

# HOUSE RESEARCH

## Bill Summary

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## Section

### **Article 1: Continuing Care**

#### **Overview**

This article makes changes to various continuing care provisions and to MA estate recovery and spousal impoverishment provisions.

- 1** **Additional notice to applicants.** Adds § 62V.055. Requires the MNsure board, in consultation with the commissioner of human services, to include in the combined application for MA, MinnesotaCare, and qualified health plan coverage available through the MNsure portal, information and notice on: (1) the order in which eligibility for health care programs will be determined; (2) that persons eligible for MA are not eligible for MinnesotaCare, and that persons eligible for MA or MinnesotaCare are not eligible for advanced premium tax credits and cost-sharing subsidies; and (3) that the state may claim repayment from the estates of MA enrollees, for the cost of medical care or premiums paid for that care.
- 2** **Exceptions for replacement beds after June 30, 2003.** Amends § 144A.071, subd. 4c. Moves payment rate adjustments for certain exception projects approved by the commissioner of health from the property rate to the external fixed costs rate. Modifies a project in Goodhue County to consolidate two nursing facilities into one newly renovated 64-bed facility resulting in the delicensure of 85 beds (the current language results in the delicensure of 69 beds). Modifies the calculation of the rate adjustment for the project in Goodhue County.  
  
Makes this section effective for rate years beginning on or after January 1, 2017, except that the transfer of the rate adjustment for the Goodhue County project from the property rate to the external fixed costs rate is effective for rate years beginning on or after January 1, 2017, or upon completion of the closure and new construction, whichever is later.
- 3** **Consolidation of nursing facilities.** Amends § 144A.071, subd. 4d. Modifies rate adjustments for consolidation of nursing facilities by moving the adjustment from the property rate to the external fixed costs rate. Makes this section effective for rate years beginning on or after January 1, 2017.
- 4** **Moratorium exception funding.** Amends § 144A.073, subd. 13. Clarifies that the commissioner of health may approve moratorium exception projects, in fiscal year 2013, for which the full annualized state share of MA costs does not exceed \$1,000,000 plus any carryover of previous appropriations for this purpose.
- 5** **Moratorium exception funding.** Amends § 144A.073, subd. 14. Clarifies that the commissioner of health may approve moratorium exception projects, in fiscal year 2015, for which the full annualized state share of MA costs does not exceed \$1,000,000 plus any carryover of previous appropriations for this purpose.
- 6** **Moratorium exception funding.** Amends § 144A.073, by adding subd. 15. In fiscal year 2017, allows the commissioner of health to approve moratorium exception projects for which the full annualized state share of MA costs does not exceed \$1,000,000 plus any carryover of previous appropriations for this purpose.

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- 7 Nursing homes and certified boarding care homes.** Amends § 144A.611, subd. 1. Modifies reimbursable expenses payable to nursing assistants by: (1) adding textbooks to the list of reimbursable expenses; and (2) allowing adult training programs to be reimbursed. Updates a cross-reference.
- 8 Reimbursement for training program and competency evaluation costs.** Amends § 144A.611, subd. 2. Makes a conforming change.
- 9 Reimbursement for adult basic education components.** Amends § 144A.611, by adding subd. 4. Paragraph (a) requires nursing homes and certified boarding care homes to provide reimbursement for costs related to additional adult basic education components of an approved nursing assistant training program.
- Paragraph (b) lists the adult basic education components eligible for reimbursement and limits reimbursement of those components to 30 percent of the cost of tuition, textbooks, and competency evaluation.
- Paragraph (c) prohibits an adult training program from billing program students, nursing facilities, or certified boarding care homes until the program student has been employed by the nursing facility as a certified nursing assistant for at least 90 days.
- Effective date.** Makes this section effective for costs incurred on or after October 1, 2016.
- 10 Additional notice to applicants.** Amends § 256B.042, by adding subd. 1a. Requires applications for MA to include a statement, prominently displayed, that the state may claim repayment from the estates of MA enrollees for the cost of medical care or premiums paid for care.
- 11 Asset availability.** Amends Minnesota Statutes 2015 Supplement, § 256B.059, subd. 5. Allows an institutionalized spouse to maintain medical assistance eligibility when excess assets owned by the community spouse are retirement funds or funds protected for post-secondary education of a child under age 25. Provides that the retirement accounts are protected until the community spouse is eligible to withdraw funds without penalty. Requires that denial of eligibility must cause an undue hardship to the family. Provides that there shall not be an assignment of spousal support or a cause of action against the spouse for funds protected in retirement and college savings accounts.
- Effective date.** Provides a June 1, 2016, effective date.
- 12 Estates subject to claims.** Amends § 256B.15, subd. 1a. Limits claims against the estate of a person over 55 years of age who did not receive institutional services to the amount of medical assistance correctly paid on behalf of the individual prior to January 1, 2014. Clarifies that claims against the estates of individuals age 55 or older who received nursing facility services, home and community-based services, or related hospital and prescription drug benefits on or after January 1, 2014, are allowed.
- Effective date.** Provides that this section is effective upon federal approval and applies retroactively to services rendered on or after January 1, 2014.

