

86.23 (ix) contributions and donations;

86.24 (x) bad debts or losses on awards or contracts;

86.25 (xi) fines, penalties, damages, or other settlements;

86.26 (xii) fundraising, investment management, and associated administrative costs;

86.27 (xiii) research and associated administrative costs;

86.28 (xiv) nonpaid workers;

86.29 (xv) lobbying;

87.1 (xvi) scholarships and student aid; and

87.2 (xvii) nonmedical assistance covered services;

87.3 (4) the commissioner shall review the list of nonallowable costs in the years between
87.4 the rebasing process established in clause (5), in consultation with the Minnesota Association
87.5 of Community Health Centers, FQHCs, and rural health clinics. The commissioner shall
87.6 publish the list and any updates in the Minnesota health care programs provider manual;

87.7 (5) the initial applicable base year organization encounter rates for FQHCs and rural
87.8 health clinics shall be computed for services delivered on or after January 1, 2021, and:

87.9 (i) must be determined using each FQHC's and rural health clinic's Medicare cost reports
87.10 from 2017 and 2018;

87.11 (ii) must be according to current applicable Medicare cost principles as applicable to
87.12 FQHCs and rural health clinics without the application of productivity screens and upper
87.13 payment limits or the Medicare prospective payment system FQHC aggregate mean upper
87.14 payment limit;

87.15 (iii) must be subsequently rebased every two years thereafter using the Medicare cost
87.16 reports that are three and four years prior to the rebasing year. Years in which organizational
87.17 cost or claims volume is reduced or altered due to a pandemic, disease, or other public health
87.18 emergency shall not be used as part of a base year when the base year includes more than
87.19 one year. The commissioner may use the Medicare cost reports of a year unaffected by a
87.20 pandemic, disease, or other public health emergency, or previous two consecutive years,
87.21 inflated to the base year as established under item (iv);

87.22 (iv) must be inflated to the base year using the inflation factor described in clause (6);
87.23 and

87.24 (v) the commissioner must provide for a 60-day appeals process under section 14.57;

87.25 (6) the commissioner shall annually inflate the applicable organization encounter rates
87.26 for FQHCs and rural health clinics from the base year payment rate to the effective date by
87.27 using the CMS FQHC Market Basket inflator established under United States Code, title
87.28 42, section 1395m(o), less productivity;

87.29 (7) FQHCs and rural health clinics that have elected the alternative payment methodology
87.30 under this paragraph shall submit all necessary documentation required by the commissioner
87.31 to compute the rebased organization encounter rates no later than six months following the
87.32 date the applicable Medicare cost reports are due to the Centers for Medicare and Medicaid
87.33 Services;

88.1 (8) the commissioner shall reimburse FQHCs and rural health clinics an additional
88.2 amount relative to their medical and dental organization encounter rates that is attributable
88.3 to the tax required to be paid according to section 295.52, if applicable;

88.4 (9) FQHCs and rural health clinics may submit change of scope requests to the
88.5 commissioner if the change of scope would result in an increase or decrease of 2.5 percent
88.6 or higher in the medical or dental organization encounter rate currently received by the
88.7 FQHC or rural health clinic;

88.8 (10) for FQHCs and rural health clinics seeking a change in scope with the commissioner
88.9 under clause (9) that requires the approval of the scope change by the federal Health
88.10 Resources Services Administration:

88.11 (i) FQHCs and rural health clinics shall submit the change of scope request, including
88.12 the start date of services, to the commissioner within seven business days of submission of
88.13 the scope change to the federal Health Resources Services Administration;

88.14 (ii) the commissioner shall establish the effective date of the payment change as the
88.15 federal Health Resources Services Administration date of approval of the FQHC's or rural
88.16 health clinic's scope change request, or the effective start date of services, whichever is
88.17 later; and

88.18 (iii) within 45 days of one year after the effective date established in item (ii), the
88.19 commissioner shall conduct a retroactive review to determine if the actual costs established
88.20 under clause (3) or encounters result in an increase or decrease of 2.5 percent or higher in
88.21 the medical or dental organization encounter rate, and if this is the case, the commissioner
88.22 shall revise the rate accordingly and shall adjust payments retrospectively to the effective
88.23 date established in item (ii);

88.24 (11) for change of scope requests that do not require federal Health Resources Services
88.25 Administration approval, the FQHC and rural health clinic shall submit the request to the
88.26 commissioner before implementing the change, and the effective date of the change is the
88.27 date the commissioner received the FQHC's or rural health clinic's request, or the effective
88.28 start date of the service, whichever is later. The commissioner shall provide a response to
88.29 the FQHC's or rural health clinic's request within 45 days of submission and provide a final
88.30 approval within 120 days of submission. This timeline may be waived at the mutual
88.31 agreement of the commissioner and the FQHC or rural health clinic if more information is
88.32 needed to evaluate the request;

88.33 (12) the commissioner, when establishing organization encounter rates for new FQHCs
88.34 and rural health clinics, shall consider the patient caseload of existing FQHCs and rural

89.1 health clinics in a 60-mile radius for organizations established outside of the seven-county
89.2 metropolitan area, and in a 30-mile radius for organizations in the seven-county metropolitan
89.3 area. If this information is not available, the commissioner may use Medicare cost reports
89.4 or audited financial statements to establish base rates;

89.5 (13) the commissioner, when establishing organization encounter rates under this section
89.6 for FQHCs and rural health clinics resulting from a merger of existing clinics or the
89.7 acquisition of an existing clinic by another existing clinic, must use the combined costs and
89.8 caseloads from the clinics participating in the merger or acquisition to set the encounter rate
89.9 for the new clinic organization resulting from the merger or acquisition. The scope of services
89.10 for the newly formed clinic must be inclusive of the scope of services of the clinics
89.11 participating in the merger or acquisition;

89.12 ~~(13)~~ (14) the commissioner shall establish a quality measures workgroup that includes
89.13 representatives from the Minnesota Association of Community Health Centers, FQHCs,
89.14 and rural health clinics, to evaluate clinical and nonclinical measures; and

89.15 ~~(14)~~ (15) the commissioner shall not disallow or reduce costs that are related to an
89.16 FQHC's or rural health clinic's participation in health care educational programs to the extent
89.17 that the costs are not accounted for in the alternative payment methodology encounter rate
89.18 established in this paragraph.

89.19 (m) Effective July 1, 2023, an enrolled Indian health service facility or a Tribal health
89.20 center operating under a 638 contract or compact may elect to also enroll as a Tribal FQHC.
89.21 Requirements that otherwise apply to an FQHC covered in this subdivision do not apply to
89.22 a Tribal FQHC enrolled under this paragraph, except that any requirements necessary to
89.23 comply with federal regulations do apply to a Tribal FQHC. The commissioner shall establish
89.24 an alternative payment method for a Tribal FQHC enrolled under this paragraph that uses
89.25 the same method and rates applicable to a Tribal facility or health center that does not enroll
89.26 as a Tribal FQHC.

89.27 (n) FQHC reimbursement for mental health targeted case management services is limited
89.28 to:

89.29 (1) only those services described under subdivision 20 and provided in accordance with
89.30 contracts executed with counties authorized to subcontract for mental health targeted case
89.31 management services; and

89.32 (2) an FQHC's actual incurred costs as separately reported on the cost report submitted
89.33 to the Centers for Medicare and Medicaid Services and further identified in reports submitted
89.34 to the commissioner.

90.1 (o) Counties contracting with FQHCs for mental health targeted case management remain
90.2 responsible for the nonfederal share of the cost of the provided mental health targeted case
90.3 management services. The commissioner must bill each county for the nonfederal share of
90.4 the mental health targeted case management costs as reported by the FQHC.

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

90.6 Sec. 14. Minnesota Statutes 2024, section 256B.1973, subdivision 5, is amended to read:

90.7 **Subd. 5. Commissioner's duties; state-directed fee schedule requirement.** (a) For
90.8 each federally approved directed payment arrangement that is a state-directed fee schedule
90.9 requirement, the commissioner shall determine a uniform adjustment factor to be applied
90.10 to each claim submitted by an eligible provider to a health plan. The uniform adjustment
90.11 factor shall be determined using the average commercial payer rate or using another method
90.12 acceptable to the Centers for Medicare and Medicaid Services if the average commercial
90.13 payer rate is not approved, minus the amount necessary for the plan to satisfy tax liabilities
90.14 under sections 256.9657 and 297I.05 attributable to the directed payment arrangement. The
90.15 commissioner shall ensure that the application of the uniform adjustment factor maximizes
90.16 the allowable directed payments and does not result in payments exceeding federal limits,
90.17 and may use an annual settle-up process. The directed payment ~~shall~~ may be specific to
90.18 each health plan and prospectively incorporated into capitation payments for that plan.

90.19 (b) For each federally approved directed payment arrangement that is a state-directed
90.20 fee schedule requirement, the commissioner shall develop a plan for the initial
90.21 implementation of the state-directed fee schedule requirement to ensure that the eligible
90.22 provider receives the entire permissible value of the federally approved directed payment
90.23 arrangement. If federal approval of a directed payment arrangement under this subdivision
90.24 is retroactive, the commissioner shall make a onetime pro rata increase to the uniform
90.25 adjustment factor and the initial payments in order to include claims submitted between the
90.26 retroactive federal approval date and the period captured by the initial payments.

90.27 Sec. 15. Minnesota Statutes 2024, section 256B.1973, is amended by adding a subdivision
90.28 to read:

90.29 **Subd. 9. Interaction with other directed payments.** An eligible provider under
90.30 subdivision 3 may participate in the hospital directed payment program under section
90.31 256B.1974 for inpatient hospital services, outpatient hospital services, or both. A provider
90.32 participating in the hospital directed payment program must not receive a directed payment
90.33 under this section for any provider classes paid via the hospital directed payment program.

91.1 A hospital subject to this section must notify the commissioner in writing no later than 30
 91.2 days after enactment of this subdivision of its intention to participate in the hospital directed
 91.3 payment program under section 256B.1974 for inpatient hospital services, outpatient hospital
 91.4 services, or both. The election under this subdivision is a onetime election, except that if
 91.5 an eligible provider elects to participate in the hospital directed payment program, and the
 91.6 hospital directed payment program expires, then the eligible provider may thereafter elect
 91.7 to participate in the directed payment under this section.

91.8 **EFFECTIVE DATE.** (a) This section is effective on the later of January 1, 2026, or
 91.9 federal approval of all of the following:

91.10 (1) the waiver for the assessment required under Minnesota Statutes, section 256.9657,
 91.11 subdivision 2b; and

91.12 (2) the amendments in this act to Minnesota Statutes, section 256B.1974.

91.13 (b) The commissioner of human services shall notify the revisor of statutes when federal
 91.14 approval for all amendments set forth in paragraph (a) is obtained.

91.15 **Sec. 16. [256B.1974] HOSPITAL DIRECTED PAYMENT PROGRAM.**

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

91.18 (b) "Health plan" means a managed care plan or county-based purchasing plan that is
 91.19 under contract with the commissioner to deliver services to medical assistance enrollees
 91.20 under section 256B.69.

91.21 (c) "Eligible hospital" has the meaning given in section 256.9657, subdivision 2b,
 91.22 paragraph (a), clause (1).

91.23 Subd. 2. **Required conditions for program.** The hospital directed payment program is
 91.24 contingent on the satisfaction of all requirements necessary for the collection of an assessment
 91.25 under section 256.9657, and must conform with the requirements for permissible directed
 91.26 managed care organization expenditures under section 256B.6928, subdivision 5.

91.27 Subd. 3. **Commissioner's duties; state-directed fee schedule requirement.** (a) For
 91.28 each federally approved directed payment program that is a state-directed fee schedule
 91.29 requirement that includes a quarterly payment amount to be submitted by each health plan
 91.30 to each eligible hospital, the commissioner must determine the quarterly payment amount
 91.31 using the statewide average commercial payer rate, or using another method acceptable to
 91.32 the Centers for Medicare and Medicaid Services if the statewide average commercial payer

92.1 rate is not approved. The commissioner must ensure that the application of the quarterly
92.2 payment amounts maximizes the amount generated by the hospital assessment in section
92.3 256.9657, subdivision 2b, for allowable directed payments and does not result in payments
92.4 exceeding federal limits.

92.5 (b) The commissioner must use an annual settle-up process that occurs within the time
92.6 period allowed for medical assistance managed care claims adjustments.

92.7 (c) On and after January 1, 2028, if the federal regulations set forth in Code of Federal
92.8 Regulations, title 42, parts 430, 438, and 457, remain effective, the hospital directed payment
92.9 program may be specific to each health plan and prospectively incorporated into capitation
92.10 payments for that plan.

92.11 (d) For each federally approved directed payment program that is a state-directed fee
92.12 schedule requirement, the commissioner must develop a plan for the initial implementation
92.13 of the state-directed fee schedule requirement to ensure that eligible hospitals receive the
92.14 entire permissible value of the federally approved directed payment.

92.15 (e) Directed payments under this section must only be used to supplement, and not
92.16 supplant, medical assistance reimbursement to eligible hospitals. The directed payment
92.17 program must not modify, reduce, or offset the medical assistance payment rates determined
92.18 for each eligible hospital as required by section 256.969.

92.19 (f) The commissioner must require health plans to make quarterly directed payments
92.20 according to this section.

92.21 (g) Health plans must make quarterly directed payments using electronic funds transfers,
92.22 if the eligible hospital provides the information necessary to process such transfers, and in
92.23 accordance with directions provided by the commissioner. Health plans must make quarterly
92.24 directed payments:

92.25 (1) for the first two quarters for which such payments are due, within 30 calendar days
92.26 of the date the commissioner issued sufficient payments to the health plan to make the
92.27 directed payments according to this section; and

92.28 (2) for all subsequent quarters, within ten calendar days of the date the commissioner
92.29 issued sufficient payments to the health plan to make the directed payments according to
92.30 this section.

92.31 (h) The commissioner of human services must publish on the Department of Human
92.32 Services website, on a quarterly basis, the dates that the health plans completed their required
92.33 quarterly payments under this section.

93.1 (i) Payments to health plans that would be paid consistent with actuarial certification
93.2 and enrollment in the absence of the increased capitation payments under this section must
93.3 not be reduced as a result of this section.

93.4 (j) The commissioner must publish all directed payments resulting from this section
93.5 owed to each eligible hospital from each health plan on the Department of Human Services
93.6 website for at least two years. All calculations and reports must be posted no later than the
93.7 first day of the quarter for which the payments are to be issued.

93.8 (k) By December 1 each year, the commissioner must notify each eligible hospital of
93.9 any changes to the payment methodologies in this section, including but not limited to
93.10 changes in the directed payment rates, the aggregate directed payment amount for all eligible
93.11 hospitals, and the eligible hospital's directed payment amount for the upcoming calendar
93.12 year.

93.13 (l) The commissioner must distribute payments required under this section for each
93.14 eligible hospital within 30 days of a quarterly assessment under section 256.9657, subdivision
93.15 2b, being received. The commissioner must pay the directed payments to health plans under
93.16 contract no later than January 1, April 1, July 1, and October 1 each year.

93.17 (m) A hospital is not entitled to payments under this section until it is an eligible hospital.
93.18 An eligible hospital that has merged with another hospital must have its payments under
93.19 this section revised at the start of the first full fiscal year after the merger is complete. A
93.20 closed eligible hospital is entitled to the payments under this section for services provided
93.21 through the final date of operations.

93.22 Subd. 4. **Health plan duties; submission of claims.** Each health plan must submit to
93.23 the commissioner, in accordance with its contract with the commissioner to serve as a
93.24 managed care organization in medical assistance, payment information for each claim paid
93.25 to an eligible hospital for services provided to a medical assistance enrollee. Health plans
93.26 must allow each eligible hospital to review the health plan's own paid claims detail to enable
93.27 proper validation that the medical assistance managed care claims volume and content is
93.28 consistent with the eligible hospital's internal records. To support the validation process for
93.29 the directed payment program, health plans must permit the commissioner to share inpatient
93.30 and outpatient claims-level details with eligible hospitals identifying only those claims
93.31 where the prepaid medical assistance program under section 256B.69 is the payer source.
93.32 Eligible hospitals must provide notice of discrepancies in claims paid to the commissioner
93.33 in a form determined by the commissioner. The commissioner is authorized to determine
93.34 the final disposition of the validation process for disputed claims.

94.1 Subd. 5. Health plan duties; directed payment add-on. (a) Each health plan must
94.2 make, in accordance with its contract with the commissioner to serve as a managed care
94.3 organization in medical assistance, a directed payment to each eligible hospital. The amount
94.4 of the directed payment to the eligible hospital must be equal to the payment amounts the
94.5 plan received from the commissioner for the hospital.

94.6 (b) Health plans are prohibited from:

94.7 (1) setting, establishing, or negotiating reimbursement rates with an eligible hospital in
94.8 a manner that directly or indirectly takes into account a directed payment that a hospital
94.9 receives under this section;

94.10 (2) unnecessarily delaying a directed payment to an eligible hospital; or

94.11 (3) recouping or offsetting a directed payment for any reason, except as expressly
94.12 authorized by the commissioner.

94.13 Subd. 6. Hospital duties; quarterly supplemental directed payment add-on. (a) An
94.14 eligible hospital receiving a directed payment under this section is prohibited from:

94.15 (1) setting, establishing, or negotiating reimbursement rates with a managed care
94.16 organization in a manner that directly or indirectly takes into account a directed payment
94.17 that an eligible hospital receives under this section; or

94.18 (2) directly passing on the cost of an assessment to patients or nonmedical assistance
94.19 payers, including as a fee or rate increase.

94.20 (b) An eligible hospital that violates this subdivision is prohibited from receiving a
94.21 directed payment under this section for the remainder of the calendar year. This subdivision
94.22 does not prohibit an eligible hospital from negotiating with a payer for a rate increase.

94.23 (c) Any eligible hospital receiving a directed payment under this section must meet the
94.24 commissioner's standards for directed payments as described in subdivision 7.

94.25 Subd. 7. State minimum policy goals established. (a) The effect of the directed
94.26 payments under this section must align with the state's policy goals for medical assistance
94.27 enrollees. The directed payments must be used to maintain quality and access to a full range
94.28 of health care delivery mechanisms for medical assistance enrollees, and specifically provide
94.29 improvement for one of the following quality measures:

94.30 (1) overall well child visit rates;

94.31 (2) maternal depression screening rates; or

94.32 (3) colon cancer screening rates.

95.1 (b) The commissioner, in consultation with the Minnesota Hospital Association, must
 95.2 submit to the Centers for Medicare and Medicaid Services a quality measures performance
 95.3 evaluation criteria and methodology to regularly measure access to care and the achievement
 95.4 of state policy goals described in this subdivision.

95.5 (c) The quality measures evaluation data, as determined by paragraph (b), must be
 95.6 reported to the Centers for Medicare and Medicaid Services after at least 12 months of
 95.7 directed payments to hospitals.

95.8 Subd. 8. **Administrative review.** Before making the payments required under this
 95.9 section, and on at least an annual basis, the commissioner must consult with and provide
 95.10 for review of the payment amounts by a permanent select committee established by the
 95.11 Minnesota Hospital Association. Any data or information reviewed by members of the
 95.12 committee are data not on individuals, as defined in section 13.02. The committee's members
 95.13 may not include any current employee or paid consultant of any hospital.

95.14 **EFFECTIVE DATE.** (a) This section is effective the later of January 1, 2026, or federal
 95.15 approval of all of the following:

95.16 (1) the amendments in this act adding Minnesota Statutes, section 256.9657, subdivision
 95.17 2b; and

95.18 (2) the amendments in this act to this section.

95.19 (b) The commissioner of human services shall notify the revisor of statutes when federal
 95.20 approval for all amendments set forth in paragraph (a) is obtained.

95.21 Sec. 17. **[256B.1975] HOSPITAL DIRECTED PAYMENT PROGRAM ACCOUNT.**

95.22 Subdivision 1. **Account established; appropriation.** (a) The hospital directed payment
 95.23 program account is created in the special revenue fund in the state treasury.

95.24 (b) Money in the account, including interest earned, is annually appropriated to the
 95.25 commissioner for the purposes specified in section 256B.1974.

95.26 (c) Transfers from this account to another fund are prohibited, except as necessary to
 95.27 make the payments required under section 256B.1974.

95.28 Subd. 2. **Reports to the legislature.** By January 15, 2027, and each January 15 thereafter,
 95.29 the commissioner must submit a report to the chairs and ranking minority members of the
 95.30 legislative committees with jurisdiction over health and human services policy and finance
 95.31 that details the activities and uses of money in the hospital directed payment program

96.1 account, including the metrics and outcomes of the policy goals established by section
96.2 256B.1974, subdivision 7.

96.3 **EFFECTIVE DATE.** This section is effective on the later of January 1, 2026, or federal
96.4 approval of the amendments in this act adding Minnesota Statutes, section 256.9657,
96.5 subdivision 2b. The commissioner of human services shall notify the revisor of statutes
96.6 when federal approval is obtained.

96.7 Sec. 18. Minnesota Statutes 2024, section 256B.69, subdivision 3a, is amended to read:

96.8 Subd. 3a. **County authority.** (a) The commissioner, when implementing the medical
96.9 assistance prepayment program within a county, must include the county board in the process
96.10 of development, approval, and issuance of the request for proposals to provide services to
96.11 eligible individuals within the proposed county. County boards must be given reasonable
96.12 opportunity to make recommendations regarding the development, issuance, review of
96.13 responses, and changes needed in the request for proposals. The commissioner must provide
96.14 county boards the opportunity to review each proposal based on the identification of
96.15 community needs under chapters 142F and 145A and county advocacy activities. If a county
96.16 board finds that a proposal does not address certain community needs, the county board and
96.17 commissioner shall continue efforts for improving the proposal and network prior to the
96.18 approval of the contract. The county board shall make recommendations regarding the
96.19 approval of local networks and their operations to ensure adequate availability and access
96.20 to covered services. The provider or health plan must respond directly to county advocates
96.21 and the state prepaid medical assistance ombudsperson regarding service delivery and must
96.22 be accountable to the state regarding contracts with medical assistance funds. The county
96.23 board may recommend a maximum number of participating health plans after considering
96.24 the size of the enrolling population; ensuring adequate access and capacity; considering the
96.25 client and county administrative complexity; and considering the need to promote the
96.26 viability of locally developed health plans. The county board or a single entity representing
96.27 a group of county boards and the commissioner shall mutually select health plans for
96.28 participation at the time of initial implementation of the prepaid medical assistance program
96.29 in that county or group of counties and at the time of contract renewal. The commissioner
96.30 shall also seek input for contract requirements from the county or single entity representing
96.31 a group of county boards at each contract renewal and incorporate those recommendations
96.32 into the contract negotiation process.

96.33 (b) At the option of the county board, the board may develop contract requirements
96.34 related to the achievement of local public health goals to meet the health needs of medical

97.1 assistance enrollees. These requirements must be reasonably related to the performance of
 97.2 health plan functions and within the scope of the medical assistance benefit set. If the county
 97.3 board and the commissioner mutually agree to such requirements, the department shall
 97.4 include such requirements in all health plan contracts governing the prepaid medical
 97.5 assistance program in that county at initial implementation of the program in that county
 97.6 and at the time of contract renewal. The county board may participate in the enforcement
 97.7 of the contract provisions related to local public health goals.

97.8 (c) For counties in which a prepaid medical assistance program has not been established,
 97.9 the commissioner shall not implement that program if a county board submits an acceptable
 97.10 and timely preliminary and final proposal under section 256B.692, until county-based
 97.11 purchasing is no longer operational in that county. For counties in which a prepaid medical
 97.12 assistance program is in existence on or after September 1, 1997, the commissioner must
 97.13 terminate contracts with health plans according to section 256B.692, subdivision 5, if the
 97.14 county board submits and the commissioner accepts a preliminary and final proposal
 97.15 according to that subdivision. The commissioner is not required to terminate contracts that
 97.16 begin on or after September 1, 1997, according to section 256B.692 until two years have
 97.17 elapsed from the date of initial enrollment. This paragraph expires upon the effective date
 97.18 of paragraph (d).

97.19 (d) For counties in which a prepaid medical assistance program is in existence on or
 97.20 after September 1, 1997, the commissioner must terminate contracts with health plans
 97.21 according to section 256B.692, subdivision 5, if the county board submits and the
 97.22 commissioner accepts a preliminary and final proposal according to that subdivision. This
 97.23 paragraph is effective January 1, 2027, or upon federal approval, whichever is later. The
 97.24 commissioner of human services shall notify the revisor of statutes when federal approval
 97.25 is obtained.

97.26 ~~(d)~~ (e) In the event that a county board or a single entity representing a group of county
 97.27 boards and the commissioner cannot reach agreement regarding: (i) the selection of
 97.28 participating health plans in that county; (ii) contract requirements; or (iii) implementation
 97.29 and enforcement of county requirements including provisions regarding local public health
 97.30 goals, the commissioner shall resolve all disputes after taking into account the
 97.31 recommendations of a three-person mediation panel. The panel shall be composed of one
 97.32 designee of the president of the association of Minnesota counties, one designee of the
 97.33 commissioner of human services, and one person selected jointly by the designee of the
 97.34 commissioner of human services and the designee of the Association of Minnesota Counties.
 97.35 Within a reasonable period of time before the hearing, the panelists must be provided all

98.1 documents and information relevant to the mediation. The parties to the mediation must be
98.2 given 30 days' notice of a hearing before the mediation panel.

98.3 ~~(e)~~ (f) If a county which elects to implement county-based purchasing ceases to implement
98.4 county-based purchasing, it is prohibited from assuming the responsibility of county-based
98.5 purchasing for a period of five years from the date it discontinues purchasing.

98.6 ~~(f)~~ (g) The commissioner shall not require that contractual disputes between county-based
98.7 purchasing entities and the commissioner be mediated by a panel that includes a
98.8 representative of the Minnesota Council of Health Plans.

98.9 ~~(g)~~ (h) At the request of a county-purchasing entity, the commissioner shall adopt a
98.10 contract reprocurement or renewal schedule under which all counties included in the entity's
98.11 service area are reprocedured or renewed at the same time.

98.12 ~~(h)~~ (i) The commissioner shall provide a written report under section 3.195 to the chairs
98.13 of the legislative committees having jurisdiction over human services in the senate and the
98.14 house of representatives describing in detail the activities undertaken by the commissioner
98.15 to ensure full compliance with this section. The report must also provide an explanation for
98.16 any decisions of the commissioner not to accept the recommendations of a county or group
98.17 of counties required to be consulted under this section. The report must be provided at least
98.18 30 days prior to the effective date of a new or renewed prepaid or managed care contract
98.19 in a county.

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

98.21 Sec. 19. **[256B.695] COUNTY-ADMINISTERED RURAL MEDICAL ASSISTANCE**
98.22 **PROGRAM.**

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

98.25 (b) "CARMA" means the county-administered rural medical assistance program
98.26 established under this section.

98.27 (c) "Commissioner" means the commissioner of human services.

98.28 (d) "Eligible individual" means an individual who is:

98.29 (1) residing in a county administering CARMA; and

98.30 (2) eligible for medical assistance, MinnesotaCare, Minnesota Senior Health Options
98.31 (MSHO), Minnesota Senior Care Plus (MSC+), or Special Needs Basic Care (SNBC).

99.1 (e) "Enrollee" means an individual enrolled in CARMA.

99.2 (f) "PMAP" means the prepaid medical assistance program under section 256B.69.

99.3 (g) "Rural county" has the meaning given to "rural area" in Code of Federal Regulations,
99.4 title 42, section 438.52.

99.5 Subd. 2. **Program established.** CARMA is established to:

99.6 (1) provide a county-owned and county-administered alternative to PMAP;

99.7 (2) facilitate integration of health care, public health, and social services to address
99.8 health-related social needs in rural communities;

99.9 (3) account for the fewer enrollees and local providers of health care and community
99.10 services in rural communities; and

99.11 (4) promote accountability for health outcomes, health equity, customer service,
99.12 community outreach, and cost of care.

99.13 Subd. 3. **County participation.** Each county or group of counties authorized under
99.14 section 256B.692 may administer CARMA for any or all eligible individuals as an alternative
99.15 to PMAP, MinnesotaCare, MSHO, MSC+, or SNBC programs. Counties choosing and
99.16 authorized to administer CARMA are exempt from the procurement process as required
99.17 under section 256B.69.

99.18 Subd. 4. **Oversight and regulation.** CARMA is governed by sections 256B.69 and
99.19 256B.692, unless otherwise provided for under this section. The commissioner must develop
99.20 and implement a procurement process requiring applications from county-based purchasing
99.21 plans interested in offering CARMA. The procurement process must require county-based
99.22 purchasing plans to demonstrate compliance with federal and state regulatory requirements
99.23 and the ability to meet the goals of the program set forth in subdivision 2. The commissioner
99.24 must review and approve or disapprove applications.

99.25 Subd. 5. **CARMA enrollment.** (a) Subject to paragraphs (d) and (e), eligible individuals
99.26 must be automatically enrolled in CARMA, but may decline enrollment. Eligible individuals
99.27 may enroll in fee-for-service medical assistance. Eligible individuals may change their
99.28 CARMA elections on an annual basis.

99.29 (b) Eligible individuals must be able to enroll in CARMA through the selection process
99.30 in accordance with the election period established in section 256B.69, subdivision 4,
99.31 paragraph (e).

100.1 (c) Enrollees who were not previously enrolled in the medical assistance program or
100.2 MinnesotaCare can change their selection once within the first year after enrollment in
100.3 CARMA. Enrollees who were not previously enrolled in CARMA have 90 days to make a
100.4 change and changes are allowed for additional special circumstances.

100.5 (d) The commissioner may offer a second health plan other than, and in addition to,
100.6 CARMA to eligible individuals when another health plan is required by federal law or rule.
100.7 The commissioner may offer a replacement plan to eligible individuals, as determined by
100.8 the commissioner, when counties administering CARMA have their contract terminated
100.9 for cause.

100.10 (e) The commissioner may, on a county-by-county basis, offer a health plan other than,
100.11 and in addition to, CARMA to individuals who are eligible for both Medicare and medical
100.12 assistance due to age or disability if the commissioner deems it necessary for enrollees to
100.13 have another choice of health plan. Factors the commissioner must consider when
100.14 determining if the other health plan is necessary include the number of available Medicare
100.15 Advantage Plan options that are not special needs plans in the county, the size of the enrolling
100.16 population, the additional administrative burden placed on providers and counties by multiple
100.17 health plan options in a county, the need to ensure the viability and success of the CARMA
100.18 program, and the impact to the medical assistance program.

100.19 (f) In counties where the commissioner is required by federal law or elects to offer a
100.20 second health plan other than CARMA pursuant to paragraphs (d) and (e), eligible enrollees
100.21 who do not select a health plan at the time of enrollment must automatically be enrolled in
100.22 CARMA.

100.23 (g) This subdivision supersedes section 256B.694.

100.24 Subd. 6. **Benefits and services.** (a) Counties or groups of counties administering CARMA
100.25 must cover all benefits and services required to be covered by medical assistance under
100.26 section 256B.0625.

100.27 (b) Counties or groups of counties administering CARMA may include health-related
100.28 social needs (HRSN) benefits as covered services under medical assistance as of January
100.29 1, 2030. Coverage for HRSN must be based on the assessed needs of housing, food,
100.30 transportation, utilities, and interpersonal safety.

100.31 (c) Counties or groups of counties administering CARMA may reimburse enrollees
100.32 directly for out-of-pocket costs incurred obtaining assessed HRSN services provided by
100.33 nontraditional providers who are unable to accept payment via traditional health insurance

101.1 methods. Enrollees must not be reimbursed for out-of-pocket costs paid to providers eligible
101.2 to enroll.

101.3 Subd. 7. **Payment.** (a) The commissioner, in consultation with counties and groups of
101.4 counties administering CARMA, must develop a mechanism for making payments to
101.5 counties and groups of counties that administer CARMA. The payment mechanism must:

101.6 (1) be governed by contracts with terms, including but not limited to payment rates,
101.7 amended on an as-needed basis;

101.8 (2) pay a full-risk monthly capitation payment for services included in CARMA, including
101.9 the cost for administering CARMA benefits and services;

101.10 (3) include risk corridors based on minimum loss ratio, total cost of care, or other metrics;

101.11 (4) include a settle-up process tied to the risk corridor arrangement allowing a county
101.12 or group of counties administering CARMA to retain savings for reinvestment in health
101.13 care activities and operations to protect against significant losses that a county or group of
101.14 counties administering CARMA or the state might realize, beginning no sooner than after
101.15 a county's or group of counties' third year of CARMA operations;

101.16 (5) include a collaborative rate-setting process accounting for CARMA experience,
101.17 regional experience, and the Department of Human Services fee-for-service experience;
101.18 and

101.19 (6) be exempt from section 256B.69, subdivisions 5a, paragraphs (c) and (f), and 5d,
101.20 and payment for Medicaid services provided under section 256B.69, subdivision 28,
101.21 paragraph (b), no sooner than three years after CARMA implementation.

101.22 (b) Payments for benefits and services under subdivision 6, paragraph (a), must not
101.23 exceed payments that otherwise would have been paid to health plans under medical
101.24 assistance for that county or region. Payments for HRSN benefits under subdivision 6,
101.25 paragraph (b), must be in addition to payments for benefits and services under subdivision
101.26 6, paragraph (a).

101.27 Subd. 8. **Quality measures.** (a) The commissioner and counties and groups of counties
101.28 administering CARMA must collaborate to establish quality measures for CARMA not to
101.29 exceed the extent of quality measures required under sections 256B.69 and 256B.692. The
101.30 measures must include:

101.31 (1) enrollee experience and outcomes;

101.32 (2) population health;

102.1 (3) health equity; and

102.2 (4) the value of health care spending.

102.3 (b) The commissioner and counties and groups of counties administering CARMA must
102.4 collaborate to define a quality improvement model for CARMA. The model must include
102.5 a focus on locally specified measures based on counties' unique needs. The locally specified
102.6 measures for the county or group of counties administering CARMA must be determined
102.7 before the commissioner enters into any contract with a county or group of counties.

102.8 Subd. 9. Data and systems integration. The commissioner and counties and groups of
102.9 counties administering CARMA must collaborate to:

102.10 (1) identify and address barriers that prevent counties and groups of counties
102.11 administering CARMA from reviewing individual enrollee eligibility information to identify
102.12 eligibility and to help enrollees apply for other appropriate programs and resources;

102.13 (2) identify and address barriers preventing counties and groups of counties administering
102.14 CARMA from more readily communicating with and educating potential and current
102.15 enrollees regarding other program opportunities, including helping enrollees apply for those
102.16 programs and navigate transitions between programs;

102.17 (3) develop and test, in counties participating in CARMA, a universal public assistance
102.18 application form to reduce the administrative barriers associated with applying for and
102.19 participating in various public programs;

102.20 (4) identify and address regulatory and system barriers that may prohibit counties and
102.21 groups of counties administering CARMA, agencies, and other partners from working
102.22 together to identify and address an individual's needs;

102.23 (5) facilitate greater interoperability between counties and groups of counties
102.24 administering CARMA, agencies, and other partners to send and receive the data necessary
102.25 to support CARMA, counties, and local health system efforts to improve the health and
102.26 welfare of prospective and enrolled populations;

102.27 (6) support efforts of counties and groups of counties administering CARMA to
102.28 incorporate the necessary automation and interoperability to eliminate manual processes
102.29 when related to the data exchanged; and

102.30 (7) support the creation and maintenance by counties and groups of counties administering
102.31 CARMA of an updated electronic inventory of community resources available to assist the
102.32 enrollee in the enrollee's HRSN, including an electronic closed-loop referral system.

103.1 **EFFECTIVE DATE.** This section is effective January 1, 2027, or upon federal approval,
103.2 whichever is later. The commissioner of human services shall notify the revisor of statutes
103.3 when federal approval is obtained.

103.4 Sec. 20. **IMPLEMENTATION OF HOSPITAL ASSESSMENT AND DIRECTED**
103.5 **PAYMENT PROGRAM.**

103.6 (a) The commissioner of human services must immediately begin all necessary claims
103.7 analysis to calculate the assessment and payments required under Minnesota Statutes, section
103.8 256.9657, subdivision 2b, and the hospital directed payment program described in Minnesota
103.9 Statutes, section 256B.1974.

103.10 (b) The commissioner of human services, in consultation with the Minnesota Hospital
103.11 Association, must submit to the Centers for Medicare and Medicaid Services a request for
103.12 federal approval to implement the hospital assessment described in Minnesota Statutes,
103.13 section 256.9657, subdivision 2b, and the hospital directed payment program under
103.14 Minnesota Statutes, section 256B.1974. At least 15 days before submitting the request for
103.15 approval, the commissioner must make available to the public the draft assessment
103.16 requirements, the draft directed payment details, and an estimate of each assessment amount
103.17 for each eligible hospital without an exemption from the assessment pursuant to Minnesota
103.18 Statutes, section 256.9657, subdivision 2b, paragraph (k).

103.19 (c) During the design and prior to submission of the request for approval under paragraph
103.20 (b), the commissioner of human services must consult with the Minnesota Hospital
103.21 Association and any eligible hospitals without an exemption from the assessment pursuant
103.22 to Minnesota Statutes, section 256.9657, subdivision 2b, paragraph (k), and that are not
103.23 members of the Minnesota Hospital Association.

103.24 (d) If federal approval is received for the request under paragraph (b), the commissioner
103.25 of human services must provide at least 15 days of public posting and review of the federally
103.26 approved terms and conditions for the assessment and the directed payment program prior
103.27 to any assessment under Minnesota Statutes, section 256.9657, subdivision 2b, becoming
103.28 due from an eligible hospital.

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

103.30 Sec. 21. **REQUEST FOR FEDERAL WAIVER.**

103.31 The commissioner of human services must seek all federal waivers and authority
103.32 necessary to implement the county-assisted rural medical assistance (CARMA) program

104.1 under Minnesota Statutes, section 256B.695. Any part of the CARMA program that does
 104.2 not require federal approval shall have an effective date as specified in state law. The
 104.3 commissioner of human services shall notify the revisor of statutes when federal approval
 104.4 is obtained.

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

104.6 Sec. 22. **COUNTY-ADMINISTERED RURAL MEDICAL ASSISTANCE PROGRAM**
 104.7 **IMPLEMENTATION COSTS.**

104.8 Up to \$500,000 of the nonfederal share of the costs to the Department of Human Services
 104.9 for implementation of the requirements under the county-assisted rural medical assistance
 104.10 (CARMA) program under Minnesota Statutes, section 256B.695, must be paid via an
 104.11 intergovernmental funds transfer to the commissioner of human services by each county or
 104.12 group of counties authorized under Minnesota Statutes, section 256B.692, seeking to
 104.13 administer a CARMA program. The costs must be paid in a manner that is in compliance
 104.14 with the requirements of Code of Federal Regulations, title 42, section 433.51. Within one
 104.15 year of receiving payment under this section, the commissioner must provide a settle-up
 104.16 process for any county or group of counties authorized under Minnesota Statutes, section
 104.17 256B.692, administering a CARMA program and making payment under this section to
 104.18 document and adjust payments owed to account for the commissioner's actual implementation
 104.19 costs for Minnesota Statutes, section 256B.695.

104.20 Sec. 23. **MEDICAL ASSISTANCE COVERAGE OF TRADITIONAL HEALTH**
 104.21 **CARE PRACTICES.**

104.22 Subdivision 1. **Waiver request.** By October 1, 2025, the commissioner of human services,
 104.23 in consultation with Tribes, Tribal organizations, and urban Indian organizations, shall apply
 104.24 to the Centers for Medicare and Medicaid Services for a waiver to allow the state's medical
 104.25 assistance program to provide coverage for traditional health care practices received through
 104.26 Indian health service facilities, facilities operated by Tribes or Tribal organizations under
 104.27 the Indian Self-Determination and Education Assistance Act, or facilities operated by urban
 104.28 Indian organizations under Title V of the Indian Health Care Improvement Act.

104.29 Subd. 2. **Requirements.** (a) A qualified provider must determine whether a medical
 104.30 assistance enrollee is eligible to receive traditional health care practices under this section.

104.31 (b) Traditional health care practices are covered under this section if they are received
 104.32 from a qualified provider.

105.1 (c) For purposes of this section, "qualified provider" means a practitioner or provider
 105.2 who is employed by or under contract with the Indian Health Service, a 638 Tribal clinic,
 105.3 or a Title V urban Indian organization. Each facility is responsible for ensuring that a
 105.4 qualified provider has the necessary experience and appropriate training to provide traditional
 105.5 health care practices.

105.6 Subd. 3. **Payments for traditional health care practices.** Reimbursement for traditional
 105.7 health care practices under this section is set at the outpatient, per-visit rate established by
 105.8 the Indian Health Service under sections 321(a) and 322(b) of the Public Health Service
 105.9 Act. Reimbursement is limited to one payment per day, per medical assistance enrollee
 105.10 receiving traditional health care practices.

105.11 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
 105.12 whichever is later, except that subdivision 1 is effective the day following final enactment.
 105.13 The commissioner of human services must notify the revisor of statutes when federal
 105.14 approval is obtained.

105.15 Sec. 24. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; ENHANCED**
 105.16 **FEDERAL REIMBURSEMENT FOR FAMILY PLANNING SERVICES IN**
 105.17 **MEDICAL ASSISTANCE.**

105.18 The commissioner of human services must make the systems modification necessary to
 105.19 claim enhanced federal reimbursement for all family planning services under the medical
 105.20 assistance program.

105.21 Sec. 25. **DENTAL ACCESS WORKING GROUP.**

105.22 Subdivision 1. **Establishment.** (a) The commissioner of human services must establish
 105.23 a working group as part of the Dental Services Advisory Committee to identify and make
 105.24 recommendations on the state's goals, priorities, and processes for contracting with a dental
 105.25 administrator under Minnesota Statutes, section 256B.0371.

105.26 (b) The working group must include members of the Dental Services Advisory
 105.27 Committee, and at least one representative from each of the following:

105.28 (1) critical access dental providers;

105.29 (2) dental providers that primarily serve low-income and socioeconomically complex
 105.30 populations;

105.31 (3) dental providers that serve private-pay patients as well as medical assistance and
 105.32 MinnesotaCare enrollees;

106.1 (4) rural critical access dental providers that do not have clinics in the seven-county
106.2 metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2; and
106.3 (5) managed care plans.

106.4 Subd. 2. **Recommendations.** (a) The working group must provide recommendations to
106.5 the commissioner on:

106.6 (1) establishing and implementing a dental payment rate structure for medical assistance
106.7 and MinnesotaCare that:

106.8 (i) is based on the most recent cost data available;

106.9 (ii) promotes accountability while considering geographic differences in access to and
106.10 cost of dental services, critical access dental status, patient characteristics, transportation
106.11 needs, and medical and dental benefit coordination; and

106.12 (iii) can be updated regularly;

106.13 (2) performance benchmarks that focus on improving oral health for medical assistance
106.14 and MinnesotaCare enrollees, including consideration of Dental Quality Alliance and Oral
106.15 Health Impact Profile measures for broader assessment of a full range of services, and the
106.16 feasibility, cost, and value of providing the services;

106.17 (3) methods for measuring progress toward the performance benchmarks and holding
106.18 the dental administrator accountable for progress, including providing rewards for progress;

106.19 (4) establishing goals and processes to ensure coordination of care among medical
106.20 assistance and MinnesotaCare providers, including dental, medical, and other care providers,
106.21 particularly for patients with complex cases engaged in active treatment plans at the time
106.22 of transition to the dental administrator under Minnesota Statutes, section 256B.0371;

106.23 (5) developing and implementing an infrastructure and workforce development strategy
106.24 that invests in the medical assistance and MinnesotaCare dental system through grants and
106.25 loans at a level that enables continued development of dental capacity commensurate with
106.26 that obtained through the managed care delivery system and from philanthropic sources;
106.27 and

106.28 (6) developing and implementing a workforce development strategy to support the
106.29 pipeline of dental providers and oral health practitioners at all levels.

106.30 (b) The working group must provide the recommendations required under this subdivision
106.31 to the commissioner by

107.1 Subd. 3. Reporting requirements. (a) By, the commissioner, in consultation with
 107.2 its contracted dental administrator, must develop an implementation plan and timeline to
 107.3 effectuate the recommendations from the working group under this section.

107.4 (b) By, the commissioner must submit a report with the working group
 107.5 recommendations, implementation plan, timeline, and any draft legislation required to
 107.6 implement the implementation plan to the chairs and ranking minority members of the
 107.7 legislative committees with jurisdiction over health and human services policy and finance.

107.8 **Sec. 26. REPEALER.**

107.9 (a) Laws 2023, chapter 70, article 16, section 22, is repealed.

107.10 (b) Minnesota Statutes 2024, section 256B.0625, subdivisions 18b, 18e, and 18h, are
 107.11 repealed.

107.12 **EFFECTIVE DATE.** Paragraph (b) is effective July 1, 2026, for medical assistance
 107.13 fee-for-service and January 1, 2027, for prepaid medical assistance.

107.14 **ARTICLE 6**

107.15 **OFFICE OF EMERGENCY MEDICAL SERVICES**

107.16 **Section 1. [144E.54] AMBULANCE OPERATING DEFICIT GRANT PROGRAM.**

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

107.19 (b) "Capital expenses" means expenses incurred by a licensee for the purchase,
 107.20 improvement, or maintenance of assets with an expected useful life of greater than five
 107.21 years that improve the efficiency of provided ambulance services or the capabilities of the
 107.22 licensee.

107.23 (c) "Eligible applicant" or "eligible licensee" means any licensee who possessed a license
 107.24 not excluded under subdivision 4 or 5 in the last completed state fiscal year for which data
 107.25 was provided to the director, as provided in section 62J.49; who continues to operate that
 107.26 same nonexcluded license at the time of application; and who provides verifiable evidence
 107.27 of an operating deficit in the state fiscal year prior to submitting an application.

107.28 (d) "Government licensee" means any government entity, as defined in section 118A.01,
 107.29 subdivision 2, including a Tribe, that is a licensee.

107.30 (e) "Insurance revenue" means revenue from Medicare, medical assistance, private health
 107.31 insurance, third-party liability insurance, and payments from individuals.

108.1 (f) "Operating deficit" means the sum of insurance revenue and other revenue is less
108.2 than the sum of operational expenses and capital expenses.

108.3 (g) "Operational expenses" means costs related to the day-to-day operations of an
108.4 ambulance service, including but not limited to costs related to personnel, supplies and
108.5 equipment, fuel, vehicle maintenance, travel, education, and fundraising.

108.6 (h) "Other revenue" means revenue from any revenue that is not insurance revenue,
108.7 including but not limited to grants, tax revenue, donations, fundraisers, or standby fees.

108.8 Subd. 2. **Program establishment.** An ambulance operating deficit grant program is
108.9 established to award grants to applicants to address revenue shortfalls creating operating
108.10 deficits among eligible applicants.

108.11 Subd. 3. **Licensee providing specialized life support services excluded.** Licensees
108.12 providing specialized life support services as described in section 144E.101, subdivision 9,
108.13 are not eligible for grants under this section.

108.14 Subd. 4. **Other licensees excluded.** Licensees whose individual primary service areas
108.15 are located mostly within a metropolitan county listed in section 473.121, subdivision 4, or
108.16 within the cities of Duluth, Mankato, St. Cloud, or Rochester are not eligible for grants
108.17 under this section.

108.18 Subd. 5. **Application process.** (a) An eligible licensee may apply to the director, in the
108.19 form and manner determined by the director, for a grant under this section.

108.20 (b) A grant application made by a government licensee must be accompanied by a
108.21 resolution of support from the governing body.

108.22 Subd. 6. **Director calculations.** The director shall award grants only to applicants who
108.23 provide verifiable evidence of an operating deficit in the last completed state fiscal year for
108.24 which data were provided to the director. The director may audit the financial data provided
108.25 to the director by applicants, as provided in section 62J.49. A grant awarded must not be
108.26 more than five percent more than any previous grant without special permission from the
108.27 director.

108.28 Subd. 7. **Grant awards; limitations.** (a) Grants awarded under this section to eligible
108.29 applicants may be proportionally distributed based on money available. Total amounts
108.30 awarded must not exceed the amount in the ambulance operating deficit account.

108.31 (b) The director shall award grants annually.

109.1 (c) The director must not award individual grants that exceed the amount of the grantee's
109.2 most recent verified operating deficit as reported to the director.

109.3 Subd. 8. **Eligible expenditures.** A grantee must spend grant money received under this
109.4 section on operational expenses and capital expenses incurred to provide ambulance services.

109.5 Subd. 9. **Report.** By February 15, 2026, and annually thereafter, the director must submit
109.6 a report to the chairs and ranking minority members of the legislative committees with
109.7 jurisdiction over health finance and policy. The report must describe the number and amount
109.8 of grants awarded under this section and the uses made of grant money by grantees.

109.9 Sec. 2. **[144E.55] RURAL EMS UNCOMPENSATED CARE POOL PAYMENT**
109.10 **PROGRAM.**

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

109.13 (b) "Eligible licensee" means a licensee that primarily provides ambulance services
109.14 outside the metropolitan counties listed in section 473.121, subdivision 4.

109.15 (c) "Public safety answering point" has the meaning given in section 403.02, subdivision
109.16 19.

109.17 Subd. 2. **Payment program established.** The director must establish and administer a
109.18 rural EMS uncompensated care pool payment program. Under the program, the director
109.19 must make payments to eligible licensees according to this section.

109.20 Subd. 3. **Excluded responses.** The director must exclude EMS responses by specialized
109.21 life support, as described in section 144E.101, subdivision 9, in calculating payments under
109.22 this section.

109.23 Subd. 4. **Application process.** (a) An eligible licensee seeking a payment under this
109.24 section must apply to the director each year by March 31, in the form and manner determined
109.25 by the director. In the application, the eligible licensee must specify the number of the
109.26 eligible licensee's EMS responses that meet the criteria in subdivision 5.

109.27 (b) When an eligible licensee, an eligible licensee's parent company, a subsidiary of an
109.28 eligible licensee, or a subsidiary of an eligible licensee's parent company collectively hold
109.29 multiple licenses, the director must treat all such related licensees as a single eligible licensee.

109.30 Subd. 5. **Eligible EMS responses.** In order for an EMS response to be an eligible EMS
109.31 response for purposes of subdivision 6, the EMS response must meet the following criteria:

110.1 (1) the EMS response was initiated by a request for emergency medical services initially
110.2 received by a public safety answering point;

110.3 (2) an ambulance responded to the scene;

110.4 (3) the ambulance was not canceled while en route to the scene;

110.5 (4) the ambulance did not transport a person from the scene to a hospital emergency
110.6 department;

110.7 (5) the eligible licensee did not receive any payment for the EMS response from any
110.8 source; and

110.9 (6) the EMS response was initiated between January 1 and December 31 of the year
110.10 prior to the year the application is submitted.

110.11 Subd. 6. **Calculations.** (a) The director must calculate payments as provided in paragraphs
110.12 (b) and (c) for an eligible licensee that completes an application under subdivision 4.

110.13 (b) The director must award points for eligible EMS responses as follows:

110.14 (1) for eligible EMS responses one to 25, an eligible licensee is awarded ten points per
110.15 response;

110.16 (2) for eligible EMS responses 26 to 50, an eligible licensee is awarded five points per
110.17 response;

110.18 (3) for eligible EMS responses 51 to 100, an eligible licensee is awarded three points
110.19 per response;

110.20 (4) for eligible EMS responses 101 to 200, an eligible licensee is awarded one point per
110.21 response; and

110.22 (5) for eligible EMS responses exceeding 200, an eligible licensee is awarded zero points.

110.23 (c) The director must total the number of all points awarded to all applying eligible
110.24 licensees under paragraph (b). The director must divide the amount appropriated for purposes
110.25 of this section by the total number of points awarded to determine a per-point amount. The
110.26 payment for each eligible licensee shall be calculated by multiplying the eligible licensee's
110.27 number of awarded points by the established per-point amount.

110.28 Subd. 7. **Payment.** The director must certify the payment amount for each eligible
110.29 licensee and must make the full payment to each eligible licensee by May 30 each year.

111.1

ARTICLE 7

111.2

ECONOMIC ASSISTANCE

111.3 Section 1. Minnesota Statutes 2024, section 142A.03, is amended by adding a subdivision
111.4 to read:

111.5 Subd. 35. **Electronic benefits transfer; contracting and procurement.** Notwithstanding
111.6 chapter 16C, the commissioner is exempt from the contract term limits for the issuance of
111.7 public benefits through an electronic benefit transfer system and related services. These
111.8 contracts may have up to an initial five-year term, with extensions not to exceed a ten-year
111.9 total contract duration.

111.10 Sec. 2. Minnesota Statutes 2024, section 142F.14, is amended to read:

111.11 **142F.14 FOOD SHELF.**

111.12 Subdivision 1. **Distribution of appropriation.** The commissioner must distribute funds
111.13 appropriated to the commissioner ~~by law for that purpose~~ for purposes of this section to
111.14 ~~Hunger Solutions~~ The Food Group, a statewide association of food shelves organized as a
111.15 nonprofit corporation as defined under section 501(c)(3) of the Internal Revenue Code of
111.16 1986, to distribute to qualifying food shelves. A food shelf qualifies under this section if:

111.17 (1) it is a nonprofit corporation, or is affiliated with a nonprofit corporation, as defined
111.18 in section 501(c)(3) of the Internal Revenue Code of 1986 or a federally recognized Tribal
111.19 nation;

111.20 (2) it distributes standard food orders without charge to needy individuals. The standard
111.21 food order must consist of at least a two-day supply or six pounds per person of nutritionally
111.22 balanced food items;

111.23 (3) it does not limit food distributions to individuals of a particular religious affiliation,
111.24 race, or other criteria unrelated to need or to requirements necessary to administration of a
111.25 fair and orderly distribution system;

111.26 (4) it does not use the money received or the food distribution program to foster or
111.27 advance religious or political views; and

111.28 (5) it has a stable address and directly serves individuals.

111.29 Subd. 2. **Application.** In order to receive money appropriated under this section, ~~Hunger~~
111.30 ~~Solutions~~ The Food Group must apply to the commissioner. The application must be in a
111.31 form prescribed by the commissioner and must indicate the proportion of money each

112.1 qualifying food shelf shall receive. Applications must be filed at the times and for the periods
112.2 determined by the commissioner.

112.3 Subd. 3. **Distribution formula.** ~~Hunger Solutions~~ The Food Group must distribute
112.4 money distributed to it by the department to food shelf programs in proportion to the number
112.5 of individuals served by each food shelf program. The commissioner must gather data from
112.6 ~~Hunger Solutions~~ The Food Group or other appropriate sources to determine the proportionate
112.7 amount each qualifying food shelf program is entitled to receive. The commissioner may
112.8 increase or decrease the qualifying food shelf program's proportionate amount if the
112.9 commissioner determines the increase or decrease is necessary or appropriate to meet
112.10 changing needs or demands.

112.11 Subd. 4. **Use of money.** At least 96 percent of the money distributed to ~~Hunger Solutions~~
112.12 The Food Group under this section must be distributed to food shelf programs to purchase,
112.13 transport, and coordinate the distribution of nutritious food to needy individuals and families.
112.14 The money distributed to food shelf programs may also be used to purchase personal hygiene
112.15 products, including but not limited to diapers and toilet paper. No more than four percent
112.16 of the money may be expended for other expenses, such as rent, salaries, and other
112.17 administrative expenses of ~~Hunger Solutions~~ The Food Group.

112.18 Subd. 5. **Enforcement.** ~~Hunger Solutions~~ The Food Group must retain records
112.19 documenting expenditure of the money and comply with any additional requirements
112.20 imposed by the commissioner. The commissioner may require ~~Hunger Solutions~~ The Food
112.21 Group to report on its use of the funds. The commissioner may require that the report contain
112.22 an independent audit. If ineligible expenditures are made by ~~Hunger Solutions~~ The Food
112.23 Group, the ineligible amount must be repaid to the commissioner and deposited in the
112.24 general fund.

112.25 Subd. 6. **Administrative expenses.** All funds appropriated under this section must be
112.26 distributed to ~~Hunger Solutions~~ The Food Group as provided under this section with
112.27 deduction by the commissioner for administrative expenses limited to 1.8 percent.

112.28 Subd. 7. **Data classification.** Data collected on individuals from which the identity of
112.29 any individual receiving services may be determined are private data on individuals as
112.30 defined in section 13.02.

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

ARTICLE 8

CHILD PROTECTION AND WELFARE POLICY

Section 1. Minnesota Statutes 2024, section 142B.01, subdivision 15, is amended to read:

Subd. 15. **Individual who is related.** "Individual who is related" means a spouse, a parent, a birth or adopted child or stepchild, a stepparent, a stepbrother, a stepsister, a niece, a nephew, an adoptive parent, a grandparent, a sibling, an aunt, an uncle, or a legal guardian. For purposes of family child foster care, individual who is related also includes an individual who, prior to the child's placement in the individual's home for foster care or adoption, was an important friend of the child or of the child's parent or custodian, including an individual with whom the child has resided or had significant contact or who has a significant relationship to the child or the child's parent or custodian.

Sec. 2. Minnesota Statutes 2024, section 142B.05, subdivision 3, is amended to read:

Subd. 3. **Foster care by an individual who is related to a child; license required.** (a) Notwithstanding subdivision 2, paragraph (a), clause (1), in order to provide foster care for a child, an individual who is related to the child, other than a parent, or legal guardian, must be licensed by the commissioner except as provided by section 142B.06.

(b) An individual who is related to the child may seek foster care licensure through the county agency or a private agency in the community licensed and authorized by the commissioner. The placing agency must provide information to all potential relative foster care providers about this choice. Counties are not obligated to pay costs for services provided by private agencies.

(c) If an individual who is related to a child is seeking licensure to provide foster care for the child and the individual has a domestic partner but is not married to the domestic partner, only the individual related to the child must be licensed to provide foster care. The commissioner must conduct background studies on household members according to section 245C.03, subdivision 1.

Sec. 3. Minnesota Statutes 2024, section 142B.47, is amended to read:

142B.47 TRAINING ON RISK OF SUDDEN UNEXPECTED INFANT DEATH AND ABUSIVE HEAD TRAUMA FOR CHILD FOSTER CARE PROVIDERS.

(a) Licensed child foster care providers, except individuals related to the child, that care for infants or children through five years of age must document that before caregivers assist in the care of infants or children through five years of age, they the caregivers are instructed

114.1 on the standards in section 142B.46 and receive training on reducing the risk of sudden
114.2 unexpected infant death and abusive head trauma from shaking infants and young children.
114.3 Licensed child foster care providers who are related to the child and who only serve a relative
114.4 child must document completion of the training required under this section within 30 days
114.5 after licensure. This section does not apply to emergency relative placement under section
114.6 142B.06. The training on reducing the risk of sudden unexpected infant death and abusive
114.7 head trauma may be provided as:

114.8 (1) orientation training to child foster care providers who care for infants or children
114.9 through five years of age under Minnesota Rules, part 2960.3070, subpart 1; or

114.10 (2) in-service training to child foster care providers who care for infants or children
114.11 through five years of age under Minnesota Rules, part 2960.3070, subpart 2.

114.12 (b) Training required under this section must be at least one hour in length and must be
114.13 completed at least once every five years. At a minimum, the training must address the risk
114.14 factors related to sudden unexpected infant death and abusive head trauma, means of reducing
114.15 the risk of sudden unexpected infant death and abusive head trauma, and license holder
114.16 communication with parents regarding reducing the risk of sudden unexpected infant death
114.17 and abusive head trauma.

114.18 (c) Training for child foster care providers must be approved by the county or private
114.19 licensing agency that is responsible for monitoring the child foster care provider under
114.20 section 142B.30. The approved training fulfills, in part, training required under Minnesota
114.21 Rules, part 2960.3070.

114.22 **EFFECTIVE DATE.** This section is effective January 1, 2026.

114.23 Sec. 4. Minnesota Statutes 2024, section 142B.51, subdivision 2, is amended to read:

114.24 Subd. 2. **Child passenger restraint systems; training requirement.** (a) Programs
114.25 licensed by the Department of Human Services under chapter 245A or the Department of
114.26 Children, Youth, and Families under this chapter and Minnesota Rules, chapter 2960, that
114.27 serve a child or children under eight years of age must document training that fulfills the
114.28 requirements in this subdivision.

114.29 (b) Before a license holder, staff person, or caregiver transports a child or children under
114.30 age eight in a motor vehicle, the person transporting the child must satisfactorily complete
114.31 training on the proper use and installation of child restraint systems in motor vehicles.
114.32 Training completed under this section may be used to meet initial or ongoing training under
114.33 Minnesota Rules, part 2960.3070, subparts 1 and 2.

115.1 (c) Training required under this section must be completed at orientation or initial training
115.2 and repeated at least once every five years. At a minimum, the training must address the
115.3 proper use of child restraint systems based on the child's size, weight, and age, and the
115.4 proper installation of a car seat or booster seat in the motor vehicle used by the license
115.5 holder to transport the child or children.

115.6 (d) Training under paragraph (c) must be provided by individuals who are certified and
115.7 approved by the Office of Traffic Safety within the Department of Public Safety. License
115.8 holders may obtain a list of certified and approved trainers through the Department of Public
115.9 Safety website or by contacting the agency.

115.10 (e) Notwithstanding paragraph (a), for an emergency relative placement under section
115.11 142B.06, the commissioner may grant a variance to the training required by this subdivision
115.12 for a relative who completes a child seat safety check up. The child seat safety check up
115.13 trainer must be approved by the Department of Public Safety, Office of Traffic Safety, and
115.14 must provide one-on-one instruction on placing a child of a specific age in the exact child
115.15 passenger restraint in the motor vehicle in which the child will be transported. Once granted
115.16 a variance, and if all other licensing requirements are met, the relative applicant may receive
115.17 a license and may transport a relative foster child younger than eight years of age. A child
115.18 seat safety check up must be completed each time a child requires a different size car seat
115.19 according to car seat and vehicle manufacturer guidelines. A relative license holder must
115.20 complete training that meets the other requirements of this subdivision prior to placement
115.21 of another foster child younger than eight years of age in the home or prior to the renewal
115.22 of the child foster care license.

115.23 (f) Notwithstanding paragraph (b), a child foster care license holder who is an individual
115.24 related to the child and who only serves a relative child must document completion of the
115.25 training required under this section within 30 days after licensure.

115.26 **EFFECTIVE DATE.** This section is effective January 1, 2026.

115.27 Sec. 5. Minnesota Statutes 2024, section 142B.80, is amended to read:

115.28 **142B.80 CHILD FOSTER CARE TRAINING REQUIREMENT; MENTAL**
115.29 **HEALTH TRAINING; FETAL ALCOHOL SPECTRUM DISORDERS TRAINING.**

115.30 Prior to a nonemergency placement of a child in a foster care home, the child foster care
115.31 license holder and caregivers in foster family and treatment foster care settings must complete
115.32 two hours of training that addresses the causes, symptoms, and key warning signs of mental
115.33 health disorders; cultural considerations; and effective approaches for dealing with a child's

116.1 behaviors. At least one hour of the annual training requirement for the foster family license
116.2 holder and caregivers must be on children's mental health issues and treatment. Except for
116.3 providers and services under chapter 245D and child foster care license holders who are
116.4 individuals related to the child and who only serve a relative child who does not have fetal
116.5 alcohol spectrum disorder, the annual training must also include at least one hour of training
116.6 on fetal alcohol spectrum disorders, which must be counted toward the 12 hours of required
116.7 in-service training per year. Short-term substitute caregivers are exempt from these
116.8 requirements. Training curriculum shall be approved by the commissioner of children,
116.9 youth, and families.

116.10 **EFFECTIVE DATE.** This section is effective January 1, 2026.

116.11 **Sec. 6. [142B.81] CHILD FOSTER CARE TRAINING; RELATIVE CAREGIVERS.**

116.12 Notwithstanding the required hours under Minnesota Rules, part 2960.3070, subpart 2,
116.13 a child foster care license holder who is an individual related to the child must complete a
116.14 minimum of six hours of in-service training per year in one or more of the areas in Minnesota
116.15 Rules, part 2960.3070, subpart 2, or in other areas as agreed upon by the licensing agency
116.16 and the foster parent. The relative child foster care license holder must consult with the
116.17 licensing agency and complete training in areas that are most applicable to caring for the
116.18 relative children in foster care in the home. This section does not apply to a child foster care
116.19 license holder who is licensed to care for both a relative child and a nonrelative child.

116.20 **EFFECTIVE DATE.** This section is effective January 1, 2026.

116.21 Sec. 7. Minnesota Statutes 2024, section 245C.02, is amended by adding a subdivision to
116.22 read:

116.23 Subd. 16b. **Relative.** "Relative" has the meaning given in section 260C.007, subdivision
116.24 27. For purposes of background studies affiliated with child foster care licensure, a person
116.25 is a relative if the person was known to the child or the child's parent before the child is
116.26 placed in foster care.

116.27 Sec. 8. Minnesota Statutes 2024, section 260.65, is amended to read:

116.28 **260.65 NONCUSTODIAL PARENTS; RELATIVE PLACEMENT.**

116.29 (a) Prior to the removal of an African American or a disproportionately represented child
116.30 from the child's home, the responsible social services agency must make active efforts to
116.31 identify and locate the child's noncustodial or nonadjudicated parent and the child's relatives
116.32 to notify the child's parent and relatives that the child is or will be placed in foster care; and

117.1 provide the child's parent and relatives with a list of legal resources. The notice to the child's
 117.2 noncustodial or nonadjudicated parent and relatives must also include the information
 117.3 required under section 260C.221, subdivision 2, paragraph (b). The responsible social
 117.4 services agency must maintain detailed records of the agency's efforts to notify parents and
 117.5 relatives under this section.

117.6 (b) Notwithstanding the provisions of section 260C.219, the responsible social services
 117.7 agency must assess an African American or a disproportionately represented child's
 117.8 noncustodial or nonadjudicated parent's ability to care for the child before placing the child
 117.9 in foster care. If a child's noncustodial or nonadjudicated parent is willing and able to provide
 117.10 daily care for the African American or disproportionately represented child temporarily or
 117.11 permanently, the court shall order ~~that the child be placed in~~ into the home of the noncustodial
 117.12 or nonadjudicated parent pursuant to section 260C.178 or 260C.201, subdivision 1. The
 117.13 responsible social services agency must make active efforts to assist a noncustodial or
 117.14 nonadjudicated parent with remedying any issues that may prevent the child from being
 117.15 ~~placed with the~~ ordered into the home of a noncustodial or nonadjudicated parent.

117.16 (c) The relative search, notice, engagement, and placement consideration requirements
 117.17 under section 260C.221 apply under this act.

117.18 Sec. 9. Minnesota Statutes 2024, section 260.66, subdivision 1, is amended to read:

117.19 Subdivision 1. **Emergency removal or placement permitted.** Nothing in this section
 117.20 shall be construed to prevent the emergency removal of an African American or a
 117.21 disproportionately represented ~~child's parent or custodian~~ child or the emergency placement
 117.22 of the child in a foster setting in order to prevent imminent physical damage or harm to the
 117.23 child.

117.24 Sec. 10. Minnesota Statutes 2024, section 260.691, subdivision 1, is amended to read:

117.25 Subdivision 1. **Establishment and duties.** (a) The African American Child and Family
 117.26 Well-Being Advisory Council is established for the Department of Children, Youth, and
 117.27 Families.

117.28 (b) The council shall consist of 31 members appointed by the commissioner and must
 117.29 include representatives with lived personal or professional experience within African
 117.30 American communities. Members may include but are not limited to youth who have exited
 117.31 the child welfare system; parents; legal custodians; relative and kinship caregivers or foster
 117.32 care providers; community service providers, advocates, and members; county and private
 117.33 social services agency case managers; representatives from faith-based institutions; academic

118.1 professionals; a representative from the Council for Minnesotans of African Heritage; the
 118.2 Ombudsperson for African American Families; and other individuals with experience and
 118.3 knowledge of African American communities. Council members must be selected through
 118.4 an open appointments process under section 15.0597. The terms, compensation, and removal
 118.5 of council members are governed by section 15.059.

118.6 (c) The African American Child Well-Being Advisory council must:

118.7 (1) review annual reports related to African American children involved in the child
 118.8 welfare system. These reports may include but are not limited to the maltreatment,
 118.9 out-of-home placement, and permanency of African American children;

118.10 (2) assist with and make recommendations to the commissioner for developing strategies
 118.11 to reduce maltreatment determinations, prevent unnecessary out-of-home placement, promote
 118.12 culturally appropriate foster care and shelter or facility placement decisions and settings for
 118.13 African American children in need of out-of-home placement, ensure timely achievement
 118.14 of permanency, and improve child welfare outcomes for African American children and
 118.15 their families;

118.16 (3) review summary reports on targeted case reviews prepared by the commissioner to
 118.17 ensure that responsible social services agencies meet the needs of African American children
 118.18 and their families. Based on data collected from those reviews, the council shall assist the
 118.19 commissioner with developing strategies needed to improve any identified child welfare
 118.20 outcomes, including but not limited to maltreatment, out-of-home placement, and permanency
 118.21 for African American children;

118.22 (4) ~~assist the Cultural and Ethnic Communities Leadership Council with making~~ make
 118.23 recommendations to the commissioner and the legislature for public policy and statutory
 118.24 changes that specifically consider the needs of African American children and their families
 118.25 involved in the child welfare system;

118.26 (5) advise the commissioner on stakeholder engagement strategies and actions that the
 118.27 commissioner and responsible social services agencies may take to improve child welfare
 118.28 outcomes for African American children and their families;

118.29 (6) assist the commissioner with developing strategies for public messaging and
 118.30 communication related to racial disproportionality and disparities in child welfare outcomes
 118.31 for African American children and their families;

118.32 (7) assist the commissioner with identifying and developing internal and external
 118.33 partnerships to support adequate access to services and resources for African American

119.1 children and their families, including but not limited to housing assistance, employment
119.2 assistance, food and nutrition support, health care, child care assistance, and educational
119.3 support and training; and

119.4 (8) assist the commissioner with developing strategies to promote the development of
119.5 a culturally diverse and representative child welfare workforce in Minnesota that includes
119.6 professionals who are reflective of the community served and who have been directly
119.7 impacted by lived experiences within the child welfare system. The council must also assist
119.8 the commissioner with exploring strategies and partnerships to address education and training
119.9 needs, hiring, recruitment, retention, and professional advancement practices.

119.10 Sec. 11. Minnesota Statutes 2024, section 260.692, is amended to read:

119.11 **260.692 AFRICAN AMERICAN CHILD AND FAMILY WELL-BEING UNIT.**

119.12 Subdivision 1. **Duties.** The African American Child and Family Well-Being Unit,
119.13 currently established by the commissioner, must:

119.14 (1) assist with the development of African American cultural competency training and
119.15 review child welfare curriculum in the Minnesota Child Welfare Training Academy to
119.16 ensure that responsible social services agency staff and other child welfare professionals
119.17 are appropriately prepared to engage with African American children and their families and
119.18 to support family preservation and reunification;

119.19 (2) provide technical assistance, including on-site technical assistance, and case
119.20 consultation to responsible social services agencies to assist agencies with implementing
119.21 and complying with the Minnesota African American Family Preservation and Child Welfare
119.22 Disproportionality Act;

119.23 (3) monitor individual county and statewide disaggregated and nondisaggregated data
119.24 to identify trends and patterns in child welfare outcomes, including but not limited to
119.25 reporting, maltreatment, out-of-home placement, and permanency of African American
119.26 children and develop strategies to address disproportionality and disparities in the child
119.27 welfare system;

119.28 (4) develop and implement a system for conducting case reviews when the commissioner
119.29 receives reports of noncompliance with the Minnesota African American Family Preservation
119.30 and Child Welfare Disproportionality Act or when requested by the parent or custodian of
119.31 an African American child. Case reviews may include but are not limited to a review of
119.32 placement prevention efforts, safety planning, case planning and service provision by the

120.1 responsible social services agency, relative placement consideration, and permanency
120.2 planning;

120.3 (5) establish and administer a request for proposals process for African American and
120.4 disproportionately represented family preservation grants under section 260.693, monitor
120.5 grant activities, and provide technical assistance to grantees;

120.6 (6) in coordination with the African American Child and Family Well-Being Advisory
120.7 Council, coordinate services and create internal and external partnerships to support adequate
120.8 access to services and resources for African American children and their families, including
120.9 but not limited to housing assistance, employment assistance, food and nutrition support,
120.10 health care, child care assistance, and educational support and training; and

120.11 (7) develop public messaging and communication to inform the public about racial
120.12 disparities in child welfare outcomes, current efforts and strategies to reduce racial disparities,
120.13 and resources available to African American children and their families involved in the
120.14 child welfare system.

120.15 Subd. 2. **Case reviews.** (a) The African American Child and Family Well-Being Unit
120.16 must conduct systemic case reviews to monitor targeted child welfare outcomes, including
120.17 but not limited to maltreatment, out-of-home placement, and permanency of African
120.18 American children.

120.19 (b) The reviews under this subdivision must be conducted using a random sampling of
120.20 representative child welfare cases stratified for certain case related factors, including but
120.21 not limited to case type, maltreatment type, if the case involves out-of-home placement,
120.22 and other demographic variables. In conducting the reviews, unit staff may use court records
120.23 and documents, information from the social services information system, and other available
120.24 case file information to complete the case reviews.

120.25 (c) The frequency of the reviews and the number of cases, child welfare outcomes, and
120.26 selected counties reviewed shall be determined by the unit in consultation with the African
120.27 American Child and Family Well-Being Advisory Council, with consideration given to the
120.28 availability of unit resources needed to conduct the reviews.

120.29 (d) The unit must monitor all case reviews and use the collective case review information
120.30 and data to generate summary case review reports, ensure compliance with the Minnesota
120.31 African American Family Preservation and Child Welfare Disproportionality Act, and
120.32 identify trends or patterns in child welfare outcomes for African American children.

121.1 (e) The unit must review information from members of the public received through the
121.2 compliance and feedback portal, including policy and practice concerns related to individual
121.3 child welfare cases. After assessing a case concern, the unit may determine if further
121.4 necessary action should be taken, which may include coordinating case remediation with
121.5 other relevant child welfare agencies in accordance with data privacy laws, including the
121.6 African American Child and Family Well-Being Advisory Council, and offering case
121.7 consultation and technical assistance to the responsible local social services agency as
121.8 needed or requested by the agency.

121.9 Subd. 3. **Reports.** (a) The African American Child and Family Well-Being Unit must
121.10 provide regular updates on unit activities, including summary reports of case reviews, to
121.11 the African American Child and Family Well-Being Advisory Council, and must publish
121.12 an annual census of African American children in out-of-home placements statewide. The
121.13 annual census must include data on the types of placements, age and sex of the children,
121.14 how long the children have been in out-of-home placements, and other relevant demographic
121.15 information.

121.16 (b) The African American Child and Family Well-Being Unit shall gather summary data
121.17 about the practice and policy inquiries and individual case concerns received through the
121.18 compliance and feedback portal under subdivision 2, paragraph (e). The unit shall provide
121.19 regular reports of the nonidentifying compliance and feedback portal summary data to the
121.20 African American Child and Family Well-Being Advisory Council to identify child welfare
121.21 trends and patterns to assist with developing policy and practice recommendations to support
121.22 eliminating disparity and disproportionality for African American children.

121.23 Sec. 12. Minnesota Statutes 2024, section 260C.001, subdivision 2, is amended to read:

121.24 Subd. 2. **Juvenile protection proceedings.** (a) The paramount consideration in all
121.25 juvenile protection proceedings is the health, safety, and best interests of the child. In
121.26 proceedings involving an American Indian child, as defined in section 260.755, subdivision
121.27 8, the best interests of the child must be determined consistent with sections 260.751 to
121.28 260.835 and the Indian Child Welfare Act, United States Code, title 25, sections 1901 to
121.29 1923.

121.30 (b) The purpose of the laws relating to juvenile protection proceedings is:

121.31 (1) to secure for each child under the jurisdiction of the court, the care and guidance,
121.32 preferably in the child's own home, as will best serve the spiritual, emotional, mental, and
121.33 physical welfare of the child;

- 122.1 (2) to provide judicial procedures that protect the welfare of the child;
- 122.2 (3) to preserve and strengthen the child's family ties whenever possible and in the child's
122.3 best interests, removing the child from the custody of parents only when the child's welfare
122.4 or safety cannot be adequately safeguarded without removal;
- 122.5 (4) to ensure that when removal from the child's own family is necessary and in the
122.6 child's best interests, the responsible social services agency has legal responsibility for the
122.7 child removal either:
- 122.8 (i) pursuant to a voluntary placement agreement between the child's parent or guardian
122.9 or the child, when the child is over age 18, and the responsible social services agency; or
- 122.10 (ii) by court order pursuant to section 260C.151, subdivision 6; 260C.178; 260C.201;
122.11 260C.325; or 260C.515;
- 122.12 (5) to ensure that, when placement is pursuant to court order, the court order removing
122.13 the child or continuing the child in foster care contains an individualized determination that
122.14 placement is in the best interests of the child that coincides with the actual removal of the
122.15 child;
- 122.16 (6) to ensure that when the child is removed, the child's care and discipline is, as nearly
122.17 as possible, equivalent to that which should have been given by the parents and is either in:
- 122.18 (i) the home of a noncustodial parent pursuant to section 260C.178 or 260C.201,
122.19 subdivision 1, paragraph (a), clause (1);
- 122.20 (ii) the home of a relative pursuant to emergency placement by the responsible social
122.21 services agency under chapter 245A; or
- 122.22 (iii) foster care licensed under chapter 245A; and
- 122.23 (7) to ensure appropriate permanency planning for children in foster care including:
- 122.24 (i) unless reunification is not required under section 260.012, developing a permanency
122.25 plan for the child that includes a primary plan for reunification with the child's parent or
122.26 guardian and a secondary plan for an alternative, legally permanent home for the child in
122.27 the event reunification cannot be achieved in a timely manner;
- 122.28 (ii) identifying, locating, and assessing both parents of the child as soon as possible and
122.29 offering reunification services to both parents of the child as required under sections 260.012
122.30 and 260C.219;

123.1 (iii) inquiring about the child's heritage, including the child's Tribal lineage pursuant to
 123.2 section 260.761, and their race, culture, and ethnicity pursuant to section 260.63, subdivision
 123.3 10;

123.4 ~~(iii)~~ (iv) identifying, locating, and notifying relatives of both parents of the child according
 123.5 to section 260C.221;

123.6 ~~(iv)~~ (v) making a placement with a family that will commit to being the legally permanent
 123.7 home for the child in the event reunification cannot occur at the earliest possible time while
 123.8 at the same time actively supporting the reunification plan; and

123.9 ~~(v)~~ (vi) returning the child home with supports and services, as soon as return is safe for
 123.10 the child, or when safe return cannot be timely achieved, moving to finalize another legally
 123.11 permanent home for the child.

123.12 Sec. 13. Minnesota Statutes 2024, section 260C.007, subdivision 19, is amended to read:

123.13 Subd. 19. **Habitual truant.** "Habitual truant" means a child ~~under the age of 17~~ who is
 123.14 at least 12 years old and less than 18 years old who is absent from attendance at school
 123.15 without lawful excuse ~~for seven school days per school year if the child is in elementary~~
 123.16 ~~school or~~ for one or more class periods on seven school days per school year if the child is
 123.17 in middle school, junior high school, or high school or a child who is 17 years of age who
 123.18 is absent from attendance at school without lawful excuse for one or more class periods on
 123.19 seven school days per school year and who has not lawfully withdrawn from school under
 123.20 section 120A.22, subdivision 8. Pursuant to section 260C.163, subdivision 11, habitual
 123.21 truant also means a child under age 12 who has been absent from school for seven school
 123.22 days without lawful excuse, based on a showing by clear and convincing evidence that the
 123.23 child's absence is not due to the failure of the child's parent, guardian, or custodian to comply
 123.24 with compulsory instruction laws.

123.25 Sec. 14. Minnesota Statutes 2024, section 260C.141, subdivision 1, is amended to read:

123.26 Subdivision 1. **Who may file; required form.** (a) Any reputable person, including but
 123.27 not limited to any agent of the commissioner of children, youth, and families, having
 123.28 knowledge of a child in this state or of a child who is a resident of this state, who appears
 123.29 to be in need of protection or services or neglected and in foster care, may petition the
 123.30 juvenile court in the manner provided in this section.

123.31 (b) A petition for a child in need of protection filed by an individual who is not a county
 123.32 attorney or an agent of the commissioner of children, youth, and families shall be filed on

124.1 a form developed by the state court administrator and provided to court administrators.
 124.2 Copies of the form may be obtained from the court administrator in each county. The court
 124.3 administrator shall review the petition before it is filed to determine that it is completed.
 124.4 The court administrator may reject the petition if it does not indicate that the petitioner has
 124.5 contacted the responsible social services agency.

124.6 An individual may file a petition under this subdivision without seeking internal review
 124.7 of the responsible social services agency's decision. The court shall determine whether there
 124.8 is probable cause to believe that a need for protection or services exists before the matter
 124.9 is set for hearing. If the matter is set for hearing, the court administrator shall notify the
 124.10 responsible social services agency by sending notice to the county attorney.

124.11 The petition must contain:

124.12 (1) a statement of facts that would establish, if proven, that there is a need for protection
 124.13 or services for the child named in the petition;

124.14 (2) a statement that petitioner has reported the circumstances underlying the petition to
 124.15 the responsible social services agency, and protection or services were not provided to the
 124.16 child;

124.17 (3) a statement whether there are existing juvenile or family court custody orders or
 124.18 pending proceedings in juvenile or family court concerning the child; ~~and~~

124.19 (4) a statement of the relationship of the petitioner to the child and any other parties;
 124.20 and

124.21 (5) a statement whether the petitioner has inquired of the parent or parents of the child,
 124.22 the child, and relatives about the child's heritage, including the child's Tribal lineage pursuant
 124.23 to section 260.761 and their race, culture, and ethnicity pursuant to section 260.63,
 124.24 subdivision 10.

124.25 The court may not allow a petition to proceed under this paragraph if it appears that the
 124.26 sole purpose of the petition is to modify custody between the parents.

124.27 Sec. 15. Minnesota Statutes 2024, section 260C.150, subdivision 3, is amended to read:

124.28 Subd. 3. **Identifying parents of child; diligent efforts; data.** (a) The responsible social
 124.29 services agency shall make diligent efforts to inquire about the child's heritage, including
 124.30 the child's Tribal lineage pursuant to section 260.761 and their race, culture, and ethnicity
 124.31 pursuant to section 260.63, subdivision 10, and to identify and locate both parents of any
 124.32 child who is the subject of proceedings under this chapter. Diligent efforts include:

125.1 (1) asking the custodial or known parent to identify any nonresident parent of the child
125.2 and provide information that can be used to verify the nonresident parent's identity including
125.3 the dates and locations of marriages and divorces; dates and locations of any legal
125.4 proceedings regarding paternity; date and place of the child's birth; nonresident parent's full
125.5 legal name; nonresident parent's date of birth, or if the nonresident parent's date of birth is
125.6 unknown, an approximate age; the nonresident parent's Social Security number; the
125.7 nonresident parent's whereabouts including last known whereabouts; and the whereabouts
125.8 of relatives of the nonresident parent. For purposes of this subdivision, "nonresident parent"
125.9 means a parent who does not reside in the same household as the child or did not reside in
125.10 the same household as the child at the time the child was removed when the child is in foster
125.11 care;

125.12 (2) obtaining information that will identify and locate the nonresident parent from the
125.13 county and state of Minnesota child support enforcement information system;

125.14 (3) requesting a search of the Minnesota Fathers' Adoption Registry 30 days after the
125.15 child's birth; and

125.16 (4) using any other reasonable means to identify and locate the nonresident parent.

125.17 (b) The agency may disclose data which is otherwise private under section 13.46 or
125.18 chapter 260E in order to carry out its duties under this subdivision.

125.19 (c) Upon the filing of a petition alleging the child to be in need of protection or services,
125.20 the responsible social services agency may contact a putative father who registered with
125.21 the Minnesota Fathers' Adoption Registry more than 30 days after the child's birth. The
125.22 social service agency may consider a putative father for the day-to-day care of the child
125.23 under section 260C.219 if the putative father cooperates with genetic testing and there is a
125.24 positive test result under section 257.62, subdivision 5. Nothing in this paragraph:

125.25 (1) relieves a putative father who registered with the Minnesota Fathers' Adoption
125.26 Registry more than 30 days after the child's birth of the duty to cooperate with paternity
125.27 establishment proceedings under section 260C.219;

125.28 (2) gives a putative father who registered with the Minnesota Fathers' Adoption Registry
125.29 more than 30 days after the child's birth the right to notice under section 260C.151 unless
125.30 the putative father is entitled to notice under sections 259.24 and 259.49, subdivision 1,
125.31 paragraph (a) or (b), clauses (1) to (7); or

125.32 (3) establishes a right to assert an interest in the child in a termination of parental rights
125.33 proceeding contrary to section 259.52, subdivision 6, unless the putative father is entitled

126.1 to notice under sections 259.24 and 259.49, subdivision 1, paragraph (a) or (b), clauses (1)
126.2 to (7).

126.3 Sec. 16. Minnesota Statutes 2024, section 260C.178, subdivision 1, is amended to read:

126.4 Subdivision 1. **Hearing and release requirements.** (a) If a child was taken into custody
126.5 under section 260C.175, subdivision 1, clause (1) or (2), item (ii), the court shall hold a
126.6 hearing within 72 hours of the time that the child was taken into custody, excluding
126.7 Saturdays, Sundays, and holidays, to determine whether the child should continue to be in
126.8 custody.

126.9 (b) Unless there is reason to believe that the child would endanger self or others or not
126.10 return for a court hearing, or that the child's health or welfare would be immediately
126.11 endangered, the child shall be released to the custody of a parent, guardian, custodian, or
126.12 other suitable person, subject to reasonable conditions of release including, but not limited
126.13 to, a requirement that the child undergo a chemical use assessment as provided in section
126.14 260C.157, subdivision 1.

126.15 (c) If the court determines that there is reason to believe that the child would endanger
126.16 self or others or not return for a court hearing, or that the child's health or welfare would be
126.17 immediately endangered if returned to the care of the parent or guardian who has custody
126.18 and from whom the child was removed, the court shall order the child:

126.19 (1) into the care of the child's noncustodial parent and order the noncustodial parent to
126.20 comply with any conditions that the court determines appropriate to ensure the safety and
126.21 care of the child, including requiring the noncustodial parent to cooperate with paternity
126.22 establishment proceedings if the noncustodial parent has not been adjudicated the child's
126.23 father; or

126.24 (2) into foster care as defined in section 260C.007, subdivision 18, under the legal
126.25 responsibility of the responsible social services agency or responsible probation or corrections
126.26 agency for the purposes of protective care as that term is used in the juvenile court rules.
126.27 The court shall not give the responsible social services legal custody and order a trial home
126.28 visit at any time prior to adjudication and disposition under section 260C.201, subdivision
126.29 1, paragraph (a), clause (3), but may order the child returned to the care of the parent or
126.30 guardian who has custody and from whom the child was removed and order the parent or
126.31 guardian to comply with any conditions the court determines to be appropriate to meet the
126.32 safety, health, and welfare of the child.

127.1 (d) In determining whether the child's health or welfare would be immediately
127.2 endangered, the court shall consider whether the child would reside with a perpetrator of
127.3 domestic child abuse.

127.4 (e) The court, before determining whether a child should be placed in or continue in
127.5 foster care under the protective care of the responsible agency, shall also make a
127.6 determination, consistent with section 260.012 as to whether reasonable efforts were made
127.7 to prevent placement or whether reasonable efforts to prevent placement are not required.
127.8 In the case of an Indian child, the court shall determine whether active efforts, according
127.9 to section 260.762 and the Indian Child Welfare Act of 1978, United States Code, title 25,
127.10 section 1912(d), were made to prevent placement. The court shall enter a finding that the
127.11 responsible social services agency has made reasonable efforts to prevent placement when
127.12 the agency establishes either:

127.13 (1) that the agency has actually provided services or made efforts in an attempt to prevent
127.14 the child's removal but that such services or efforts have not proven sufficient to permit the
127.15 child to safely remain in the home; or

127.16 (2) that there are no services or other efforts that could be made at the time of the hearing
127.17 that could safely permit the child to remain home or to return home. The court shall not
127.18 make a reasonable efforts determination under this clause unless the court is satisfied that
127.19 the agency has sufficiently demonstrated to the court that there were no services or other
127.20 efforts that the agency was able to provide at the time of the hearing enabling the child to
127.21 safely remain home or to safely return home. When reasonable efforts to prevent placement
127.22 are required and there are services or other efforts that could be ordered that would permit
127.23 the child to safely return home, the court shall order the child returned to the care of the
127.24 parent or guardian and the services or efforts put in place to ensure the child's safety. When
127.25 the court makes a prima facie determination that one of the circumstances under paragraph
127.26 (g) exists, the court shall determine that reasonable efforts to prevent placement and to
127.27 return the child to the care of the parent or guardian are not required.

127.28 (f) If the court finds the social services agency's preventive or reunification efforts have
127.29 not been reasonable but further preventive or reunification efforts could not permit the child
127.30 to safely remain at home, the court may nevertheless authorize or continue the removal of
127.31 the child.

127.32 (g) The court may not order or continue the foster care placement of the child unless the
127.33 court makes explicit, individualized findings that continued custody of the child by the

128.1 parent or guardian would be contrary to the welfare of the child and that placement is in the
128.2 best interest of the child.

128.3 (h) At the emergency removal hearing, or at any time during the course of the proceeding,
128.4 and upon notice and request of the county attorney, the court shall determine whether a
128.5 petition has been filed stating a prima facie case that:

128.6 (1) the parent has subjected a child to egregious harm as defined in section 260C.007,
128.7 subdivision 14;

128.8 (2) the parental rights of the parent to another child have been involuntarily terminated;

128.9 (3) the child is an abandoned infant under section 260C.301, subdivision 2, paragraph
128.10 (a), clause (2);

128.11 (4) the parents' custodial rights to another child have been involuntarily transferred to a
128.12 relative under a juvenile protection proceeding or a similar process of another jurisdiction;

128.13 (5) the parent has committed sexual abuse as defined in section 260E.03, against the
128.14 child or another child of the parent;

128.15 (6) the parent has committed an offense that requires registration as a predatory offender
128.16 under section 243.166, subdivision 1b, paragraph (a) or (b); or

128.17 (7) the provision of services or further services for the purpose of reunification is futile
128.18 and therefore unreasonable.