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- 13 Amending notices or liens arising out of notice.** Amends § 256B.15, by adding subd. 11. Instructs state agencies to amend notices of potential claims and liens for notices filed on or after January 1, 2014, for medical assistance services provided to individuals age 55 and older who were not institutionalized.
- Effective date.** Provides that this section is effective the day following final enactment.
- 14 Limitations on claims.** Amends § 256B.15, subd. 2. Paragraph (a) adds language to clarify that this paragraph applies to services rendered prior to January 1, 2014.
- Paragraph (b) provides that claims for services rendered on or after January 1, 2014, must only include nursing facility services, home and community-based services, or related hospital and prescription drug benefits provided for individuals age 55 or older. States that claims must not include interest.
- Effective date.** Provides that this section is effective upon federal approval and applies to services rendered on or after January 1, 2014.
- 15 Employee scholarship costs and training in English as a second language.** Amends § 256B.431, subd. 36. Updates a cross-reference to conform to the changes made to section 144A.611 (reimbursable expenses payable to nursing assistants).
- 16 External fixed costs.** Amends § 256B.441, subd. 13. Adds consolidation rate adjustments to the definition of “external fixed costs.”
- 17 Calculation of payment rate for external fixed costs.** Amends § 256B.441, subd. 53. Adds consolidation rate adjustments to the calculation of the external fixed costs payment rate.
- 18 Nursing facilities in border cities.** Amends § 256B.441, subd. 66. Modifies the provision governing nursing facility operating rates in border cities. Under current law, the commissioner must increase operating payment rates for nonprofit nursing facilities in Breckenridge to be equal to the rates for a nonprofit nursing facility in an adjacent city in another state and in cities contiguous to the adjacent city. Expands this provision to nonprofit facilities located in Moorhead, effective for the rate year beginning January 1, 2020.
- Specifies that the commissioner must compare the rates in Minnesota border cities with other cities on October 1 each year, with the rate adjustments to be effective on January 1 of the following year.
- Existing language stipulates that rate adjustments under this border city subdivision are not subject to the limits in 256B.441, subdivision 50 and subdivision 51. Clarifies that the rate adjustments under the border cities subdivision are not subject to the total care-related limit in subdivision 50 and are not limited to the other operating price in subdivision 51.
- 19 Employment services pilot project; Dakota County.** Paragraph (a) directs the commissioner of human services to request, by October 1, 2016, necessary federal authority from CMS to implement a community-based employment services pilot project in Dakota County for people who are receiving services through HCBS waivers using a rate methodology consistent with the principles of the Disability Waiver Rate System.
- Paragraph (b) lists responsibilities of Dakota County under the pilot project.

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Paragraph (c) lists the services that must be provided under the pilot project.

Paragraph (d) requires the commissioner to consult with Dakota County on this pilot project and to report the results of the project to the legislature by January 15, 2019.

**Effective date.** Makes this section effective July 1, 2016, or upon federal approval, whichever is later, and makes this section expire January 15, 2019.

**20**

**Revisor's instruction.** Instructs the revisor of statutes to change cross-references in Minnesota Rules, chapter 2960, 9503, and 9525, resulting from the repealer adopted in the new Positive Support Strategies rule. Allows the revisor to make technical and other necessary changes to preserve the meaning of the text.