128.19 (i) When a petition to terminate parental rights is required under section 260C.301,
128.20 subdivision 4, or 260C.503, subdivision 2, but the county attorney has determined not to
128.21 proceed with a termination of parental rights petition, and has instead filed a petition to
128.22 transfer permanent legal and physical custody to a relative under section 260C.507, the
128.23 court shall schedule a permanency hearing within 30 days of the filing of the petition.

128.24 (j) If the county attorney has filed a petition under section 260C.307, the court shall
128.25 schedule a trial under section 260C.163 within 90 days of the filing of the petition except
128.26 when the county attorney determines that the criminal case shall proceed to trial first under
128.27 section 260C.503, subdivision 2, paragraph (c).

128.28 (k) If the court determines the child should be ordered into foster care ~~and~~, the court
128.29 shall inquire about the child's heritage, including the child's Tribal lineage pursuant to section
128.30 260.761; their race, culture, and ethnicity pursuant to section 260.63, subdivision 10; and
128.31 the responsible social services agency's initial relative search efforts. If the child's parent
128.32 refuses to give information to the responsible social services agency regarding the child's

129.1 father or relatives of the child, the court may order the parent to disclose the names, addresses,
129.2 telephone numbers, and other identifying information to the responsible social services
129.3 agency for the purpose of complying with sections 260C.150, 260C.151, 260C.212,
129.4 260C.215, 260C.219, and 260C.221.

129.5 (l) If a child ordered into foster care has siblings, whether full, half, or step, who are
129.6 also ordered into foster care, the court shall inquire of the responsible social services agency
129.7 of the efforts to place the children together as required by section 260C.212, subdivision 2,
129.8 paragraph (d), if placement together is in each child's best interests, unless a child is in
129.9 placement for treatment or a child is placed with a previously noncustodial parent who is
129.10 not a parent to all siblings. If the children are not placed together at the time of the hearing,
129.11 the court shall inquire at each subsequent hearing of the agency's reasonable efforts to place
129.12 the siblings together, as required under section 260.012. If any sibling is not placed with
129.13 another sibling or siblings, the agency must develop a plan to facilitate visitation or ongoing
129.14 contact among the siblings as required under section 260C.212, subdivision 1, unless it is
129.15 contrary to the safety or well-being of any of the siblings to do so.

129.16 (m) When the court has ordered the child into the care of a noncustodial parent or in
129.17 foster care, the court may order a chemical dependency evaluation, mental health evaluation,
129.18 medical examination, and parenting assessment for the parent as necessary to support the
129.19 development of a plan for reunification required under subdivision 7 and section 260C.212,
129.20 subdivision 1, or the child protective services plan under section 260E.26, and Minnesota
129.21 Rules, part 9560.0228.

129.22 (n) When the court has ordered an Indian child into an emergency child placement, the
129.23 Indian child shall be placed according to the placement preferences in the Minnesota Indian
129.24 Family Preservation Act, section 260.773.

129.25 Sec. 17. Minnesota Statutes 2024, section 260C.178, subdivision 7, is amended to read:

129.26 Subd. 7. **Case plan.** (a) When the court has ordered the child into the care of a parent
129.27 under subdivision 1, paragraph (c), clause (1), the child protective services plan under section
129.28 260E.26 must be filed within 30 days of the filing of the juvenile protection petition under
129.29 section 260C.141, subdivision 1.

129.30 (b) When the court orders the child into foster care under subdivision 1, paragraph (c),
129.31 clause (2), and not into the care of a parent, an out-of-home placement plan summary required
129.32 under section 260C.212, subdivision 1, must be filed with the court within 30 days of the
129.33 filing of a juvenile protection petition under section 260C.141, subdivision 1, when the
129.34 court orders emergency removal of the child under this section, or filed with the petition if

130.1 the petition is a review of a voluntary placement under section 260C.141, subdivision 2.
130.2 An out-of-home placement plan shall be prepared and filed with the court within 60 days
130.3 after any child is placed in foster care under section 260C.212, subdivision 1.

130.4 (c) Upon the filing of the child protective services plan under section 260E.26 or
130.5 out-of-home placement plan that has been developed jointly with the parent and in
130.6 consultation with others as required under section 260C.212, subdivision 1, the court may
130.7 approve implementation of the plan by the responsible social services agency based on the
130.8 allegations contained in the petition and any evaluations, examinations, or assessments
130.9 conducted under subdivision 1, paragraph (m). The court shall send written notice of the
130.10 approval of the child protective services plan or out-of-home placement plan to all parties
130.11 and the county attorney or may state such approval on the record at a hearing. A parent may
130.12 agree to comply with the terms of the plan filed with the court.

130.13 (d) The responsible social services agency shall make reasonable efforts to engage both
130.14 parents of the child in case planning. The responsible social services agency shall report
130.15 the results of its efforts to engage the child's parents in the child protective services plan or
130.16 out-of-home placement plan filed with the court. The agency shall notify the court of the
130.17 services it will provide or efforts it will attempt under the plan notwithstanding the parent's
130.18 refusal to cooperate or disagreement with the services. The parent may ask the court to
130.19 modify the plan to require different or additional services requested by the parent, but which
130.20 the agency refused to provide. The court may approve the plan as presented by the agency
130.21 or may modify the plan to require services requested by the parent. The court's approval
130.22 must be based on the content of the petition.

130.23 (e) Unless the parent agrees to comply with the terms of the child protective services
130.24 plan or out-of-home placement plan, the court may not order a parent to comply with the
130.25 provisions of the plan until the court finds the child is in need of protection or services and
130.26 orders disposition under section 260C.201, subdivision 1. However, the court may find that
130.27 the responsible social services agency has made reasonable efforts for reunification if the
130.28 agency makes efforts to implement the terms of the child protective services plan or
130.29 out-of-home placement plan approved under this section.

130.30 Sec. 18. Minnesota Statutes 2024, section 260C.201, subdivision 1, is amended to read:

130.31 Subdivision 1. **Dispositions.** (a) If the court finds that the child is in need of protection
130.32 or services or neglected and in foster care, the court shall enter an order making any of the
130.33 following dispositions of the case:

131.1 (1) place the child under the protective supervision of the responsible social services
131.2 agency or child-placing agency in the home of a parent of the child under conditions
131.3 prescribed by the court directed to the correction of the child's need for protection or services:

131.4 (i) the court may order the child into the home of a parent who does not otherwise have
131.5 legal custody of the child, however, an order under this section does not confer legal custody
131.6 on that parent;

131.7 (ii) if the court orders the child into the home of a father who is not adjudicated, the
131.8 father must cooperate with paternity establishment proceedings regarding the child in the
131.9 appropriate jurisdiction as one of the conditions prescribed by the court for the child to
131.10 continue in the father's home; and

131.11 (iii) the court may order the child into the home of a noncustodial parent with conditions
131.12 and may also order both the noncustodial and the custodial parent to comply with the
131.13 requirements of a case plan under subdivision 2; ~~or~~

131.14 (2) transfer legal custody to one of the following:

131.15 (i) a child-placing agency; or

131.16 (ii) the responsible social services agency. In making a foster care placement of a child
131.17 whose custody has been transferred under this subdivision, the court shall inquire about the
131.18 child's heritage, including the child's Tribal lineage pursuant to section 260.761 and their
131.19 race, culture, and ethnicity pursuant to section 260.63, subdivision 10, and the agency shall
131.20 make an individualized determination of how the placement is in the child's best interests
131.21 using the placement consideration order for relatives and the best interest factors in section
131.22 260C.212, subdivision 2, and may include a child colocated with a parent in a licensed
131.23 residential family-based substance use disorder treatment program under section 260C.190;
131.24 ~~or~~

131.25 (3) order a trial home visit without modifying the transfer of legal custody to the
131.26 responsible social services agency under clause (2). Trial home visit means the child is
131.27 returned to the care of the parent or guardian from whom the child was removed for a period
131.28 not to exceed six months. During the period of the trial home visit, the responsible social
131.29 services agency:

131.30 (i) shall continue to have legal custody of the child, which means that the agency may
131.31 see the child in the parent's home, at school, in a child care facility, or other setting as the
131.32 agency deems necessary and appropriate;

131.33 (ii) shall continue to have the ability to access information under section 260C.208;

132.1 (iii) shall continue to provide appropriate services to both the parent and the child during
132.2 the period of the trial home visit;

132.3 (iv) without previous court order or authorization, may terminate the trial home visit in
132.4 order to protect the child's health, safety, or welfare and may remove the child to foster care;

132.5 (v) shall advise the court and parties within three days of the termination of the trial
132.6 home visit when a visit is terminated by the responsible social services agency without a
132.7 court order; and

132.8 (vi) shall prepare a report for the court when the trial home visit is terminated whether
132.9 by the agency or court order that describes the child's circumstances during the trial home
132.10 visit and recommends appropriate orders, if any, for the court to enter to provide for the
132.11 child's safety and stability. In the event a trial home visit is terminated by the agency by
132.12 removing the child to foster care without prior court order or authorization, the court shall
132.13 conduct a hearing within ten days of receiving notice of the termination of the trial home
132.14 visit by the agency and shall order disposition under this subdivision or commence
132.15 permanency proceedings under sections 260C.503 to 260C.515. The time period for the
132.16 hearing may be extended by the court for good cause shown and if it is in the best interests
132.17 of the child as long as the total time the child spends in foster care without a permanency
132.18 hearing does not exceed 12 months;

132.19 (4) if the child has been adjudicated as a child in need of protection or services because
132.20 the child is in need of special services or care to treat or ameliorate a physical or mental
132.21 disability or emotional disturbance as defined in section 245.4871, subdivision 15, the court
132.22 may order the child's parent, guardian, or custodian to provide it. The court may order the
132.23 child's health plan company to provide mental health services to the child. Section 62Q.535
132.24 applies to an order for mental health services directed to the child's health plan company.
132.25 If the health plan, parent, guardian, or custodian fails or is unable to provide this treatment
132.26 or care, the court may order it provided. Absent specific written findings by the court that
132.27 the child's disability is the result of abuse or neglect by the child's parent or guardian, the
132.28 court shall not transfer legal custody of the child for the purpose of obtaining special
132.29 treatment or care solely because the parent is unable to provide the treatment or care. If the
132.30 court's order for mental health treatment is based on a diagnosis made by a treatment
132.31 professional, the court may order that the diagnosing professional not provide the treatment
132.32 to the child if it finds that such an order is in the child's best interests; or

132.33 (5) if the court believes that the child has sufficient maturity and judgment and that it is
132.34 in the best interests of the child, the court may order a child 16 years old or older to be

133.1 allowed to live independently, either alone or with others as approved by the court under
133.2 supervision the court considers appropriate, if the county board, after consultation with the
133.3 court, has specifically authorized this dispositional alternative for a child.

133.4 (b) If the child was adjudicated in need of protection or services because the child is a
133.5 runaway or habitual truant, the court may order any of the following dispositions in addition
133.6 to or as alternatives to the dispositions authorized under paragraph (a):

133.7 (1) counsel the child or the child's parents, guardian, or custodian;

133.8 (2) place the child under the supervision of a probation officer or other suitable person
133.9 in the child's own home under conditions prescribed by the court, including reasonable rules
133.10 for the child's conduct and the conduct of the parents, guardian, or custodian, designed for
133.11 the physical, mental, and moral well-being and behavior of the child;

133.12 (3) subject to the court's supervision, transfer legal custody of the child to one of the
133.13 following:

133.14 (i) a reputable person of good moral character. No person may receive custody of two
133.15 or more unrelated children unless licensed to operate a residential program under sections
133.16 245A.01 to 245A.16; or

133.17 (ii) a county probation officer for placement in a group foster home established under
133.18 the direction of the juvenile court and licensed pursuant to section 241.021;

133.19 (4) require the child to pay a fine of up to \$100. The court shall order payment of the
133.20 fine in a manner that will not impose undue financial hardship upon the child;

133.21 (5) require the child to participate in a community service project;

133.22 (6) order the child to undergo a chemical dependency evaluation and, if warranted by
133.23 the evaluation, order participation by the child in a drug awareness program or an inpatient
133.24 or outpatient chemical dependency treatment program;

133.25 (7) if the court believes that it is in the best interests of the child or of public safety that
133.26 the child's driver's license or instruction permit be canceled, the court may order the
133.27 commissioner of public safety to cancel the child's license or permit for any period up to
133.28 the child's 18th birthday. If the child does not have a driver's license or permit, the court
133.29 may order a denial of driving privileges for any period up to the child's 18th birthday. The
133.30 court shall forward an order issued under this clause to the commissioner, who shall cancel
133.31 the license or permit or deny driving privileges without a hearing for the period specified
133.32 by the court. At any time before the expiration of the period of cancellation or denial, the

134.1 court may, for good cause, order the commissioner of public safety to allow the child to
134.2 apply for a license or permit, and the commissioner shall so authorize;

134.3 (8) order that the child's parent or legal guardian deliver the child to school at the
134.4 beginning of each school day for a period of time specified by the court; or

134.5 (9) require the child to perform any other activities or participate in any other treatment
134.6 programs deemed appropriate by the court.

134.7 To the extent practicable, the court shall enter a disposition order the same day it makes
134.8 a finding that a child is in need of protection or services or neglected and in foster care, but
134.9 in no event more than 15 days after the finding unless the court finds that the best interests
134.10 of the child will be served by granting a delay. If the child was under eight years of age at
134.11 the time the petition was filed, the disposition order must be entered within ten days of the
134.12 finding and the court may not grant a delay unless good cause is shown and the court finds
134.13 the best interests of the child will be served by the delay.

134.14 (c) If a child who is 14 years of age or older is adjudicated in need of protection or
134.15 services because the child is a habitual truant and truancy procedures involving the child
134.16 were previously dealt with by a school attendance review board or county attorney mediation
134.17 program under section 260A.06 or 260A.07, the court shall order a cancellation or denial
134.18 of driving privileges under paragraph (b), clause (7), for any period up to the child's 18th
134.19 birthday.

134.20 (d) In the case of a child adjudicated in need of protection or services because the child
134.21 has committed domestic abuse and been ordered excluded from the child's parent's home,
134.22 the court shall dismiss jurisdiction if the court, at any time, finds the parent is able or willing
134.23 to provide an alternative safe living arrangement for the child as defined in paragraph (f).

134.24 (e) When a parent has complied with a case plan ordered under subdivision 6 and the
134.25 child is in the care of the parent, the court may order the responsible social services agency
134.26 to monitor the parent's continued ability to maintain the child safely in the home under such
134.27 terms and conditions as the court determines appropriate under the circumstances.

134.28 (f) For the purposes of this subdivision, "alternative safe living arrangement" means a
134.29 living arrangement for a child proposed by a petitioning parent or guardian if a court excludes
134.30 the minor from the parent's or guardian's home that is separate from the victim of domestic
134.31 abuse and safe for the child respondent. A living arrangement proposed by a petitioning
134.32 parent or guardian is presumed to be an alternative safe living arrangement absent information
134.33 to the contrary presented to the court. In evaluating any proposed living arrangement, the
134.34 court shall consider whether the arrangement provides the child with necessary food, clothing,

135.1 shelter, and education in a safe environment. Any proposed living arrangement that would
135.2 place the child in the care of an adult who has been physically or sexually violent is presumed
135.3 unsafe.

135.4 Sec. 19. Minnesota Statutes 2024, section 260C.201, subdivision 2, is amended to read:

135.5 Subd. 2. **Written findings.** (a) Any order for a disposition authorized under this section
135.6 shall contain written findings of fact to support the disposition and case plan ordered and
135.7 shall also set forth in writing the following information:

135.8 (1) why the best interests and safety of the child are served by the disposition and case
135.9 plan ordered;

135.10 (2) what alternative dispositions or services under the case plan were considered by the
135.11 court and why such dispositions or services were not appropriate in the instant case;

135.12 (3) when legal custody of the child is transferred, the appropriateness of the particular
135.13 placement made or to be made by the placing agency using the relative and sibling placement
135.14 considerations and best interest factors in section 260C.212, subdivision 2, or the
135.15 appropriateness of a child colocated with a parent in a licensed residential family-based
135.16 substance use disorder treatment program under section 260C.190;

135.17 (4) whether reasonable efforts to finalize the permanent plan for the child consistent
135.18 with section 260.012 were made including reasonable efforts:

135.19 (i) to prevent the child's placement and to reunify the child with the parent or guardian
135.20 from whom the child was removed at the earliest time consistent with the child's safety.

135.21 The court's findings must include a brief description of what preventive and reunification
135.22 efforts were made and why further efforts could not have prevented or eliminated the
135.23 necessity of removal or that reasonable efforts were not required under section 260.012 or
135.24 260C.178, subdivision 1;

135.25 (ii) to identify and locate any noncustodial or nonresident parent of the child and to
135.26 assess such parent's ability to provide day-to-day care of the child, and, where appropriate,
135.27 provide services necessary to enable the noncustodial or nonresident parent to safely provide
135.28 day-to-day care of the child as required under section 260C.219, unless such services are
135.29 not required under section 260.012 or 260C.178, subdivision 1. The court's findings must
135.30 include a description of the agency's efforts to:

135.31 (A) identify and locate the child's noncustodial or nonresident parent;

136.1 (B) assess the noncustodial or nonresident parent's ability to provide day-to-day care of
136.2 the child; and

136.3 (C) if appropriate, provide services necessary to enable the noncustodial or nonresident
136.4 parent to safely provide the child's day-to-day care, including efforts to engage the
136.5 noncustodial or nonresident parent in assuming care and responsibility of the child;

136.6 (iii) to inquire about the child's heritage, including the child's Tribal lineage pursuant to
136.7 section 260.761 and their race, culture, and ethnicity pursuant to section 260.63, subdivision
136.8 10, and make the diligent search for relatives and provide the notices required under section
136.9 260C.221; a finding made pursuant to a hearing under section 260C.202 that the agency
136.10 has made diligent efforts to conduct a relative search and has appropriately engaged relatives
136.11 who responded to the notice under section 260C.221 and other relatives, who came to the
136.12 attention of the agency after notice under section 260C.221 was sent, in placement and case
136.13 planning decisions fulfills the requirement of this item;

136.14 (iv) to identify and make a foster care placement of the child, considering the order in
136.15 section 260C.212, subdivision 2, paragraph (a), in the home of an unlicensed relative,
136.16 according to the requirements of section 142B.06, a licensed relative, or other licensed foster
136.17 care provider, who will commit to being the permanent legal parent or custodian for the
136.18 child in the event reunification cannot occur, but who will actively support the reunification
136.19 plan for the child. If the court finds that the agency has not appropriately considered relatives
136.20 for placement of the child, the court shall order the agency to comply with section 260C.212,
136.21 subdivision 2, paragraph (a). The court may order the agency to continue considering
136.22 relatives for placement of the child regardless of the child's current placement setting; and

136.23 (v) to place siblings together in the same home or to ensure visitation is occurring when
136.24 siblings are separated in foster care placement and visitation is in the siblings' best interests
136.25 under section 260C.212, subdivision 2, paragraph (d); and

136.26 (5) if the child has been adjudicated as a child in need of protection or services because
136.27 the child is in need of special services or care to treat or ameliorate a mental disability or
136.28 emotional disturbance as defined in section 245.4871, subdivision 15, the written findings
136.29 shall also set forth:

136.30 (i) whether the child has mental health needs that must be addressed by the case plan;

136.31 (ii) what consideration was given to the diagnostic and functional assessments performed
136.32 by the child's mental health professional and to health and mental health care professionals'
136.33 treatment recommendations;

137.1 (iii) what consideration was given to the requests or preferences of the child's parent or
137.2 guardian with regard to the child's interventions, services, or treatment; and

137.3 (iv) what consideration was given to the cultural appropriateness of the child's treatment
137.4 or services.

137.5 (b) If the court finds that the social services agency's preventive or reunification efforts
137.6 have not been reasonable but that further preventive or reunification efforts could not permit
137.7 the child to safely remain at home, the court may nevertheless authorize or continue the
137.8 removal of the child.

137.9 (c) If the child has been identified by the responsible social services agency as the subject
137.10 of concurrent permanency planning, the court shall review the reasonable efforts of the
137.11 agency to develop a permanency plan for the child that includes a primary plan that is for
137.12 reunification with the child's parent or guardian and a secondary plan that is for an alternative,
137.13 legally permanent home for the child in the event reunification cannot be achieved in a
137.14 timely manner.

137.15 Sec. 20. Minnesota Statutes 2024, section 260C.202, subdivision 2, is amended to read:

137.16 **Subd. 2. Court review for a child placed in foster care.** (a) If the court orders a child
137.17 placed in foster care, the court shall review the out-of-home placement plan and the child's
137.18 placement at least every 90 days as required in juvenile court rules to determine whether
137.19 continued out-of-home placement is necessary and appropriate or whether the child should
137.20 be returned home.

137.21 (b) This review is not required if the court has returned the child home, ordered the child
137.22 permanently placed away from the parent under sections 260C.503 to 260C.521, or
137.23 terminated rights under section 260C.301. Court review for a child permanently placed
137.24 away from a parent, including where the child is under guardianship of the commissioner,
137.25 is governed by section 260C.607.

137.26 (c) When a child is placed in a qualified residential treatment program setting as defined
137.27 in section 260C.007, subdivision 26d, the responsible social services agency must submit
137.28 evidence to the court as specified in section 260C.712.

137.29 (d) No later than three months after the child's placement in foster care, the court shall
137.30 review agency efforts to search for and notify relatives pursuant to section 260C.221, and
137.31 order that the agency's efforts begin immediately, or continue, if the agency has failed to
137.32 perform, or has not adequately performed, the duties under that section. The court must
137.33 order the agency to continue to appropriately engage relatives who responded to the notice

138.1 under section 260C.221 in placement and case planning decisions and to consider relatives
 138.2 for foster care placement consistent with section 260C.221. Notwithstanding a court's finding
 138.3 that the agency has made reasonable efforts to search for and notify relatives under section
 138.4 260C.221, the court may order the agency to continue making reasonable efforts to search
 138.5 for, notify, engage, and consider relatives who came to the agency's attention after sending
 138.6 the initial notice under section 260C.221.

138.7 (e) The court shall review the out-of-home placement plan and may modify the plan as
 138.8 provided under section 260C.201, subdivisions 6 and 7.

138.9 (f) When the court transfers the custody of a child to a responsible social services agency
 138.10 resulting in foster care or protective supervision with a noncustodial parent under subdivision
 138.11 1, the court shall notify the parents of the provisions of sections 260C.204 and 260C.503
 138.12 to 260C.521, as required under juvenile court rules.

138.13 ~~(g) When a child remains in or returns to foster care pursuant to section 260C.451 and~~
 138.14 ~~the court has jurisdiction pursuant to section 260C.193, subdivision 6, paragraph (e), the~~
 138.15 ~~court shall at least annually conduct the review required under section 260C.203.~~

138.16 Sec. 21. Minnesota Statutes 2024, section 260C.202, is amended by adding a subdivision
 138.17 to read:

138.18 **Subd. 3. Court review prior to the 18th birthday of a child in foster care.** (a) The
 138.19 court must conduct a review during the 90-day period prior to the 18th birthday of a child
 138.20 in foster care.

138.21 (b) The responsible social services agency must file a written report with the court
 138.22 containing or attaching the following:

138.23 (1) the child's name, date of birth, race, gender, and current address;

138.24 (2) whether the child is eligible for extended foster care and if not, the reason or reasons
 138.25 why the child is not eligible;

138.26 (3) a written summary describing how the child was involved in creating the child's plan
 138.27 for after their 18th birthday;

138.28 (4) the date the required extended foster care eligibility notice in section 260C.451,
 138.29 subdivision 1, was provided and the child's plan after the child's 18th birthday;

138.30 (5) the child's most recent independent living plan required under section 260C.212,
 138.31 subdivision 1;

139.1 (6) if the agency's recommendation is to extend jurisdiction up to age 19 under section
139.2 260C.193, why the extended jurisdiction is in the child's best interest;

139.3 (7) if the agency's recommendation is to reunify the child with their parent or legal
139.4 guardian, why reunification is in the child's best interest;

139.5 (8) if the agency plans to transition the child into adult services on or after the child's
139.6 18th birthday, a summary of the transition plan as required in section 260C.452 and how
139.7 this plan is in the child's best interest; and

139.8 (9) if the child's plan is to leave foster care at age 18 and not continue in extended foster
139.9 care, a copy of their 180-day transition plan required in section 260C.452 and the reasons
139.10 the child is not continuing in extended foster care.

139.11 (c) The agency must inform the child and parties to the proceeding of the reporting and
139.12 court review requirements of this subdivision and their right to request a hearing. The child
139.13 or a party to the proceeding may request a hearing if they believe the agency did not make
139.14 reasonable efforts under this subdivision.

139.15 (d) Upon receiving the report, the court must hold a hearing when a party to the
139.16 proceeding or the child requests a hearing. In all other circumstances, the court has the
139.17 discretion to hold a hearing or issue an order without a hearing.

139.18 (e) The court must issue an order with findings including but not limited to the following:

139.19 (1) whether the responsible social services agency provided the notice to the child about
139.20 extended foster care as required in section 260C.451;

139.21 (2) whether the responsible social services agency engaged with the child and
139.22 appropriately planned with the child to transition to adulthood; and

139.23 (3) if the child has decided to not continue in the extended foster care program at age
139.24 18, whether the responsible social services agency informed the child that they can reenter
139.25 extended foster care up to age 21 or that the child is not eligible to reenter and why.

139.26 Sec. 22. Minnesota Statutes 2024, section 260C.202, is amended by adding a subdivision
139.27 to read:

139.28 Subd. 4. **Court reviews for a child over age 18 in foster care.** When a child remains
139.29 in or returns to foster care pursuant to section 260C.451 and the court has jurisdiction
139.30 pursuant to section 260C.193, subdivision 6, paragraph (c), the court must at least annually
139.31 conduct the review required under section 260C.203.

140.1 Sec. 23. Minnesota Statutes 2024, section 260C.204, is amended to read:

140.2 **260C.204 PERMANENCY PROGRESS REVIEW FOR CHILDREN IN FOSTER**
140.3 **CARE FOR SIX MONTHS.**

140.4 (a) When a child continues in placement out of the home of the parent or guardian from
140.5 whom the child was removed, no later than six months after the child's placement the court
140.6 shall conduct a permanency progress hearing to review:

140.7 (1) the progress of the case, the parent's progress on the case plan or out-of-home
140.8 placement plan, whichever is applicable;

140.9 (2) the agency's reasonable, or in the case of an Indian child, active efforts for
140.10 reunification and its provision of services;

140.11 (3) the agency's reasonable efforts to finalize the permanent plan for the child under
140.12 section 260.012, paragraph (e), and to make a placement as required under section 260C.212,
140.13 subdivision 2, in a home that will commit to being the legally permanent family for the
140.14 child in the event the child cannot return home according to the timelines in this section;
140.15 and

140.16 (4) in the case of an Indian child, active efforts to prevent the breakup of the Indian
140.17 family and to make a placement according to the placement preferences under United States
140.18 Code, title 25, chapter 21, section 1915.

140.19 (b) When a child is placed in a qualified residential treatment program setting as defined
140.20 in section 260C.007, subdivision 26d, the responsible social services agency must submit
140.21 evidence to the court as specified in section 260C.712.

140.22 (c) The court shall ensure that notice of the hearing is sent to any relative who:

140.23 (1) responded to the agency's notice provided under section 260C.221, indicating an
140.24 interest in participating in planning for the child or being a permanency resource for the
140.25 child and who has kept the court apprised of the relative's address; or

140.26 (2) asked to be notified of court proceedings regarding the child as is permitted in section
140.27 260C.152, subdivision 5.

140.28 (d)(1) If the parent or guardian has maintained contact with the child and is complying
140.29 with the court-ordered out-of-home placement plan, and if the child would benefit from
140.30 reunification with the parent, the court may either:

140.31 (i) return the child home, if the conditions that led to the out-of-home placement have
140.32 been sufficiently mitigated that it is safe and in the child's best interests to return home; or

141.1 (ii) continue the matter up to a total of six additional months. If the child has not returned
141.2 home by the end of the additional six months, the court must conduct a hearing according
141.3 to sections 260C.503 to 260C.521.

141.4 (2) If the court determines that the parent or guardian is not complying, is not making
141.5 progress with or engaging with services in the out-of-home placement plan, or is not
141.6 maintaining regular contact with the child as outlined in the visitation plan required as part
141.7 of the out-of-home placement plan under section 260C.212, the court may order the
141.8 responsible social services agency:

141.9 (i) to develop a plan for legally permanent placement of the child away from the parent;

141.10 (ii) to consider, identify, recruit, and support one or more permanency resources from
141.11 the child's relatives and foster parent, consistent with clause (3) and section 260C.212,
141.12 subdivision 2, paragraph (a), to be the legally permanent home in the event the child cannot
141.13 be returned to the parent. Any relative or the child's foster parent may ask the court to order
141.14 the agency to consider them for permanent placement of the child in the event the child
141.15 cannot be returned to the parent. A relative or foster parent who wants to be considered
141.16 under this item shall cooperate with the background study required under section 245C.08,
141.17 if the individual has not already done so, and with the home study process required under
141.18 chapter 142B for providing child foster care and for adoption under section 259.41. The
141.19 home study referred to in this item shall be a single-home study in the form required by the
141.20 commissioner of children, youth, and families or similar study required by the individual's
141.21 state of residence when the subject of the study is not a resident of Minnesota. The court
141.22 may order the responsible social services agency to make a referral under the Interstate
141.23 Compact on the Placement of Children when necessary to obtain a home study for an
141.24 individual who wants to be considered for transfer of permanent legal and physical custody
141.25 or adoption of the child; and

141.26 (iii) to file a petition to support an order for the legally permanent placement plan.

141.27 (3) Consistent with section 260C.223, subdivision 2, paragraph (b), the responsible social
141.28 services agency must not define a foster family as the permanent home for a child until:

141.29 (i) inquiry and Tribal notice requirements under section 260.761, subdivisions 1 and 2,
141.30 are satisfied;

141.31 (ii) inquiry about the child's heritage, including their race, culture, and ethnicity pursuant
141.32 to section 260.63, subdivision 10, has been completed; and

142.1 (iii) the court has determined that reasonable or active efforts toward completing the
 142.2 relative search requirements in section 260C.221 have been made.

142.3 (e) Following the review under this section:

142.4 (1) if the court has either returned the child home or continued the matter up to a total
 142.5 of six additional months, the agency shall continue to provide services to support the child's
 142.6 return home or to make reasonable efforts to achieve reunification of the child and the parent
 142.7 as ordered by the court under an approved case plan;

142.8 (2) if the court orders the agency to develop a plan for the transfer of permanent legal
 142.9 and physical custody of the child to a relative, a petition supporting the plan shall be filed
 142.10 in juvenile court within 30 days of the hearing required under this section and a trial on the
 142.11 petition held within 60 days of the filing of the pleadings; or

142.12 (3) if the court orders the agency to file a termination of parental rights, unless the county
 142.13 attorney can show cause why a termination of parental rights petition should not be filed,
 142.14 a petition for termination of parental rights shall be filed in juvenile court within 30 days
 142.15 of the hearing required under this section and a trial on the petition held within 60 days of
 142.16 the filing of the petition.

142.17 Sec. 24. Minnesota Statutes 2024, section 260C.212, subdivision 1, is amended to read:

142.18 Subdivision 1. **Out-of-home placement; plan.** ~~(a) An out-of-home placement plan shall~~
 142.19 ~~be prepared within 30 days after any child is placed in foster care by court order or a~~
 142.20 ~~voluntary placement agreement between the responsible social services agency and the~~
 142.21 ~~child's parent pursuant to section 260C.227 or chapter 260D.~~

142.22 ~~(b)~~ (a) An out-of-home placement plan means a written document individualized to the
 142.23 needs of the child and the child's parents or guardians that is prepared by the responsible
 142.24 social services agency using a form developed by the commissioner. The plan must be
 142.25 completed jointly with the child's parents or guardians and in consultation with the child's
 142.26 guardian ad litem; the child's tribe, if the child is an Indian child; the child's foster parent
 142.27 or representative of the foster care facility; and, when appropriate, the child. When a child
 142.28 is age 14 or older, the child may include two other individuals on the team preparing the
 142.29 child's out-of-home placement plan. The child may select one member of the case planning
 142.30 team to be designated as the child's advisor and to advocate with respect to the application
 142.31 of the reasonable and prudent parenting standards. The responsible social services agency
 142.32 may reject an individual selected by the child if the agency has good cause to believe that
 142.33 the individual would not act in the best interest of the child. For a child in voluntary foster

143.1 care for treatment under chapter 260D, preparation of the out-of-home placement plan shall
143.2 additionally include the child's mental health treatment provider. For a child 18 years of
143.3 age or older, the responsible social services agency shall involve the child and the child's
143.4 parents as appropriate. As appropriate, the plan shall be:

143.5 (1) submitted to the court for approval under section 260C.178, subdivision 7;

143.6 (2) ordered by the court, either as presented or modified after hearing, under section
143.7 260C.178, subdivision 7, or 260C.201, subdivision 6; and

143.8 (3) signed by the parent or parents or guardian of the child, the child's guardian ad litem,
143.9 a representative of the child's tribe, the responsible social services agency, and, if possible,
143.10 the child.

143.11 (b) Before an out-of-home placement plan is signed by the parent or parents or guardian
143.12 of the child, the responsible social services agency must provide the parent or parents or
143.13 guardian with a one- to two-page summary of the plan using a form developed by the
143.14 commissioner. The out-of-home placement plan summary must clearly summarize the plan's
143.15 contents under paragraph (d) and list the requirements and responsibilities for the parent or
143.16 parents or guardian using plain language. The summary must be updated and provided to
143.17 the parent or parents or guardian when the out-of-home placement plan is updated under
143.18 subdivision 1a.

143.19 (c) An out-of-home placement plan summary shall be prepared within 30 days after any
143.20 child is placed in foster care by court order or voluntary placement agreement between the
143.21 responsible social services agency and the child's parent pursuant to section 260C.227 or
143.22 chapter 260D. An out-of-home placement plan shall be prepared within 60 days after any
143.23 child is placed in foster care by court order or a voluntary placement agreement between
143.24 the responsible social services agency and the child's parent pursuant to section 260C.227
143.25 or chapter 260D.

143.26 ~~(e)~~ (d) The out-of-home placement plan shall be explained by the responsible social
143.27 services agency to all persons involved in the plan's implementation, including the child
143.28 who has signed the plan, and shall set forth:

143.29 (1) a description of the foster care home or facility selected, including how the
143.30 out-of-home placement plan is designed to achieve a safe placement for the child in the
143.31 least restrictive, most family-like setting available that is in close proximity to the home of
143.32 the child's parents or guardians when the case plan goal is reunification; and how the
143.33 placement is consistent with the best interests and special needs of the child according to
143.34 the factors under subdivision 2, paragraph (b);

144.1 (2) a description of the services offered and provided to prevent removal of the child
144.2 from the home;

144.3 ~~(2)~~ (3) the specific reasons for the placement of the child in foster care, and when
144.4 reunification is the plan, a description of the problems or conditions in the home of the
144.5 parent or parents that necessitated removal of the child from home and the services offered
144.6 and provided to support the changes the parent or parents must make for the child to safely
144.7 return home;

144.8 ~~(3) a description of the services offered and provided to prevent removal of the child~~
144.9 ~~from the home~~ and to reunify the family including:

144.10 (i) the specific actions to be taken by the parent or parents of the child to eliminate or
144.11 correct the problems or conditions identified in clause (2), and the time period during which
144.12 the actions are to be taken; and

144.13 (ii) the reasonable efforts, or in the case of an Indian child, active efforts to be made to
144.14 achieve a safe and stable home for the child including social and other supportive services
144.15 to be provided or offered to the parent or parents or guardian of the child, the child, and the
144.16 residential facility during the period the child is in the residential facility;

144.17 (4) a description of any services or resources that were requested by the child or the
144.18 child's parent, guardian, foster parent, or custodian since the date of the child's placement
144.19 in the residential facility, and whether those services or resources were provided and if not,
144.20 the basis for the denial of the services or resources;

144.21 (5) the visitation plan for the parent or parents or guardian, other relatives as defined in
144.22 section 260C.007, subdivision 26b or 27, and siblings of the child if the siblings are not
144.23 placed together in foster care, and whether visitation is consistent with the best interest of
144.24 the child, during the period the child is in foster care;

144.25 (6) when a child cannot return to or be in the care of either parent, documentation of
144.26 steps to finalize permanency through either:

144.27 (i) adoption as the permanency plan for the child through reasonable efforts to place the
144.28 child for adoption pursuant to section 260C.605. At a minimum, the documentation must
144.29 include consideration of whether adoption is in the best interests of the child and
144.30 child-specific recruitment efforts such as a relative search, consideration of relatives for
144.31 adoptive placement, and the use of state, regional, and national adoption exchanges to
144.32 facilitate orderly and timely placements in and outside of the state. A copy of this

145.1 documentation shall be provided to the court in the review required under section 260C.317,
145.2 subdivision 3, paragraph (b); or

145.3 ~~(7) when a child cannot return to or be in the care of either parent, documentation of~~
145.4 ~~steps to finalize~~ (ii) the transfer of permanent legal and physical custody to a relative as the
145.5 permanency plan for the child. This documentation must support the requirements of the
145.6 kinship placement agreement under section 142A.605 and must include the reasonable
145.7 efforts used to determine that it is not appropriate for the child to return home or be adopted,
145.8 and reasons why permanent placement with a relative through a Northstar kinship assistance
145.9 arrangement is in the child's best interest; how the child meets the eligibility requirements
145.10 for Northstar kinship assistance payments; agency efforts to discuss adoption with the child's
145.11 relative foster parent and reasons why the relative foster parent chose not to pursue adoption,
145.12 if applicable; and agency efforts to discuss with the child's parent or parents the permanent
145.13 transfer of permanent legal and physical custody or the reasons why these efforts were not
145.14 made;

145.15 ~~(8)~~ (7) efforts to ensure the child's educational stability while in foster care for a child
145.16 who attained the minimum age for compulsory school attendance under state law and is
145.17 enrolled full time in elementary or secondary school, or instructed in elementary or secondary
145.18 education at home, or instructed in an independent study elementary or secondary program,
145.19 or incapable of attending school on a full-time basis due to a medical condition that is
145.20 documented and supported by regularly updated information in the child's case plan.

145.21 Educational stability efforts include:

145.22 (i) efforts to ensure that the child remains in the same school in which the child was
145.23 enrolled prior to placement or upon the child's move from one placement to another, including
145.24 efforts to work with the local education authorities to ensure the child's educational stability
145.25 and attendance; or

145.26 (ii) if it is not in the child's best interest to remain in the same school that the child was
145.27 enrolled in prior to placement or move from one placement to another, efforts to ensure
145.28 immediate and appropriate enrollment for the child in a new school;

145.29 ~~(9)~~ (8) the educational records of the child including the most recent information available
145.30 regarding:

145.31 (i) the names and addresses of the child's educational providers;

145.32 (ii) the child's grade level performance;

145.33 (iii) the child's school record;

- 146.1 (iv) a statement about how the child's placement in foster care takes into account
 146.2 proximity to the school in which the child is enrolled at the time of placement; and
- 146.3 (v) any other relevant educational information;
- 146.4 ~~(10)~~ (9) the efforts by the responsible social services agency to ~~ensure~~ support the child's
 146.5 well-being by ensuring the oversight and continuity of health care services for the foster
 146.6 child and documenting their health record, including:
- 146.7 (i) the plan to schedule the child's initial health screens;
- 146.8 (ii) how the child's known medical problems and identified needs from the screens,
 146.9 including any known communicable diseases, as defined in section 144.4172, subdivision
 146.10 2, shall be monitored and treated while the child is in foster care;
- 146.11 (iii) how the child's medical information shall be updated and shared, including the
 146.12 child's immunizations;
- 146.13 (iv) who is responsible to coordinate and respond to the child's health care needs,
 146.14 including the role of the parent, the agency, and the foster parent;
- 146.15 (v) who is responsible for oversight of the child's prescription medications;
- 146.16 (vi) how physicians or other appropriate medical and nonmedical professionals shall be
 146.17 consulted and involved in assessing the health and well-being of the child and determine
 146.18 the appropriate medical treatment for the child; ~~and~~
- 146.19 (vii) the responsibility to ensure that the child has access to medical care through either
 146.20 medical insurance or medical assistance; and
- 146.21 ~~(11) the health records of the child including~~ (viii) information available regarding:
- 146.22 ~~(i)~~ (A) the names and addresses of the child's health care and dental care providers;
- 146.23 ~~(ii)~~ (B) a record of the child's immunizations;
- 146.24 ~~(iii)~~ (C) the child's known medical problems, including any known communicable
 146.25 diseases as defined in section 144.4172, subdivision 2;
- 146.26 ~~(iv)~~ (D) the child's medications; and
- 146.27 ~~(v)~~ (E) any other relevant health care information such as the child's eligibility for medical
 146.28 insurance or medical assistance;
- 146.29 ~~(12)~~ (10) an independent living plan for a child 14 years of age or older, developed in
 146.30 consultation with the child. The child may select one member of the case planning team to
 146.31 be designated as the child's advisor and to advocate with respect to the application of the

147.1 reasonable and prudent parenting standards in subdivision 14. The plan should include, but
147.2 not be limited to, the following objectives:

147.3 (i) educational, vocational, or employment planning;

147.4 (ii) health care planning and medical coverage;

147.5 (iii) transportation including, where appropriate, assisting the child in obtaining a driver's
147.6 license;

147.7 (iv) money management, including the responsibility of the responsible social services
147.8 agency to ensure that the child annually receives, at no cost to the child, a consumer report
147.9 as defined under section 13C.001 and assistance in interpreting and resolving any inaccuracies
147.10 in the report;

147.11 (v) planning for housing;

147.12 (vi) social and recreational skills;

147.13 (vii) establishing and maintaining connections with the child's family and community;

147.14 and

147.15 (viii) regular opportunities to engage in age-appropriate or developmentally appropriate
147.16 activities typical for the child's age group, taking into consideration the capacities of the
147.17 individual child;

147.18 ~~(13)~~ (11) for a child in voluntary foster care for treatment under chapter 260D, diagnostic
147.19 and assessment information, specific services relating to meeting the mental health care
147.20 needs of the child, and treatment outcomes;

147.21 ~~(14)~~ (12) for a child 14 years of age or older, a signed acknowledgment that describes
147.22 the child's rights regarding education, health care, visitation, safety and protection from
147.23 exploitation, and court participation; receipt of the documents identified in section 260C.452;
147.24 and receipt of an annual credit report. The acknowledgment shall state that the rights were
147.25 explained in an age-appropriate manner to the child; and

147.26 ~~(15)~~ (13) for a child placed in a qualified residential treatment program, the plan must
147.27 include the requirements in section 260C.708.

147.28 ~~(d)~~ (e) The parent or parents or guardian and the child each shall have the right to legal
147.29 counsel in the preparation of the case plan and shall be informed of the right at the time of
147.30 placement of the child. The child shall also have the right to a guardian ad litem. If unable
147.31 to employ counsel from their own resources, the court shall appoint counsel upon the request
147.32 of the parent or parents or the child or the child's legal guardian. The parent or parents may

148.1 also receive assistance from any person or social services agency in preparation of the case
148.2 plan.

148.3 ~~(e) Before an out-of-home placement plan is signed by the parent or parents or guardian
148.4 of the child, the responsible social services agency must provide the parent or parents or
148.5 guardian with a one- to two- page summary of the plan using a form developed by the
148.6 commissioner. The out-of-home placement plan summary must clearly summarize the plan's
148.7 contents under paragraph (c) and list the requirements and responsibilities for the parent or
148.8 parents or guardian using plain language. The summary must be updated and provided to
148.9 the parent or parents or guardian when the out-of-home placement plan is updated under
148.10 subdivision 1a.~~

148.11 (f) After the plan has been agreed upon by the parties involved or approved or ordered
148.12 by the court, the foster parents shall be fully informed of the provisions of the case plan and
148.13 shall be provided a copy of the plan.

148.14 (g) Upon the child's discharge from foster care, the responsible social services agency
148.15 must provide the child's parent, adoptive parent, or permanent legal and physical custodian,
148.16 and the child, if the child is 14 years of age or older, with a current copy of the child's health
148.17 and education record. If a child meets the conditions in subdivision 15, paragraph (b), the
148.18 agency must also provide the child with the child's social and medical history. The responsible
148.19 social services agency may give a copy of the child's health and education record and social
148.20 and medical history to a child who is younger than 14 years of age, if it is appropriate and
148.21 if subdivision 15, paragraph (b), applies.

148.22 Sec. 25. Minnesota Statutes 2024, section 260C.212, subdivision 1a, is amended to read:

148.23 Subd. 1a. **Out-of-home placement plan update.** (a) Within 30 days of placing the child
148.24 in foster care, the agency must complete the child's out-of-home placement plan summary
148.25 and file it with the court. Within 60 days of placing the child in foster care, the agency must
148.26 file the child's initial out-of-home placement plan with the court. After filing the child's
148.27 ~~initial~~ out-of-home placement plan, the agency shall update and file the child's out-of-home
148.28 placement plan with the court as follows:

148.29 (1) when the agency moves a child to a different foster care setting, the agency shall
148.30 inform the court within 30 days of the child's placement change or court-ordered trial home
148.31 visit. The agency must file the child's updated out-of-home placement plan summary and
148.32 out-of-home placement plan with the court at the next required review hearing;

149.1 (2) when the agency places a child in a qualified residential treatment program as defined
149.2 in section 260C.007, subdivision 26d, or moves a child from one qualified residential
149.3 treatment program to a different qualified residential treatment program, the agency must
149.4 update the child's out-of-home placement plan within 60 days. To meet the requirements
149.5 of section 260C.708, the agency must file the child's out-of-home placement plan along
149.6 with the agency's report seeking the court's approval of the child's placement at a qualified
149.7 residential treatment program under section 260C.71. After the court issues an order, the
149.8 agency must update the child's out-of-home placement plan to document the court's approval
149.9 or disapproval of the child's placement in a qualified residential treatment program;

149.10 (3) when the agency places a child with the child's parent in a licensed residential
149.11 family-based substance use disorder treatment program under section 260C.190, the agency
149.12 must identify the treatment program where the child will be placed in the child's out-of-home
149.13 placement plan prior to the child's placement. The agency must file the child's out-of-home
149.14 placement plan summary and out-of-home placement plan with the court at the next required
149.15 review hearing; and

149.16 (4) under sections 260C.227 and 260C.521, the agency must update the child's
149.17 out-of-home placement plan summary and out-of-home placement plan and file the child's
149.18 out-of-home placement plan with the court.

149.19 (b) When none of the items in paragraph (a) apply, the agency must update the child's
149.20 out-of-home placement plan summary and out-of-home placement plan no later than 180
149.21 days after the child's initial placement and every six months thereafter, consistent with
149.22 section 260C.203, paragraph (a).

149.23 Sec. 26. Minnesota Statutes 2024, section 260C.221, subdivision 2, is amended to read:

149.24 Subd. 2. **Relative notice requirements.** (a) The agency may provide oral or written
149.25 notice to a child's relatives. In the child's case record, the agency must document providing
149.26 the required notice to each of the child's relatives. The responsible social services agency
149.27 must notify relatives:

149.28 (1) of the need for a foster home for the child, the option to become a placement resource
149.29 for the child, the order of placement that the agency will consider under section 260C.212,
149.30 subdivision 2, paragraph (a), and the possibility of the need for a permanent placement for
149.31 the child;

149.32 (2) of their responsibility to keep the responsible social services agency and the court
149.33 informed of their current address in order to receive notice in the event that a permanent

150.1 placement is sought for the child and to receive notice of the permanency progress review
 150.2 hearing under section 260C.204. A relative who fails to provide a current address to the
 150.3 responsible social services agency and the court forfeits the right to receive notice of the
 150.4 possibility of permanent placement and of the permanency progress review hearing under
 150.5 section 260C.204, until the relative provides a current address to the responsible social
 150.6 services agency and the court. A decision by a relative not to be identified as a potential
 150.7 permanent placement resource or participate in planning for the child shall not affect whether
 150.8 the relative is considered for placement of, or as a permanency resource for, the child with
 150.9 that relative at any time in the case, and shall not be the sole basis for the court to rule out
 150.10 the relative as the child's placement or permanency resource;

150.11 (3) that the relative may participate in the care and planning for the child, as specified
 150.12 in subdivision 3, including that the opportunity for such participation may be lost by failing
 150.13 to respond to the notice sent under this subdivision;

150.14 (4) of the family foster care licensing and adoption home study requirements and supports,
 150.15 ~~including how to complete an application and how to request a variance from licensing~~
 150.16 ~~standards that do not present a safety or health risk to the child in the home under section~~
 150.17 ~~142B.10 and supports that are available for relatives and children who reside in a family~~
 150.18 ~~foster home;~~

150.19 (i) the choice between county or private agency licensing and services under section
 150.20 142B.05, subdivision 3;

150.21 (ii) how to complete an application;

150.22 (iii) how to request a variance from licensing standards that do not present a safety or
 150.23 health risk to the child in the home under section 142B.10; and

150.24 (iv) supports that are available for relatives and children who reside in a family foster
 150.25 home, including but not limited to ways to include resource or substitute caregivers in the
 150.26 child's case plan, strategies for leveraging the child and family's natural supports, and how
 150.27 to access legal services and support and respite care;

150.28 (5) of the relatives' right to ask to be notified of any court proceedings regarding the
 150.29 child, to attend the hearings, and of a relative's right to be heard by the court as required
 150.30 under section 260C.152, subdivision 5;

150.31 (6) that regardless of the relative's response to the notice sent under this subdivision, the
 150.32 agency is required to establish permanency for a child, including planning for alternative
 150.33 permanency options if the agency's reunification efforts fail or are not required; and

151.1 (7) that by responding to the notice, a relative may receive information about participating
 151.2 in a child's family and permanency team if the child is placed in a qualified residential
 151.3 treatment program as defined in section 260C.007, subdivision 26d.

151.4 (b) The responsible social services agency shall send the notice required under paragraph
 151.5 (a) to relatives who become known to the responsible social services agency, except for
 151.6 relatives that the agency does not contact due to safety reasons under subdivision 5, paragraph
 151.7 (b). The responsible social services agency shall continue to send notice to relatives
 151.8 notwithstanding a court's finding that the agency has made reasonable efforts to conduct a
 151.9 relative search.

151.10 (c) The responsible social services agency is not required to send the notice under
 151.11 paragraph (a) to a relative who becomes known to the agency after an adoption placement
 151.12 agreement has been fully executed under section 260C.613, subdivision 1. If the relative
 151.13 wishes to be considered for adoptive placement of the child, the agency shall inform the
 151.14 relative of the relative's ability to file a motion for an order for adoptive placement under
 151.15 section 260C.607, subdivision 6.

151.16 **EFFECTIVE DATE.** This section is effective January 1, 2026.

151.17 Sec. 27. Minnesota Statutes 2024, section 260C.223, subdivision 1, is amended to read:

151.18 Subdivision 1. **Program; goals.** (a) The commissioner of children, youth, and families
 151.19 shall establish a program for concurrent permanency planning for child protection services.

151.20 (b) Concurrent permanency planning involves a planning process for children who are
 151.21 placed out of the home of their parents pursuant to a court order, or who have been voluntarily
 151.22 placed out of the home by the parents for 60 days or more and who are not developmentally
 151.23 disabled or emotionally disabled under section 260C.212, subdivision 9. The responsible
 151.24 social services agency shall develop an alternative permanency plan while making reasonable
 151.25 efforts for reunification of the child with the family, if required by section 260.012. The
 151.26 goals of concurrent permanency planning are to:

151.27 (1) achieve early permanency for children;

151.28 (2) decrease children's length of stay in foster care and reduce the number of moves
 151.29 children experience in foster care; and

151.30 (3) ~~develop a group of families~~ establish a foster parent for a child who will work ~~towards~~
 151.31 toward reunification and also serve as a permanent families family for children.

152.1 Sec. 28. Minnesota Statutes 2024, section 260C.223, subdivision 2, is amended to read:

152.2 Subd. 2. **Development of guidelines and protocols.** (a) The commissioner shall establish
152.3 guidelines and protocols for social services agencies involved in concurrent permanency
152.4 planning, including criteria for conducting concurrent permanency planning based on relevant
152.5 factors such as:

152.6 (1) age of the child and duration of out-of-home placement;

152.7 (2) prognosis for successful reunification with parents;

152.8 (3) availability of relatives and other concerned individuals to provide support or a
152.9 permanent placement for the child; and

152.10 (4) special needs of the child and other factors affecting the child's best interests.

152.11 (b) In developing the guidelines and protocols, the commissioner shall consult with
152.12 interest groups within the child protection system, including child protection workers, child
152.13 protection advocates, county attorneys, law enforcement, community service organizations,
152.14 the councils of color, and the ombudsperson for families.

152.15 (c) The responsible social services agency must not make a foster family the permanent
152.16 home for a child until:

152.17 (1) inquiry and Tribal notice requirements under section 260.761, subdivisions 1 and 2,
152.18 are satisfied;

152.19 (2) inquiry about the child's heritage, including their race, culture, and ethnicity pursuant
152.20 to section 260.63, subdivision 10, has been completed; and

152.21 (3) the court has determined that reasonable or active efforts toward completing the
152.22 relative search requirements in section 260C.221 have been made.

152.23 Sec. 29. Minnesota Statutes 2024, section 260C.329, subdivision 3, is amended to read:

152.24 Subd. 3. **Petition.** (a) The following individuals may file a petition for the reestablishment
152.25 of the legal parent and child relationship:

152.26 (1) county attorney;

152.27 (2) a parent whose parental rights were terminated under a previous order of the court;

152.28 (3) a parent whose voluntary consent to adoption was accepted by the court and:

152.29 (i) the identified prospective adoptive parent did not finalize the adoption; or

153.1 (ii) the adoption finalized but subsequently dissolved and the child returned to foster
 153.2 care and guardianship of the commissioner;

153.3 (4) a child who is ten years of age or older;

153.4 (5) the responsible social services agency; or

153.5 (6) a guardian ad litem may file a petition for the reestablishment of the legal parent and
 153.6 child relationship.

153.7 (b) A parent filing a petition under this section shall pay a filing fee in the amount
 153.8 required under section 357.021, subdivision 2, clause (1). The filing fee may be waived
 153.9 pursuant to chapter 563. A petition for the reestablishment of the legal parent and child
 153.10 relationship may be filed when:

153.11 (1) the parent has corrected the conditions that led to an order terminating parental rights;

153.12 (2) the parent is willing and has the capability to provide day-to-day care and maintain
 153.13 the health, safety, and welfare of the child;

153.14 (3) the child has been in foster care for at least 24 months after the court issued the order
 153.15 terminating parental rights;

153.16 (4) the child ~~has~~ is not been currently adopted; and

153.17 (5) the child is not the subject of a written adoption placement agreement between the
 153.18 responsible social services agency and the prospective adoptive parent, as required under
 153.19 Minnesota Rules, part 9560.0060, subpart 2.

153.20 Sec. 30. Minnesota Statutes 2024, section 260C.329, subdivision 8, is amended to read:

153.21 Subd. 8. **Hearing.** The court may grant the petition ordering the reestablishment of the
 153.22 legal parent and child relationship only if it finds by clear and convincing evidence that:

153.23 (1) reestablishment of the legal parent and child relationship is in the child's best interests;

153.24 (2) the child ~~has~~ is not been currently adopted;

153.25 (3) the child is not the subject of a written adoption placement agreement between the
 153.26 responsible social services agency and the prospective adoptive parent, as required under
 153.27 Minnesota Rules, part 9560.0060, subpart 2;

153.28 (4) at least 24 months have elapsed following a final order terminating parental rights
 153.29 and the child remains in foster care;

153.30 (5) the child desires to reside with the parent;

154.1 (6) the parent has corrected the conditions that led to an order terminating parental rights;
154.2 and

154.3 (7) the parent is willing and has the capability to provide day-to-day care and maintain
154.4 the health, safety, and welfare of the child.

154.5 Sec. 31. Minnesota Statutes 2024, section 260C.451, subdivision 9, is amended to read:

154.6 Subd. 9. **Administrative or court review of placements.** (a) The court ~~shall~~ must
154.7 conduct reviews at least annually to ensure the responsible social services agency is making
154.8 reasonable efforts to finalize the permanency plan for the child.

154.9 (b) The responsible social services agency must file a written report with the court
154.10 containing or attaching the following:

154.11 (1) the child's name, date of birth, race, gender, and current address;

154.12 (2) a written summary describing planning with the child, including supports and services
154.13 to ensure the child's safety, housing stability, well-being needs, and independent living
154.14 skills;

154.15 (3) the child's most recent out-of-home placement plan and independent living plan
154.16 required under section 260C.212, subdivision 1;

154.17 (4) if the child's plan is to not continue in extended foster care or if the child will reach
154.18 age 21 before the next review, a copy of their 180-day transition plan as required in section
154.19 260C.452, subdivision 4; and

154.20 (5) if the agency plans to transition the child into adult services, a summary of the
154.21 transition plan as required in section 260C.452, subdivision 4, and how this plan is in the
154.22 child's best interest.

154.23 ~~(b)~~ (c) The court ~~shall~~ must find that the responsible social services agency is making
154.24 reasonable efforts to finalize the permanency plan for the child when the responsible social
154.25 services agency:

154.26 (1) provides appropriate support to the child and caregiver or foster care provider parent
154.27 to ensure continuing stability and success in placement;

154.28 (2) works with the child to plan for transition to adulthood and assists the child in
154.29 demonstrating progress in achieving related goals;

154.30 (3) works with the child to plan for independent living skills and assists the child in
154.31 demonstrating progress in achieving independent living goals; and

155.1 (4) prepares the child for independence according to sections 260C.203, paragraph (d),
155.2 and 260C.452, subdivision 4.

155.3 ~~(e)~~(d) The responsible social services agency must ensure that an administrative review
155.4 that meets the requirements of this section and section 260C.203 is completed at least six
155.5 months after each of the court's annual reviews.

155.6 Sec. 32. Minnesota Statutes 2024, section 260C.452, subdivision 4, is amended to read:

155.7 Subd. 4. **Administrative or court review of placements.** (a) When the youth is 14 years
155.8 of age or older, the court, in consultation with the youth, shall review the youth's independent
155.9 living plan according to section 260C.203, paragraph (d).

155.10 (b) The responsible social services agency shall file a copy of the notification of foster
155.11 care benefits for a youth who is 18 years of age or older according to section 260C.451,
155.12 subdivision 1, with the court. If the responsible social services agency does not file the
155.13 notice by the time the youth is 17-1/2 years of age, the court shall require the responsible
155.14 social services agency to file the notice.

155.15 (c) When a youth is 18 years of age or older, the court shall ensure that the responsible
155.16 social services agency assists the youth in obtaining the following documents before the
155.17 youth leaves foster care: a Social Security card; an official or certified copy of the youth's
155.18 birth certificate; a state identification card or driver's license, Tribal enrollment identification
155.19 card, ~~green~~ permanent resident card, or school visa; health insurance information; the youth's
155.20 school, medical, and dental records; a contact list of the youth's medical, dental, and mental
155.21 health providers; and contact information for the youth's siblings, if the siblings are in foster
155.22 care.

155.23 (d) For a youth who will be discharged from foster care at 18 years of age or older
155.24 because the youth is not eligible for extended foster care benefits or chooses to leave foster
155.25 care, the responsible social services agency must develop a personalized transition plan as
155.26 directed by the youth during the 180-day period immediately prior to the expected date of
155.27 discharge. The transition plan must be as detailed as the youth elects and include specific
155.28 options, including but not limited to:

155.29 (1) affordable housing with necessary supports that does not include a homeless shelter;

155.30 (2) health insurance, including eligibility for medical assistance as defined in section
155.31 256B.055, subdivision 17;

155.32 (3) education, including application to the Education and Training Voucher Program;

- 156.1 (4) local opportunities for mentors and continuing support services;
- 156.2 (5) workforce supports and employment services;
- 156.3 (6) a copy of the youth's consumer credit report as defined in section 13C.001 and
156.4 assistance in interpreting and resolving any inaccuracies in the report, at no cost to the youth;
- 156.5 (7) information on executing a health care directive under chapter 145C and on the
156.6 importance of designating another individual to make health care decisions on behalf of the
156.7 youth if the youth becomes unable to participate in decisions;
- 156.8 (8) appropriate contact information through 21 years of age if the youth needs information
156.9 or help dealing with a crisis situation; and
- 156.10 (9) official documentation that the youth was previously in foster care.

156.11 Sec. 33. Minnesota Statutes 2024, section 260E.03, subdivision 15, is amended to read:

156.12 Subd. 15. **Neglect.** (a) "Neglect" means the commission or omission of any of the acts
156.13 specified under clauses (1) to (8), other than by accidental means:

156.14 (1) failure by a person responsible for a child's care to supply a child with necessary
156.15 food, clothing, shelter, health, medical, or other care required for the child's physical or
156.16 mental health when reasonably able to do so;

156.17 (2) failure to protect a child from conditions or actions that seriously endanger the child's
156.18 physical or mental health when reasonably able to do so, including a growth delay, which
156.19 may be referred to as a failure to thrive, that has been diagnosed by a physician and is due
156.20 to parental neglect;

156.21 (3) failure to provide for necessary supervision or child care arrangements appropriate
156.22 for a child after considering factors as the child's age, mental ability, physical condition,
156.23 length of absence, or environment, when the child is unable to care for the child's own basic
156.24 needs or safety, or the basic needs or safety of another child in their care;

156.25 (4) failure to ensure that the child is educated as defined in sections 120A.22 and
156.26 260C.163, subdivision 11, which does not include a parent's refusal to provide the parent's
156.27 child with sympathomimetic medications, consistent with section 125A.091, subdivision
156.28 5;

156.29 (5) prenatal exposure to a controlled substance, as defined in section 253B.02, subdivision
156.30 2, used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in
156.31 the child at birth, results of a toxicology test performed on the mother at delivery or the
156.32 child at birth, medical effects or developmental delays during the child's first year of life

157.1 that medically indicate prenatal exposure to a controlled substance, or the presence of a
157.2 fetal alcohol spectrum disorder;

157.3 (6) medical neglect, as defined in section 260C.007, subdivision 6, clause (5);

157.4 (7) chronic and severe use of alcohol or a controlled substance by a person responsible
157.5 for the child's care that adversely affects the child's basic needs and safety; or

157.6 (8) emotional harm from a pattern of behavior that contributes to impaired emotional
157.7 functioning of the child which may be demonstrated by a substantial and observable effect
157.8 in the child's behavior, emotional response, or cognition that is not within the normal range
157.9 for the child's age and stage of development, with due regard to the child's culture.

157.10 (b) Nothing in this chapter shall be construed to mean that a child is neglected solely
157.11 because the child's parent, guardian, or other person responsible for the child's care in good
157.12 faith selects and depends upon spiritual means or prayer for treatment or care of disease or
157.13 remedial care of the child in lieu of medical care.

157.14 (c) This chapter does not impose upon persons not otherwise legally responsible for
157.15 providing a child with necessary food, clothing, shelter, education, or medical care a duty
157.16 to provide that care.

157.17 (d) Nothing in this chapter shall be construed to mean that a child who has a mental,
157.18 physical, or emotional condition is neglected solely because the child remains in an
157.19 emergency department or hospital setting because services, including residential treatment,
157.20 that are deemed necessary by the child's medical or mental health care professional or county
157.21 case manager are not available to the child's parent, guardian, or other person responsible
157.22 for the child's care, and the child cannot be safely discharged to the child's family.

157.23 Sec. 34. Minnesota Statutes 2024, section 260E.09, is amended to read:

157.24 **260E.09 REPORTING REQUIREMENTS.**

157.25 (a) An oral report shall be made immediately by telephone or otherwise. An oral report
157.26 made by a person required under section 260E.06, subdivision 1, to report shall be followed
157.27 within 72 hours, exclusive of weekends and holidays, by a report in writing to the appropriate
157.28 police department, the county sheriff, the agency responsible for assessing or investigating
157.29 the report, or the local welfare agency.

157.30 (b) Any report shall be of sufficient content to identify the child, any person believed
157.31 to be responsible for the maltreatment of the child if the person is known, the nature and
157.32 extent of the maltreatment, and the name and address of the reporter. The local welfare

158.1 agency or agency responsible for assessing or investigating the report shall accept a report
158.2 made under section 260E.06 notwithstanding refusal by a reporter to provide the reporter's
158.3 name or address as long as the report is otherwise sufficient under this paragraph. The local
158.4 welfare agency or agency responsible for assessing or investigating the report shall ask the
158.5 reporter if the reporter is aware of the child or family heritage, including the child's Tribal
158.6 lineage pursuant to section 260.761 and their race, culture, and ethnicity pursuant to section
158.7 260.63, subdivision 10.

158.8 (c) Notwithstanding paragraph (a), upon implementation of the provider licensing and
158.9 reporting hub, an individual who has an account with the provider licensing and reporting
158.10 hub and is required to report suspected maltreatment at a licensed program under section
158.11 260E.06, subdivision 1, may submit a written report in the hub in a manner prescribed by
158.12 the commissioner and is not required to make an oral report. A report submitted through
158.13 the provider licensing and reporting hub must be made immediately.

158.14 Sec. 35. Minnesota Statutes 2024, section 260E.20, subdivision 1, is amended to read:

158.15 Subdivision 1. **General duties.** (a) The local welfare agency shall offer services to
158.16 prevent future maltreatment, safeguarding and enhancing the welfare of the maltreated child,
158.17 and supporting and preserving family life whenever possible.

158.18 (b) If the report alleges a violation of a criminal statute involving maltreatment or child
158.19 endangerment under section 609.378, the local law enforcement agency and local welfare
158.20 agency shall coordinate the planning and execution of their respective investigation and
158.21 assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews.
158.22 Each agency shall prepare a separate report of the results of the agency's investigation or
158.23 assessment.

158.24 (c) In cases of alleged child maltreatment resulting in death, the local agency may rely
158.25 on the fact-finding efforts of a law enforcement investigation to make a determination of
158.26 whether or not maltreatment occurred.

158.27 (d) When necessary, the local welfare agency shall seek authority to remove the child
158.28 from the custody of a parent, guardian, or adult with whom the child is living.

158.29 (e) In performing any of these duties, the local welfare agency shall maintain an
158.30 appropriate record.

158.31 (f) In conducting a family assessment, noncaregiver human trafficking assessment, or
158.32 investigation, the local welfare agency shall gather information on the existence of substance
158.33 abuse and domestic violence.

159.1 (g) If the family assessment, noncaregiver human trafficking assessment, or investigation
159.2 indicates there is a potential for abuse of alcohol or other drugs by the parent, guardian, or
159.3 person responsible for the child's care, the local welfare agency must coordinate a
159.4 comprehensive assessment pursuant to section 245G.05.

159.5 (h) The agency may use either a family assessment or investigation to determine whether
159.6 the child is safe when responding to a report resulting from birth match data under section
159.7 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined
159.8 to be safe, the agency shall consult with the county attorney to determine the appropriateness
159.9 of filing a petition alleging the child is in need of protection or services under section
159.10 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is
159.11 determined not to be safe, the agency and the county attorney shall take appropriate action
159.12 as required under section 260C.503, subdivision 2.

159.13 (i) When conducting any assessment or investigation, the agency shall ask the child, if
159.14 age appropriate; parents; extended family; and reporter about the child's family heritage,
159.15 including the child's Tribal lineage pursuant to section 260.761 and the child's race, culture,
159.16 and ethnicity pursuant to section 260.63, subdivision 10.

159.17 Sec. 36. Minnesota Statutes 2024, section 260E.20, subdivision 3, is amended to read:

159.18 Subd. 3. **Collection of information.** (a) The local welfare agency responsible for
159.19 conducting a family assessment, noncaregiver human trafficking assessment, or investigation
159.20 shall collect available and relevant information to determine child safety, risk of subsequent
159.21 maltreatment, and family strengths and needs and share not public information with an
159.22 Indian's Tribal social services agency without violating any law of the state that may
159.23 otherwise impose a duty of confidentiality on the local welfare agency in order to implement
159.24 the Tribal state agreement.

159.25 (b) The local welfare agency or the agency responsible for investigating the report shall
159.26 collect available and relevant information to ascertain whether maltreatment occurred and
159.27 whether protective services are needed.

159.28 (c) Information collected includes, when relevant, information regarding the person
159.29 reporting the alleged maltreatment, including the nature of the reporter's relationship to the
159.30 child and to the alleged offender, and the basis of the reporter's knowledge for the report;
159.31 the child allegedly being maltreated; the alleged offender; the child's caretaker; and other
159.32 collateral sources having relevant information related to the alleged maltreatment.

160.1 (d) Information relevant to the assessment or investigation must be requested, and may
160.2 include:

160.3 (1) the child's sex and age; prior reports of maltreatment, including any maltreatment
160.4 reports that were screened out and not accepted for assessment or investigation; information
160.5 relating to developmental functioning; credibility of the child's statement; and whether the
160.6 information provided under this clause is consistent with other information collected during
160.7 the course of the assessment or investigation;

160.8 (2) except in a noncaregiver human trafficking assessment, the alleged offender's age,
160.9 a record check for prior reports of maltreatment, and criminal charges and convictions;

160.10 (3) collateral source information regarding the alleged maltreatment and care of the
160.11 child. Collateral information includes, when relevant: (i) a medical examination of the child;
160.12 (ii) prior medical records relating to the alleged maltreatment or the care of the child
160.13 maintained by any facility, clinic, or health care professional and an interview with the
160.14 treating professionals; and (iii) interviews with the child's caretakers, including the child's
160.15 parent, guardian, foster parent, child care provider, teachers, counselors, family members,
160.16 relatives, and other persons who may have knowledge regarding the alleged maltreatment
160.17 and the care of the child; and

160.18 (4) information on the existence of domestic abuse and violence in the home of the child,
160.19 and substance abuse.

160.20 (e) Nothing in this subdivision precludes the local welfare agency, the local law
160.21 enforcement agency, or the agency responsible for assessing or investigating the report from
160.22 collecting other relevant information necessary to conduct the assessment or investigation.

160.23 (f) Notwithstanding section 13.384 or 144.291 to 144.298, the local welfare agency has
160.24 access to medical data and records for purposes of paragraph (d), clause (3).

160.25 Sec. 37. **[260E.215] REPORTING OF SCHOOL ATTENDANCE CONCERNS.**

160.26 Subdivision 1. Reports required. (a) A person mandated to report under this chapter
160.27 must immediately report to the local welfare agency or designated partner if the person
160.28 knows or has reason to believe that a child required to be enrolled in school under section
160.29 120A.22 has at least seven unexcused absences in the current school year and is at risk of
160.30 educational neglect or truancy under section 260C.163, subdivision 11.

160.31 (b) Any person may make a voluntary report if the person knows or has reason to believe
160.32 that a child required to be enrolled in school under section 120A.22 has at least seven

161.1 unexcused absences in the current school year and is at risk of educational neglect or truancy
161.2 under section 260C.163, subdivision 11.

161.3 (c) An oral report must be made immediately. An oral report made by a person required
161.4 to report under paragraph (a) must be followed within 72 hours, exclusive of weekends and
161.5 holidays, by a report in writing to the local welfare agency. A report must sufficiently
161.6 identify the child and the child's parent or guardian, the actual or estimated number of the
161.7 child's unexcused absences in the current school year, the efforts made by school officials
161.8 to resolve attendance concerns with the family, and the name and address of the reporter.
161.9 A voluntary reporter under paragraph (b) may refuse to provide their name or address if the
161.10 report is otherwise sufficient, and the local welfare agency must accept such a report.

161.11 Subd. 2. **Local welfare agency.** (a) The local welfare agency or partner designated to
161.12 provide child welfare services must provide a child welfare response for a report that alleges
161.13 a child enrolled in school has seven or more unexcused absences. When providing a child
161.14 welfare response under this paragraph, the local welfare agency or designated partner must
161.15 offer services to the child and the child's family to address school attendance concerns or
161.16 may partner with a county attorney's office, a community-based organization, or other
161.17 community partner to provide the services. The services must be culturally and linguistically
161.18 appropriate and tailored to the needs of the child and the child's family. This section is
161.19 subject to the requirements of the Minnesota Indian Family Preservation Act under sections
161.20 260.751 to 260.835 and the Minnesota African American Family Preservation and Child
161.21 Welfare Disproportionality Act under sections 260.61 to 260.693.

161.22 (b) If the unexcused absences continue and the family has not engaged with services
161.23 under paragraph (a) after the local welfare agency or partner designated to provide child
161.24 welfare services has made multiple varied attempts to engage the child's family, a report of
161.25 educational neglect must be made regardless of the number of unexcused absences the child
161.26 has accrued. The local welfare agency must determine the response path assignment pursuant
161.27 to section 260E.17 and may proceed with the process outlined in section 260C.141.

161.28 Sec. 38. Minnesota Statutes 2024, section 260E.24, subdivision 1, is amended to read:

161.29 Subdivision 1. **Timing.** The local welfare agency shall conclude the family assessment,
161.30 the noncaregiver human trafficking assessment, or the investigation within 45 days of the
161.31 receipt of a report. The conclusion of the assessment or investigation may be extended to
161.32 permit the completion of a criminal investigation or the receipt of expert information
161.33 requested within 45 days of the receipt of the report.

162.1 Sec. 39. Minnesota Statutes 2024, section 260E.24, subdivision 2, is amended to read:

162.2 Subd. 2. **Determination after family assessment or a noncaregiver human trafficking**
162.3 **assessment.** After conducting a family assessment or a noncaregiver human trafficking
162.4 assessment, the local welfare agency shall determine whether child protective services are
162.5 needed to address the safety of the child and other family members and the risk of subsequent
162.6 maltreatment. The local welfare agency must document the information collected under
162.7 section 260E.20, subdivision 3, related to the completed family assessment or noncaregiver
162.8 human trafficking assessment in the child's or family's case notes.

162.9 Sec. 40. **REVISOR INSTRUCTION.**

162.10 The revisor of statutes shall change paragraphs to subdivisions, clauses to paragraphs,
162.11 and items to clauses in Minnesota Statutes, sections 260C.203 and 260C.204. The revisor
162.12 shall make any necessary grammatical changes or changes to sentence structure necessary
162.13 to preserve the meaning of the text as a result of the changes. The revisor of statutes must
162.14 correct any statutory cross-references consistent with the changes in this section.

162.15

ARTICLE 9

162.16

CHILD PROTECTION AND WELFARE FINANCE

162.17 Section 1. Minnesota Statutes 2024, section 142A.03, subdivision 2, is amended to read:

162.18 Subd. 2. **Duties of the commissioner.** (a) The commissioner may apply for and accept
162.19 on behalf of the state any grants, bequests, gifts, or contributions for the purpose of carrying
162.20 out the duties and responsibilities of the commissioner. Any money received under this
162.21 paragraph is appropriated and dedicated for the purpose for which the money is granted.
162.22 The commissioner must biennially report to the chairs and ranking minority members of
162.23 relevant legislative committees and divisions by January 15 of each even-numbered year a
162.24 list of all grants and gifts received under this subdivision.

162.25 (b) Pursuant to law, the commissioner may apply for and receive money made available
162.26 from federal sources for the purpose of carrying out the duties and responsibilities of the
162.27 commissioner.

162.28 (c) The commissioner may make contracts with and grants to Tribal Nations, public and
162.29 private agencies, for-profit and nonprofit organizations, and individuals using appropriated
162.30 money.

162.31 (d) The commissioner must develop program objectives and performance measures for
162.32 evaluating progress toward achieving the objectives. The commissioner must identify the

163.1 objectives, performance measures, and current status of achieving the measures in a biennial
163.2 report to the chairs and ranking minority members of relevant legislative committees and
163.3 divisions. The report is due no later than January 15 each even-numbered year. The report
163.4 must include, when possible, the following objectives:

163.5 (1) centering and including the lived experiences of children and youth, including those
163.6 with disabilities and mental illness and their families, in all aspects of the department's work;

163.7 (2) increasing the effectiveness of the department's programs in addressing the needs of
163.8 children and youth facing racial, economic, or geographic inequities;

163.9 (3) increasing coordination and reducing inefficiencies among the department's programs
163.10 and the funding sources that support the programs;

163.11 (4) increasing the alignment and coordination of family access to child care and early
163.12 learning programs and improving systems of support for early childhood and learning
163.13 providers and services;

163.14 (5) improving the connection between the department's programs and the kindergarten
163.15 through grade 12 and higher education systems; and

163.16 (6) minimizing and streamlining the effort required of youth and families to receive
163.17 services to which the youth and families are entitled.

163.18 (e) The commissioner shall administer and supervise the forms of public assistance and
163.19 other activities or services that are vested in the commissioner. Administration and
163.20 supervision of activities or services includes but is not limited to assuring timely and accurate
163.21 distribution of benefits, completeness of service, and quality program management. In
163.22 addition to administering and supervising activities vested by law in the department, the
163.23 commissioner has the authority to:

163.24 (1) require county agency participation in training and technical assistance programs to
163.25 promote compliance with statutes, rules, federal laws, regulations, and policies governing
163.26 the programs and activities administered by the commissioner;

163.27 (2) monitor, on an ongoing basis, the performance of county agencies in the operation
163.28 and administration of activities and programs; enforce compliance with statutes, rules,
163.29 federal laws, regulations, and policies governing welfare services; and promote excellence
163.30 of administration and program operation;

163.31 (3) develop a quality control program or other monitoring program to review county
163.32 performance and accuracy of benefit determinations;

164.1 (4) require county agencies to make an adjustment to the public assistance benefits issued
164.2 to any individual consistent with federal law and regulation and state law and rule and to
164.3 issue or recover benefits as appropriate;

164.4 (5) delay or deny payment of all or part of the state and federal share of benefits and
164.5 administrative reimbursement according to the procedures set forth in section 142A.10;

164.6 (6) make contracts with and grants to public and private agencies and organizations,
164.7 both for-profit and nonprofit, and individuals, using appropriated funds; and

164.8 (7) enter into contractual agreements with federally recognized Indian Tribes with a
164.9 reservation in Minnesota to the extent necessary for the Tribe to operate a federally approved
164.10 family assistance program or any other program under the supervision of the commissioner.
164.11 The commissioner shall consult with the affected county or counties in the contractual
164.12 agreement negotiations, if the county or counties wish to be included, in order to avoid the
164.13 duplication of county and Tribal assistance program services. The commissioner may
164.14 establish necessary accounts for the purposes of receiving and disbursing funds as necessary
164.15 for the operation of the programs.

164.16 The commissioner shall work in conjunction with the commissioner of human services to
164.17 carry out the duties of this paragraph when necessary and feasible.

164.18 (f) The commissioner shall inform county agencies, on a timely basis, of changes in
164.19 statute, rule, federal law, regulation, and policy necessary to county agency administration
164.20 of the programs and activities administered by the commissioner.

164.21 (g) The commissioner shall administer and supervise child welfare activities, including
164.22 promoting the enforcement of laws preventing child maltreatment and protecting children
164.23 with a disability and children who are in need of protection or services, licensing and
164.24 supervising child care and child-placing agencies, and supervising the care of children in
164.25 foster care. The commissioner shall coordinate with the commissioner of human services
164.26 on activities impacting children overseen by the Department of Human Services, such as
164.27 disability services, behavioral health, and substance use disorder treatment.

164.28 (h) The commissioner shall assist and cooperate with local, state, and federal departments,
164.29 agencies, and institutions.

164.30 (i) The commissioner shall establish and maintain any administrative units reasonably
164.31 necessary for the performance of administrative functions common to all divisions of the
164.32 department.

165.1 (j) The commissioner shall act as designated guardian of children pursuant to chapter
165.2 260C. For children under the guardianship of the commissioner or a Tribe in Minnesota
165.3 recognized by the Secretary of the Interior whose interests would be best served by adoptive
165.4 placement, the commissioner may contract with a licensed child-placing agency or a
165.5 Minnesota Tribal social services agency to provide adoption services. For children in
165.6 out-of-home care whose interests would be best served by a transfer of permanent legal and
165.7 physical custody to a relative under section 260C.515, subdivision 4, or equivalent in Tribal
165.8 code, the commissioner may contract with a licensed child-placing agency or a Minnesota
165.9 Tribal social services agency to provide permanency services. A contract with a licensed
165.10 child-placing agency must be designed to supplement existing county efforts and may not
165.11 replace existing county programs or Tribal social services, unless the replacement is agreed
165.12 to by the county board and the appropriate exclusive bargaining representative, Tribal
165.13 governing body, or the commissioner has evidence that child placements of the county
165.14 continue to be substantially below that of other counties. Funds encumbered and obligated
165.15 under an agreement for a specific child shall remain available until the terms of the agreement
165.16 are fulfilled or the agreement is terminated.

165.17 (k) The commissioner has the authority to conduct and administer experimental projects
165.18 to test methods and procedures of administering assistance and services to recipients or
165.19 potential recipients of public benefits. To carry out the experimental projects, the
165.20 commissioner may waive the enforcement of existing specific statutory program
165.21 requirements, rules, and standards in one or more counties. The order establishing the waiver
165.22 must provide alternative methods and procedures of administration and must not conflict
165.23 with the basic purposes, coverage, or benefits provided by law. No project under this
165.24 paragraph shall exceed four years. No order establishing an experimental project as authorized
165.25 by this paragraph is effective until the following conditions have been met:

165.26 (1) the United States Secretary of Health and Human Services has agreed, for the same
165.27 project, to waive state plan requirements relative to statewide uniformity; and

165.28 (2) a comprehensive plan, including estimated project costs, has been approved by the
165.29 Legislative Advisory Commission and filed with the commissioner of administration.

165.30 (l) The commissioner shall, according to federal requirements and in coordination with
165.31 the commissioner of human services, establish procedures to be followed by local welfare
165.32 boards in creating citizen advisory committees, including procedures for selection of
165.33 committee members.

166.1 (m) The commissioner shall allocate federal fiscal disallowances or sanctions that are
166.2 based on quality control error rates for the aid to families with dependent children (AFDC)
166.3 program formerly codified in sections 256.72 to 256.87 or the Supplemental Nutrition
166.4 Assistance Program (SNAP) in the following manner:

166.5 (1) one-half of the total amount of the disallowance shall be borne by the county boards
166.6 responsible for administering the programs. For AFDC, disallowances shall be shared by
166.7 each county board in the same proportion as that county's expenditures to the total of all
166.8 counties' expenditures for AFDC. For SNAP, sanctions shall be shared by each county
166.9 board, with 50 percent of the sanction being distributed to each county in the same proportion
166.10 as that county's administrative costs for SNAP benefits are to the total of all SNAP
166.11 administrative costs for all counties, and 50 percent of the sanctions being distributed to
166.12 each county in the same proportion as that county's value of SNAP benefits issued are to
166.13 the total of all benefits issued for all counties. Each county shall pay its share of the
166.14 disallowance to the state of Minnesota. When a county fails to pay the amount due under
166.15 this paragraph, the commissioner may deduct the amount from reimbursement otherwise
166.16 due the county, or the attorney general, upon the request of the commissioner, may institute
166.17 civil action to recover the amount due; and

166.18 (2) notwithstanding the provisions of clause (1), if the disallowance results from knowing
166.19 noncompliance by one or more counties with a specific program instruction, and that knowing
166.20 noncompliance is a matter of official county board record, the commissioner may require
166.21 payment or recover from the county or counties, in the manner prescribed in clause (1), an
166.22 amount equal to the portion of the total disallowance that resulted from the noncompliance
166.23 and may distribute the balance of the disallowance according to clause (1).

166.24 (n) The commissioner shall develop and implement special projects that maximize
166.25 reimbursements and result in the recovery of money to the state. For the purpose of recovering
166.26 state money, the commissioner may enter into contracts with third parties. Any recoveries
166.27 that result from projects or contracts entered into under this paragraph shall be deposited
166.28 in the state treasury and credited to a special account until the balance in the account reaches
166.29 \$1,000,000. When the balance in the account exceeds \$1,000,000, the excess shall be
166.30 transferred and credited to the general fund. All money in the account is appropriated to the
166.31 commissioner for the purposes of this paragraph.

166.32 (o) The commissioner has the authority to establish and enforce the following county
166.33 reporting requirements:

167.1 (1) the commissioner shall establish fiscal and statistical reporting requirements necessary
167.2 to account for the expenditure of funds allocated to counties for programs administered by
167.3 the commissioner. When establishing financial and statistical reporting requirements, the
167.4 commissioner shall evaluate all reports, in consultation with the counties, to determine if
167.5 the reports can be simplified or the number of reports can be reduced;

167.6 (2) the county board shall submit monthly or quarterly reports to the department as
167.7 required by the commissioner. Monthly reports are due no later than 15 working days after
167.8 the end of the month. Quarterly reports are due no later than 30 calendar days after the end
167.9 of the quarter, unless the commissioner determines that the deadline must be shortened to
167.10 20 calendar days to avoid jeopardizing compliance with federal deadlines or risking a loss
167.11 of federal funding. Only reports that are complete, legible, and in the required format shall
167.12 be accepted by the commissioner;

167.13 (3) if the required reports are not received by the deadlines established in clause (2), the
167.14 commissioner may delay payments and withhold funds from the county board until the next
167.15 reporting period. When the report is needed to account for the use of federal funds and the
167.16 late report results in a reduction in federal funding, the commissioner shall withhold from
167.17 the county boards with late reports an amount equal to the reduction in federal funding until
167.18 full federal funding is received;

167.19 (4) a county board that submits reports that are late, illegible, incomplete, or not in the
167.20 required format for two out of three consecutive reporting periods is considered
167.21 noncompliant. When a county board is found to be noncompliant, the commissioner shall
167.22 notify the county board of the reason the county board is considered noncompliant and
167.23 request that the county board develop a corrective action plan stating how the county board
167.24 plans to correct the problem. The corrective action plan must be submitted to the
167.25 commissioner within 45 days after the date the county board received notice of
167.26 noncompliance;

167.27 (5) the final deadline for fiscal reports or amendments to fiscal reports is one year after
167.28 the date the report was originally due. If the commissioner does not receive a report by the
167.29 final deadline, the county board forfeits the funding associated with the report for that
167.30 reporting period and the county board must repay any funds associated with the report
167.31 received for that reporting period;

167.32 (6) the commissioner may not delay payments, withhold funds, or require repayment
167.33 under clause (3) or (5) if the county demonstrates that the commissioner failed to provide
167.34 appropriate forms, guidelines, and technical assistance to enable the county to comply with

168.1 the requirements. If the county board disagrees with an action taken by the commissioner
168.2 under clause (3) or (5), the county board may appeal the action according to sections 14.57
168.3 to 14.69; and

168.4 (7) counties subject to withholding of funds under clause (3) or forfeiture or repayment
168.5 of funds under clause (5) shall not reduce or withhold benefits or services to clients to cover
168.6 costs incurred due to actions taken by the commissioner under clause (3) or (5).

168.7 (p) The commissioner shall allocate federal fiscal disallowances or sanctions for audit
168.8 exceptions when federal fiscal disallowances or sanctions are based on a statewide random
168.9 sample in direct proportion to each county's claim for that period.

168.10 (q) The commissioner is responsible for ensuring the detection, prevention, investigation,
168.11 and resolution of fraudulent activities or behavior by applicants, recipients, and other
168.12 participants in the programs administered by the department. The commissioner shall
168.13 cooperate with the commissioner of education to enforce the requirements for program
168.14 integrity and fraud prevention for investigation for child care assistance under chapter 142E.

168.15 (r) The commissioner shall require county agencies to identify overpayments, establish
168.16 claims, and utilize all available and cost-beneficial methodologies to collect and recover
168.17 these overpayments in the programs administered by the department.

168.18 (s) The commissioner shall develop recommended standards for child foster care homes
168.19 that address the components of specialized therapeutic services to be provided by child
168.20 foster care homes with those services.

168.21 (t) The commissioner shall authorize the method of payment to or from the department
168.22 as part of the programs administered by the department. This authorization includes the
168.23 receipt or disbursement of funds held by the department in a fiduciary capacity as part of
168.24 the programs administered by the department.

168.25 (u) In coordination with the commissioner of human services, the commissioner shall
168.26 create and provide county and Tribal agencies with blank applications, affidavits, and other
168.27 forms as necessary for public assistance programs.

168.28 (v) The commissioner shall cooperate with the federal government and its public welfare
168.29 agencies in any reasonable manner as may be necessary to qualify for federal aid for
168.30 temporary assistance for needy families and in conformity with Title I of Public Law 104-193,
168.31 the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and successor
168.32 amendments, including making reports that contain information required by the federal

169.1 Social Security Advisory Board and complying with any provisions the board may find
169.2 necessary to assure the correctness and verification of the reports.

169.3 (w) On or before January 15 in each even-numbered year, the commissioner shall make
169.4 a biennial report to the governor concerning the activities of the agency.

169.5 (x) The commissioner shall enter into agreements with other departments of the state as
169.6 necessary to meet all requirements of the federal government.

169.7 (y) The commissioner may cooperate with other state agencies in establishing reciprocal
169.8 agreements in instances where a child receiving Minnesota family investment program
169.9 (MFIP) assistance or its out-of-state equivalent moves or contemplates moving into or out
169.10 of the state, in order that the child may continue to receive MFIP or equivalent aid from the
169.11 state moved from until the child has resided for one year in the state moved to.

169.12 (z) The commissioner shall provide appropriate technical assistance to county agencies
169.13 to develop methods to have county financial workers remind and encourage recipients of
169.14 aid to families with dependent children, the Minnesota family investment program, the
169.15 Minnesota family investment plan, family general assistance, or SNAP benefits whose
169.16 assistance unit includes at least one child under the age of five to have each young child
169.17 immunized against childhood diseases. The commissioner must examine the feasibility of
169.18 utilizing the capacity of a statewide computer system to assist county agency financial
169.19 workers in performing this function at appropriate intervals.