**Effective date.** Provides an immediate effective date.

## **Article 2: Health Care**

### **Overview**

This article contains provisions related to Medical Assistance (MA) and MinnesotaCare. The article:

- requires DHS to fully implement the Office of Legislative Auditor's recommendations related to MA and MinnesotaCare eligibility determinations, and dedicates initial savings to a onetime long-term care provider rate increase;
- increases payment rates for certain ambulance services;
- provides MA coverage of services provided by community emergency medical technicians;
- exempts dentists providing services outside of the seven-county metropolitan area from the state health care program participation requirement;
- increases payment rates for dental services provided outside of the seven-county metropolitan area and modifies critical access dental provider payments and criteria;
- prohibits funding for state-sponsored health programs administered by the commissioner of human services from being used for funding abortions, except as necessary for continued participation in a federal program; and
- includes other provisions related to MA and MinnesotaCare.

**1**

**Improved oversight of MNsure eligibility determinations.** Adds § 256B.0562.

**Subd. 1. Implementation of OLA findings.** (a) Requires the commissioner of human services to ensure that MA and MinnesotaCare eligibility determinations through the MNsure information technology system fully implement the recommendations of the Office of Legislative Auditor (OLA) in reports 14-22 and 16-02.

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(b) Allows the commissioner to contract with a vendor for technical assistance in fully implementing the OLA report findings.

(c) Requires the commissioner to coordinate implementation of this section with periodic data matching.

(d) Requires the commissioner to use existing resources to implement this section.

**Subd. 2. Duties of the commissioner.** (a) Lists the OLA report recommendations that the commissioner must fully implement.

(b) Requires the commissioner to implement the OLA recommendations for MA and MinnesotaCare applications and renewals submitted on or after July 1, 2016. Requires the commissioner to submit quarterly reports to the legislative committees with jurisdiction over health and human services policy and finance that provide information on: (1) progress in implementing the OLA recommendations; (2) the number of applicants and enrollees affected by implementation; and (3) savings to the state. Requires the quarterly report submitted October 1, 2016, to include a timetable for full implementation of the OLA recommendations.

**Subd. 3. Office of Legislative Auditor.** Requires the legislative auditor to review each quarterly report for accuracy and review compliance by DHS with the OLA report recommendations. Requires the legislative auditor to notify legislative committee on whether or not these requirements are met.

**Subd. 4. Special revenue account; use of savings.** (a) Establishes a medical assistance audit special revenue account in the general fund. Requires the commissioner to deposit into this account: (1) all savings from implementing the OLA recommendations; (2) all savings from implementing periodic data matching that are above the forecasted savings; and (3) all savings from implementing the vendor contract for eligibility verification under section 256B.0563, minus any payments made to the vendor under the revenue sharing agreement,

(b) Requires the commissioner to provide a one-time payment increase to long-term care providers, once the balance in the fund is sufficient.

(c) States that further expenditures from the account are subject to legislative authorization.

**Effective date.** Provides an immediate effective date.

2

**Eligibility verification.** Adds § 256B.0563.

**Subd. 1. Verification required; vendor contract.** (a) Requires the commissioner to ensure that MA and MinnesotaCare eligibility determinations through MNsure and agency eligibility determination systems include the computerized verification of income, residency, identity, and assets.

(b) Directs the commissioner to contract with a vendor to verify the eligibility of all persons enrolled in MA and MinnesotaCare during a specified audit period. Provides

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an exemption from state procurement provisions related to the use of state employees, and any other law to the contrary.

(c) States that the contract must require the vendor to comply with enrollee data privacy requirements and use encryption, and provide penalties for vendor noncompliance.

(d) Requires the contract to include a revenue sharing agreement under which vendor compensation is limited to a portion of the savings resulting from the vendor's implementation of eligibility verification initiatives.

(e) Requires the commissioner to use existing resources to fund any administrative and technology-related costs incurred as a result of implementing this section.

**Subd. 2. Verification process; vendor duties.** (a) Requires the verification process to include, but not be limited to, data matches of the name, date of birth, address, and Social Security number of enrollees against federal and state data sources, including the ACA federal hub. Requires the vendor, to the extent feasible, to incorporate in the verification process procedures that are compatible and coordinated with, and build upon or improve, procedures used by existing state systems.