169.20 (aa) The commissioner shall have the power and authority to accept on behalf of the
169.21 state contributions and gifts for the use and benefit of children under the guardianship or
169.22 custody of the commissioner. The commissioner may also receive and accept on behalf of
169.23 such children money due and payable to them as old age and survivors insurance benefits,
169.24 veterans benefits, pensions, or other such monetary benefits. Gifts, contributions, pensions,
169.25 and benefits under this paragraph must be deposited in and disbursed from the social welfare
169.26 fund provided for in sections 256.88 to 256.92.

169.27 (bb) The specific enumeration of powers and duties in this section must not be construed
169.28 to be a limitation upon the general powers granted to the commissioner.

169.29 Sec. 2. Minnesota Statutes 2024, section 260.810, subdivision 1, is amended to read:

169.30 Subdivision 1. **Payments.** The commissioner shall make grant payments to each approved
169.31 program in four quarterly installments a year. The commissioner may certify an advance
169.32 payment for the first quarter of the state fiscal year. Later payments must be made ~~upon~~
169.33 ~~receipt by the state of a quarterly report on finances and program activities~~ quarterly.

170.1 Sec. 3. Minnesota Statutes 2024, section 260.810, subdivision 2, is amended to read:

170.2 Subd. 2. ~~Quarterly report~~ **Reporting.** The commissioner shall ~~specify~~ engage Tribal
 170.3 and urban Indian organizations to establish requirements for reports and reporting timelines,
 170.4 including ~~quarterly~~ fiscal reports submitted to the commissioner at least annually, according
 170.5 to section 142A.03, subdivision 2, paragraph (o). Each ~~quarter~~ reporting period as agreed
 170.6 upon by the commissioner and grantee, an approved program receiving an Indian child
 170.7 welfare grant shall submit a report to the commissioner that includes:

170.8 (1) a detailed accounting of grant money expended during the preceding ~~quarter~~ reporting
 170.9 period, specifying expenditures by line item and year to date; and

170.10 (2) a description of Indian child welfare activities conducted during the preceding ~~quarter~~
 170.11 reporting period, including the number of clients served and the type of services provided.

170.12 ~~The quarterly~~ Reports must be submitted no later than 30 days after the ~~end of each~~
 170.13 ~~quarter~~ agreed upon reporting timelines of the state fiscal year.

170.14 Sec. 4. Minnesota Statutes 2024, section 260.821, subdivision 2, is amended to read:

170.15 Subd. 2. **Special focus grants.** The amount available for grants established under section
 170.16 260.785, subdivision 2, for child-placing agencies, Tribes, Indian organizations, and other
 170.17 social services organizations is one-fifth of the total annual appropriation for Indian child
 170.18 welfare grants. ~~The maximum award under this subdivision is \$100,000 a year for programs~~
 170.19 ~~approved by the commissioner.~~

170.20 Sec. 5. Minnesota Statutes 2024, section 518.68, subdivision 2, is amended to read:

170.21 Subd. 2. **Contents.** (a) This subdivision expires January 1, 2027. For orders issued prior
 170.22 to January 1, 2027, the required notices must be substantially as follows:

170.23 **IMPORTANT NOTICE**

170.24 **1. PAYMENTS TO PUBLIC AGENCY**

170.25 According to Minnesota Statutes, section 518A.50, payments ordered for maintenance
 170.26 and support must be paid to the public agency responsible for child support enforcement
 170.27 as long as the person entitled to receive the payments is receiving or has applied for
 170.28 public assistance or has applied for support and maintenance collection services. MAIL
 170.29 PAYMENTS TO:

170.30 **2. DEPRIVING ANOTHER OF CUSTODIAL OR PARENTAL RIGHTS -- A FELONY**

171.1 A person may be charged with a felony who conceals a minor child or takes, obtains,
171.2 retains, or fails to return a minor child from or to the child's parent (or person with
171.3 custodial or visitation rights), according to Minnesota Statutes, section 609.26. A copy
171.4 of that section is available from any district court clerk.

171.5 3. NONSUPPORT OF A SPOUSE OR CHILD -- CRIMINAL PENALTIES

171.6 A person who fails to pay court-ordered child support or maintenance may be charged
171.7 with a crime, which may include misdemeanor, gross misdemeanor, or felony charges,
171.8 according to Minnesota Statutes, section 609.375. A copy of that section is available
171.9 from any district court clerk.

171.10 4. RULES OF SUPPORT, MAINTENANCE, PARENTING TIME

171.11 (a) Payment of support or spousal maintenance is to be as ordered, and the giving of
171.12 gifts or making purchases of food, clothing, and the like will not fulfill the obligation.

171.13 (b) Payment of support must be made as it becomes due, and failure to secure or denial
171.14 of parenting time is NOT an excuse for nonpayment, but the aggrieved party must seek
171.15 relief through a proper motion filed with the court.

171.16 (c) Nonpayment of support is not grounds to deny parenting time. The party entitled to
171.17 receive support may apply for support and collection services, file a contempt motion,
171.18 or obtain a judgment as provided in Minnesota Statutes, section 548.091.

171.19 (d) The payment of support or spousal maintenance takes priority over payment of debts
171.20 and other obligations.

171.21 (e) A party who accepts additional obligations of support does so with the full knowledge
171.22 of the party's prior obligation under this proceeding.

171.23 (f) Child support or maintenance is based on annual income, and it is the responsibility
171.24 of a person with seasonal employment to budget income so that payments are made
171.25 throughout the year as ordered.

171.26 (g) Reasonable parenting time guidelines are contained in Appendix B, which is available
171.27 from the court administrator.

171.28 (h) The nonpayment of support may be enforced through the denial of student grants;
171.29 interception of state and federal tax refunds; suspension of driver's, recreational, and
171.30 occupational licenses; referral to the department of revenue or private collection agencies;
171.31 seizure of assets, including bank accounts and other assets held by financial institutions;

172.1 reporting to credit bureaus; income withholding and contempt proceedings; and other
172.2 enforcement methods allowed by law.

172.3 (i) The public authority may suspend or resume collection of the amount allocated for
172.4 child care expenses if the conditions of Minnesota Statutes, section 518A.40, subdivision
172.5 4, are met.

172.6 (j) The public authority may remove or resume a medical support offset if the conditions
172.7 of Minnesota Statutes, section 518A.41, subdivision 16, are met.

172.8 5. MODIFYING CHILD SUPPORT

172.9 If either the obligor or obligee is laid off from employment or receives a pay reduction,
172.10 child support may be modified, increased, or decreased. Any modification will only take
172.11 effect when it is ordered by the court, and will only relate back to the time that a motion
172.12 is filed. Either the obligor or obligee may file a motion to modify child support, and may
172.13 request the public agency for help. UNTIL A MOTION IS FILED, THE CHILD
172.14 SUPPORT OBLIGATION WILL CONTINUE AT THE CURRENT LEVEL. THE
172.15 COURT IS NOT PERMITTED TO REDUCE SUPPORT RETROACTIVELY.

172.16 6. PARENTAL RIGHTS FROM MINNESOTA STATUTES, SECTION 518.17, 172.17 SUBDIVISION 3

172.18 Unless otherwise provided by the Court:

172.19 (a) Each party has the right of access to, and to receive copies of, school, medical, dental,
172.20 religious training, and other important records and information about the minor children.
172.21 Each party has the right of access to information regarding health or dental insurance
172.22 available to the minor children. Presentation of a copy of this order to the custodian of
172.23 a record or other information about the minor children constitutes sufficient authorization
172.24 for the release of the record or information to the requesting party.

172.25 (b) Each party shall keep the other informed as to the name and address of the school
172.26 of attendance of the minor children. Each party has the right to be informed by school
172.27 officials about the children's welfare, educational progress and status, and to attend
172.28 school and parent teacher conferences. The school is not required to hold a separate
172.29 conference for each party.

172.30 (c) In case of an accident or serious illness of a minor child, each party shall notify the
172.31 other party of the accident or illness, and the name of the health care provider and the
172.32 place of treatment.

173.1 (d) Each party has the right of reasonable access and telephone contact with the minor
173.2 children.

173.3 7. WAGE AND INCOME DEDUCTION OF SUPPORT AND MAINTENANCE

173.4 Child support and/or spousal maintenance may be withheld from income, with or without
173.5 notice to the person obligated to pay, when the conditions of Minnesota Statutes, section
173.6 518A.53 have been met. A copy of those sections is available from any district court
173.7 clerk.

173.8 8. CHANGE OF ADDRESS OR RESIDENCE

173.9 Unless otherwise ordered, each party shall notify the other party, the court, and the public
173.10 authority responsible for collection, if applicable, of the following information within
173.11 ten days of any change: the residential and mailing address, telephone number, driver's
173.12 license number, Social Security number, and name, address, and telephone number of
173.13 the employer.

173.14 9. COST OF LIVING INCREASE OF SUPPORT AND MAINTENANCE

173.15 Prior to January 1, 2027, basic support and/or spousal maintenance may be adjusted
173.16 every two years based upon a change in the cost of living (using Department of Labor
173.17 Consumer Price Index, unless otherwise specified in this order) when the
173.18 conditions of Minnesota Statutes, section 518A.75, are met. Cost of living increases are
173.19 compounded. A copy of Minnesota Statutes, section 518A.75, and forms necessary to
173.20 request or contest a cost of living increase are available from any district court clerk.

173.21 10. JUDGMENTS FOR UNPAID SUPPORT

173.22 If a person fails to make a child support payment, the payment owed becomes a judgment
173.23 against the person responsible to make the payment by operation of law on or after the
173.24 date the payment is due, and the person entitled to receive the payment or the public
173.25 agency may obtain entry and docketing of the judgment WITHOUT NOTICE to the
173.26 person responsible to make the payment under Minnesota Statutes, section 548.091.

173.27 11. JUDGMENTS FOR UNPAID MAINTENANCE

173.28 (a) A judgment for unpaid spousal maintenance may be entered when the conditions of
173.29 Minnesota Statutes, section 548.091, are met. A copy of that section is available from
173.30 any district court clerk.

173.31 (b) The public authority is not responsible for calculating interest on any judgment for
173.32 unpaid spousal maintenance. When providing services in IV-D cases, as defined in

174.1 Minnesota Statutes, section 518A.26, subdivision 10, the public authority will only
 174.2 collect interest on spousal maintenance if spousal maintenance is reduced to a sum
 174.3 certain judgment.

174.4 12. ATTORNEY FEES AND COLLECTION COSTS FOR ENFORCEMENT OF CHILD
 174.5 SUPPORT

174.6 A judgment for attorney fees and other collection costs incurred in enforcing a child
 174.7 support order will be entered against the person responsible to pay support when the
 174.8 conditions of Minnesota Statutes, section 518A.735, are met. A copy of Minnesota
 174.9 Statutes, sections 518.14 and 518A.735 and forms necessary to request or contest these
 174.10 attorney fees and collection costs are available from any district court clerk.

174.11 13. PARENTING TIME EXPEDITOR PROCESS

174.12 On request of either party or on its own motion, the court may appoint a parenting time
 174.13 expeditor to resolve parenting time disputes under Minnesota Statutes, section 518.1751.
 174.14 A copy of that section and a description of the expeditor process is available from any
 174.15 district court clerk.

174.16 14. PARENTING TIME REMEDIES AND PENALTIES

174.17 Remedies and penalties for the wrongful denial of parenting time are available under
 174.18 Minnesota Statutes, section 518.175, subdivision 6. These include compensatory parenting
 174.19 time; civil penalties; bond requirements; contempt; and reversal of custody. A copy of
 174.20 that subdivision and forms for requesting relief are available from any district court
 174.21 clerk.

174.22 (b) For orders issued on or after January 1, 2027, the required notices must be
 174.23 substantially as follows:

174.24 IMPORTANT NOTICE

174.25 1. PAYMENTS TO PUBLIC AGENCY

174.26 According to Minnesota Statutes, section 518A.50, payments ordered for maintenance
 174.27 and support must be paid to the public agency responsible for child support enforcement
 174.28 as long as the person entitled to receive the payments is receiving or has applied for
 174.29 public assistance or has applied for support and maintenance collection services. MAIL
 174.30 PAYMENTS TO:

174.31 2. DEPRIVING ANOTHER OF CUSTODIAL OR PARENTAL RIGHTS -- A FELONY

175.1 A person may be charged with a felony who conceals a minor child or takes, obtains,
175.2 retains, or fails to return a minor child from or to the child's parent (or person with
175.3 custodial or visitation rights), according to Minnesota Statutes, section 609.26. A copy
175.4 of that section is available from any district court clerk.

175.5 3. NONSUPPORT OF A SPOUSE OR CHILD -- CRIMINAL PENALTIES

175.6 A person who fails to pay court-ordered child support or maintenance may be charged
175.7 with a crime, which may include misdemeanor, gross misdemeanor, or felony charges,
175.8 according to Minnesota Statutes, section 609.375. A copy of that section is available
175.9 from any district court clerk.

175.10 4. RULES OF SUPPORT, MAINTENANCE, PARENTING TIME

175.11 (a) Payment of support or spousal maintenance is to be as ordered, and the giving of
175.12 gifts or making purchases of food, clothing, and the like will not fulfill the obligation.

175.13 (b) Payment of support must be made as it becomes due, and failure to secure or denial
175.14 of parenting time is NOT an excuse for nonpayment, but the aggrieved party must seek
175.15 relief through a proper motion filed with the court.

175.16 (c) Nonpayment of support is not grounds to deny parenting time. The party entitled to
175.17 receive support may apply for support and collection services, file a contempt motion,
175.18 or obtain a judgment as provided in Minnesota Statutes, section 548.091.

175.19 (d) The payment of support or spousal maintenance takes priority over payment of debts
175.20 and other obligations.

175.21 (e) A party who accepts additional obligations of support does so with the full knowledge
175.22 of the party's prior obligation under this proceeding.

175.23 (f) Child support or maintenance is based on annual income, and it is the responsibility
175.24 of a person with seasonal employment to budget income so that payments are made
175.25 throughout the year as ordered.

175.26 (g) Reasonable parenting time guidelines are contained in Appendix B, which is available
175.27 from the court administrator.

175.28 (h) The nonpayment of support may be enforced through the denial of student grants;
175.29 interception of state and federal tax refunds; suspension of driver's, recreational, and
175.30 occupational licenses; referral to the Department of Revenue or private collection
175.31 agencies; seizure of assets, including bank accounts and other assets held by financial

176.1 institutions; reporting to credit bureaus; income withholding and contempt proceedings;
176.2 and other enforcement methods allowed by law.

176.3 (i) The public authority may suspend or resume collection of the amount allocated for
176.4 child care expenses if the conditions of Minnesota Statutes, section 518A.40, subdivision
176.5 4, are met.

176.6 (j) The public authority may remove or resume a medical support offset if the conditions
176.7 of Minnesota Statutes, section 518A.41, subdivision 16, are met.

176.8 5. MODIFYING CHILD SUPPORT

176.9 If either the obligor or obligee is laid off from employment or receives a pay reduction,
176.10 child support may be modified, increased, or decreased. Any modification will only take
176.11 effect when it is ordered by the court, and will only relate back to the time that a motion
176.12 is filed. Either the obligor or obligee may file a motion to modify child support, and may
176.13 request the public agency for help. UNTIL A MOTION IS FILED, THE CHILD
176.14 SUPPORT OBLIGATION WILL CONTINUE AT THE CURRENT LEVEL. THE
176.15 COURT IS NOT PERMITTED TO REDUCE SUPPORT RETROACTIVELY.

176.16 6. PARENTAL RIGHTS FROM MINNESOTA STATUTES, SECTION 518.17,
176.17 SUBDIVISION 3

176.18 Unless otherwise provided by the court:

176.19 (a) Each party has the right of access to, and to receive copies of, school, medical, dental,
176.20 religious training, and other important records and information about the minor children.
176.21 Each party has the right of access to information regarding health or dental insurance
176.22 available to the minor children. Presentation of a copy of this order to the custodian of
176.23 a record or other information about the minor children constitutes sufficient authorization
176.24 for the release of the record or information to the requesting party.

176.25 (b) Each party shall keep the other informed as to the name and address of the school
176.26 of attendance of the minor children. Each party has the right to be informed by school
176.27 officials about the children's welfare, educational progress, and status, and to attend
176.28 school and parent-teacher conferences. The school is not required to hold a separate
176.29 conference for each party.

176.30 (c) In case of an accident or serious illness of a minor child, each party shall notify the
176.31 other party of the accident or illness, and the name of the health care provider and the
176.32 place of treatment.

177.1 (d) Each party has the right of reasonable access and telephone contact with the minor
177.2 children.

177.3 7. WAGE AND INCOME DEDUCTION OF SUPPORT AND MAINTENANCE

177.4 Child support and/or spousal maintenance may be withheld from income, with or without
177.5 notice to the person obligated to pay, when the conditions of Minnesota Statutes, section
177.6 518A.53, have been met. A copy of those sections is available from any district court
177.7 clerk.

177.8 8. CHANGE OF ADDRESS OR RESIDENCE

177.9 Unless otherwise ordered, each party shall notify the other party, the court, and the public
177.10 authority responsible for collection, if applicable, of the following information within
177.11 ten days of any change: the residential and mailing address, telephone number, driver's
177.12 license number, Social Security number, and name, address, and telephone number of
177.13 the employer.

177.14 9. JUDGMENTS FOR UNPAID SUPPORT

177.15 If a person fails to make a child support payment, the payment owed becomes a judgment
177.16 against the person responsible to make the payment by operation of law on or after the
177.17 date the payment is due, and the person entitled to receive the payment or the public
177.18 agency may obtain entry and docketing of the judgment WITHOUT NOTICE to the
177.19 person responsible to make the payment under Minnesota Statutes, section 548.091.

177.20 10. JUDGMENTS FOR UNPAID MAINTENANCE

177.21 (a) A judgment for unpaid spousal maintenance may be entered when the conditions of
177.22 Minnesota Statutes, section 548.091, are met. A copy of that section is available from
177.23 any district court clerk.

177.24 (b) The public authority is not responsible for calculating interest on any judgment for
177.25 unpaid spousal maintenance. When providing services in IV-D cases, as defined in
177.26 Minnesota Statutes, section 518A.26, subdivision 10, the public authority will only
177.27 collect interest on spousal maintenance if spousal maintenance is reduced to a sum
177.28 certain judgment.

177.29 11. ATTORNEY FEES AND COLLECTION COSTS FOR ENFORCEMENT OF CHILD
177.30 SUPPORT

177.31 A judgment for attorney fees and other collection costs incurred in enforcing a child
177.32 support order will be entered against the person responsible to pay support when the

178.1 conditions of Minnesota Statutes, section 518A.735, are met. A copy of Minnesota
178.2 Statutes, sections 518.14 and 518A.735, and forms necessary to request or contest these
178.3 attorney fees and collection costs are available from any district court clerk.

178.4 12. PARENTING TIME EXPEDITOR PROCESS

178.5 On request of either party or on its own motion, the court may appoint a parenting time
178.6 expeditor to resolve parenting time disputes under Minnesota Statutes, section 518.1751.
178.7 A copy of that section and a description of the expeditor process is available from any
178.8 district court clerk.

178.9 13. PARENTING TIME REMEDIES AND PENALTIES

178.10 Remedies and penalties for the wrongful denial of parenting time are available under
178.11 Minnesota Statutes, section 518.175, subdivision 6. These include compensatory parenting
178.12 time, civil penalties, bond requirements, contempt, and reversal of custody. A copy of
178.13 that subdivision and forms for requesting relief are available from any district court
178.14 clerk.

178.15 Sec. 6. Minnesota Statutes 2024, section 518A.34, is amended to read:

178.16 **518A.34 COMPUTATION OF CHILD SUPPORT OBLIGATIONS.**

178.17 (a) To determine the presumptive child support obligation of a parent, the court shall
178.18 follow the procedure set forth in this section.

178.19 (b) To determine the obligor's basic support obligation, the court shall:

178.20 (1) determine the gross income of each parent under section 518A.29;

178.21 (2) calculate the parental income for determining child support (PICS) of each parent,
178.22 by subtracting from the gross income the credit, if any, for each parent's nonjoint children
178.23 under section 518A.33;

178.24 (3) determine the percentage contribution of each parent to the combined PICS by
178.25 dividing the combined PICS into each parent's PICS;

178.26 (4) determine the combined basic support obligation by application of the guidelines in
178.27 section 518A.35;

178.28 (5) determine each parent's share of the combined basic support obligation by multiplying
178.29 the percentage figure from clause (3) by the combined basic support obligation in clause
178.30 (4); and

179.1 (6) apply the parenting expense adjustment formula provided in section 518A.36 to
179.2 determine the obligor's basic support obligation.

179.3 (c) If the parents have split custody of joint children, child support must be calculated
179.4 for each joint child as follows:

179.5 (1) the court shall determine each parent's basic support obligation under paragraph (b)
179.6 and include the amount of each parent's obligation in the court order. If the basic support
179.7 calculation results in each parent owing support to the other, the court shall offset the higher
179.8 basic support obligation with the lower basic support obligation to determine the amount
179.9 to be paid by the parent with the higher obligation to the parent with the lower obligation.
179.10 For the purpose of ~~the cost-of-living adjustment required under section 518A.75, the~~
179.11 ~~adjustment~~ a future modification, the application of section 518A.39 must be based on each
179.12 parent's basic support obligation prior to offset. For the purposes of this paragraph, "split
179.13 custody" means that there are two or more joint children and each parent has at least one
179.14 joint child more than 50 percent of the time;

179.15 (2) if each parent pays all child care expenses for at least one joint child, the court shall
179.16 calculate child care support for each joint child as provided in section 518A.40. The court
179.17 shall determine each parent's child care support obligation and include the amount of each
179.18 parent's obligation in the court order. If the child care support calculation results in each
179.19 parent owing support to the other, the court shall offset the higher child care support
179.20 obligation with the lower child care support obligation to determine the amount to be paid
179.21 by the parent with the higher obligation to the parent with the lower obligation; and

179.22 (3) if each parent pays all medical or dental insurance expenses for at least one joint
179.23 child, medical support shall be calculated for each joint child as provided in section 518A.41.
179.24 The court shall determine each parent's medical support obligation and include the amount
179.25 of each parent's obligation in the court order. If the medical support calculation results in
179.26 each parent owing support to the other, the court shall offset the higher medical support
179.27 obligation with the lower medical support obligation to determine the amount to be paid by
179.28 the parent with the higher obligation to the parent with the lower obligation. Unreimbursed
179.29 and uninsured medical expenses are not included in the presumptive amount of support
179.30 owed by a parent and are calculated and collected as provided in section 518A.41.

179.31 (d) The court shall determine the child care support obligation for the obligor as provided
179.32 in section 518A.40.

179.33 (e) The court shall determine the medical support obligation for each parent as provided
179.34 in section 518A.41. Unreimbursed and uninsured medical expenses are not included in the

180.1 presumptive amount of support owed by a parent and are calculated and collected as described
180.2 in section 518A.41.

180.3 (f) The court shall determine each parent's total child support obligation by adding
180.4 together each parent's basic support, child care support, and health care coverage obligations
180.5 as provided in this section.

180.6 (g) If Social Security benefits or veterans' benefits are received by one parent as a
180.7 representative payee for a joint child based on the other parent's eligibility, the court shall
180.8 subtract the amount of benefits from the other parent's net child support obligation, if any.
180.9 Any benefit received by the obligee for the benefit of the joint child based upon the obligor's
180.10 disability or past earnings in any given month in excess of the child support obligation must
180.11 not be treated as an arrearage payment or a future payment.

180.12 (h) The final child support order shall separately designate the amount owed for basic
180.13 support, child care support, and medical support. If applicable, the court shall use the
180.14 self-support adjustment and minimum support adjustment under section 518A.42 to determine
180.15 the obligor's child support obligation.

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

180.17 Sec. 7. Minnesota Statutes 2024, section 518A.46, subdivision 7, is amended to read:

180.18 Subd. 7. **Administrative redirection of support.** (a) The public authority must provide
180.19 written notice of redirection to the obligee, the obligor, and the caregiver. The notice must
180.20 be mailed to the obligor, obligee, and caregiver at the obligee's, the obligor's, and the
180.21 caregiver's respective last known address. The notice must state the name of the child or
180.22 children for whom support will be redirected, to whom the support will be redirected, the
180.23 date the support will be redirected, and the amount of the support that will be redirected.
180.24 The notice must also inform the parties of the right to contest the redirection of support
180.25 according to paragraph (c).

180.26 (b) If fewer than all of the children for whom the support is ordered reside with the
180.27 caregiver, the public authority must redirect the proportional share of the support for the
180.28 number of children residing with the caregiver.

180.29 (c) The obligee or obligor may contest the redirection of support on the limited grounds
180.30 that:

180.31 (1) the child or children do not reside or no longer reside with the caregiver;

181.1 (2) under an out-of-home placement plan under section 260C.212, subdivision 1, that
181.2 includes a plan for reunification, all or part of the support is needed to maintain the obligee's
181.3 home; or

181.4 (3) the redirection of support is not in the best interests of the child.

181.5 (d) To contest the redirection, the obligee or obligor must make a written request for a
181.6 hearing to the public authority within 30 calendar days of the date of the written notice of
181.7 redirection. The hearing must be held at the earliest practicable time, but no later than 30
181.8 calendar days from the date the public authority receives the written request for a hearing.
181.9 If the public authority receives a timely written request for a hearing, the public authority
181.10 must schedule a hearing and serve the obligee and the obligor with a notice of hearing at
181.11 least 14 days before the date of the hearing. The notice must be served personally or by
181.12 mail at the obligee's and the obligor's respective last known address. The public authority
181.13 must file with the court the notice of hearing along with the notice of redirection at least
181.14 five days before the scheduled hearing. The court administrator must schedule these hearings
181.15 to be heard in the expedited process before a child support magistrate, but may schedule
181.16 these hearings in district court if the availability of a child support magistrate does not permit
181.17 a hearing to occur within the time frames of this subdivision.

181.18 (e) If neither the obligee nor the obligor contests the redirection of support under this
181.19 subdivision, support must be redirected to the caregiver effective the first day of the month
181.20 following the expiration of the time period to contest under paragraph (d). If the obligee or
181.21 the obligor contests the redirection of support under paragraph (d), the public authority must
181.22 not redirect support to the caregiver pending the outcome of the hearing.

181.23 (f) The redirection of the basic support, medical support, and child care support terminates
181.24 and the public authority must direct support to the obligee if the public authority determines
181.25 that:

181.26 (1) the caregiver for the child no longer receives public assistance for the child;

181.27 (2) the voluntary placement agreement expires; ~~or~~

181.28 (3) the court order placing the child is no longer in effect; or

181.29 (4) the redirection of support is not in the best interests of the child as determined under
181.30 section 260B.331, subdivision 1, or 260C.331, subdivision 1.

181.31 (g) The public authority must notify the obligee, obligor, and caregiver of a termination
181.32 of the redirection of support by mailing a written notice to each of them at their last known

182.1 address. The termination is effective the first day of the month that occurs at least 14 calendar
182.2 days after the date the notice is mailed.

182.3 **EFFECTIVE DATE.** This section is effective September 1, 2025.

182.4 Sec. 8. Minnesota Statutes 2024, section 518A.75, subdivision 1, is amended to read:

182.5 Subdivision 1. **Requirement.** (a) An order establishing, modifying, or enforcing
182.6 maintenance or child support shall provide for a biennial adjustment in the amount to be
182.7 paid based on a change in the cost of living. An order that provides for a cost-of-living
182.8 adjustment shall specify the cost-of-living index to be applied and the date on which the
182.9 cost-of-living adjustment shall become effective. The court may use the Consumer Price
182.10 Index for all urban consumers, Minneapolis-St. Paul (CPI-U), the Consumer Price Index
182.11 for wage earners and clerical, Minneapolis-St. Paul (CPI-W), or another cost-of-living index
182.12 published by the Department of Labor which it specifically finds is more appropriate.
182.13 Cost-of-living increases under this section shall be compounded. The court may also increase
182.14 the amount by more than the cost-of-living adjustment by agreement of the parties or by
182.15 making further findings.

182.16 (b) The adjustment becomes effective on the first of May of the year in which it is made,
182.17 for cases in which payment is made to the public authority. For cases in which payment is
182.18 not made to the public authority, application for an adjustment may be made in any month
182.19 but no application for an adjustment may be made sooner than two years after the date of
182.20 the dissolution decree. A court may waive the requirement of the cost-of-living clause if it
182.21 expressly finds that the obligor's occupation or income, or both, does not provide for
182.22 cost-of-living adjustment or that the order for maintenance or child support has a provision
182.23 such as a step increase that has the effect of a cost-of-living clause. The court may waive a
182.24 cost-of-living adjustment in a maintenance order if the parties so agree in writing. The
182.25 commissioner of children, youth, and families may promulgate rules for child support
182.26 adjustments under this section in accordance with the rulemaking provisions of chapter 14.
182.27 Notice of this statute must comply with section 518.68, subdivision 2.

182.28 (c) No adjustment under this section shall be made after January 1, 2027, for any
182.29 maintenance or child support order established before, on, or after January 1, 2027.

182.30 Sec. 9. **SOCIAL SERVICES INFORMATION SYSTEM MODERNIZATION.**

182.31 (a) The commissioner of children, youth, and families must improve and modernize the
182.32 child welfare social services information system. Elements the commissioner must address
182.33 as part of the system modernization include but are not limited to:

- 183.1 (1) capabilities that support case intake, screening, assessments, and investigations;
183.2 (2) the capacity for local social services agencies to track various financial information,
183.3 including benefits received by counties on behalf of children in the child welfare system,
183.4 and fees received by counties from parents with children in out-of-home placements;
183.5 (3) access for the ombudspersons for families, the ombudsperson for American Indian
183.6 families, and the foster youth ombudsperson, on a case-by-case basis, to nonprivileged
183.7 information necessary for the discharge of the ombudsperson's duties, including specific
183.8 child protection case information, while protecting Tribal data sovereignty;
183.9 (4) comprehensive statewide data reports, including data on law enforcement involvement
183.10 in the child protection system;
183.11 (5) demographic information about children in the child welfare system, including race,
183.12 cultural and ethnic identity, disability status, and economic status;
183.13 (6) bidirectional data exchanges, as required by federal Comprehensive Child Welfare
183.14 Information System regulations; and
183.15 (7) data quality measures, as required by federal Comprehensive Child Welfare
183.16 Information System regulations.
183.17 (b) By March 15, 2026, the commissioner of children, youth, and families must provide
183.18 the chairs and ranking minority members of the legislative committees with jurisdiction
183.19 over child welfare and state and local government with a plan and estimated timeline for
183.20 modernization of the social services information system in compliance with state law and
183.21 federal Comprehensive Child Welfare Information System requirements.
183.22 (c) By August 15, 2026, and by each January 15 and July 15 thereafter, the commissioner
183.23 must provide an update on the social services information system modernization efforts and
183.24 progress toward federal compliance required under this section to the chairs and ranking
183.25 minority members of the legislative committees with jurisdiction over child welfare and
183.26 state and local government. This paragraph expires upon the commissioner's report to the
183.27 chairs and ranking minority members of the legislative committees with jurisdiction over
183.28 child welfare and state and local government that the modernization required under this
183.29 section has been substantially completed.

184.1

ARTICLE 10

184.2

EARLY CARE AND LEARNING POLICY

184.3 Section 1. Minnesota Statutes 2024, section 142A.42, is amended to read:

184.4

142A.42 DIAPER DISTRIBUTION ~~GRANT~~ PROGRAM.

184.5

184.6 Subdivision 1. **Establishment; purpose.** The commissioner of children, youth, and
184.7 families shall establish a diaper distribution program to award ~~competitive grants to eligible~~
184.8 ~~applicants~~ a sole-source grant to the Diaper Bank of Minnesota to provide diapers to
underresourced families statewide.

184.9

Subd. 2. **Eligibility.** To be eligible for a grant under this section, ~~an applicant~~ the Diaper
184.10 Bank of Minnesota must demonstrate its capacity to distribute diapers statewide by having:

184.11

(1) a network of well-established partners for diaper distribution;

184.12

(2) the infrastructure needed to efficiently manage diaper procurement and distribution
184.13 statewide;

184.14

(3) relationships with national organizations that support and enhance the work of
184.15 addressing diaper need;

184.16

(4) the ability to engage in building community awareness of diaper need and advocate
184.17 for diaper need at local, state, and federal levels;

184.18

(5) a commitment to and demonstration of working with organizations across ideological
184.19 and political spectrums;

184.20

(6) the ability to address diaper need for children from birth through early childhood;
184.21 and

184.22

(7) a commitment to working within an equity framework by ensuring access to
184.23 organizations that provide culturally specific services or are located in communities with
184.24 high concentrations of poverty.

184.25

Subd. 3. **Application.** ~~Applicants~~ The Diaper Bank of Minnesota must apply to the
184.26 commissioner in a form and manner prescribed by the commissioner. Applications must be
184.27 filed at the times and for the periods determined by the commissioner.

184.28

Subd. 4. **Eligible uses of grant money.** ~~An eligible applicant that receives grant money~~
184.29 ~~under this section shall~~ The Diaper Bank of Minnesota must use the money awarded under
184.30 this section to purchase diapers and wipes and may use up to ten percent of the money for
184.31 administrative costs.

185.1 Subd. 5. **Enforcement.** (a) ~~An eligible applicant that receives grant money under this~~
185.2 ~~section~~ The Diaper Bank of Minnesota must:

185.3 (1) retain records documenting expenditure of the grant money;

185.4 (2) report to the commissioner on the use of the grant money; and

185.5 (3) comply with any additional requirements imposed by the commissioner.

185.6 (b) The commissioner may require that a report submitted under this subdivision include
185.7 an independent audit.

185.8 Sec. 2. Minnesota Statutes 2024, section 142D.21, subdivision 6, is amended to read:

185.9 Subd. 6. **Payments.** (a) The commissioner shall provide payments under this section to
185.10 all eligible programs on a noncompetitive basis. The payment amounts shall be based on
185.11 the number of full-time equivalent staff who regularly care for children in the program,
185.12 including any employees, sole proprietors, or independent contractors.

185.13 (b) For purposes of this section, "one full-time equivalent" is defined as an individual
185.14 caring for children 32 hours per week. An individual can count as more or less than one
185.15 full-time equivalent staff, but as no more than two full-time equivalent staff.

185.16 (c) The commissioner must establish an amount to award per full-time equivalent
185.17 individual who regularly cares for children in the program.

185.18 ~~(d) Payments must be increased by ten percent for programs receiving child care~~
185.19 ~~assistance payments under section 142E.08 or 142E.17 or early learning scholarships under~~
185.20 ~~section 142D.25, or for programs located in a child care access equity area. The commissioner~~
185.21 ~~must develop a method for establishing child care access equity areas. For purposes of this~~
185.22 ~~section, "child care access equity area" means an area with low access to child care, high~~
185.23 ~~poverty rates, high unemployment rates, low homeownership rates, and low median~~
185.24 ~~household incomes.~~

185.25 ~~(e)~~ (d) The commissioner shall establish the form, frequency, and manner for making
185.26 payments under this section.

185.27 Sec. 3. Minnesota Statutes 2024, section 142D.21, is amended by adding a subdivision to
185.28 read:

185.29 Subd. 11. **Data.** (a) For the purposes of this subdivision, the following terms have the
185.30 meanings given in this paragraph.

186.1 (1) "Great start compensation program support payment data" means data for a specified
 186.2 time period showing that a great start compensation payment under this section was made
 186.3 and the amount of great start compensation payments made to a child care and early learning
 186.4 program.

186.5 (2) "Data on children and families" means data about the enrollment and attendance as
 186.6 described in subdivision 3, paragraph (a), clause (2).

186.7 (b) Great start compensation program support payment data are public except that:

186.8 (1) any data on children and families collected by the great start compensation support
 186.9 payment program that may identify a specific family or child or, as determined by the
 186.10 commissioner, are private data on individuals as defined in section 13.02, subdivision 12;

186.11 (2) great start compensation payment data about operating expenses and personnel
 186.12 expenses are private or nonpublic data; and

186.13 (3) great start compensation payment data about legal nonlicensed child care providers
 186.14 as described in subdivision 8 are private or nonpublic data.

186.15 **ARTICLE 11**

186.16 **EARLY CARE AND LEARNING FINANCE**

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

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

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

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

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

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

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

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

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

187.7 A license holder who has had a license issued under this chapter suspended, revoked, or
187.8 has been ordered to pay a fine must be given notice of the action by certified mail, by
187.9 personal service, or through the provider licensing and reporting hub. If mailed, the notice
187.10 must be mailed to the address shown on the application or the last known address of the
187.11 license holder. The notice must state in plain language the reasons the license was suspended
187.12 or revoked, or a fine was ordered.

187.13 (b) If the license was suspended or revoked, the notice must inform the license holder
187.14 of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts
187.15 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking
187.16 a license. The appeal of an order suspending or revoking a license must be made in writing
187.17 by certified mail, by personal service, or through the provider licensing and reporting hub.
187.18 If mailed, the appeal must be postmarked and sent to the commissioner within ten calendar
187.19 days after the license holder receives notice that the license has been suspended or revoked.
187.20 If a request is made by personal service, it must be received by the commissioner within
187.21 ten calendar days after the license holder received the order. If the order is issued through
187.22 the provider hub, the appeal must be received by the commissioner within ten calendar days
187.23 from the date the commissioner issued the order through the hub. Except as provided in
187.24 subdivision 3, paragraph (c), if a license holder submits a timely appeal of an order
187.25 suspending or revoking a license, the license holder may continue to operate the program
187.26 as provided under section 142B.10, subdivision 14, paragraphs (i) and (j), until the
187.27 commissioner issues a final order on the suspension or revocation.

187.28 (c)(1) If the license holder was ordered to pay a fine, the notice must inform the license
187.29 holder of the responsibility for payment of fines and the right to a contested case hearing
187.30 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an
187.31 order to pay a fine must be made in writing by certified mail, by personal service, or through
187.32 the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent
187.33 to the commissioner within ten calendar days after the license holder receives notice that
187.34 the fine has been ordered. If a request is made by personal service, it must be received by
187.35 the commissioner within ten calendar days after the license holder received the order. If the

188.1 order is issued through the provider hub, the appeal must be received by the commissioner
188.2 within ten calendar days from the date the commissioner issued the order through the hub.

188.3 (2) The license holder shall pay the fines assessed on or before the payment date specified.
188.4 If the license holder fails to fully comply with the order, the commissioner may issue a
188.5 second fine or suspend the license until the license holder complies. If the license holder
188.6 receives state funds, the state, county, or municipal agencies or departments responsible for
188.7 administering the funds shall withhold payments and recover any payments made while the
188.8 license is suspended for failure to pay a fine. A timely appeal shall stay payment of the fine
188.9 until the commissioner issues a final order.

188.10 (3) A license holder shall promptly notify the commissioner of children, youth, and
188.11 families, in writing, when a violation specified in the order to forfeit a fine is corrected. If
188.12 upon reinspection the commissioner determines that a violation has not been corrected as
188.13 indicated by the order to forfeit a fine, the commissioner may issue a second fine. The
188.14 commissioner shall notify the license holder by certified mail, by personal service, or through
188.15 the provider licensing and reporting hub that a second fine has been assessed. The license
188.16 holder may appeal the second fine as provided under this subdivision.

188.17 (4) Fines shall be assessed as follows:

188.18 (i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a
188.19 child under chapter 260E or the maltreatment of a vulnerable adult under section 626.557
188.20 for which the license holder is determined responsible for the maltreatment under section
188.21 260E.30, subdivision 4, paragraphs (a) and (b), or 626.557, subdivision 9c, paragraph (c);

188.22 (ii) if the commissioner determines that a determination of maltreatment for which the
188.23 license holder is responsible is the result of maltreatment that meets the definition of serious
188.24 maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit
188.25 \$5,000;

188.26 (iii) for a program that operates out of the license holder's home and a program licensed
188.27 under Minnesota Rules, parts 9502.0300 to 9502.0445, the fine assessed against the license
188.28 holder shall not exceed \$1,000 for each determination of maltreatment;

188.29 (iv) the license holder shall forfeit \$200 for each occurrence of a violation of law or rule
188.30 governing matters of health, safety, or supervision, including but not limited to the provision
188.31 of adequate staff-to-child or adult ratios, ~~and failure to comply with background study~~
188.32 ~~requirements under chapter 245C; and~~

189.1 (v) the license holder shall forfeit \$500 for each occurrence of failure to comply with
 189.2 background study requirements under chapter 245C; and

189.3 ~~(v)~~ (vi) the license holder shall forfeit \$100 for each occurrence of a violation of law or
 189.4 rule other than those subject to a \$5,000, \$1,000, ~~or~~ \$200, or \$500 fine in items (i) to ~~(iv)~~
 189.5 (v).

189.6 (5) When a fine has been assessed, the license holder may not avoid payment by closing,
 189.7 selling, or otherwise transferring the licensed program to a third party. In such an event, the
 189.8 license holder will be personally liable for payment. In the case of a corporation, each
 189.9 controlling individual is personally and jointly liable for payment.

189.10 (d) Except for background study violations involving the failure to comply with an order
 189.11 to immediately remove an individual or an order to provide continuous, direct supervision,
 189.12 the commissioner shall not issue a fine under paragraph (c) relating to a background study
 189.13 violation to a license holder who self-corrects a background study violation before the
 189.14 commissioner discovers the violation. A license holder who has previously exercised the
 189.15 provisions of this paragraph to avoid a fine for a background study violation may not avoid
 189.16 a fine for a subsequent background study violation unless at least 365 days have passed
 189.17 since the license holder self-corrected the earlier background study violation.

189.18 Sec. 2. **[142B.68] VIDEO SECURITY CAMERAS IN CHILD CARE CENTERS.**

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

189.21 (b) "Facility" means the indoor and outdoor space in which child care is provided that
 189.22 is owned, leased, or operated by a licensed child care center and does not include any outdoor
 189.23 space that is not located on the same property as the licensed child care center.

189.24 (c) "Video security camera" means a closed circuit video camera or other closed circuit
 189.25 device that captures or records video.

189.26 Subd. 2. Requirements for video security cameras. (a) Beginning July 1, 2026, a
 189.27 licensed child care center must have video security cameras in public and shared areas of
 189.28 its facility as provided under this subdivision and comply with the requirements of this
 189.29 section if the center is required to post a maltreatment investigation memorandum under
 189.30 section 142B.16, subdivision 5, or 142B.18, subdivision 6. A center must comply with the
 189.31 requirements under this section within six months of when the maltreatment investigation
 189.32 memorandum is posted and must maintain compliance for the length of time the
 189.33 memorandum is required to be posted.

190.1 (b) A licensed child care center must have at least one video security camera in each
190.2 room designated for infants or toddlers. The camera must be positioned to provide maximum
190.3 visibility of the room. If one camera is not sufficient to view at least 80 percent of the square
190.4 footage of the room, the center must place an additional camera or cameras in the room to
190.5 achieve maximum visibility of the room.

190.6 (c) A licensed child care center must have a sufficient number of video security cameras
190.7 to provide visibility of all the facility's outdoor recreational equipment used by infants or
190.8 toddlers and at least 80 percent of the square footage of the facility's fenced-in outdoor space
190.9 used by infants or toddlers.

190.10 (d) The video security cameras must:

190.11 (1) be turned on and recording at all times the licensed child care center is in operation;

190.12 (2) record and display the accurate date and time;

190.13 (3) have a display resolution of 720p or higher; and

190.14 (4) have a frames per second rate of 15 or higher.

190.15 (e) A licensed child care center is exempt from having cameras that meet the requirements
190.16 under paragraph (d), clauses (2), (3), and (4), if the center has cameras as required in
190.17 paragraphs (b) and (c) prior to July 1, 2025.

190.18 **Subd. 3. Retention and disposal of recordings; access to recordings.** (a) A licensed
190.19 child care center must retain video security camera recordings for 60 calendar days after
190.20 the date of the recording. Except as provided under paragraphs (b), (c), and (d), a licensed
190.21 child care center must dispose of video security camera recordings after 60 calendar days.

190.22 (b) A licensed child care center that receives notice from a law enforcement official of
190.23 a suspected crime committed against a child at the center may not dispose of any video
190.24 security camera recordings until the law enforcement investigation of the suspected crime
190.25 is complete.

190.26 (c) A licensed child care center must retain video security camera recordings related to
190.27 an incident that the center must report to the commissioner under Minnesota Rules, part
190.28 9503.0130, for six months from the date of the incident.

190.29 (d) A licensed child care center may retain video security camera recordings to use for
190.30 training center employees. Any recordings used for training purposes must redact, as defined
190.31 under section 13.825, subdivision 1, identifying information on children shown or heard in

191.1 the recording, unless a parent or legal guardian has provided written consent providing that
191.2 the center may use unredacted recordings of the parent's or guardian's child.

191.3 (e) A licensed child care center must adhere to additional requirements issued by the
191.4 commissioner regarding retention and disposal of video security camera recordings.

191.5 (f) A licensed child care center must establish appropriate security safeguards for video
191.6 security camera recordings, including procedures for ensuring that the recordings are only
191.7 accessible to persons whose work assignment reasonably requires access to the recordings,
191.8 and are only accessed by those persons for purposes described in the procedure. All queries
191.9 and responses, and all actions in which the recordings are accessed, shared, or disseminated,
191.10 must be recorded, including the day and time of the action and who was involved in the
191.11 action. The data created pursuant to this paragraph are subject to the same requirements as
191.12 the underlying recording under this section.

191.13 Subd. 4. **Dissemination of recordings.** (a) A licensed child care center may not sell,
191.14 share, transmit, or disseminate a video security camera recording to any person except as
191.15 authorized by this subdivision.

191.16 (b) A child care center must disseminate a video security camera recording pursuant to
191.17 a valid court order, search warrant, or subpoena in a civil, criminal, or administrative
191.18 proceeding, including an investigation by the commissioner.

191.19 (c) A licensed child care center must establish a process by which a parent or legal
191.20 guardian may review, but not obtain a copy of, a video security camera recording if the
191.21 parent or guardian provides documentation from a physician of a child's physical injury.

191.22 (d) An employee of a licensed child care center who is the subject of proposed disciplinary
191.23 action by the center based upon evidence obtained by a video security camera must be given
191.24 access to that evidence for purposes of defending against the proposed action. An employee
191.25 who obtains a recording or a copy of the recording must treat the recording or copy
191.26 confidentially and must not further disseminate it to any other person except as required
191.27 under law. The employee must not keep the recording or copy or a portion of the recording
191.28 or copy after it is no longer needed for purposes of defending against a proposed action.

191.29 Subd. 5. **Exception.** Notwithstanding the requirement to have closed circuit video security
191.30 cameras under this section and subdivision 4, paragraph (a), a licensed child care center
191.31 that, as of July 1, 2025, provided remote viewing of video footage for parents and legal
191.32 guardians may continue to do so in the same manner.

192.1 Subd. 6. **Hold harmless.** (a) The commissioner may not issue a fix-it ticket, correction
192.2 order, or order of conditional license against a child care center license holder for a licensing
192.3 violation that does not imminently endanger the health or safety of the children served by
192.4 the center, if the only source of evidence for the violation is video security camera recordings
192.5 reviewed as part of an investigation under subdivision 4, paragraph (b). This paragraph
192.6 expires upon implementation of the child care weighted risk system under section 142B.171.
192.7 The commissioner shall notify the revisor of statutes when the system has been implemented.

192.8 (b) Upon implementation of the child care weighted risk system under section 142B.171,
192.9 the commissioner may not take a licensing action against a child care center license holder
192.10 for a violation that counts as 6.5 or below for a child care center in the weighted risk system,
192.11 if the only source of evidence for the violation is video security camera recordings reviewed
192.12 as part of an investigation under subdivision 4, paragraph (b).

192.13 Subd. 7. **Written policy required.** A licensed child care center must have a written
192.14 policy on the center's use of video security cameras that includes the following:

192.15 (1) the days and times the video security cameras in the facility are in use;

192.16 (2) the locations of all areas monitored by video security cameras in the facility;

192.17 (3) the center's retention and disposal policies and procedures for the video security
192.18 camera recordings;

192.19 (4) the center's policies governing access to the video security camera recordings; and

192.20 (5) the center's security safeguards and procedures regarding employee access to the
192.21 recordings.

192.22 Subd. 8. **Notices.** (a) A licensed child care center must notify all parents and legal
192.23 guardians who apply to enroll or enroll a child in the center about the use of video security
192.24 cameras in the facility. At the time of a child's enrollment, the center must provide parents
192.25 and legal guardians with the video security camera policy required under subdivision 7.

192.26 (b) A licensed child care center must post a sign at each facility entrance accessible to
192.27 visitors that states: "Video security cameras are present to record persons and activities."

192.28 Subd. 9. **Data practices.** Video footage collected or maintained by the commissioner
192.29 under this section is classified as welfare data under section 13.46.

193.1 Sec. 3. Minnesota Statutes 2024, section 142D.21, subdivision 10, is amended to read:

193.2 Subd. 10. **Account; carryforward authority.** ~~Money appropriated under this section~~
 193.3 ~~is available until expended.~~ (a) An account is established in the special revenue fund known
 193.4 as the great start compensation support payment program account.

193.5 (b) Money appropriated under this section must be transferred to the great start
 193.6 compensation support payment program account in the special revenue fund.

193.7 (c) Money in the account is annually appropriated to the commissioner for the purposes
 193.8 of this section. Any returned funds are available to be regranted.

193.9 Sec. 4. Minnesota Statutes 2024, section 142D.23, subdivision 3, is amended to read:

193.10 Subd. 3. **Eligible uses of money.** Grantees must use money received under this section,
 193.11 either directly or through grants to eligible child care providers, for one or more of the
 193.12 following purposes:

193.13 (1) the purchase of computers or mobile devices for use in business management;

193.14 (2) access to the Internet through the provision of necessary hardware such as routers
 193.15 or modems or by covering the costs of monthly fees for Internet access;

193.16 (3) covering the costs of subscription to child care management software;

193.17 (4) covering the costs of training in the use of technology for business management
 193.18 purposes; ~~or~~

193.19 (5) providing grants for up to \$4,000 to licensed child care centers to help cover the
 193.20 costs of video security cameras and related training; or

193.21 ~~(5)~~ (6) other services as determined by the commissioner.

193.22 Sec. 5. Minnesota Statutes 2024, section 142D.31, subdivision 2, is amended to read:

193.23 Subd. 2. **Program components.** (a) The nonprofit organization must use the grant for:

193.24 (1) tuition scholarships ~~up to \$10,000 per year~~ in amounts per year consistent with the
 193.25 national TEACH early childhood program requirements for courses leading to the nationally
 193.26 recognized child development associate credential or college-level courses leading to an
 193.27 associate's degree or bachelor's degree in early childhood development and school-age care;
 193.28 and

193.29 (2) education incentives of a minimum of \$250 to participants in the tuition scholarship
 193.30 program if they complete a year of working in the early care and education field.

194.1 (b) Applicants for the scholarship must be employed by a licensed or certified early
194.2 childhood or child care program and working directly with children, a licensed family child
194.3 care provider, employed by a public prekindergarten program, employed by a Head Start
194.4 program, or an employee in a school-age program exempt from licensing under section
194.5 142B.05, subdivision 2, paragraph (a), clause (8). Lower wage earners must be given priority
194.6 in awarding the tuition scholarships. Scholarship recipients must contribute at least ten
194.7 percent of the total scholarship and must be sponsored by their employers, who must also
194.8 contribute at least five percent of the total scholarship. Scholarship recipients who ~~are~~
194.9 ~~self-employed~~ work in licensed family child care under Minnesota Rules, chapter 9502,
194.10 must contribute 20 at least ten percent of the total scholarship and are not required to receive
194.11 employer sponsorship or employer match.

194.12 Sec. 6. Minnesota Statutes 2024, section 142E.03, subdivision 3, is amended to read:

194.13 Subd. 3. **Redeterminations.** (a) Notwithstanding Minnesota Rules, part 3400.0180, item
194.14 A, the county shall conduct a redetermination according to paragraphs (b) and (c).

194.15 (b) The county shall use the redetermination form developed by the commissioner. The
194.16 county must verify the factors listed in subdivision 1, paragraph (a), as part of the
194.17 redetermination.

194.18 (c) An applicant's eligibility must be redetermined no more frequently than every 12
194.19 months. The following criteria apply:

194.20 (1) a family meets the eligibility redetermination requirements if a complete
194.21 redetermination form and all required verifications are received within 30 days after the
194.22 date the form was due;

194.23 (2) if the 30th day after the date the form was due falls on a Saturday, Sunday, or holiday,
194.24 the 30-day time period is extended to include the next day that is not a Saturday, Sunday,
194.25 or holiday. Assistance shall be payable retroactively from the redetermination due date;

194.26 (3) for a family where at least one parent is younger than 21 years of age, does not have
194.27 a high school degree or commissioner of education-selected high school equivalency
194.28 certification, and is a student in a school district or another similar program that provides
194.29 or arranges for child care, parenting, social services, career and employment supports, and
194.30 academic support to achieve high school graduation, the redetermination of eligibility may
194.31 be deferred beyond 12 months, to the end of the student's school year; ~~and~~

195.1 (4) starting May 25, 2026, if a new eligible child is added to the family and has care
 195.2 authorized, the redetermination of eligibility must be extended 12 months from the eligible
 195.3 child's arrival date; and

195.4 ~~(4)~~ (5) a family and the family's providers must be notified that the family's
 195.5 redetermination is due at least 45 days before the end of the family's 12-month eligibility
 195.6 period.

195.7 Sec. 7. Minnesota Statutes 2024, section 142E.11, subdivision 1, is amended to read:

195.8 Subdivision 1. **General authorization requirements.** (a) When authorizing the amount
 195.9 of child care, the county agency must consider the amount of time the parent reports on the
 195.10 application or redetermination form that the child attends preschool, a Head Start program,
 195.11 or school while the parent is participating in an authorized activity.

195.12 (b) Care must be authorized and scheduled with a provider based on the applicant's or
 195.13 participant's verified activity schedule when:

195.14 (1) the family requests care from more than one provider per child;

195.15 (2) the family requests care from a legal nonlicensed provider; or

195.16 (3) an applicant or participant is employed by any child care center that is licensed by
 195.17 the Department of Children, Youth, and Families or has been identified as a high-risk
 195.18 Medicaid-enrolled provider.

195.19 This paragraph expires March 2, 2026.

195.20 (c) If the family remains eligible at redetermination, a new authorization with fewer
 195.21 hours, the same hours, or increased hours may be determined.

195.22 Sec. 8. Minnesota Statutes 2024, section 142E.11, subdivision 2, is amended to read:

195.23 Subd. 2. **Maintain steady child care authorizations.** (a) Notwithstanding Minnesota
 195.24 Rules, chapter 3400, the amount of child care authorized under section 142E.12 for
 195.25 employment, education, or an MFIP employment plan shall continue at the same number
 195.26 of hours or more hours until redetermination, including:

195.27 (1) when the other parent moves in and is employed or has an education plan under
 195.28 section 142E.12, subdivision 3, or has an MFIP employment plan; or

195.29 (2) when the participant's work hours are reduced or a participant temporarily stops
 195.30 working or attending an approved education program. Temporary changes include, but are

196.1 not limited to, a medical leave, seasonal employment fluctuations, or a school break between
196.2 semesters.

196.3 (b) The county may increase the amount of child care authorized at any time if the
196.4 participant verifies the need for increased hours for authorized activities.

196.5 (c) The county may reduce the amount of child care authorized if a parent requests a
196.6 reduction or because of a change in:

196.7 (1) the child's school schedule;

196.8 (2) the custody schedule; or

196.9 (3) the provider's availability.

196.10 (d) The amount of child care authorized for a family subject to subdivision 1, paragraph
196.11 (b), must change when the participant's activity schedule changes. Paragraph (a) does not
196.12 apply to a family subject to subdivision 1, paragraph (b). This paragraph expires March 2,
196.13 2026.

196.14 (e) When a child reaches 13 years of age or a child with a disability reaches 15 years of
196.15 age, the amount of child care authorized shall continue at the same number of hours or more
196.16 hours until redetermination.

196.17 Sec. 9. Minnesota Statutes 2024, section 142E.13, subdivision 2, is amended to read:

196.18 Subd. 2. **Extended eligibility and redetermination.** (a) If the family received three
196.19 months of extended eligibility and redetermination is not due, to continue receiving child
196.20 care assistance the participant must be employed or have an education plan that meets the
196.21 requirements of section 142E.12, subdivision 3, or have an MFIP employment plan.
196.22 Notwithstanding Minnesota Rules, part 3400.0110, if child care assistance continues, the
196.23 amount of child care authorized shall continue at the same number or more hours until
196.24 redetermination, unless a condition in section 142E.11, subdivision 2, paragraph (c), applies.
196.25 ~~A family subject to section 142E.11, subdivision 1, paragraph (b), shall have child care~~
196.26 ~~authorized based on a verified activity schedule.~~

196.27 (b) If the family's redetermination occurs before the end of the three-month extended
196.28 eligibility period to continue receiving child care assistance, the participant must verify that
196.29 the participant meets eligibility and activity requirements for child care assistance under
196.30 this chapter. If Notwithstanding Minnesota Rules, part 3400.0110, if child care assistance
196.31 continues, the amount of child care authorized is based on section 142E.12. A family subject

197.1 ~~to section 142E.11, subdivision 1, paragraph (b), shall have child care authorized based on~~
 197.2 ~~a verified activity schedule.~~

197.3 **EFFECTIVE DATE.** This section is effective May 25, 2026.

197.4 Sec. 10. Minnesota Statutes 2024, section 142E.15, subdivision 1, is amended to read:

197.5 Subdivision 1. **Fee schedule.** All changes to parent fees must be implemented on the
 197.6 first Monday of the service period following the effective date of the change.

197.7 **PARENT FEE SCHEDULE.** The parent fee schedule is as follows, except as noted in
 197.8 subdivision 2:

197.9	Income Range (as a percent of the state	Co-payment (as a percentage of adjusted
197.10	median income, except at the start of the first	gross income)
197.11	tier)	

197.12	0-74.99% <u>0-99.99%</u> of federal poverty	
197.13	guidelines	\$0/biweekly

197.14	75.00-99.99% of federal poverty guidelines	\$2/biweekly
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197.15	100.00% of federal poverty	
197.16	guidelines 27.72% <u>27.99%</u>	2.61% <u>2.6%</u>

197.17	27.73-29.04%	2.61%
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197.18	29.05-30.36%	2.61%
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197.19	30.37-31.68%	2.61%
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197.20	31.69-33.00%	2.91%
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197.21	33.01-34.32%	2.91%
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197.22	34.33-35.65%	2.91%
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197.23	35.66-36.96%	2.91%
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197.24	36.97-38.29%	3.21%
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197.25	38.30-39.61%	3.21%
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197.26	39.62-40.93%	3.21%
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197.27	40.94-42.25%	3.84%
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197.28	42.26-43.57%	3.84%
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197.29	43.58-44.89%	4.46%
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197.30	44.90-46.21%	4.76%
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197.31	46.22-47.53%	5.05%
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197.32	47.54-48.85%	5.65%
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197.33	48.86-50.17%	5.95%
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197.34	50.18-51.49%	6.24%
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197.35	51.50-52.81%	6.84%
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197.36	52.82-54.13%	7.58%
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197.37	54.14-55.45%	8.33%
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198.1	55.46-56.77%	9.20%
198.2	56.78-58.09%	10.07%
198.3	58.10-59.41%	10.94%
198.4	59.42-60.73%	11.55%
198.5	60.74-62.06%	12.16%
198.6	62.07-63.38%	12.77%
198.7	63.39-64.70%	13.38%
198.8	64.71-67.00%	14.00%
198.9	<u>28.00-30.99%</u>	2.6%
198.10	<u>31.00-33.99%</u>	2.6%
198.11	<u>34.00-36.99%</u>	2.9%
198.12	<u>37.00-39.99%</u>	3.2%
198.13	<u>40.00-42.99%</u>	3.8%
198.14	<u>43.00-45.99%</u>	4.4%
198.15	<u>46.00-48.99%</u>	5.0%
198.16	<u>49.00-51.99%</u>	5.6%
198.17	<u>52.00-54.99%</u>	6.2%
198.18	<u>55.00-57.99%</u>	6.8%
198.19	<u>58.00-60.99%</u>	6.9%
198.20	<u>61.00-63.99%</u>	6.9%
198.21	<u>64.00-67.00%</u>	6.9%
198.22	Greater than 67.00%	ineligible

198.23 A family's biweekly co-payment fee is the fixed percentage established for the income
 198.24 range multiplied by the ~~highest~~ lowest possible income within that income range.

198.25 **EFFECTIVE DATE.** This section is effective October 13, 2025.

198.26 Sec. 11. Minnesota Statutes 2024, section 142E.16, subdivision 3, is amended to read:

198.27 Subd. 3. **Training required.** (a) Prior to initial authorization as required in subdivision
 198.28 1, a legal nonlicensed family child care provider must complete first aid and CPR training
 198.29 and provide the verification of first aid and CPR training to the commissioner. The training
 198.30 documentation must have valid effective dates as of the date the registration request is
 198.31 submitted to the commissioner. The training must have been provided by an individual
 198.32 approved to provide first aid and CPR instruction and have included CPR techniques for
 198.33 infants and children.

198.34 (b) Upon each reauthorization after the authorization period when the initial first aid
 198.35 and CPR training requirements are met, a legal nonlicensed family child care provider must

199.1 provide verification of at least eight hours of additional training listed in the Minnesota
199.2 Center for Professional Development Registry.

199.3 (c) Every 12 months, a legal nonlicensed family child care provider who is unrelated to
199.4 the child they care for must complete two hours of training in caring for children approved
199.5 by the commissioner.

199.6 ~~(e)~~ (d) This subdivision only applies to legal nonlicensed family child care providers.

199.7 **EFFECTIVE DATE.** This section is effective October 1, 2025.

199.8 Sec. 12. Minnesota Statutes 2024, section 142E.16, subdivision 7, is amended to read:

199.9 Subd. 7. **Record-keeping requirement.** (a) As a condition of payment, all providers
199.10 receiving child care assistance payments must:

199.11 (1) keep accurate and legible daily attendance records at the site where services are
199.12 delivered for children receiving child care assistance; ~~and~~

199.13 (2) make those records available immediately to the county or the commissioner upon
199.14 request. Any records not provided to a county or the commissioner at the date and time of
199.15 the request are deemed inadmissible if offered as evidence by the provider in any proceeding
199.16 to contest an overpayment or disqualification of the provider; and

199.17 (3) submit data on child enrollment and attendance in the form and manner specified by
199.18 the commissioner.

199.19 (b) As a condition of payment, attendance records must be completed daily and include
199.20 the date, the first and last name of each child in attendance, and the times when each child
199.21 is dropped off and picked up. To the extent possible, the times that the child was dropped
199.22 off to and picked up from the child care provider must be entered by the person dropping
199.23 off or picking up the child. The daily attendance records must be retained at the site where
199.24 services are delivered for six years after the date of service.

199.25 (c) When the county or the commissioner knows or has reason to believe that a current
199.26 or former provider has not complied with the record-keeping requirement in this subdivision:

199.27 (1) the commissioner may:

199.28 (i) deny or revoke a provider's authorization to receive child care assistance payments
199.29 under section 142E.17, subdivision 9, paragraph (d);

199.30 (ii) pursue an administrative disqualification under sections 142E.51, subdivision 5, and
199.31 256.98; or

200.1 (iii) take an action against the provider under ~~sections 142E.50 to 142E.58~~ section
200.2 142E.51; or

200.3 (2) a county or the commissioner may establish an attendance record overpayment under
200.4 paragraph (d).

200.5 (d) To calculate an attendance record overpayment under this subdivision, the
200.6 commissioner or county agency shall subtract the maximum daily rate from the total amount
200.7 paid to a provider for each day that a child's attendance record is missing, unavailable,
200.8 incomplete, inaccurate, or otherwise inadequate.

200.9 (e) The commissioner shall develop criteria for a county to determine an attendance
200.10 record overpayment under this subdivision.

200.11 **EFFECTIVE DATE.** This section is effective June 22, 2026.

200.12 Sec. 13. Minnesota Statutes 2024, section 142E.17, subdivision 9, is amended to read:

200.13 Subd. 9. **Provider payments.** (a) A provider shall bill only for services documented
200.14 according to section 142E.16, subdivision 7. The provider shall bill for services provided
200.15 within ten days of the end of the service period. A provider must sign each bill and declare,
200.16 under penalty of perjury as provided in section 609.48, that the information in the bill is
200.17 true and correct. Payments under the child care fund shall be made within 21 days of
200.18 receiving a complete bill from the provider. Counties or the state may establish policies that
200.19 make payments on a more frequent basis.

200.20 (b) If a provider has received an authorization of care and been issued a billing form for
200.21 an eligible family, the bill must be submitted within 60 days of the last date of service on
200.22 the bill. A bill submitted more than 60 days after the last date of service must be paid if the
200.23 county determines that the provider has shown good cause why the bill was not submitted
200.24 within 60 days. Good cause must be defined in the county's child care fund plan under
200.25 section 142E.09, subdivision 3, and the definition of good cause must include county error.
200.26 Any bill submitted more than a year after the last date of service on the bill must not be
200.27 paid.

200.28 (c) If a provider provided care for a time period without receiving an authorization of
200.29 care and a billing form for an eligible family, payment of child care assistance may only be
200.30 made retroactively for a maximum of three months from the date the provider is issued an
200.31 authorization of care and a billing form. For a family at application, if a provider provided
200.32 child care during a time period without receiving an authorization of care and a billing form,
200.33 a county may only make child care assistance payments to the provider retroactively from

201.1 the date that child care began, or from the date that the family's eligibility began under
201.2 section 142E.10, subdivision 7, or from the date that the family meets authorization
201.3 requirements, not to exceed six months from the date that the provider is issued an
201.4 authorization of care and a billing form, whichever is later.

201.5 (d) The commissioner may refuse to issue a child care authorization to a certified,
201.6 licensed, or legal nonlicensed provider; revoke an existing child care authorization to a
201.7 certified, licensed, or legal nonlicensed provider; stop payment issued to a certified, licensed,
201.8 or legal nonlicensed provider; or refuse to pay a bill submitted by a certified, licensed, or
201.9 legal nonlicensed provider if:

201.10 (1) the provider admits to intentionally giving the county materially false information
201.11 on the provider's billing forms;

201.12 (2) the commissioner finds by a preponderance of the evidence that the provider
201.13 intentionally gave the county materially false information on the provider's billing forms,
201.14 or provided false attendance records to a county or the commissioner;

201.15 (3) the provider is in violation of child care assistance program rules, until the agency
201.16 determines those violations have been corrected;

201.17 (4) the provider is operating after:

201.18 (i) an order of suspension of the provider's license issued by the commissioner;

201.19 (ii) an order of revocation of the provider's license issued by the commissioner; or

201.20 (iii) an order of decertification issued to the provider;

201.21 (5) the provider submits false attendance reports or refuses to provide documentation
201.22 of the child's attendance upon request;

201.23 (6) the provider gives false child care price information; or

201.24 (7) the provider fails to report decreases in a child's attendance as required under section
201.25 142E.16, subdivision 9.

201.26 (e) For purposes of paragraph (d), clauses (3), (5), (6), and (7), the commissioner may
201.27 withhold the provider's authorization or payment for a period of time not to exceed three
201.28 months beyond the time the condition has been corrected.

201.29 (f) A county's payment policies must be included in the county's child care plan under
201.30 section 142E.09, subdivision 3. If payments are made by the state, in addition to being in
201.31 compliance with this subdivision, the payments must be made in compliance with section
201.32 16A.124.

202.1 (g) If the commissioner suspends or refuses payment to a provider under paragraph (d),
 202.2 clause (1) or (2), or sections 142E.50 to 142E.58 and the provider has:

202.3 (1) a disqualification for wrongfully obtaining assistance under section 256.98,
 202.4 subdivision 8, paragraph (c);

202.5 (2) an administrative disqualification under section 142E.51, subdivision 5; or

202.6 (3) a termination under section 142E.51, subdivision 4, paragraph (c), clause (4), or
 202.7 142E.55;

202.8 then the provider forfeits the payment to the commissioner or the responsible county agency,
 202.9 regardless of the amount assessed in an overpayment, charged in a criminal complaint, or
 202.10 ordered as criminal restitution.

202.11 **EFFECTIVE DATE.** This section is effective September 15, 2025.

202.12 Sec. 14. Minnesota Statutes 2024, section 245.0962, subdivision 1, is amended to read:

202.13 Subdivision 1. **Establishment.** The commissioner of ~~human services~~ children, youth,
 202.14 and families must establish a quality parenting initiative grant program to implement quality
 202.15 parenting initiative principles and practices to support children and families experiencing
 202.16 foster care placements.

202.17 **EFFECTIVE DATE.** This section is effective July 1, 2025.

202.18 Sec. 15. **ELIMINATING SCHEDULE REPORTER DESIGNATION.**

202.19 Notwithstanding Minnesota Statutes, section 142E.04, subdivisions 6, 7, and 8, the
 202.20 commissioner of children, youth, and families must allocate additional basic sliding fee
 202.21 child care money for calendar years 2026 and 2027 to counties and Tribes to account for
 202.22 eliminating the schedule reporter designation in the child care assistance program. In
 202.23 allocating the additional money, the commissioner shall consider:

202.24 (1) the number of children who are in schedule reporter families; and

202.25 (2) the average basic sliding fee cost of care in the county or Tribe.

202.26 Sec. 16. **CHILDREN AND FAMILIES INFORMATION TECHNOLOGY SYSTEMS**
 202.27 **MODERNIZATION.**

202.28 Subdivision 1. **Direction to commissioner.** To the extent there is funding available for
 202.29 these purposes in the state systems account established under Minnesota Statutes, section

203.1 142A.04, subdivision 2, the commissioner of children, youth, and families must establish
203.2 and implement the information technology systems described under this section.

203.3 Subd. 2. **Family common application tool.** (a) The commissioner must establish and
203.4 implement an application tool that allows families to apply for available early care and
203.5 education support programs. The application tool must:

203.6 (1) provide integrated support in multiple languages, including real-time translation
203.7 capabilities;

203.8 (2) include an eligibility screener;

203.9 (3) include capability for automatic pre-population of known family information and
203.10 use open authorization to validate identity;

203.11 (4) enable application completion and submission across multiple programs and services;

203.12 (5) integrate selection tool for early care and education programs;

203.13 (6) reach families through various ways, including employers, employee organizations,
203.14 and medical assistance managed care organizations; and

203.15 (7) operate using the software as a service model that ensures frequent maintenance and
203.16 user experience updates.

203.17 (b) Funding under this section for the application tool may only be used for early care
203.18 and education support programs.

203.19 Subd. 3. **Payments system.** The commissioner must establish and implement a
203.20 centralized, integrated payment system for early care and education funding streams that:

203.21 (1) integrates seamlessly with the existing provider licensing and reporting hub;

203.22 (2) implements real-time payment processing and cash management capabilities, including
203.23 instant fund transfers and automated reconciliation;

203.24 (3) incorporates robust security measures, including fraud detection and prevention;

203.25 (4) enables automated compliance with state and federal reporting requirements;

203.26 (5) provides a user-friendly interface with mobile accessibility for child care providers
203.27 to manage invoices and payments;

203.28 (6) ensures interoperability with other relevant state systems and databases; and

203.29 (7) implements data quality monitoring and reporting tools to support decision making.

204.1 Subd. 4. **Reporting requirements.** The commissioner must provide quarterly
 204.2 implementation updates to the chairs and minority leads of the committees with jurisdiction
 204.3 over programs for children and families. The quarterly updates must describe the department's
 204.4 progress toward establishing and implementing the information technology systems under
 204.5 this section. The quarterly updates must continue until either the systems are fully
 204.6 implemented or the department no longer has sufficient funding for the purposes identified
 204.7 in this section.

204.8 Sec. 17. **REVISOR INSTRUCTION.**

204.9 The revisor of statutes shall renumber Minnesota Statutes, section 245.0962, as Minnesota
 204.10 Statutes, section 142A.47. The revisor shall also make necessary cross-reference changes
 204.11 consistent with the renumbering.

204.12 **EFFECTIVE DATE.** This section is effective July 1, 2025.

204.13 Sec. 18. **REVISOR INSTRUCTION.**

204.14 The revisor of statutes shall renumber Minnesota Statutes, section 142D.12, subdivision
 204.15 3, as Minnesota Statutes, section 120B.121. The revisor shall also make necessary
 204.16 cross-reference changes consistent with the renumbering.

ARTICLE 12

DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES LICENSING AND CERTIFICATION POLICY

204.20 Section 1. Minnesota Statutes 2024, section 142B.01, is amended by adding a subdivision
 204.21 to read:

204.22 Subd. 12a. **Education.** For purposes of child care centers, "education" means accredited
 204.23 coursework in behavior guidance, child abuse and neglect prevention, child development,
 204.24 child health and safety, child health and wellness, child nutrition, child psychology, child
 204.25 study techniques, children with special needs, communication studies, computer science,
 204.26 coordination of community and school activities, cultural studies, curriculum planning,
 204.27 early childhood education, early childhood special education, elementary education,
 204.28 elementary special education, English language arts, ethics, family studies, history,
 204.29 mathematics, music, parent involvement, psychology, recreational sports, arts and crafts
 204.30 methods or theory, science, social studies, sociology, or other coursework approved by the
 204.31 commissioner.

204.32 **EFFECTIVE DATE.** This section is effective August 1, 2025.

205.1 Sec. 2. Minnesota Statutes 2024, section 142B.10, subdivision 14, is amended to read:

205.2 Subd. 14. **Grant of license; license extension.** (a) If the commissioner determines that
205.3 the program complies with all applicable rules and laws, the commissioner shall issue a
205.4 license consistent with this section or, if applicable, a temporary change of ownership license
205.5 under section 142B.11. At minimum, the license shall state:

205.6 (1) the name of the license holder;

205.7 (2) the address of the program;

205.8 (3) the effective date and expiration date of the license;

205.9 (4) the type of license;

205.10 (5) the maximum number and ages of persons that may receive services from the program;

205.11 and

205.12 (6) any special conditions of licensure.

205.13 (b) The commissioner may issue a license for a period not to exceed two years if:

205.14 (1) the commissioner is unable to conduct the observation required by subdivision 11,
205.15 paragraph (a), clause (3), because the program is not yet operational;

205.16 (2) certain records and documents are not available because persons are not yet receiving
205.17 services from the program; and

205.18 (3) the applicant complies with applicable laws and rules in all other respects.

205.19 (c) A decision by the commissioner to issue a license does not guarantee that any person
205.20 or persons will be placed or cared for in the licensed program.

205.21 (d) Except as provided in paragraphs (i) and (j), the commissioner shall not issue a
205.22 license if the applicant, license holder, or an affiliated controlling individual has:

205.23 (1) been disqualified and the disqualification was not set aside and no variance has been
205.24 granted;

205.25 (2) been denied a license under this chapter or chapter 245A within the past two years;

205.26 (3) had a license issued under this chapter or chapter 245A revoked within the past five
205.27 years; or

205.28 (4) failed to submit the information required of an applicant under subdivision 1,
205.29 paragraph (f), (g), or (h), after being requested by the commissioner.

206.1 When a license issued under this chapter or chapter 245A is revoked, the license holder
206.2 and each affiliated controlling individual with a revoked license may not hold any license
206.3 under chapter 142B for five years following the revocation, and other licenses held by the
206.4 applicant or license holder or licenses affiliated with each controlling individual shall also
206.5 be revoked.

206.6 (e) Notwithstanding paragraph (d), the commissioner may elect not to revoke a license
206.7 affiliated with a license holder or controlling individual that had a license revoked within
206.8 the past five years if the commissioner determines that (1) the license holder or controlling
206.9 individual is operating the program in substantial compliance with applicable laws and rules
206.10 and (2) the program's continued operation is in the best interests of the community being
206.11 served.

206.12 (f) Notwithstanding paragraph (d), the commissioner may issue a new license in response
206.13 to an application that is affiliated with an applicant, license holder, or controlling individual
206.14 that had an application denied within the past two years or a license revoked within the past
206.15 five years if the commissioner determines that (1) the applicant or controlling individual
206.16 has operated one or more programs in substantial compliance with applicable laws and rules
206.17 and (2) the program's operation would be in the best interests of the community to be served.

206.18 (g) In determining whether a program's operation would be in the best interests of the
206.19 community to be served, the commissioner shall consider factors such as the number of
206.20 persons served, the availability of alternative services available in the surrounding
206.21 community, the management structure of the program, whether the program provides
206.22 culturally specific services, and other relevant factors.

206.23 (h) The commissioner shall not issue or reissue a license under this chapter if an individual
206.24 living in the household where the services will be provided as specified under section
206.25 245C.03, subdivision 1, has been disqualified and the disqualification has not been set aside
206.26 and no variance has been granted.

206.27 (i) Pursuant to section 142B.18, subdivision 1, paragraph (b), when a license issued
206.28 under this chapter has been suspended or revoked and the suspension or revocation is under
206.29 appeal, the program may continue to operate pending a final order from the commissioner.
206.30 If the license under suspension or revocation will expire before a final order is issued, a
206.31 temporary provisional license may be issued provided any applicable license fee is paid
206.32 before the temporary provisional license is issued.

206.33 (j) Notwithstanding paragraph (i), when a revocation is based on the disqualification of
206.34 a controlling individual or license holder, and the controlling individual or license holder

207.1 is ordered under section 245C.17 to be immediately removed from direct contact with
207.2 persons receiving services or is ordered to be under continuous, direct supervision when
207.3 providing direct contact services, the program may continue to operate only if the program
207.4 complies with the order and submits documentation demonstrating compliance with the
207.5 order. If the disqualified individual fails to submit a timely request for reconsideration, or
207.6 if the disqualification is not set aside and no variance is granted, the order to immediately
207.7 remove the individual from direct contact or to be under continuous, direct supervision
207.8 remains in effect pending the outcome of a hearing and final order from the commissioner.

207.9 (k) For purposes of reimbursement for meals only, under the Child and Adult Care Food
207.10 Program, Code of Federal Regulations, title 7, subtitle B, chapter II, subchapter A, part 226,
207.11 relocation within the same county by a licensed family day care provider, shall be considered
207.12 an extension of the license for a period of no more than 30 calendar days or until the new
207.13 license is issued, whichever occurs first, provided the county agency has determined the
207.14 family day care provider meets licensure requirements at the new location.

207.15 (l) Unless otherwise specified by statute, all licenses issued under this chapter expire at
207.16 12:01 a.m. on the day after the expiration date stated on the license. A license holder must
207.17 ~~apply for and be granted~~ comply with the requirements in section 142B.12 and be reissued
207.18 a new license to operate the program or the program must not be operated after the expiration
207.19 date. Child foster care license holders must apply for and be granted a new license to operate
207.20 the program or the program must not be operated after the expiration date. Upon
207.21 implementation of the provider licensing and reporting hub, licenses may be issued each
207.22 calendar year.

207.23 (m) The commissioner shall not issue or reissue a license under this chapter if it has
207.24 been determined that a tribal licensing authority has established jurisdiction to license the
207.25 program or service.

207.26 (n) The commissioner of children, youth, and families shall coordinate and share data
207.27 with the commissioner of human services to enforce this section.

207.28 Sec. 3. Minnesota Statutes 2024, section 142B.10, subdivision 16, is amended to read:

207.29 Subd. 16. **Variances.** (a) The commissioner may grant variances to rules that do not
207.30 affect the health or safety of persons in a licensed program if the following conditions are
207.31 met:

207.32 (1) the variance must be requested by an applicant or license holder on a form and in a
207.33 manner prescribed by the commissioner;

208.1 (2) the request for a variance must include the reasons that the applicant or license holder
208.2 cannot comply with a requirement as stated in the rule and the alternative equivalent measures
208.3 that the applicant or license holder will follow to comply with the intent of the rule; and

208.4 (3) the request must state the period of time for which the variance is requested.

208.5 The commissioner may grant a permanent variance when conditions under which the variance
208.6 is requested do not affect the health or safety of persons being served by the licensed program,
208.7 nor compromise the qualifications of staff to provide services. The permanent variance shall
208.8 expire as soon as the conditions that warranted the variance are modified in any way. Any
208.9 applicant or license holder must inform the commissioner of any changes or modifications
208.10 that have occurred in the conditions that warranted the permanent variance. Failure to advise
208.11 the commissioner shall result in revocation of the permanent variance and may be cause for
208.12 other sanctions under sections 142B.17 and 142B.18.

208.13 The commissioner's decision to grant or deny a variance request is final and not subject to
208.14 appeal under the provisions of chapter 14.

208.15 (b) The commissioner shall consider variances for child care center staff qualification
208.16 requirements under Minnesota Rules, parts 9503.0032 and 9503.0033, that do not affect
208.17 the health and safety of children served by the center. A variance request must be submitted
208.18 to the commissioner in accordance with paragraph (a) and must include a plan for the staff
208.19 person to gain additional experience, education, or training, as requested by the commissioner.
208.20 When reviewing a variance request under this section, the commissioner shall consider the
208.21 staff person's level of professional development, including but not limited to steps completed
208.22 on the Minnesota career lattice.

208.23 (c) The commissioner must grant a variance for a child care program's licensed capacity
208.24 limit if:

208.25 (1) the program's indoor space is within 100 square feet of what would be required for
208.26 maximum capacity in the program based on the program's number and qualifications of
208.27 staff;

208.28 (2) the state fire marshal approves the variance; and

208.29 (3) the applicant or license holder submits the variance request to the commissioner in
208.30 accordance with paragraph (a).

208.31 A child care program's licensed capacity must not increase by more than two children under
208.32 this paragraph. For purposes of this paragraph, a "child care program" means a child care

209.1 center or family or group family child care provider licensed under this chapter and Minnesota
 209.2 Rules, chapter 9502 or 9503.

209.3 ~~(e)~~ (d) Counties shall use a uniform application form developed by the commissioner
 209.4 for variance requests by family child care license holders.

209.5 Sec. 4. Minnesota Statutes 2024, section 142B.16, subdivision 2, is amended to read:

209.6 Subd. 2. **Reconsideration of correction orders.** (a) If the applicant or license holder
 209.7 believes that the contents of the commissioner's correction order are in error, the applicant
 209.8 or license holder may ask the Department of Children, Youth, and Families to reconsider
 209.9 the parts of the correction order that are alleged to be in error. The request for reconsideration
 209.10 must be made in writing and must be postmarked and sent to the commissioner within 20
 209.11 calendar days after receipt of the correction order under this paragraph, or receipt of the
 209.12 interpretive guidance under paragraph (d), by the applicant or license holder or submitted
 209.13 in the provider licensing and reporting hub within 20 calendar days from the date the
 209.14 commissioner issued the order under this paragraph, or provided the interpretive guidance
 209.15 under paragraph (d), through the hub, and:

209.16 (1) specify the parts of the correction order that are alleged to be in error;

209.17 (2) explain why they are in error; and

209.18 (3) include documentation to support the allegation of error.

209.19 (b) Upon implementation of the provider licensing and reporting hub, the provider must
 209.20 use the hub to request reconsideration under this paragraph, or to request interpretive guidance
 209.21 under paragraph (d). A request for reconsideration does not stay any provisions or
 209.22 requirements of the correction order. The commissioner's disposition of a request for
 209.23 reconsideration is final and not subject to appeal under chapter 14.

209.24 ~~(b)~~ (c) This paragraph applies only to licensed family child care providers. A licensed
 209.25 family child care provider who requests reconsideration of a correction order under paragraph
 209.26 (a) may also request, on a form and in the manner prescribed by the commissioner, that the
 209.27 commissioner expedite the review if:

209.28 (1) the provider is challenging a violation and provides a description of how complying
 209.29 with the corrective action for that violation would require the substantial expenditure of
 209.30 funds or a significant change to their program; and

210.1 (2) describes what actions the provider will take in lieu of the corrective action ordered
 210.2 to ensure the health and safety of children in care pending the commissioner's review of the
 210.3 correction order.

210.4 (d) Prior to a request for reconsideration under paragraph (a), if the applicant or license
 210.5 holder believes that the applicable rule or statute is ambiguous or the commissioner's
 210.6 interpretation of the applicable rule or statute is in error, the applicant or license holder may
 210.7 ask the Department of Children, Youth, and Families to provide interpretive guidance on
 210.8 the applicable rule or statute underlying the correction order.

210.9 (e) The commissioner must not publicly post the correction order for licensed child care
 210.10 centers or licensed family child care providers on the department's website until:

210.11 (1) after the 20-calendar-day period for requesting reconsideration; or

210.12 (2) if the applicant or license holder requested reconsideration, after the commissioner's
 210.13 disposition of a request for reconsideration is provided to the applicant or license holder.

210.14 **EFFECTIVE DATE.** This section is effective July 1, 2025, except that paragraph (e)
 210.15 is effective January 1, 2026, or upon federal approval, whichever is later. The commissioner
 210.16 of children, youth, and families must notify the revisor of statutes when federal approval is
 210.17 obtained.

210.18 Sec. 5. Minnesota Statutes 2024, section 142B.16, subdivision 5, is amended to read:

210.19 Subd. 5. **Requirement to post conditional license.** For licensed family child care
 210.20 providers and child care centers, upon receipt of any order of conditional license issued by
 210.21 the commissioner under this section, and notwithstanding a pending request for
 210.22 reconsideration of the order of conditional license by the license holder, the license holder
 210.23 shall post the order of conditional license in a place that is conspicuous to the people receiving
 210.24 services and all visitors to the facility for two years. When the order of conditional license
 210.25 is accompanied by a maltreatment investigation memorandum prepared under section
 210.26 626.557 or chapter 260E, the investigation memoranda must be posted with the order of
 210.27 conditional license, and the license holder must post both in a place that is conspicuous to
 210.28 the people receiving services and all visitors to the facility for ten years.

210.29 Sec. 6. Minnesota Statutes 2024, section 142B.171, subdivision 2, is amended to read:

210.30 Subd. 2. **Documented technical assistance.** (a) In lieu of a correction order under section
 210.31 142B.16, the commissioner shall provide documented technical assistance to a family child
 210.32 care or child care center license holder if the commissioner finds that:

211.1 (1) the license holder has failed to comply with a requirement in this chapter or Minnesota
 211.2 Rules, chapter 9502 or 9503, that the commissioner determines to be low risk as determined
 211.3 by the child care weighted risk system;

211.4 (2) the noncompliance does not imminently endanger the health, safety, or rights of the
 211.5 persons served by the program; and

211.6 (3) the license holder did not receive documented technical assistance or a correction
 211.7 order for the same violation at the license holder's most recent annual licensing inspection.

211.8 (b) Documented technical assistance must include communication from the commissioner
 211.9 to the license holder that:

211.10 (1) states the conditions that constitute a violation of a law or rule;

211.11 (2) references the specific law or rule violated; and

211.12 (3) explains remedies for correcting the violation.

211.13 ~~(e) The commissioner shall not publicly publish documented technical assistance on the~~
 211.14 ~~department's website.~~

211.15 Sec. 7. Minnesota Statutes 2024, section 142B.18, subdivision 6, is amended to read:

211.16 Subd. 6. **Requirement to post licensing order or fine.** For licensed family child care
 211.17 providers and child care centers, upon receipt of any order of license suspension, temporary
 211.18 immediate suspension, fine, or revocation issued by the commissioner under this section,
 211.19 and notwithstanding a pending appeal of the order of license suspension, temporary
 211.20 immediate suspension, fine, or revocation by the license holder, the license holder shall
 211.21 post the order of license suspension, temporary immediate suspension, fine, or revocation
 211.22 in a place that is conspicuous to the people receiving services and all visitors to the facility
 211.23 for two years. When the order of license suspension, temporary immediate suspension, fine,
 211.24 or revocation is accompanied by a maltreatment investigation memorandum prepared under
 211.25 section 626.557 or chapter 260E, the investigation memoranda must be posted with the
 211.26 order of license suspension, temporary immediate suspension, fine, or revocation, and the
 211.27 license holder must post both in a place that is conspicuous to the people receiving services
 211.28 and all visitors to the facility for ten years.

212.1 **Sec. 8. [142B.181] POSTING LICENSING ACTIONS ON DEPARTMENT**
 212.2 **WEBSITE.**

212.3 (a) The commissioner must post a summary document for each licensing action, except
 212.4 correction orders under section 142B.16, issued to a licensed child care center and family
 212.5 child care provider on the Licensing Information Lookup public website maintained by the
 212.6 Department of Children, Youth, and Families. The commissioner must not post any
 212.7 communication, including letters, from the commissioner to the center or provider.

212.8 (b) The commissioner must remove a summary document from the Licensing Information
 212.9 Lookup public website within ten days of the length of time that the document is required
 212.10 to be posted under Code of Federal Regulations, title 45, section 98.33.

212.11 (c) The requirement to post summary documents under this section only applies to
 212.12 licensing actions issued to licensed child care centers and family child care providers after
 212.13 the effective date of this section.

212.14 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
 212.15 whichever is later. The commissioner of children, youth, and families must notify the revisor
 212.16 of statutes when federal approval is obtained.

212.17 **Sec. 9.** Minnesota Statutes 2024, section 142B.30, subdivision 1, is amended to read:

212.18 **Subdivision 1. Delegation of authority to agencies.** (a) County agencies and private
 212.19 agencies that have been designated or licensed by the commissioner to perform licensing
 212.20 functions and activities under section 142B.10; to recommend denial of applicants under
 212.21 section 142B.15; to issue correction orders, to issue variances, and to recommend a
 212.22 conditional license under section 142B.16; or to recommend suspending or revoking a
 212.23 license or issuing a fine under section 142B.18, shall comply with rules and directives of
 212.24 the commissioner governing those functions and with this section. The following variances
 212.25 are excluded from the delegation of variance authority and may be issued only by the
 212.26 commissioner:

212.27 (1) dual licensure of family child care and family child foster care;

212.28 (2) child foster care maximum age requirement;

212.29 (3) variances regarding disqualified individuals;

212.30 (4) variances to requirements relating to chemical use problems of a license holder or a
 212.31 household member of a license holder; and

213.1 (5) variances to section 142B.74 for a time-limited period. If the commissioner grants
213.2 a variance under this clause, the license holder must provide notice of the variance to all
213.3 parents and guardians of the children in care.

213.4 (b) The commissioners of human services and children, youth, and families must both
213.5 approve a variance for dual licensure of family child foster care and family adult foster care
213.6 or family adult foster care and family child care. Variances under this paragraph are excluded
213.7 from the delegation of variance authority and may be issued only by both commissioners.