(b) Requires the vendor to notify the commissioner of preliminary determinations, and requires the commissioner to accept or reject determinations within 20 business days. States that the commissioner retains final authority over determinations and requires the vendor to keep a record of all preliminary determinations of ineligibility.

(c) Requires the vendor to recommend to the commissioner an eligibility verification process that will allow ongoing verification of enrollee eligibility under the MNsure and state agency eligibility determination systems.

(d) Requires the commissioner and the vendor to jointly submit an eligibility verification report to legislative committees. Specifies report criteria.

(e) Provides that the vendor contract is for an initial one-year period, and allows the commissioner to renew the contract for up to three additional one-year periods, and to require additional eligibility verification audits, if the commissioner or the legislative auditor determine that the MNsure and agency eligibility determination systems cannot effectively verify eligibility.

**3 Payment for ambulance services.** Amends § 256B.0625, subd. 17a. Effective July 1, 2016, increases MA payment rates for ambulance services by 5 percent, for ambulance service providers that: (1) have a base of operations located outside the seven-county metropolitan area, and outside Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or (2) have a base of operations located within a municipality with population of less than 1,000. Requires capitation payments to managed care and county-based purchasing plans for ambulance services provided on or after January 1, 2017, to be adjusted to reflect the rate increase.

**4 Community emergency medical technician services.** Amends § 256B.0625, by adding subd. 60a.

(a) Provides medical assistance (MA) coverage of services provided by a community medical response emergency medical technician (CEMT) who is certified by the Emergency Medical

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Services Regulatory Board under § 144E.275, subdivision 7, when the services are provided according to this subdivision.

(b) Allows a CEMT to provide a hospital discharge visit when ordered by a treating physician. Specifies the criteria for a visit.

(c) Allows CEMTs to provide safety evaluation visits to individuals who have repeat ambulance calls due to falls, have been discharged from a nursing home, or have been identified by their primary care provider as at risk for nursing home placement. Requires the visit to be ordered by a primary care provider in accordance with the individual's care plan. Specifies criteria for visits.

(d) Requires CEMTs to be paid at \$9.75 per 15 minute increment. Provides that a safety evaluation visit cannot be billed for the same day as a posthospital discharge visit for the same recipient.

**Effective date.** Provides that the section is effective July 1, 2017, or upon federal approval, whichever is later.

**5 Reimbursement under other state health care programs.** Amends § 256B.0644. Exempts dental providers providing services outside of the seven-county metropolitan area from the requirement that they participate as providers in MA and MinnesotaCare in order to participate as providers in the state employee health program, the public employees insurance program, and other programs of health coverage (Rule 101).

**6 Dental reimbursement.** Amends § 256B.76, subd. 2. Effective January 1, 2017, increases MA payment rates by 9.65 percent above the rates in effect on June 30, 2015, for dental services provided outside the seven-county metropolitan area. States that the increase does not apply to state-operated dental clinics, federally qualified health centers, rural health centers, and Indian health services. Effective January 1, 2017, requires payments to managed care and county-based purchasing plans to reflect this payment increase. Also sunsets, on January 1, 2017, a rate increase for dental providers located outside the seven-county metropolitan area.

**7 Critical access dental providers.** Amends § 256B.76, subd. 4. (a) Increases critical access dental provider payment rates, except for those set under paragraph (b), to 36 percent above the rate that would otherwise apply, effective July 1, 2016, and to 37 percent above the rate that would otherwise apply, effective July 1, 2017. (The current rate enhancement is 35 percent.)

(b) Retains the 35 percent enhanced critical access dental rate for dental clinics or dental groups owned and operated by an HMO that meets specified criteria.

(c) Requires the critical dental provider payment rate for services provided to enrollees of a managed care or county-based purchasing plan to be calculated based on the plan's fee-for-service rate, rather than a capitated or cost-based payment rate.

(d) Modifies criteria for critical access dental providers by: (1) including hospital-based dental clinics owned and operated by a former state hospital meeting specified criteria; and (2) broadening the criteria to include dentists in private practice located within the seven-county metropolitan area for whom more than 50 percent of patient encounters are with persons uninsured or covered by MA or MinnesotaCare and dentists located outside of the



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seven-county metropolitan area for whom more than 25 percent of patient encounters are with persons who are uninsured or covered by MA or MinnesotaCare. (Under current law, a dentist in private practice must be located in a health professional shortage area, meet the 50 percent patient encounter criteria, and provide a level of service critical to maintaining patient access.)

- 8 Reimbursement for basic care services.** Amends § 256B.766. The amendment to paragraph (i) strikes language requiring the MA payment rate for durable medical equipment, prosthetics, orthotics, or supplies to be restored to the January 1, 2008, MA fee schedule. Also prohibits the commissioner from applying any MA payment reductions to durable medical equipment as a result of Medicare competitive bidding.

A new paragraph (j) increases the MA payment rate for durable medical equipment, prosthetics, orthotics, or supplies that were subject to the Medicare 2008 competitive bid by 9.5 percent effective July 1, 2015. Further increases payment rates for durable medical equipment, prosthetics, orthotics, or supplies on the MA fee schedule, whether or not they were subject to the Medicare 2008 competitive bid, by 2.94 percent. Exempts the following from this paragraph: items subject to volume purchase, products subject to the preferred diabetic testing supply program, certain items provided to dually eligible recipients, and individually priced items. States that managed care and county-based purchasing plan payments shall not be increased to reflect the rate increases in this paragraph.

**Effective date.** Provides a retroactive effective date of July 1, 2015.

- 9 Prohibition on use of funds.**

**Subd. 1. Use of funds.** Prohibits funding for state-sponsored health programs that are administered by the commissioner of human services from being used for funding abortions except to the extent necessary for continued participation in a federal program. (The health care programs administered by the commissioner of human services are medical assistance and MinnesotaCare.) Defines abortion.

**Subd. 2. Severability.** Allows for severability of any one or more provisions of this section if any part is found to be unconstitutional.

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**Article 3: MNsure**

**Overview**

This article modifies provisions related to MNsure. It requires certain interagency agreements and transfers of funds by the commissioners of commerce, health, and human services and the MNsure Board to be authorized by enactment of a new law. It also prohibits all appropriations or transfers of state funds by entities of state government to MNsure, unless authorized by enactment of a new law. It establishes the Minnesota Eligibility System Executive Steering Committee in statute and makes the open meeting law apply to steering committee meetings. It modifies the composition of the MNsure Board. It requires the commissioner of human services to apply for certain federal waivers. It also repeals MNsure statutes and rules, effective upon approval of a waiver request to establish the federal-state eligibility determination and enrollment system.

**1 Legislative enactment required.** Adds § 45.0131.

**Subd. 1. Agency agreements.** Prohibits the commissioner of commerce from entering into or renewing any interagency agreement or service level agreement, or related agreement, with a value of more than \$100,000 a year, with any state department, state agency, or the Office of MN.IT Services, unless this is authorized by enactment of a new law. Provides that agreements without a specific expiration date expire two years from the effective date of this section or of the agreement, unless authorized by enactment of a new law.

**Subd. 2. Transfers.** Prohibits the commissioner from transferring appropriations and funds in amounts over \$100,000 across agency accounts or programs, unless this is authorized by enactment of a new law.

**Subd. 3. Definitions.** Defines “state department” and “state agency.”

**Effective date.** Provides an immediate effective date.

**2 Application of other law.** Amends § 62V.03, subd. 2. Requires meetings of the Minnesota Eligibility System Executive Steering Committee to comply with the open meeting law.

**3 Appointment.** Amends § 62V.04, subd. 2. Removes the commissioner of human services or a designee from membership on the MNsure board and adds a member representing the interests of the general public.

**4 Terms.** Amends § 62V.04, subd. 3. Removes a reference to the term served on the MNsure board by the commissioner of human services or a designee, to conform to section 62V.04, subdivision 2.

**5 Conflicts of interest.** Amends § 62V.04, subd. 4. Modifies a cross-reference to require all board members, including the member representing the interests of the general public, to comply with the conflict of interest requirements for MNsure board members. (Under current law the conflict of interest requirements do not apply to the commissioner of human services.)