213.8 (c) Except as provided in section 142B.41, subdivision 4, paragraph (e), a county agency
213.9 must not grant a license holder a variance to exceed the maximum allowable family child
213.10 care license capacity of 14 children.

213.11 (d) A county agency that has been designated by the commissioner to issue family child
213.12 care variances must:

213.13 (1) publish the county agency's policies and criteria for issuing variances on the county's
213.14 public website and update the policies as necessary; and

213.15 (2) annually distribute the county agency's policies and criteria for issuing variances to
213.16 all family child care license holders in the county.

213.17 (e) Before the implementation of NETStudy 2.0, county agencies must report information
213.18 about disqualification reconsiderations under sections 245C.25 and 245C.27, subdivision
213.19 2, paragraphs (a) and (b), and variances granted under paragraph (a), clause (5), to the
213.20 commissioner at least monthly in a format prescribed by the commissioner.

213.21 (f) For family child care programs, the commissioner shall require a county agency to
213.22 conduct one unannounced licensing review at least annually.

213.23 (g) A child foster care license issued under this section may be issued for up to two years
213.24 until implementation of the provider licensing and reporting hub. Upon implementation of
213.25 the provider licensing and reporting hub, licenses may be issued each calendar year.

213.26 (h) A county agency shall report to the commissioner, in a manner prescribed by the
213.27 commissioner, the following information for a licensed family child care program:

213.28 (1) the results of each licensing review completed, including the date of the review, and
213.29 any licensing correction order issued;

213.30 (2) any death, serious injury, or determination of substantiated maltreatment; and

214.1 (3) any fires that require the service of a fire department within 48 hours of the fire. The
 214.2 information under this clause must also be reported to the state fire marshal within two
 214.3 business days of receiving notice from a licensed family child care provider.

214.4 Sec. 10. Minnesota Statutes 2024, section 142B.41, is amended by adding a subdivision
 214.5 to read:

214.6 Subd. 7a. **Staff distribution.** Notwithstanding Minnesota Rules, part 9503.0040, subpart
 214.7 2, item B, an aide may substitute for a teacher during morning arrival and afternoon departure
 214.8 times in a licensed child care center if the total arrival and departure time does not exceed
 214.9 25 percent of the center's daily hours of operation. In order for an aide to be used in this
 214.10 capacity, an aide must:

214.11 (1) be at least 18 years of age;

214.12 (2) have worked in the licensed child care center for a minimum of 30 days; and

214.13 (3) have completed all preservice and first-90-days training required for licensing.

214.14 **EFFECTIVE DATE.** This section is effective July 1, 2025.

214.15 Sec. 11. Minnesota Statutes 2024, section 142B.51, subdivision 2, is amended to read:

214.16 **Subd. 2. Child passenger restraint systems; training requirement.** (a) Programs
 214.17 licensed by the Department of Human Services under chapter 245A or the Department of
 214.18 Children, Youth, and Families under this chapter and Minnesota Rules, chapter 2960, that
 214.19 serve a child or children under ~~eight~~ nine years of age must document training that fulfills
 214.20 the requirements in this subdivision.

214.21 (b) Before a license holder, staff person, or caregiver transports a child or children under
 214.22 age ~~eight~~ nine in a motor vehicle, the person transporting the child must satisfactorily
 214.23 complete training on the proper use and installation of child restraint systems in motor
 214.24 vehicles. Training completed under this section may be used to meet initial or ongoing
 214.25 training under Minnesota Rules, part 2960.3070, subparts 1 and 2.

214.26 (c) Training required under this section must be completed at orientation or initial training
 214.27 and repeated at least once every five years. At a minimum, the training must address the
 214.28 proper use of child restraint systems based on the child's size, weight, and age, and the
 214.29 proper installation of a car seat or booster seat in the motor vehicle used by the license
 214.30 holder to transport the child or children.

215.1 (d) Training under paragraph (c) must be provided by individuals who are certified and
 215.2 approved by the Office of Traffic Safety within the Department of Public Safety. License
 215.3 holders may obtain a list of certified and approved trainers through the Department of Public
 215.4 Safety website or by contacting the agency.

215.5 ~~(e) Notwithstanding paragraph (a), for an emergency relative placement under section~~
 215.6 ~~142B.06, the commissioner may grant a variance to the training required by this subdivision~~
 215.7 ~~for a relative who completes a child seat safety check up. The child seat safety check up~~
 215.8 ~~trainer must be approved by the Department of Public Safety, Office of Traffic Safety, and~~
 215.9 ~~must provide one-on-one instruction on placing a child of a specific age in the exact child~~
 215.10 ~~passenger restraint in the motor vehicle in which the child will be transported. Once granted~~
 215.11 ~~a variance, and if all other licensing requirements are met, the relative applicant may receive~~
 215.12 ~~a license and may transport a relative foster child younger than eight years of age. A child~~
 215.13 ~~seat safety check up must be completed each time a child requires a different size car seat~~
 215.14 ~~according to car seat and vehicle manufacturer guidelines. A relative license holder must~~
 215.15 ~~complete training that meets the other requirements of this subdivision prior to placement~~
 215.16 ~~of another foster child younger than eight years of age in the home or prior to the renewal~~
 215.17 ~~of the child foster care license.~~

215.18 **EFFECTIVE DATE.** This section is effective January 1, 2026, except paragraph (e),
 215.19 which is effective July 1, 2026.

215.20 Sec. 12. Minnesota Statutes 2024, section 142B.65, subdivision 8, is amended to read:

215.21 Subd. 8. **Child passenger restraint systems; training requirement.** (a) Before a license
 215.22 holder transports a child or children under age ~~eight~~ nine in a motor vehicle, the person
 215.23 placing the child or children in a passenger restraint must satisfactorily complete training
 215.24 on the proper use and installation of child restraint systems in motor vehicles.

215.25 (b) Training required under this subdivision must be repeated at least once every five
 215.26 years. At a minimum, the training must address the proper use of child restraint systems
 215.27 based on the child's size, weight, and age, and the proper installation of a car seat or booster
 215.28 seat in the motor vehicle used by the license holder to transport the child or children.

215.29 (c) Training required under this subdivision must be provided by individuals who are
 215.30 certified and approved by the Department of Public Safety, Office of Traffic Safety. License
 215.31 holders may obtain a list of certified and approved trainers through the Department of Public
 215.32 Safety website or by contacting the agency.

216.1 (d) Child care providers that only transport school-age children as defined in section
 216.2 142B.01, subdivision 25, in child care buses as defined in section 169.448, subdivision 1,
 216.3 paragraph (e), are exempt from this subdivision.

216.4 (e) Training completed under this subdivision may be used to meet in-service training
 216.5 requirements under subdivision 9. Training completed within the previous five years is
 216.6 transferable upon a staff person's change in employment to another child care center.

216.7 **EFFECTIVE DATE.** This section is effective January 1, 2026.

216.8 Sec. 13. Minnesota Statutes 2024, section 142B.65, subdivision 9, is amended to read:

216.9 Subd. 9. **In-service training.** (a) A license holder must ensure that the center director,
 216.10 staff persons, substitutes, and unsupervised volunteers complete in-service training each
 216.11 calendar year.

216.12 (b) The center director and staff persons who work more than 20 hours per week must
 216.13 complete 24 hours of in-service training each calendar year. Staff persons who work 20
 216.14 hours or less per week must complete 12 hours of in-service training each calendar year.
 216.15 Substitutes and unsupervised volunteers must complete at least two hours of training each
 216.16 year, and the training must include the requirements of paragraphs (d) to (g) and do not
 216.17 ~~otherwise have a minimum number of hours of training to complete.~~

216.18 (c) The number of in-service training hours may be prorated for ~~individuals~~ center
 216.19 directors and staff persons not employed for an entire year.

216.20 (d) Each year, in-service training must include:

216.21 (1) the center's procedures for maintaining health and safety according to section 142B.66
 216.22 and Minnesota Rules, part 9503.0140, and handling emergencies and accidents according
 216.23 to Minnesota Rules, part 9503.0110;

216.24 (2) the reporting responsibilities under chapter 260E and Minnesota Rules, part
 216.25 9503.0130;

216.26 (3) at least one-half hour of training on the standards under section 142B.46 and on
 216.27 reducing the risk of sudden unexpected infant death as required under subdivision 6, if
 216.28 applicable; and

216.29 (4) at least one-half hour of training on the risk of abusive head trauma from shaking
 216.30 infants and young children as required under subdivision 7, if applicable.

216.31 (e) Each year, or when a change is made, whichever is more frequent, in-service training
 216.32 must be provided on: (1) the center's risk reduction plan under section 142B.54, subdivision

217.1 2; and (2) a child's individual child care program plan as required under Minnesota Rules,
217.2 part 9503.0065, subpart 3.

217.3 (f) At least once every two calendar years, the in-service training must include:

217.4 (1) child development and learning training under subdivision 3;

217.5 (2) pediatric first aid that meets the requirements of subdivision 4;

217.6 (3) pediatric cardiopulmonary resuscitation training that meets the requirements of
217.7 subdivision 5;

217.8 (4) cultural dynamics training to increase awareness of cultural differences; and

217.9 (5) disabilities training to increase awareness of differing abilities of children.

217.10 (g) At least once every five years, in-service training must include child passenger
217.11 restraint training that meets the requirements of subdivision 8, if applicable.

217.12 (h) The remaining hours of the in-service training requirement must be met by completing
217.13 training in the following content areas of the Minnesota Knowledge and Competency
217.14 Framework:

217.15 (1) Content area I: child development and learning;

217.16 (2) Content area II: developmentally appropriate learning experiences;

217.17 (3) Content area III: relationships with families;

217.18 (4) Content area IV: assessment, evaluation, and individualization;

217.19 (5) Content area V: historical and contemporary development of early childhood
217.20 education;

217.21 (6) Content area VI: professionalism;

217.22 (7) Content area VII: health, safety, and nutrition; and

217.23 (8) Content area VIII: application through clinical experiences.

217.24 (i) For purposes of this subdivision, the following terms have the meanings given them.

217.25 (1) "Child development and learning training" means training in understanding how
217.26 children develop physically, cognitively, emotionally, and socially and learn as part of the
217.27 children's family, culture, and community.

217.28 (2) "Developmentally appropriate learning experiences" means creating positive learning
217.29 experiences, promoting cognitive development, promoting social and emotional development,
217.30 promoting physical development, and promoting creative development.

218.1 (3) "Relationships with families" means training on building a positive, respectful
218.2 relationship with the child's family.

218.3 (4) "Assessment, evaluation, and individualization" means training in observing,
218.4 recording, and assessing development; assessing and using information to plan; and assessing
218.5 and using information to enhance and maintain program quality.

218.6 (5) "Historical and contemporary development of early childhood education" means
218.7 training in past and current practices in early childhood education and how current events
218.8 and issues affect children, families, and programs.

218.9 (6) "Professionalism" means training in knowledge, skills, and abilities that promote
218.10 ongoing professional development.

218.11 (7) "Health, safety, and nutrition" means training in establishing health practices, ensuring
218.12 safety, and providing healthy nutrition.

218.13 (8) "Application through clinical experiences" means clinical experiences in which a
218.14 person applies effective teaching practices using a range of educational programming models.

218.15 (j) The license holder must ensure that documentation, as required in subdivision 10,
218.16 includes the number of total training hours required to be completed, name of the training,
218.17 the Minnesota Knowledge and Competency Framework content area, number of hours
218.18 completed, and the director's approval of the training.

218.19 (k) In-service training completed by a staff person that is not specific to that child care
218.20 center is transferable upon a staff person's change in employment to another child care
218.21 program.

218.22 Sec. 14. Minnesota Statutes 2024, section 142B.66, subdivision 3, is amended to read:

218.23 Subd. 3. **Emergency preparedness.** (a) A licensed child care center must have a written
218.24 emergency plan for emergencies that require evacuation, sheltering, or other protection of
218.25 a child, such as fire, natural disaster, intruder, or other threatening situation that may pose
218.26 a health or safety hazard to a child. The plan must be written on a form developed by the
218.27 commissioner and must include:

218.28 (1) procedures for an evacuation, relocation, shelter-in-place, or lockdown;

218.29 (2) a designated relocation site and evacuation route;

218.30 (3) procedures for notifying a child's parent or legal guardian of the evacuation, relocation,
218.31 shelter-in-place, or lockdown, including procedures for reunification with families;

219.1 (4) accommodations for a child with a disability or a chronic medical condition;

219.2 (5) procedures for storing a child's medically necessary medicine that facilitates easy
219.3 removal during an evacuation or relocation;

219.4 (6) procedures for continuing operations in the period during and after a crisis;

219.5 (7) procedures for communicating with local emergency management officials, law
219.6 enforcement officials, or other appropriate state or local authorities; and

219.7 (8) accommodations for infants and toddlers.

219.8 (b) The license holder must train staff persons on the emergency plan at orientation,
219.9 when changes are made to the plan, and at least once each calendar year. Training must be
219.10 documented in each staff person's personnel file.

219.11 (c) The license holder must conduct drills according to the requirements in Minnesota
219.12 Rules, part 9503.0110, subpart 3. The date and time of the drills must be documented.

219.13 (d) The license holder must review and update the emergency plan ~~annually~~ each calendar
219.14 year. Documentation of the ~~annual~~ yearly emergency plan review shall be maintained in
219.15 the program's administrative records.

219.16 (e) The license holder must include the emergency plan in the program's policies and
219.17 procedures as specified under section 142B.10, subdivision 21. The license holder must
219.18 provide a physical or electronic copy of the emergency plan to the child's parent or legal
219.19 guardian upon enrollment.

219.20 (f) The relocation site and evacuation route must be posted in a visible place as part of
219.21 the written procedures for emergencies and accidents in Minnesota Rules, part 9503.0140,
219.22 subpart 21.

219.23 Sec. 15. Minnesota Statutes 2024, section 142B.70, subdivision 7, is amended to read:

219.24 Subd. 7. **Child passenger restraint systems; training requirement.** (a) A license
219.25 holder must comply with all seat belt and child passenger restraint system requirements
219.26 under section 169.685.

219.27 (b) Family and group family child care programs licensed by the Department of Children,
219.28 Youth, and Families that serve a child or children under ~~eight~~ nine years of age must
219.29 document training that fulfills the requirements in this subdivision.

219.30 (1) Before a license holder, second adult caregiver, substitute, or helper transports a
219.31 child or children under age ~~eight~~ nine in a motor vehicle, the person placing the child or

220.1 children in a passenger restraint must satisfactorily complete training on the proper use and
220.2 installation of child restraint systems in motor vehicles. Training completed under this
220.3 subdivision may be used to meet initial training under subdivision 1 or ongoing training
220.4 under subdivision 8.

220.5 (2) Training required under this subdivision must be at least one hour in length, completed
220.6 at initial training, and repeated at least once every five years. At a minimum, the training
220.7 must address the proper use of child restraint systems based on the child's size, weight, and
220.8 age, and the proper installation of a car seat or booster seat in the motor vehicle used by the
220.9 license holder to transport the child or children.

220.10 (3) Training under this subdivision must be provided by individuals who are certified
220.11 and approved by the Department of Public Safety, Office of Traffic Safety. License holders
220.12 may obtain a list of certified and approved trainers through the Department of Public Safety
220.13 website or by contacting the agency.

220.14 (c) Child care providers that only transport school-age children as defined in section
220.15 142B.01, subdivision 13, paragraph (f), in child care buses as defined in section 169.448,
220.16 subdivision 1, paragraph (e), are exempt from this subdivision.

220.17 **EFFECTIVE DATE.** This section is effective January 1, 2026.

220.18 Sec. 16. Minnesota Statutes 2024, section 142B.70, subdivision 8, is amended to read:

220.19 Subd. 8. **Training requirements for family and group family child care.** (a) For
220.20 purposes of family and group family child care, the license holder and each second adult
220.21 caregiver must complete 16 hours of ongoing training each year. Repeat of topical training
220.22 requirements in subdivisions 3 to 9 shall count toward the annual 16-hour training
220.23 requirement. Additional ongoing training subjects to meet the annual 16-hour training
220.24 requirement must be selected from the following areas:

220.25 (1) child development and learning training in understanding how a child develops
220.26 physically, cognitively, emotionally, and socially, and how a child learns as part of the
220.27 child's family, culture, and community;

220.28 (2) developmentally appropriate learning experiences, including training in creating
220.29 positive learning experiences, promoting cognitive development, promoting social and
220.30 emotional development, promoting physical development, promoting creative development;
220.31 and behavior guidance;

220.32 (3) relationships with families, including training in building a positive, respectful
220.33 relationship with the child's family;

221.1 (4) assessment, evaluation, and individualization, including training in observing,
 221.2 recording, and assessing development; assessing and using information to plan; and assessing
 221.3 and using information to enhance and maintain program quality;

221.4 (5) historical and contemporary development of early childhood education, including
 221.5 training in past and current practices in early childhood education and how current events
 221.6 and issues affect children, families, and programs;

221.7 (6) professionalism, including training in knowledge, skills, and abilities that promote
 221.8 ongoing professional development; and

221.9 (7) health, safety, and nutrition, including training in establishing healthy practices;
 221.10 ensuring safety; and providing healthy nutrition.

221.11 (b) A provider who is approved as a trainer through the Develop data system may count
 221.12 up to two hours of training instruction toward the annual 16-hour training requirement in
 221.13 paragraph (a). The provider may only count training instruction hours for the first instance
 221.14 in which they deliver a particular content-specific training during each licensing year. Hours
 221.15 counted as training instruction must be approved through the Develop data system with
 221.16 attendance verified on the trainer's individual learning record and must be in Knowledge
 221.17 and Competency Framework content area VII A (Establishing Healthy Practices) or B
 221.18 (Ensuring Safety).

221.19 (c) Substitutes and adult caregivers who provide care for 500 or fewer hours per year
 221.20 must complete a minimum of one hour of training each calendar year, and the training must
 221.21 include the requirements in subdivisions 3, 4, 5, 6, and 9.

221.22 Sec. 17. Minnesota Statutes 2024, section 142B.77, is amended to read:

221.23 **142B.77 SUPERVISION OF REQUIREMENTS FOR FAMILY CHILD CARE**
 221.24 **LICENSE HOLDER'S OWN CHILD.**

221.25 **Subdivision 1. Supervision of license holder's own child.** (a) Notwithstanding Minnesota
 221.26 Rules, part 9502.0365, subpart 5, and with the license holder's consent, an individual may
 221.27 be present in the licensed space, may supervise the family child care license holder's own
 221.28 child both inside and outside of the licensed space, and is exempt from the training and
 221.29 supervision requirements of this chapter and Minnesota Rules, chapter 9502, if the individual:

221.30 (1) is related to the license holder or to the license holder's child, as defined in section
 221.31 142B.01, subdivision 15, or is a household member who the license holder has reported to
 221.32 the county agency;

- 222.1 (2) is not a designated caregiver, helper, or substitute for the licensed program;
- 222.2 (3) is involved only in the care of the license holder's own child; and
- 222.3 (4) does not have direct, unsupervised contact with any nonrelative children receiving
- 222.4 services.

222.5 (b) If the individual in paragraph (a) is not a household member, the individual is also

222.6 exempt from background study requirements under chapter 245C.

222.7 Subd. 2. **Exclusion from licensed capacity.** For the purposes of licensed capacity

222.8 requirements under Minnesota Rules, part 9502.0367, one of a license holder's own children

222.9 is excluded from licensed capacity, provided the excluded child is at least eight years old

222.10 and the license holder has never been determined to have maltreated a child or vulnerable

222.11 adult under section 626.557 or chapter 260E.

222.12 Sec. 18. Minnesota Statutes 2024, section 142C.06, is amended by adding a subdivision

222.13 to read:

222.14 Subd. 4. **Requirement to post conditional certification.** Upon receipt of any order of

222.15 conditional certification issued by the commissioner under this section, and notwithstanding

222.16 a pending request for reconsideration of the order of conditional certification by the

222.17 certification holder, the certification holder shall post the order of conditional certification

222.18 in a place that is conspicuous to the people receiving services and all visitors to the facility

222.19 for the duration of the conditional certification. When the order of conditional certification

222.20 is accompanied by a maltreatment investigation memorandum prepared under chapter 260E,

222.21 the investigation memoranda must be posted with the order of conditional certification.

222.22 Sec. 19. Minnesota Statutes 2024, section 142C.11, subdivision 8, is amended to read:

222.23 **Subd. 8. Required policies.** A certified center must have written policies for health and

222.24 safety items in subdivisions 1 to 6, 9, and 10.

222.25 Sec. 20. Minnesota Statutes 2024, section 142C.12, subdivision 1, is amended to read:

222.26 **Subdivision 1. First aid and cardiopulmonary resuscitation.** (a) Before having

222.27 unsupervised direct contact with a child, but within 90 days after the first date of direct

222.28 contact with a child, the director, all staff persons, substitutes, and unsupervised volunteers

222.29 must successfully complete pediatric first aid and pediatric cardiopulmonary resuscitation

222.30 (CPR) training, unless the training has been completed within the previous two calendar

222.31 years. Staff must complete the pediatric first aid and pediatric CPR training at least every

223.1 other calendar year and the center must document the training in the staff person's personnel
223.2 record.

223.3 (b) Training completed under this subdivision may be used to meet the in-service training
223.4 requirements under subdivision 6.

223.5 (c) Training must include CPR and techniques for providing immediate care to people
223.6 experiencing life-threatening cardiac emergencies, choking, bleeding, fractures and sprains,
223.7 head injuries, poisoning, and burns. Training developed by the American Heart Association,
223.8 the American Red Cross, or another organization that uses nationally recognized,
223.9 evidence-based guidelines meets these requirements.

223.10 **EFFECTIVE DATE.** This section is effective January 1, 2026.

223.11 Sec. 21. Minnesota Statutes 2024, section 142C.12, subdivision 6, is amended to read:

223.12 Subd. 6. **In-service training.** (a) The certified center must ensure that the director and
223.13 all staff persons, including substitutes and unsupervised volunteers, are trained at least once
223.14 each calendar year on health and safety requirements in this section and sections 142C.10,
223.15 142C.11, and 142C.13.

223.16 (b) The director and each staff person, not including substitutes, must complete at least
223.17 six hours of training each calendar year. Substitutes must complete at least two hours of
223.18 training each calendar year. Training required under paragraph (a) may be used toward the
223.19 hourly training requirements of this subdivision.

223.20 Sec. 22. Minnesota Statutes 2024, section 245A.18, subdivision 1, is amended to read:

223.21 Subdivision 1. **Seat belt and child passenger restraint system use.** All license holders
223.22 that transport children must comply with the requirements of section 142B.51, subdivision
223.23 1, and license holders that transport a child or children under ~~eight~~ nine years of age must
223.24 document training that fulfills the requirements in section 142B.51, subdivision 2.

223.25 **EFFECTIVE DATE.** This section is effective January 1, 2026.

223.26 Sec. 23. **DIRECTION TO COMMISSIONER OF CHILDREN, YOUTH, AND**
223.27 **FAMILIES; STANDARDIZED LICENSING VISIT TIMELINE AND**
223.28 **REQUIREMENTS.**

223.29 (a) The commissioner of children, youth, and families must, in consultation with
223.30 stakeholders, develop and implement a standardized timeline and standards for the conduct

224.1 of licensors when conducting inspections of licensed child care centers. The timeline and
 224.2 standards developed by the commissioner must clearly identify:

224.3 (1) the steps of a licensing visit;

224.4 (2) the expectations for licensors and license holders before, during, and after the licensing
 224.5 visit;

224.6 (3) the standards of conduct that licensors must follow during a visit;

224.7 (4) the rights of license holders;

224.8 (5) when and how license holders can request technical assistance; and

224.9 (6) a process for license holders to request additional review of an issue related to the
 224.10 licensing visit from someone other than the assigned licensor.

224.11 (b) The timeline and standards must be implemented by January 1, 2026.

224.12 **EFFECTIVE DATE.** This section is effective January 1, 2026.

224.13 **Sec. 24. DIRECTION TO COMMISSIONER OF CHILDREN, YOUTH, AND**
 224.14 **FAMILIES; STANDARDIZED COUNTY-DELEGATED LICENSING.**

224.15 By January 1, 2026, the commissioner of children, youth, and families must:

224.16 (1) establish time frames for county licensors to respond to time-sensitive or urgent
 224.17 requests and implement a system to track response times to the requests; and

224.18 (2) require county licensors to use the electronic licensing inspection tool during an
 224.19 inspection of a family child care provider and to complete the inspection report on site with
 224.20 the license holder, including direct communication related to any correction orders issued.

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

224.22 **Sec. 25. REPEALER.**

224.23 Minnesota Rules, part 9503.0030, subpart 1, item B, is repealed.

224.24 **EFFECTIVE DATE.** This section is effective August 1, 2025.

ARTICLE 13

MISCELLANEOUS

Section 1. [135A.1367] OPIATE ANTAGONIST.

Subdivision 1. Definition. For purposes of this section, "opiate antagonist" has the meaning given in section 604A.04, subdivision 1.

Subd. 2. Minnesota State Colleges and Universities; University of Minnesota. (a) The Board of Trustees of the Minnesota State Colleges and Universities shall, and the Board of Regents of the University of Minnesota is requested to:

(1) maintain a supply of opiate antagonists at each campus site to be administered in compliance with section 151.37, subdivision 12; and

(2) have at least two doses of a nasal opiate antagonist available on site at each campus residential building.

(b) The commissioner of health shall identify resources, including at least one training video, to help postsecondary institutions implement an opiate antagonist emergency response and make the resources available for institutions.

(c) The Board of Trustees and the Board of Regents may adopt a model plan for use, storage, and administration of opiate antagonists on system campuses.

Subd. 3. Tribal colleges. (a) The commissioner of health shall distribute money to Leech Lake Tribal College, White Earth Tribal College, and Red Lake Nation Tribal College to make opiate antagonists available according to paragraph (b). The commissioner may determine an appropriate method to equitably allocate the amounts appropriated among the colleges.

(b) A Tribal college receiving money under this section must:

(1) maintain a supply of opiate antagonists at each campus site to be administered in compliance with section 151.37, subdivision 12; and

(2) have at least two doses of a nasal opiate antagonist available on site at each campus residential building.

EFFECTIVE DATE. This section is effective beginning in the 2025-2026 academic year.

226.1 Sec. 2. Minnesota Statutes 2024, section 145C.01, is amended by adding a subdivision to
226.2 read:

226.3 Subd. 1c. **Emergency medical services provider.** "Emergency medical services provider"
226.4 means:

226.5 (1) an ambulance service licensed under chapter 144E;

226.6 (2) a medical response unit as defined in section 144E.275, subdivision 1;

226.7 (3) an emergency medical responder as defined in section 144E.001, subdivision 6; or

226.8 (4) ambulance service personnel as defined in section 144E.001, subdivision 3a.

226.9 Sec. 3. Minnesota Statutes 2024, section 145C.01, is amended by adding a subdivision to
226.10 read:

226.11 Subd. 7b. **Nonopioid directive.** "Nonopioid directive" means a written instrument that
226.12 includes one or more instructions that a patient must not be administered an opioid by a
226.13 health professional or be offered a prescription for an opioid by a prescriber.

226.14 Sec. 4. Minnesota Statutes 2024, section 145C.01, is amended by adding a subdivision to
226.15 read:

226.16 Subd. 7c. **Prescriber.** "Prescriber" means an individual who is authorized by section
226.17 148.235; 151.01, subdivision 23; or 151.37 to prescribe prescription drugs.

226.18 Sec. 5. Minnesota Statutes 2024, section 145C.17, is amended to read:

226.19 **145C.17 OPIOID INSTRUCTIONS ENTERED INTO HEALTH RECORD.**

226.20 At the request of the patient or health care agent, a health care provider shall enter into
226.21 the patient's health care record any instructions relating to administering, dispensing, or
226.22 prescribing an opioid. A health care provider presented with a nonopioid directive executed
226.23 by or on behalf of a patient must include the nonopioid directive in the patient's health care
226.24 record. A health care provider receiving notice of revocation of a patient's nonopioid directive
226.25 must note the revocation in the patient's health care record.

226.26 Sec. 6. **[145C.18] NONOPIOID DIRECTIVE.**

226.27 Subdivision 1. **Execution.** A patient with the capacity to do so may execute a nonopioid
226.28 directive on the patient's own behalf. A patient's health care agent may execute a nonopioid
226.29 directive on behalf of the patient. A nonopioid directive must include one or more instructions

227.1 that the patient must not be administered an opioid by a health professional or be offered a
227.2 prescription for an opioid by a prescriber.

227.3 Subd. 2. **Revocation.** A patient who executed a nonopioid directive on the patient's own
227.4 behalf may revoke the nonopioid directive at any time and in any manner in which the
227.5 patient is able to communicate an intent to revoke the nonopioid directive. A patient's health
227.6 care agent may revoke the nonopioid directive executed on behalf of a patient by executing
227.7 a written, dated statement of revocation and by providing notice of the revocation to the
227.8 patient's health care provider.

227.9 Subd. 3. **Compliance with nonopioid directive; exception.** (a) Except as specified in
227.10 paragraph (b), prescribers and health professionals must comply with a nonopioid directive
227.11 executed under this section.

227.12 (b) A prescriber or a health professional acting on the order of a prescriber may administer
227.13 an opioid to a patient with a nonopioid directive if:

227.14 (1) the patient is being treated, in emergency circumstances, in a hospital setting or in
227.15 a setting outside a hospital;

227.16 (2) in the prescriber's professional opinion, it is medically necessary to administer an
227.17 opioid to the patient in order to treat the patient, including but not limited to during a surgical
227.18 procedure when one or more complications arise; and

227.19 (3) it is not practical or feasible for the prescriber or health professional to access the
227.20 patient's health care record.

227.21 If an opioid is administered according to this paragraph to a patient with a nonopioid
227.22 directive, the prescriber must ensure that the patient is provided with information on substance
227.23 use disorder services.

227.24 Subd. 4. **Immunities.** Except as otherwise provided by law, the following persons or
227.25 entities are not subject to criminal prosecution, civil liability, or professional disciplinary
227.26 action for failing to prescribe, administer, or dispense an opioid to a patient with a nonopioid
227.27 directive; for the administration of an opioid in the circumstances in subdivision 3, paragraph
227.28 (b), to a patient with a nonopioid directive; or for the inadvertent administration of an opioid
227.29 to a patient with a nonopioid directive, if the act or failure to act was performed in good
227.30 faith and in accordance with the applicable standard of care:

227.31 (1) a health professional whose scope of practice includes prescribing, administering,
227.32 or dispensing a controlled substance;

227.33 (2) an employee of a health professional described in clause (1);

228.1 (3) a health care facility or an employee of a health care facility; or

228.2 (4) an emergency medical services provider.

228.3 Subd. 5. **Nonopioid directive form.** The commissioner of health must develop a
 228.4 nonopioid directive form for use by patients and health care agents to communicate to health
 228.5 professionals and prescribers that a patient with a nonopioid directive must not be
 228.6 administered an opioid or offered a prescription for an opioid. The commissioner must
 228.7 include on the nonopioid directive form instructions for how to revoke a nonopioid directive
 228.8 and other information the commissioner deems relevant. The commissioner must post the
 228.9 form on the Department of Health website.

228.10 Sec. 7. Minnesota Statutes 2024, section 151.37, subdivision 12, is amended to read:

228.11 **Subd. 12. Administration of opiate antagonists for drug overdose.** (a) A licensed
 228.12 physician, a licensed advanced practice registered nurse authorized to prescribe drugs
 228.13 pursuant to section 148.235, or a licensed physician assistant may authorize the following
 228.14 individuals to administer opiate antagonists, as defined in section 604A.04, subdivision 1:

228.15 (1) an emergency medical responder registered pursuant to section 144E.27;

228.16 (2) a peace officer as defined in section 626.84, subdivision 1, paragraphs (c) and (d);

228.17 (3) correctional employees of a state or local political subdivision;

228.18 (4) staff of community-based health disease prevention or social service programs;

228.19 (5) a volunteer firefighter;

228.20 (6) a nurse or any other personnel employed by, or under contract with, a postsecondary
 228.21 institution or a charter, public, or private school; and

228.22 (7) transit rider investment program personnel authorized under section 473.4075.

228.23 (b) For the purposes of this subdivision, opiate antagonists may be administered by one
 228.24 of these individuals only if:

228.25 (1) the licensed physician, licensed physician assistant, or licensed advanced practice
 228.26 registered nurse has issued a standing order to, or entered into a protocol with, the individual;
 228.27 and

228.28 (2) the individual has training in the recognition of signs of opiate overdose and the use
 228.29 of opiate antagonists as part of the emergency response to opiate overdose.

228.30 (c) Nothing in this section prohibits the possession and administration of naloxone
 228.31 pursuant to section 604A.04.

229.1 (d) Notwithstanding section 148.235, subdivisions 8 and 9, a licensed practical nurse is
229.2 authorized to possess and administer according to this subdivision an opiate antagonist in
229.3 a school setting.

229.4 Sec. 8. [325M.335] MENTAL HEALTH WARNING LABEL.

229.5 Subdivision 1. **Warning label required.** (a) A social media platform must ensure that
229.6 a conspicuous mental health warning label that complies with the requirements under this
229.7 section:

229.8 (1) appears each time a user accesses the social media platform; and

229.9 (2) only disappears when the user: (i) exits the social media platform; or (ii) acknowledges
229.10 the potential for harm and chooses to proceed to the social media platform despite the risk.

229.11 (b) A mental health warning label under this section must:

229.12 (1) in a manner that conforms with the guidelines established under subdivision 2, warn
229.13 the user of potential negative mental health impacts of accessing the social media platform;
229.14 and

229.15 (2) provide the user access to resources to address the potential negative mental health
229.16 impacts described in clause (1) and include the website and telephone number of a national
229.17 suicide prevention and mental health crisis hotline system, including but not limited to the
229.18 988 Suicide and Crisis Lifeline.

229.19 (c) A social media platform is prohibited from:

229.20 (1) providing the warning label exclusively in the social media platform's terms and
229.21 conditions;

229.22 (2) including extraneous information in the warning label that obscures the visibility or
229.23 prominence of the warning label; or

229.24 (3) allowing a user to disable a warning label, except as provided under paragraph (a).

229.25 Subd. 2. **Content of label.** (a) The commissioner of health, in consultation with the
229.26 commissioner of commerce, must develop guidelines for social media platforms that contain
229.27 appropriate requirements for the warning labels required under this section. The guidelines
229.28 must be based on current evidence regarding the negative mental health impacts of social
229.29 media platforms. The commissioners must review and revise the guidelines as appropriate.

229.30 (b) The commissioner of health is exempt from chapter 14, including section 14.386,
229.31 when implementing this subdivision.

230.1 Sec. 9. Minnesota Statutes 2024, section 325M.34, is amended to read:

230.2 **325M.34 ENFORCEMENT AUTHORITY.**

230.3 (a) The attorney general may investigate and bring an action against a social media
230.4 platform for an alleged violation of section 325M.33 or 325M.335.

230.5 (b) Nothing in sections 325M.30 to 325M.34 creates a private cause of action in favor
230.6 of a person injured by a violation of section 325M.33.

230.7 **ARTICLE 14**

230.8 **DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS**

230.9 Section 1. **HUMAN SERVICES APPROPRIATIONS.**

230.10 The sums shown in the columns marked "Appropriations" are appropriated to the
230.11 commissioner of human services for the purposes specified in this article. The appropriations
230.12 are from the general fund, or another named fund, and are available for the fiscal years
230.13 indicated for each purpose. The figures "2026" and "2027" used in this article mean that
230.14 the appropriations listed under them are available for the fiscal year ending June 30, 2026,
230.15 or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second year" is
230.16 fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

230.17		<u>APPROPRIATIONS</u>	
230.18		<u>Available for the Year</u>	
230.19		<u>Ending June 30</u>	
230.20		<u>2026</u>	<u>2027</u>
230.21	Sec. 2. <u>COMMISSIONER OF HUMAN</u>		
230.22	<u>SERVICES</u>	<u>\$ 2,865,274,000</u>	<u>\$ 2,954,109,000</u>

230.23 **Subdivision 1. Total Appropriation**

230.24	<u>Appropriations by Fund</u>		
230.25		<u>2026</u>	<u>2027</u>
230.26	<u>General</u>	<u>1,583,167,000</u>	<u>1,795,471,000</u>
230.27	<u>Health Care Access</u>	<u>1,282,107,000</u>	<u>1,158,634,000</u>

230.28 The amounts that may be spent for each
230.29 purpose are specified in this article.

230.30 **Subd. 2. Information Technology Appropriations**

230.31 **(a) IT appropriations generally. This**
230.32 **appropriation includes money for information**
230.33 **technology projects, services, and support.**
230.34 **Funding for information technology project**

231.1 costs must be incorporated into the
 231.2 service-level agreement and paid to Minnesota
 231.3 IT Services by the Department of Human
 231.4 Services under the rates and mechanism
 231.5 specified in that agreement.

231.6 **(b) Receipts for systems project.**
 231.7 Appropriations and federal receipts for
 231.8 information technology systems projects for
 231.9 MMIS and METS must be deposited in the
 231.10 state systems account authorized in Minnesota
 231.11 Statutes, section 256.014. Money appropriated
 231.12 for information technology projects approved
 231.13 by the commissioner of Minnesota IT
 231.14 Services, funded by the legislature, and
 231.15 approved by the commissioner of management
 231.16 and budget may be transferred from one
 231.17 project to another and from development to
 231.18 operations as the commissioner of human
 231.19 services deems necessary. Any unexpended
 231.20 balance in the appropriation for these projects
 231.21 does not cancel and is available for ongoing
 231.22 development and operations.

231.23 **Sec. 3. CENTRAL OFFICE; OPERATIONS**

231.24 <u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>232,000</u>	<u>\$</u>	<u>232,000</u>
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231.25 **Subd. 2. Base Level Adjustment**

231.26 The base for this section is \$75,000 in fiscal
 231.27 year 2028 and \$75,000 in fiscal year 2029.

231.28 **Sec. 4. CENTRAL OFFICE; HEALTH CARE**

231.29 <u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>3,964,000</u>	<u>\$</u>	<u>24,131,000</u>
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231.30 **Subd. 2. Base Level Adjustment**

231.31 The base for this section is \$44,158,000 in
 231.32 fiscal year 2028 and \$44,158,000 in fiscal year
 231.33 2029.

233.1 Subd. 2. Administration. Positions, salary money, and nonsalary administrative money
 233.2 may be transferred within the Department of Human Services as the commissioner deems
 233.3 necessary, with the advance approval of the commissioner of management and budget. The
 233.4 commissioner shall report to the chairs and ranking minority members of the legislative
 233.5 committees with jurisdiction over health and human services finance quarterly about transfers
 233.6 made under this section.

233.7 Sec. 10. GRANT ADMINISTRATION COSTS.

233.8 The administrative costs retention requirement under Minnesota Statutes, section 16B.98,
 233.9 subdivision 14, is inapplicable to any appropriation in this article for a grant.

233.10 Sec. 11. APPROPRIATIONS GIVEN EFFECT ONCE.

233.11 If an appropriation, cancellation, or transfer in this article is enacted more than once
 233.12 during the 2025 regular session, the appropriation, cancellation, or transfer must be given
 233.13 effect once.

233.14 Sec. 12. EXPIRATION OF UNCODIFIED LANGUAGE.

233.15 All uncodified language contained in this article expires June 30, 2027, unless a different
 233.16 expiration date is explicit or an appropriation is made available beyond June 30, 2027.

233.17 **ARTICLE 15**

233.18 **DEPARTMENT OF HEALTH APPROPRIATIONS**

233.19 Section 1. HEALTH APPROPRIATIONS.

233.20 The sums shown in the columns marked "Appropriations" are appropriated to the
 233.21 commissioner of health for the purposes specified in this article. The appropriations are
 233.22 from the general fund, or another named fund, and are available for the fiscal years indicated
 233.23 for each purpose. The figures "2026" and "2027" used in this article mean that the
 233.24 appropriations listed under them are available for the fiscal year ending June 30, 2026, or
 233.25 June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second year" is fiscal
 233.26 year 2027. "The biennium" is fiscal years 2026 and 2027.

233.27			<u>APPROPRIATIONS</u>	
233.28			<u>Available for the Year</u>	
233.29			<u>Ending June 30</u>	
233.30			<u>2026</u>	<u>2027</u>
233.31	Sec. 2. <u>COMMISSIONER OF HEALTH</u>	<u>\$</u>	<u>413,039,000</u>	<u>\$</u>
				<u>410,410,000</u>

234.1 Appropriations by Fund

234.2	<u>2026</u>	<u>2027</u>
234.3 <u>General</u>	<u>265,883,000</u>	<u>264,366,000</u>
234.4 <u>State Government</u>		
234.5 <u>Special Revenue</u>	<u>80,678,000</u>	<u>80,512,000</u>
234.6 <u>Health Care Access</u>	<u>54,765,000</u>	<u>53,819,000</u>
234.7 <u>Federal TANF</u>	<u>11,713,000</u>	<u>11,713,000</u>

234.8 The amounts that may be spent for each
 234.9 purpose are specified in this article.

234.10 Sec. 3. HEALTH IMPROVEMENT

234.11 Subdivision 1. Total Appropriation \$ 285,240,000 \$ 280,679,000

234.12 Appropriations by Fund

234.13 <u>General</u>	<u>210,915,000</u>	<u>208,746,000</u>
234.14 <u>State Government</u>		
234.15 <u>Special Revenue</u>	<u>9,258,000</u>	<u>9,258,000</u>
234.16 <u>Health Care Access</u>	<u>53,354,000</u>	<u>50,962,000</u>
234.17 <u>Federal TANF</u>	<u>11,713,000</u>	<u>11,713,000</u>

234.18 Subd. 2. Local and Tribal Public Health
 234.19 Cannabis and Substance Misuse Grant Program

234.20 \$6,256,000 in fiscal year 2026 and \$6,256,000
 234.21 in fiscal year 2027 are from the general fund
 234.22 for the local and Tribal public health cannabis
 234.23 and substance misuse grant program under
 234.24 Minnesota Statutes, section 144.197,
 234.25 subdivision 4.

234.26 Subd. 3. Cannabis and Substance Misuse
 234.27 Prevention and Education Programs; Youth
 234.28 Prevention and Education Program

234.29 \$4,876,000 in fiscal year 2026 and \$4,890,000
 234.30 in fiscal year 2027 are from the general fund
 234.31 for the cannabis and substance misuse youth
 234.32 prevention and education program under
 234.33 Minnesota Statutes, section 144.197,
 234.34 subdivision 1.

235.1 Subd. 4. **Public Health Infrastructure Funds**

235.2 \$4,000,000 in fiscal year 2026 and \$4,000,000
235.3 in fiscal year 2027 are from the general fund
235.4 to distribute to community health boards and
235.5 Tribal governments to support their ability to
235.6 meet national public health standards.

235.7 Subd. 5. **Sexual and Reproductive Health**
235.8 **Services Grant Program**

235.9 \$11,483,000 in fiscal year 2026 and
235.10 \$11,483,000 in fiscal year 2027 are from the
235.11 general fund for the sexual and reproductive
235.12 health services grant program under Minnesota
235.13 Statutes, section 145.925.

235.14 Subd. 6. **Internal Policy to Promote Diversity,**
235.15 **Equity, and Inclusion**

235.16 The general fund appropriations in this section
235.17 include reductions of \$337,000 in fiscal year
235.18 2026 and \$337,000 in fiscal year 2027 for an
235.19 internal Department of Health policy to
235.20 promote diversity, equity, and inclusion
235.21 funded under Laws 2023, chapter 70.

235.22 Subd. 7. **Partner Engagement and Staffing**

235.23 The general fund appropriations in this section
235.24 include reductions of \$110,000 in fiscal year
235.25 2026 and \$110,000 in fiscal year 2027 for
235.26 partner engagement and staffing activities
235.27 funded under Laws 2023, chapter 70, and
235.28 Laws 2021, First Special Session chapter 7.

235.29 Subd. 8. **Development of Nonopioid Directive**
235.30 **Form**

235.31 \$10,000 in fiscal year 2026 is from the general
235.32 fund for the development of a nonopioid
235.33 directive form under Minnesota Statutes,
235.34 section 145C.18, subdivision 5.

- 236.1 **Subd. 9. Spoken Language Health Care**
236.2 **Interpreter Work Group**
- 236.3 \$150,000 in fiscal year 2026 is from the
236.4 general fund for the spoken language health
236.5 care interpreter work group. This appropriation
236.6 is available until June 30, 2027.
- 236.7 **Subd. 10. Dementia Services Program**
- 236.8 \$500,000 in fiscal year 2026 and \$500,000 in
236.9 fiscal year 2027 are from the general fund for
236.10 the dementia services program under
236.11 Minnesota Statutes, section 144.063.
- 236.12 **Subd. 11. Opiate Antagonists at Tribal Colleges**
- 236.13 \$75,000 in fiscal year 2026 and \$75,000 in
236.14 fiscal year 2027 are from the general fund to
236.15 make opiate antagonists available at Tribal
236.16 colleges under Minnesota Statutes, section
236.17 135A.1367, subdivision 3.
- 236.18 **Subd. 12. Materials on Recognizing Signs of**
236.19 **Physical Abuse in Infants**
- 236.20 \$55,000 in fiscal year 2026 is from the general
236.21 fund for the development of materials on
236.22 recognizing the signs of physical abuse in
236.23 infants under Minnesota Statutes, section
236.24 144.124, subdivision 2.
- 236.25 **Subd. 13. Opioid Use Prevention and Education**
- 236.26 \$500,000 in fiscal year 2026 and \$500,000 in
236.27 fiscal year 2027 are from the general fund for
236.28 a grant to Change the Outcome to provide:
- 236.29 (1) data-centered learning opportunities on the
236.30 dangers of opioid use in middle and high
236.31 schools and communities in Minnesota;

- 237.1 (2) instruction on prevention strategies,
237.2 assessing personal risk, and how to recognize
237.3 an overdose;
- 237.4 (3) information on emerging drug trends
237.5 including but not limited to fentanyl, xylazine,
237.6 and pressed pills; and
- 237.7 (4) access to resources, including support for
237.8 those struggling with substance use disorders.
- 237.9 **Subd. 14. Guidelines for Social Media Mental**
237.10 **Health Warning Labels**
- 237.11 \$45,000 in fiscal year 2026 is from the general
237.12 fund to develop and review guidelines for
237.13 social media mental health warning labels
237.14 under Minnesota Statutes, section 325M.335,
237.15 subdivision 2.
- 237.16 **Subd. 15. TANF Appropriations**
- 237.17 TANF funds must be used as follows:
- 237.18 (1) \$3,579,000 in fiscal year 2026 and
237.19 \$3,579,000 in fiscal year 2027 are from the
237.20 TANF fund for home visiting and nutritional
237.21 services listed under Minnesota Statutes,
237.22 section 145.882, subdivision 7, clauses (6) and
237.23 (7). Funds must be distributed to community
237.24 health boards according to Minnesota Statutes,
237.25 section 145A.131, subdivision 1;
- 237.26 (2) \$2,000,000 in fiscal year 2026 and
237.27 \$2,000,000 in fiscal year 2027 are from the
237.28 TANF fund for decreasing racial and ethnic
237.29 disparities in infant mortality rates under
237.30 Minnesota Statutes, section 145.928,
237.31 subdivision 7;
- 237.32 (3) \$4,978,000 in fiscal year 2026 and
237.33 \$4,978,000 in fiscal year 2027 are from the
237.34 TANF fund for the family home visiting grant

- 238.1 program under Minnesota Statutes, section
 238.2 145A.17. Of these amounts, \$4,000,000 in
 238.3 fiscal year 2026 and \$4,000,000 in fiscal year
 238.4 2027 must be distributed to community health
 238.5 boards under Minnesota Statutes, section
 238.6 145A.131, subdivision 1; and \$978,000 in
 238.7 fiscal year 2026 and \$978,000 in fiscal year
 238.8 2027 must be distributed to Tribal
 238.9 governments under Minnesota Statutes, section
 238.10 145A.14, subdivision 2a;
 238.11 (4) \$1,156,000 in fiscal year 2026 and
 238.12 \$1,156,000 in fiscal year 2027 are from the
 238.13 TANF fund for sexual and reproductive health
 238.14 services grants under Minnesota Statutes,
 238.15 section 145.925; and
 238.16 (5) the commissioner may use up to 6.23
 238.17 percent of the funds appropriated from the
 238.18 TANF fund each fiscal year to conduct the
 238.19 ongoing evaluations required under Minnesota
 238.20 Statutes, section 145A.17, subdivision 7, and
 238.21 training and technical assistance required
 238.22 under Minnesota Statutes, section 145A.17,
 238.23 subdivisions 4 and 5.
 238.24 **Subd. 16. TANF Carryforward**
 238.25 Any unexpended balance of the TANF
 238.26 appropriation in the first year does not cancel
 238.27 but is available in the second year.
 238.28 **Subd. 17. Base Level Adjustment**
 238.29 The general fund base for this section is
 238.30 \$207,520,000 in fiscal year 2028 and
 238.31 \$207,520,000 in fiscal year 2029.
 238.32 **Sec. 4. HEALTH PROTECTION**
 238.33 **Subdivision 1. Total Appropriation** **\$** **105,523,000** **\$** **104,982,000**

239.1 Appropriations by Fund239.2 General 34,103,000 33,728,000239.3 State Government239.4 Special Revenue 71,420,000 71,254,000239.5 Subd. 2. Infectious Disease Prevention, Early
239.6 Detection, and Outbreak Response239.7 \$1,300,000 in fiscal year 2026 and \$1,300,000239.8 in fiscal year 2027 are from the general fund239.9 for infectious disease prevention, early239.10 detection, and outbreak response activities239.11 under Minnesota Statutes, section 144.05,239.12 subdivision 1.239.13 Subd. 3. Collaborative Funding for State and
239.14 Outside Partners239.15 The general fund appropriations in this section239.16 include reductions of \$30,000 in fiscal year239.17 2026 and \$30,000 in fiscal year 2027 for239.18 collaborative funding for state and outside239.19 partners funded under Laws 2023, chapter 70.239.20 Subd. 4. Base Level Adjustments239.21 The general fund base for this section is239.22 \$33,683,000 in fiscal year 2028 and239.23 \$33,683,000 in fiscal year 2029. The state239.24 government special revenue fund base for this239.25 section is \$71,265,000 in fiscal year 2028 and239.26 \$71,277,000 in fiscal year 2029.239.27 Sec. 5. HEALTH OPERATIONS \$ 22,276,000 \$ 24,749,000239.28 Appropriations by Fund239.29 General 20,865,000 21,892,000239.30 Health Care Access 1,411,000 2,857,000239.31 Sec. 6. TRANSFERS.239.32 Positions, salary money, and nonsalary administrative money may be transferred within239.33 the Department of Health as the commissioner deems necessary with the advance approval239.34 of the commissioner of management and budget. The commissioner shall report to the chairs

240.1 and ranking minority members of the legislative committees with jurisdiction over health
240.2 finance quarterly about transfers made under this section.

240.3 **Sec. 7. INDIRECT COSTS NOT TO FUND PROGRAMS.**

240.4 The commissioner of health shall not use indirect cost allocations to pay for the
240.5 operational costs of any program for which the commissioner is responsible.

240.6 **Sec. 8. GRANT ADMINISTRATION COSTS.**

240.7 The administrative costs retention requirement under Minnesota Statutes, section 16B.98,
240.8 subdivision 14, is inapplicable to any appropriation in this article for a grant.

240.9 **Sec. 9. APPROPRIATIONS GIVEN EFFECT ONCE.**

240.10 If an appropriation, cancellation, or transfer in this article is enacted more than once
240.11 during the 2025 regular session, the appropriation, cancellation, or transfer must be given
240.12 effect once.

240.13 **Sec. 10. EXPIRATION OF UNCODIFIED LANGUAGE.**

240.14 All uncodified language contained in this article expires on June 30, 2027, unless a
240.15 different expiration date is explicit or an appropriation is made available after June 30, 2027.

240.16 **ARTICLE 16**

240.17 **DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES**
240.18 **APPROPRIATIONS**

240.19 **Section 1. CHILDREN, YOUTH, AND FAMILIES APPROPRIATIONS.**

240.20 The sums shown in the columns marked "Appropriations" are appropriated to the
240.21 commissioner of children, youth, and families for the purposes specified in this article. The
240.22 appropriations are from the general fund, or another named fund, and are available for the
240.23 fiscal years indicated for each purpose. The figures "2026" and "2027" used in this article
240.24 mean that the appropriations listed under them are available for the fiscal year ending June
240.25 30, 2026, or June 30, 2027, respectively. "The first year" is fiscal year 2026. "The second
240.26 year" is fiscal year 2027. "The biennium" is fiscal years 2026 and 2027.

240.27		<u>APPROPRIATIONS</u>	
240.28		<u>Available for the Year</u>	
240.29		<u>Ending June 30</u>	
240.30		<u>2026</u>	<u>2027</u>
240.31	Sec. 2. <u>TOTAL APPROPRIATION</u>	<u>\$ 1,312,922,000</u>	<u>\$ 1,341,755,000</u>

241.1	<u>Appropriations by Fund</u>	
241.2	<u>2026</u>	<u>2027</u>
241.3	<u>General</u>	<u>1,084,762,000</u> <u>1,093,133,000</u>
241.4	<u>State Government</u>	
241.5	<u>Special Revenue</u>	<u>732,000</u> <u>732,000</u>
241.6	<u>Federal TANF</u>	<u>227,428,000</u> <u>247,890,000</u>

241.7 The amounts that may be spent for each
 241.8 purpose are specified in the following sections.

241.9 **Sec. 3. TANF MAINTENANCE OF EFFORT**

241.10 **Subdivision 1. Nonfederal Expenditures**

241.11 The commissioner shall ensure that sufficient
 241.12 qualified nonfederal expenditures are made
 241.13 each year to meet the state's maintenance of
 241.14 effort requirements of the TANF block grant
 241.15 specified under Code of Federal Regulations,
 241.16 title 45, section 263.1. In order to meet these
 241.17 basic TANF maintenance of effort
 241.18 requirements, the commissioner may report
 241.19 as TANF maintenance of effort expenditures
 241.20 only nonfederal money expended for allowable
 241.21 activities listed in the following clauses:

241.22 (1) MFIP cash, diversionary work program,
 241.23 and food assistance benefits under Minnesota
 241.24 Statutes, chapter 142G;

241.25 (2) the child care assistance programs under
 241.26 Minnesota Statutes, sections 142E.04 and
 241.27 142E.08, and county child care administrative
 241.28 costs under Minnesota Statutes, section
 241.29 142E.02, subdivision 9;

241.30 (3) state and county MFIP administrative costs
 241.31 under Minnesota Statutes, chapters 142G and
 241.32 256K;

- 242.1 (4) state, county, and Tribal MFIP
242.2 employment services under Minnesota
242.3 Statutes, chapters 142G and 256K;
- 242.4 (5) expenditures made on behalf of legal
242.5 noncitizen MFIP recipients who qualify for
242.6 the MinnesotaCare program under Minnesota
242.7 Statutes, chapter 256L;
- 242.8 (6) qualifying working family credit
242.9 expenditures under Minnesota Statutes, section
242.10 290.0671, and child tax credit expenditures
242.11 under Minnesota Statutes, section 290.0661;
- 242.12 (7) qualifying Minnesota education credit
242.13 expenditures under Minnesota Statutes, section
242.14 290.0674; and
- 242.15 (8) qualifying Head Start expenditures under
242.16 Minnesota Statutes, section 142D.12.
- 242.17 **Subd. 2. Nonfederal Expenditures; Reporting**
- 242.18 For the activities listed in subdivision 1,
242.19 clauses (2) to (8), the commissioner may
242.20 report only expenditures that are excluded
242.21 from the definition of assistance under Code
242.22 of Federal Regulations, title 45, section
242.23 260.31.
- 242.24 **Subd. 3. Supplemental Expenditures**
- 242.25 For the purposes of this section, the
242.26 commissioner may supplement the
242.27 maintenance of effort claim with working
242.28 family credit expenditures or other qualified
242.29 expenditures to the extent such expenditures
242.30 are otherwise available after considering the
242.31 expenditures allowed in this section.

243.1 **Subd. 4. Reduction of Appropriations; Exception**

243.2 The requirement in Minnesota Statutes, section
243.3 142A.06, subdivision 3, that federal grants or
243.4 aids secured or obtained under that subdivision
243.5 be used to reduce any direct appropriations
243.6 provided by law does not apply if the grants
243.7 or aids are federal TANF funds.

243.8 **Subd. 5. IT Appropriations Generally**

243.9 This appropriation includes funds for
243.10 information technology projects, services, and
243.11 support. Funding for information technology
243.12 project costs must be incorporated into the
243.13 service level agreement and paid to Minnesota
243.14 IT Services by the Department of Children,
243.15 Youth, and Families under the rates and
243.16 mechanism specified in that agreement.

243.17 **Subd. 6. Receipts for Systems Project**

243.18 Appropriations and federal receipts for
243.19 information technology systems projects for
243.20 MAXIS, PRISM, MMIS, ISDS, METS, and
243.21 SSIS must be deposited in the state systems
243.22 account authorized in Minnesota Statutes,
243.23 section 142A.04. Money appropriated for
243.24 information technology projects approved by
243.25 the commissioner of Minnesota IT Services
243.26 funded by the legislature, and approved by the
243.27 commissioner of management and budget may
243.28 be transferred from one project to another and
243.29 from development to operations as the
243.30 commissioner of children, youth, and families
243.31 considers necessary. Any unexpended balance
243.32 in the appropriation for these projects does not
243.33 cancel and is available for ongoing
243.34 development and operations.

245.1 **Subd. 3. Base Level Adjustment**

245.2 The general fund base is \$95,066,000 in fiscal
245.3 year 2028 and \$95,066,000 in fiscal year 2029.

245.4 **Sec. 5. CENTRAL OFFICE; CHILD SAFETY**
245.5 **AND PERMANENCY**

\$ 17,232,000 \$ 16,945,000

245.6 **Sec. 6. CENTRAL OFFICE; EARLY**
245.7 **CHILDHOOD**

\$ 17,212,000 \$ 13,337,000

245.8 **Subdivision 1. Child Care Attendance and**
245.9 **Record-Keeping System**

245.10 \$5,555,000 in fiscal year 2026 and \$1,639,000
245.11 in fiscal year 2027 are to develop a statewide
245.12 electronic attendance and record-keeping
245.13 system for the child care assistance program.
245.14 The system must provide the commissioner,
245.15 county agencies, and Tribal Nations that
245.16 administer the program with real-time access
245.17 to electronic attendance records to verify
245.18 children's enrollment in the program. This is
245.19 a onetime appropriation.

245.20 **Subd. 2. Base Level Adjustment**

245.21 The general fund base is \$11,698,000 in fiscal
245.22 year 2028 and \$11,698,000 in fiscal year 2029.

245.23 **Sec. 7. CENTRAL OFFICE; ECONOMIC**
245.24 **OPPORTUNITIES AND YOUTH SERVICES**

\$ 3,852,000 \$ 3,562,000

245.25 **Sec. 8. CENTRAL OFFICE; FAMILY**
245.26 **WELL-BEING**

\$ 14,147,000 \$ 14,147,000

245.27 Appropriations by Fund

245.28		<u>2026</u>	<u>2027</u>
245.29	<u>General</u>	<u>10,471,000</u>	<u>10,471,000</u>
245.30	<u>Federal TANF</u>	<u>3,676,000</u>	<u>3,676,000</u>

245.31 **Sec. 9. FORECASTED PROGRAMS;**
245.32 **MFIP/DWP**

\$ 230,473,000 \$ 268,167,000

245.33 Appropriations by Fund

245.34		<u>2026</u>	<u>2027</u>
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246.1	<u>General</u>	<u>103,272,000</u>	<u>120,504,000</u>		
246.2	<u>Federal TANF</u>	<u>127,201,000</u>	<u>147,663,000</u>		
246.3	Sec. 10. <u>FORECASTED PROGRAMS; MFIP</u>				
246.4	<u>CHILD CARE ASSISTANCE</u>			\$ <u>100,244,000</u>	\$ <u>137,333,000</u>
246.5	Sec. 11. <u>FORECASTED PROGRAMS;</u>				
246.6	<u>NORTHSTAR CARE FOR CHILDREN</u>			\$ <u>110,214,000</u>	\$ <u>116,160,000</u>
246.7	Sec. 12. <u>GRANT PROGRAMS; SUPPORT</u>				
246.8	<u>SERVICES GRANTS</u>			\$ <u>111,359,000</u>	\$ <u>111,359,000</u>
246.9	<u>Appropriations by Fund</u>				
246.10		<u>2026</u>	<u>2027</u>		
246.11	<u>General</u>	<u>14,908,000</u>	<u>14,908,000</u>		
246.12	<u>Federal TANF</u>	<u>96,451,000</u>	<u>96,451,000</u>		
246.13	Sec. 13. <u>GRANT PROGRAMS; BASIC</u>				
246.14	<u>SLIDING FEE CHILD ASSISTANCE CARE</u>				
246.15	<u>GRANTS</u>			\$ <u>137,768,000</u>	\$ <u>135,212,000</u>
246.16	Sec. 14. <u>GRANT PROGRAMS; CHILD CARE</u>				
246.17	<u>DEVELOPMENT GRANTS</u>			\$ <u>139,319,000</u>	\$ <u>138,819,000</u>
246.18	<u>\$500,000 in fiscal year 2026 is from the</u>				
246.19	<u>general fund for child care provider access to</u>				
246.20	<u>technology grants under Minnesota Statutes,</u>				
246.21	<u>section 142D.23, subdivision 3, clause (5).</u>				
246.22	<u>This appropriation is available until fiscal year</u>				
246.23	<u>2029.</u>				
246.24	Sec. 15. <u>GRANT PROGRAMS; CHILD</u>				
246.25	<u>SUPPORT ENFORCEMENT GRANTS</u>			\$ <u>50,000</u>	\$ <u>50,000</u>
246.26	Sec. 16. <u>GRANT PROGRAMS; CHILDREN'S</u>				
246.27	<u>SERVICES GRANTS</u>			\$ <u>43,204,000</u>	\$ <u>43,205,000</u>
246.28	<u>The commissioner shall allocate funds from</u>				
246.29	<u>the state's savings from the Fostering</u>				
246.30	<u>Connections to Success and Increasing</u>				
246.31	<u>Adoptions Act's expanded eligibility for Title</u>				
246.32	<u>IV-E adoption assistance as required in</u>				
246.33	<u>Minnesota Statutes, section 142A.61, and as</u>				
246.34	<u>allowable under federal law. Additional</u>				
246.35	<u>savings to the state as a result of the Fostering</u>				
246.36	<u>Connections to Success and Increasing</u>				

247.1 Adoptions Act's expanded eligibility for Title
 247.2 IV-E adoption assistance is for postadoption,
 247.3 foster care, adoption, and kinship services,
 247.4 including a parent-to-parent support network
 247.5 and as allowable under federal law.

247.6	Sec. 17. <u>GRANT PROGRAMS; CHILDREN</u>			
247.7	<u>AND COMMUNITY SERVICE GRANTS</u>	\$	<u>87,984,000</u>	\$ <u>87,984,000</u>

247.8	Sec. 18. <u>GRANT PROGRAMS; CHILDREN</u>			
247.9	<u>AND ECONOMIC SUPPORT GRANTS</u>	\$	<u>14,327,000</u>	\$ <u>12,426,000</u>

247.10 Subdivision 1. **FAIM**

247.11 \$209,000 in fiscal year 2026 and \$210,000 in
 247.12 fiscal year 2027 are from the general fund for
 247.13 the family assets for independence program.
 247.14 This is a onetime appropriation and is
 247.15 available until fiscal year 2029.

247.16 Subd. 2. **American Indian Food Sovereignty**
 247.17 **Funding Program**

247.18 \$500,000 in fiscal year 2026 is for the
 247.19 American Indian food sovereignty funding
 247.20 program under Minnesota Statutes, section
 247.21 142F.15. This is a onetime appropriation and
 247.22 is available until June 30, 2027.

247.23 Subd. 3. **Minnesota Food Shelf Program**

247.24 \$451,000 in fiscal year 2026 is for the
 247.25 Minnesota food shelf program under
 247.26 Minnesota Statutes, section 142F.14. This is
 247.27 a onetime appropriation.

247.28 Subd. 4. **Prepared Meals Food Relief**

247.29 \$451,000 in fiscal year 2026 is for prepared
 247.30 meals food relief grants under Laws 2023,
 247.31 chapter 70, article 12, section 33. This is a
 247.32 onetime appropriation.

248.1 **Subd. 5. Minnesota Food Bank Program**

248.2 \$500,000 in fiscal year 2026 is for Minnesota's
 248.3 regional food banks with an annual operating
 248.4 budget of less than \$100,000,000 that the
 248.5 commissioner contracts with for the purposes
 248.6 of the emergency food assistance program
 248.7 (TEFAP). The commissioner shall distribute
 248.8 funding under this paragraph in accordance
 248.9 with the federal TEFAP formula and
 248.10 guidelines of the United States Department of
 248.11 Agriculture. Funding must be used to purchase
 248.12 food that will be distributed free of charge to
 248.13 TEFAP partner agencies. Funding must also
 248.14 cover the handling and delivery fees typically
 248.15 paid by food shelves to food banks to ensure
 248.16 that costs associated with funding under this
 248.17 paragraph are not incurred at the local level.
 248.18 This is a onetime appropriation.

248.19 **Subd. 6. Base Level Adjustment**

248.20 The general fund base is \$12,216,000 in fiscal
 248.21 year 2028 and \$12,216,000 in fiscal year 2029.

248.22 **Sec. 19. GRANT PROGRAMS; EARLY**
 248.23 **LEARNING GRANTS**

\$	<u>138,688,000</u>	\$	<u>132,838,000</u>
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248.24 **Sec. 20. GRANT PROGRAMS; YOUTH**
 248.25 **SERVICES GRANTS**

\$	<u>8,141,000</u>	\$	<u>8,141,000</u>
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248.26 **Subdivision 1. Restorative Practices Initiative**
 248.27 **Grant**

248.28 \$1,750,000 in fiscal year 2026 and \$1,750,000
 248.29 in fiscal year 2027 are from the general fund
 248.30 for restorative practices initiative grants. The
 248.31 general fund base for this appropriation is
 248.32 \$2,500,000 in fiscal year 2028 and \$2,500,000
 248.33 in fiscal year 2029.

249.1 Subd. 2. Base Level Adjustment

249.2 The general fund base is \$8,891,000 in fiscal
 249.3 year 2028 and \$8,891,000 in fiscal year 2029.

249.4 Sec. 21. TECHNICAL ACTIVITIES \$ 74,493,000 \$ 74,493,000

249.5 This appropriation is from the federal TANF
 249.6 fund.

249.7 Sec. 22. APPROPRIATIONS; FOOD ASSISTANCE.

249.8 (a) \$2,500,000 in fiscal year 2025 is appropriated from the general fund to the
 249.9 commissioner of children, youth, and families for food shelf programs under Minnesota
 249.10 Statutes, section 142F.14. This is a onetime emergency appropriation with the intent to
 249.11 distribute as quickly as possible and is available until June 30, 2026.

249.12 (b) \$500,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
 249.13 of children, youth, and families for the American Indian food sovereignty funding program
 249.14 under Minnesota Statutes, section 142F.15. This is a onetime appropriation. Notwithstanding
 249.15 Minnesota Statutes, section 16A.28, subdivision 3, this appropriation is available until June
 249.16 30, 2026.

249.17 (c) \$1,000,000 in fiscal year 2025 is appropriated from the general fund to the
 249.18 commissioner of children, youth, and families for contracts with Minnesota's regional food
 249.19 banks with an annual operating budget of less than \$100,000,000 for the purposes of The
 249.20 Emergency Food Assistance Program (TEFAP). The commissioner shall distribute the food
 249.21 bank funding under this paragraph in accordance with the federal TEFAP formula and
 249.22 guidelines of the United States Department of Agriculture. Funding must be used by all
 249.23 regional food banks to purchase food that will be distributed free of charge to TEFAP partner
 249.24 agencies. Funding must also cover the handling and delivery fees typically paid by food
 249.25 shelves to food banks to ensure that costs associated with funding under this paragraph are
 249.26 not incurred at the local level. Funding distributed under this paragraph must not be used
 249.27 for food bank administrative costs. This is a onetime appropriation. Notwithstanding
 249.28 Minnesota Statutes, section 16A.28, subdivision 3, this appropriation is available until June
 249.29 30, 2026.

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

250.1 Sec. 23. Laws 2023, chapter 70, article 20, section 8, is amended to read:

250.2 **Sec. 8. OFFICE OF THE FOSTER YOUTH**

250.3 **OMBUDSPERSON** \$ 842,000 \$ 759,000

250.4 This appropriation is available until June 30,

250.5 2027.

250.6 Sec. 24. **CANCELLATIONS.**

250.7 Subdivision 1. **Child welfare initiative grants.** \$5,294,000 of the fiscal year 2025
 250.8 general fund appropriation in Laws 2023, chapter 70, article 20, section 2, subdivision 22,
 250.9 paragraph (b), is canceled to the general fund.

250.10 Subd. 2. **Establishing the Department of Children, Youth, and Families.** \$8,500,000
 250.11 of the fiscal year 2024 general fund appropriation in Laws 2023, chapter 70, article 20,
 250.12 section 12, paragraph (b), is canceled to the general fund.

250.13 Subd. 3. **Social service information system technology improvements.** \$5,059,000
 250.14 of the fiscal year 2024 general fund appropriation in Laws 2023, chapter 70, article 20,
 250.15 section 2, subdivision 4, paragraph (g), is canceled to the general fund.

250.16 **EFFECTIVE DATE.** This section is effective the day following final enactment, or
 250.17 retroactively from June 30, 2025, whichever is earlier.

250.18 Sec. 25. **TRANSFERS.**

250.19 Subdivision 1. **Programs and grants.** The commissioner of children, youth, and families,
 250.20 with the approval of the commissioner of management and budget, may transfer
 250.21 unencumbered appropriation balances for the biennium ending June 30, 2027, within fiscal
 250.22 years among MFIP; MFIP child care assistance under Minnesota Statutes, section 142E.08;
 250.23 the entitlement portion of Northstar Care for Children under Minnesota Statutes, sections
 250.24 142A.60 to 142A.612; and early childhood family education under Minnesota Statutes,
 250.25 section 142D.11, between fiscal years of the biennium. The commissioner shall inform the
 250.26 chairs and ranking minority members of the legislative committees with jurisdiction over
 250.27 children and families finance and policy quarterly about transfers made under this
 250.28 subdivision.

250.29 Subd. 2. **Administration.** Positions, salary money, and nonsalary administrative money
 250.30 may be transferred within the Department of Children, Youth, and Families as the
 250.31 commissioners deem necessary, with the advance approval of the commissioner of
 250.32 management and budget. The commissioners shall report to the chairs and ranking minority

251.1 members of the legislative committees with jurisdiction over children and families finance
251.2 quarterly about transfers made under this subdivision.

251.3 Subd. 3. **Interdepartmental transfers.** Administrative money may be transferred
251.4 between the Department of Children, Youth, and Families and Department of Human
251.5 Services or the Department of Education as the commissioners deem necessary, with the
251.6 advance approval of the commissioner of management and budget. The commissioners
251.7 shall report to the chairs and ranking minority members of the legislative committees with
251.8 jurisdiction over children and families finance and policy quarterly about transfers made
251.9 under this subdivision.

251.10 Sec. 26. **EXPIRATION OF UNCODIFIED LANGUAGE.**

251.11 All uncodified language contained in this article expires on June 30, 2027, unless a
251.12 different expiration date is explicit or an appropriation is made available beyond June 30,
251.13 2027.

251.14 Sec. 27. **APPROPRIATIONS GIVEN EFFECT ONCE.**

251.15 If an appropriation, transfer, or cancellation in this article is enacted more than once
251.16 during the 2025 regular session, the appropriation, transfer, or cancellation must be given
251.17 effect once.

251.18 **ARTICLE 17**

251.19 **OTHER AGENCY HEALTH APPROPRIATIONS**

251.20 Section 1. **OTHER AGENCY APPROPRIATIONS.**

251.21 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
251.22 and for the purposes specified in this article. The appropriations are from the general fund,
251.23 or another named fund, and are available for the fiscal years indicated for each purpose.
251.24 The figures "2026" and "2027" used in this article mean that the appropriations listed under
251.25 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.
251.26 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"
251.27 is fiscal years 2026 and 2027.

251.28		<u>APPROPRIATIONS</u>	
251.29		<u>Available for the Year</u>	
251.30		<u>Ending June 30</u>	
251.31		<u>2026</u>	<u>2027</u>

251.32 Sec. 2. **HEALTH-RELATED BOARDS**

251.33	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>35,241,000</u>	<u>\$</u>	<u>35,127,000</u>
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252.1	<u>Appropriations by Fund</u>		
252.2		<u>2026</u>	<u>2027</u>
252.3	<u>General</u>	<u>643,000</u>	<u>643,000</u>
252.4	<u>State Government</u>		
252.5	<u>Special Revenue</u>	<u>34,598,000</u>	<u>34,484,000</u>
252.6	<u>These amounts are appropriated from the state</u>		
252.7	<u>government special revenue fund, unless</u>		
252.8	<u>specified otherwise, for the purposes specified</u>		
252.9	<u>in the following subdivisions.</u>		
252.10	<u>Subd. 2. Board of Behavioral Health and</u>		
252.11	<u>Therapy</u>	<u>1,309,000</u>	<u>1,309,000</u>
252.12	<u>Subd. 3. Board of Chiropractic Examiners</u>	<u>1,114,000</u>	<u>1,114,000</u>
252.13	<u>Subd. 4. Board of Dentistry</u>	<u>4,308,000</u>	<u>4,310,000</u>
252.14	<u>(a) Administrative services unit; operating</u>		
252.15	<u>costs. Of this appropriation, \$1,936,000 in</u>		
252.16	<u>fiscal year 2026 and \$1,936,000 in fiscal year</u>		
252.17	<u>2027 are for operating costs of the</u>		
252.18	<u>administrative services unit. The</u>		
252.19	<u>administrative services unit may receive and</u>		
252.20	<u>expend reimbursements for services it</u>		
252.21	<u>performs for other agencies.</u>		
252.22	<u>(b) Administrative services unit; volunteer</u>		
252.23	<u>health care provider program. Of this</u>		
252.24	<u>appropriation, \$150,000 in fiscal year 2026</u>		
252.25	<u>and \$150,000 in fiscal year 2027 are to pay</u>		
252.26	<u>for medical professional liability coverage</u>		
252.27	<u>required under Minnesota Statutes, section</u>		
252.28	<u>214.40.</u>		
252.29	<u>(c) Administrative services unit; retirement</u>		
252.30	<u>costs. Of this appropriation, \$237,000 in fiscal</u>		
252.31	<u>year 2026 and \$237,000 in fiscal year 2027</u>		
252.32	<u>are for the administrative services unit to pay</u>		
252.33	<u>for the retirement costs of health-related board</u>		
252.34	<u>employees. This funding may be transferred</u>		
252.35	<u>to the health board incurring retirement costs.</u>		

253.1 Any board that has an unexpended balance for
 253.2 an amount transferred under this paragraph
 253.3 shall transfer the unexpended amount to the
 253.4 administrative services unit. If the amount
 253.5 appropriated in the first year of the biennium
 253.6 is not sufficient, the amount from the second
 253.7 year of the biennium is available.

253.8 **(d) Administrative services unit; contested**
 253.9 **cases and other legal proceedings.** Of this
 253.10 appropriation, \$200,000 in fiscal year 2026
 253.11 and \$200,000 in fiscal year 2027 are for costs
 253.12 of contested case hearings and other
 253.13 unanticipated costs of legal proceedings
 253.14 involving health-related boards under this
 253.15 section. Upon certification by a health-related
 253.16 board to the administrative services unit that
 253.17 unanticipated costs for legal proceedings will
 253.18 be incurred and that available appropriations
 253.19 are insufficient to pay for the unanticipated
 253.20 costs for that board, the administrative services
 253.21 unit is authorized to transfer money from this
 253.22 appropriation to the board for payment of costs
 253.23 for contested case hearings and other
 253.24 unanticipated costs of legal proceedings with
 253.25 the approval of the commissioner of
 253.26 management and budget. The commissioner
 253.27 of management and budget must require any
 253.28 board that has an unexpended balance or an
 253.29 amount transferred under this paragraph to
 253.30 transfer the unexpended amount to the
 253.31 administrative services unit to be deposited in
 253.32 the state government special revenue fund.

253.33	<u>Subd. 5. Board of Dietetics and Nutrition</u>		
253.34	<u>Practice</u>	<u>277,000</u>	<u>277,000</u>

253.35	<u>Subd. 6. Board of Executives for Long-term</u>		
253.36	<u>Services and Supports</u>	<u>835,000</u>	<u>835,000</u>

254.1	<u>Subd. 7. Board of Marriage and Family Therapy</u>	<u>457,000</u>	<u>457,000</u>
254.2	<u>Subd. 8. Board of Medical Practice</u>	<u>6,196,000</u>	<u>6,141,000</u>
254.3	<u>Base Level Adjustment.</u> The state		
254.4	<u>government special revenue fund base for this</u>		
254.5	<u>subdivision is \$6,132,000 in fiscal year 2028</u>		
254.6	<u>and \$6,132,000 in fiscal year 2029.</u>		
254.7	<u>Subd. 9. Board of Nursing</u>	<u>6,275,000</u>	<u>6,275,000</u>
254.8	<u>Subd. 10. Board of Occupational Therapy</u>		
254.9	<u>Practice</u>	<u>560,000</u>	<u>560,000</u>
254.10	<u>Subd. 11. Board of Optometry</u>	<u>280,000</u>	<u>280,000</u>
254.11	<u>Subd. 12. Board of Pharmacy</u>		
254.12	<u>Appropriations by Fund</u>		
254.13	<u>General</u>	<u>643,000</u>	<u>643,000</u>
254.14	<u>State Government</u>		
254.15	<u>Special Revenue</u>	<u>6,280,000</u>	<u>6,280,000</u>
254.16	<u>(a) Medication Repository Program.</u>		
254.17	<u>\$175,000 in fiscal year 2026 and \$175,000 in</u>		
254.18	<u>fiscal year 2027 are from the general fund for</u>		
254.19	<u>the medication repository program under</u>		
254.20	<u>Minnesota Statutes, section 151.555. The</u>		
254.21	<u>general fund base for this appropriation is</u>		
254.22	<u>\$450,000 in fiscal year 2028 and \$450,000 in</u>		
254.23	<u>fiscal year 2029.</u>		
254.24	<u>(b) Base Level Adjustments.</u> The general		
254.25	<u>fund base for this subdivision is \$918,000 in</u>		
254.26	<u>fiscal year 2028 and \$918,000 in fiscal year</u>		
254.27	<u>2029.</u>		
254.28	<u>Subd. 13. Board of Physical Therapy</u>	<u>789,000</u>	<u>789,000</u>
254.29	<u>Subd. 14. Board of Podiatric Medicine</u>	<u>301,000</u>	<u>301,000</u>
254.30	<u>Subd. 15. Board of Psychology</u>	<u>2,781,000</u>	<u>2,781,000</u>
254.31	<u>Health Professionals Services Program.</u>		
254.32	<u>\$1,324,000 in fiscal year 2026 and \$1,324,000</u>		

255.1	<u>in fiscal year 2027 are for the health</u>			
255.2	<u>professionals services program.</u>			
255.3	<u>Subd. 16. Board of Social Work</u>		<u>2,073,000</u>	<u>2,012,000</u>
255.4	<u>Base Level Adjustments.</u> The state			
255.5	<u>government special revenue fund base for this</u>			
255.6	<u>subdivision is \$2,022,000 in fiscal year 2028</u>			
255.7	<u>and \$2,022,000 in fiscal year 2029.</u>			
255.8	<u>Subd. 17. Board of Veterinary Medicine</u>		<u>763,000</u>	<u>763,000</u>
255.9	<u>Sec. 3. OFFICE OF EMERGENCY MEDICAL</u>			
255.10	<u>SERVICES</u> \$		<u>22,168,000</u> \$	<u>20,631,000</u>
255.11	<u>Subdivision 1. Ambulance Operating Deficit</u>			
255.12	<u>Grant Program</u>			
255.13	<u>\$9,916,000 in fiscal year 2026 and \$9,916,000</u>			
255.14	<u>in fiscal year 2027 are for the ambulance</u>			
255.15	<u>operating deficit grant program under</u>			
255.16	<u>Minnesota Statutes, section 144E.54. The base</u>			
255.17	<u>for this appropriation is \$9,516,000 in fiscal</u>			
255.18	<u>year 2028 and \$9,516,000 in fiscal year 2029.</u>			
255.19	<u>Subd. 2. Rural EMS Uncompensated Care Pool</u>			
255.20	<u>Payment Program</u>			
255.21	<u>\$5,239,000 in fiscal year 2026 and \$5,267,000</u>			
255.22	<u>in fiscal year 2027 are for the rural EMS</u>			
255.23	<u>uncompensated care pool payment program</u>			
255.24	<u>under Minnesota Statutes, section 144E.55.</u>			
255.25	<u>The base for this appropriation is \$4,978,000</u>			
255.26	<u>in fiscal year 2028 and \$4,978,000 in fiscal</u>			
255.27	<u>year 2029.</u>			
255.28	<u>Subd. 3. Base Level Adjustments</u>			
255.29	<u>The base for this section is \$19,942,000 in</u>			
255.30	<u>fiscal year 2028 and \$19,942,000 in fiscal year</u>			
255.31	<u>2029.</u>			
255.32	<u>Sec. 4. RARE DISEASE ADVISORY</u>			
255.33	<u>COUNCIL</u> \$		<u>674,000</u> \$	<u>679,000</u>
255.34	<u>Sec. 5. BOARD OF DIRECTORS OF MNSURE</u> \$		<u>70,000</u> \$	<u>70,000</u>

256.1 Sec. 6. Laws 2024, chapter 127, article 67, section 4, is amended to read:

256.2 **Sec. 4. BOARD OF PHARMACY**

256.3 Appropriations by Fund

256.4	General	1,500,000	-0-
256.5	State Government		
256.6	Special Revenue	-0-	27,000

256.7 (a) **Legal Costs.** \$1,500,000 in fiscal year

256.8 2024 is from the general fund for legal costs.

256.9 This is a onetime appropriation and is

256.10 available until June 30, 2027.

256.11 (b) **Base Level Adjustment.** The state

256.12 government special revenue fund base is

256.13 increased by \$27,000 in fiscal year 2026 and

256.14 increased by \$27,000 in fiscal year 2027.

256.15 **EFFECTIVE DATE.** This section is effective June 30, 2025.

256.16 **Sec. 7. GRANT ADMINISTRATION COSTS.**

256.17 The administrative costs retention requirement under Minnesota Statutes, section 16B.98,

256.18 subdivision 14, is inapplicable to any appropriation in this article for a grant.

256.19 **Sec. 8. APPROPRIATIONS GIVEN EFFECT ONCE.**

256.20 If an appropriation, cancellation, or transfer in this article is enacted more than once

256.21 during the 2025 regular session, the appropriation, cancellation, or transfer must be given

256.22 effect once.

256.23 **Sec. 9. EXPIRATION OF UNCODIFIED LANGUAGE.**

256.24 All uncodified language contained in this article expires June 30, 2027, unless a different

256.25 expiration date is explicit or an appropriation is made available after June 30, 2027.

256.26

ARTICLE 18

256.27

OTHER AGENCY CHILDREN APPROPRIATIONS

256.28 **Section 1. OTHER AGENCY APPROPRIATIONS.**

256.29 The sums shown in the columns marked "Appropriations" are appropriated to the agencies

256.30 and for the purposes specified in this article. The appropriations are from the general fund,

257.1 or another named fund, and are available for the fiscal years indicated for each purpose.
 257.2 The figures "2026" and "2027" used in this article mean that the appropriations listed under
 257.3 them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively.
 257.4 "The first year" is fiscal year 2026. "The second year" is fiscal year 2027. "The biennium"
 257.5 is fiscal years 2026 and 2027.

		<u>APPROPRIATIONS</u>	
		<u>Available for the Year</u>	
		<u>Ending June 30</u>	
		<u>2026</u>	<u>2027</u>
257.10	Sec. 2. <u>OMBUDSPERSON FOR FAMILIES</u>	<u>\$ 792,000</u>	<u>\$ 808,000</u>
257.11	Sec. 3. <u>OMBUDSPERSON FOR AMERICAN</u>		
257.12	<u>INDIAN FAMILIES</u>	<u>\$ 344,000</u>	<u>\$ 347,000</u>
257.13	Sec. 4. <u>OFFICE OF THE FOSTER YOUTH</u>		
257.14	<u>OMBUDSPERSON</u>	<u>\$ 772,000</u>	<u>\$ 785,000</u>
257.15	Sec. 5. <u>DEPARTMENT OF EDUCATION</u>	<u>\$ 7,950,000</u>	<u>\$ 7,950,000</u>

257.16 Sec. 6. EXPIRATION OF UNCODIFIED LANGUAGE.

257.17 All uncodified language contained in this article expires on June 30, 2027, unless a
 257.18 different expiration date is explicit or an appropriation is made available beyond June 30,
 257.19 2027.

257.20 Sec. 7. APPROPRIATIONS GIVEN EFFECT ONCE.

257.21 If an appropriation, transfer, or cancellation in this article is enacted more than once
 257.22 during the 2025 regular session, the appropriation, transfer, or cancellation must be given
 257.23 effect once."

257.24 Delete the title and insert:

257.25 "A bill for an act

257.26 relating to state government; modifying provisions relating to health finance and

257.27 policy, certain health licensing boards, pharmacy benefits, health care finance, the

257.28 Office of Emergency Medical Services, opioids, mental health warning labels,

257.29 economic assistance, child protection and welfare, early care and learning, and

257.30 licensing and certification; establishing licensure for certified midwives; requiring

257.31 reports; providing for civil and criminal penalties; appropriating money; amending

257.32 Minnesota Statutes 2024, sections 62A.673, subdivision 2; 62J.51, subdivision

257.33 19a; 62J.581; 142A.03, subdivision 2, by adding a subdivision; 142A.42; 142B.01,

257.34 subdivision 15, by adding a subdivision; 142B.05, subdivision 3; 142B.10,

257.35 subdivisions 14, 16; 142B.16, subdivisions 2, 5; 142B.171, subdivision 2; 142B.18,

257.36 subdivisions 4, 6; 142B.30, subdivision 1; 142B.41, by adding a subdivision;

257.37 142B.47; 142B.51, subdivision 2; 142B.65, subdivisions 8, 9; 142B.66, subdivision

257.38 3; 142B.70, subdivisions 7, 8; 142B.77; 142B.80; 142C.06, by adding a subdivision;

257.39 142C.11, subdivision 8; 142C.12, subdivisions 1, 6; 142D.21, subdivisions 6, 10,

258.1 by adding a subdivision; 142D.23, subdivision 3; 142D.31, subdivision 2; 142E.03,
 258.2 subdivision 3; 142E.11, subdivisions 1, 2; 142E.13, subdivision 2; 142E.15,
 258.3 subdivision 1; 142E.16, subdivisions 3, 7; 142E.17, subdivision 9; 142F.14;
 258.4 144.0758, subdivision 3; 144.1222, subdivision 2d; 144.125, subdivisions 1, 2;
 258.5 144.50, by adding a subdivision; 144.555, subdivisions 1a, 1b; 144.562,
 258.6 subdivisions 2, 3; 144.563; 144.608, subdivision 2; 144.966, subdivision 2; 144.99,
 258.7 subdivision 1; 145.8811; 145C.01, by adding subdivisions; 145C.17; 147.01,
 258.8 subdivision 7; 147.037, by adding a subdivision; 147D.03, subdivision 1; 148.241;
 258.9 151.01, subdivision 23; 151.37, subdivision 12; 151.555, subdivisions 6, 10; 152.12,
 258.10 subdivision 1; 174.30, subdivision 3; 245.0962, subdivision 1; 245A.18, subdivision
 258.11 1; 245C.02, by adding a subdivision; 256.9657, subdivision 2, by adding a
 258.12 subdivision; 256.969, subdivision 2f; 256B.0371, subdivision 3; 256B.04,
 258.13 subdivisions 12, 14; 256B.0625, subdivisions 2, 3b, 13c, 13e, 17, 17a, 30, by
 258.14 adding subdivisions; 256B.064, subdivision 1a; 256B.1973, subdivision 5, by
 258.15 adding a subdivision; 256B.69, subdivisions 3a, 6d; 256R.01, by adding a
 258.16 subdivision; 260.65; 260.66, subdivision 1; 260.691, subdivision 1; 260.692;
 258.17 260.810, subdivisions 1, 2; 260.821, subdivision 2; 260C.001, subdivision 2;
 258.18 260C.007, subdivision 19; 260C.141, subdivision 1; 260C.150, subdivision 3;
 258.19 260C.178, subdivisions 1, 7; 260C.201, subdivisions 1, 2; 260C.202, subdivision
 258.20 2, by adding subdivisions; 260C.204; 260C.212, subdivisions 1, 1a; 260C.221,
 258.21 subdivision 2; 260C.223, subdivisions 1, 2; 260C.329, subdivisions 3, 8; 260C.451,
 258.22 subdivision 9; 260C.452, subdivision 4; 260E.03, subdivision 15; 260E.09;
 258.23 260E.20, subdivisions 1, 3; 260E.24, subdivisions 1, 2; 325M.34; 518.68,
 258.24 subdivision 2; 518A.34; 518A.46, subdivision 7; 518A.75, subdivision 1; Laws
 258.25 2023, chapter 70, article 20, section 8; Laws 2024, chapter 127, article 67, section
 258.26 4; proposing coding for new law in Minnesota Statutes, chapters 135A; 142B;
 258.27 144; 144E; 145C; 256B; 260E; 325M; proposing coding for new law as Minnesota
 258.28 Statutes, chapter 148G; repealing Minnesota Statutes 2024, sections 145.361;
 258.29 256B.0625, subdivisions 18b, 18e, 18h; Laws 2023, chapter 70, article 16, section
 258.30 22; Minnesota Rules, part 9503.0030, subpart 1, item B."

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

258.33 This Committee action taken May 7, 2025

258.34, Co-Chair

258.35, Co-Chair