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- 6**      **Operations funding.** Amends § 62V.05, subd. 2. Strikes paragraphs that established MNsure funding and authorized cash flow assistance in prior calendar years. Establishes the following funding structure for MNsure for current and future calendar years.
- Paragraph (a): For calendar year 2016 only, allows MNsure to retain up to 3.5 percent of total premiums for individual and small group market health plans and dental plans sold through MNsure.
- Paragraph (b): For calendar year 2017, allows MNsure to retain up to 1.75 percent of total premiums for plans sold through MNsure.
- Paragraph (c): For calendar year 2018 and subsequent calendar years, allows MNsure to retain up to 1.75 percent of total premiums for plans sold through MNsure, if an independent third party certifies that MNsure satisfied the listed benchmarks in the previous calendar year.
- Paragraph (d): For calendar year 2018 and subsequent calendar years, if an independent third party does not certify that MNsure met the benchmarks in paragraph (c), allows MNsure to retain up to 1.5 percent of total premiums for plans sold through MNsure.
- Paragraph (f): Lowers the ceiling for the total amount MNsure may retain to fund its operations, from 100 percent to 60 percent of funds collected in MCHA member assessments in calendar year 2012.
- Effective date.** Makes this section effective July 1, 2016.
- 7**      **Processing qualifying life events and changes in circumstances.** Amends § 62V.05, by adding subd. 4a. Requires the MNsure Board and commissioner of human services to jointly develop procedures to require qualifying life events and changes in circumstances to be processed within 30 days of the qualifying life event or change in circumstances being reported. Requires the procedures to be developed and implemented by September 1, 2016, and requires the commissioner to communicate the procedures to county staff and provide necessary training and guidance to county staff. Specifies what constitutes a qualifying life event or change in circumstances.
- 8**      **Legislative enactment required.** Amends § 62V.05, by adding subd. 12. (a) Prohibits the MNsure board from entering into or renewing any interagency agreement or service level agreement, or related agreements, with a value of more than \$100,000 a year, with any state department, state agency, or the Office of MN.IT Services, unless this is authorized by enactment of a new law. Provides that agreements without a specific expiration date expire two years from the effective date of this section or of the agreement, unless authorized by enactment of a new law.
- (b) Prohibits the board from transferring appropriations and funds in amounts over \$100,000 across agency accounts or programs, unless this is authorized by enactment of a new law.
- (c) Defines “state department” and “state agency.”
- Effective date.** Provides an immediate effective date.

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- 9**      **Limitation on appropriations and transfers.** Amends § 62V.05 by adding subd. 13. Prohibits money from any state fund or account from being appropriated or made available to MNsure, or transferred or provided to MNsure by any state agency or entity of state government, unless the appropriation, transfer, or transaction is specifically authorized through enactment of a new law.
- 10**      **Minnesota Eligibility System Executive Steering Committee.** Adds § 62V.056. Establishes an executive steering committee to govern the Minnesota eligibility system.
- Subd. 1. Definition; Minnesota eligibility system.** Defines Minnesota eligibility system as the system that supports eligibility determinations using the modified adjusted gross income (MAGI) methodology for certain medical assistance applicants and enrollees (mainly children, parents, pregnant women, and adults without children); for MinnesotaCare applicants and enrollees; and for people applying for or enrolled in a qualified health plan.
- Subd. 2. Establishment; committee membership.** Establishes the Minnesota Eligibility System Executive Steering Committee and specifies committee membership: one member appointed by the commissioner of human services, one member appointed by the MNsure board, one member representing counties, and one nonvoting member representing MN.IT. Requires steering committee costs to be paid from the budgets of the Department of Human Services, MN.IT, and MNsure.
- Subd. 3. Duties.** Directs the steering committee to establish a governance structure for the Minnesota eligibility system and to be responsible for the system's governance. Requires quarterly reports to the Legislative Oversight Committee, and requires the steering committee to adopt bylaws, policies, and agreements to administer the Minnesota eligibility system.
- Subd. 4. Meetings.** Requires steering committee meetings to be held in the State Office Building and to be available for viewing through the legislature's Web site. Requires the steering committee to provide opportunities for public testimony at every meeting and to post meeting documents to the legislature's Web site. Requires steering committee votes to be recorded, with each member's vote identified.
- Subd. 5. Administrative structure.** Lists duties of the Office of MN.IT Services for the Minnesota eligibility system.
- 11**      **Review of Minnesota eligibility system funding and expenditures.** Amends § 62V.11, by adding subd. 5. Requires the Legislative Oversight Committee to review quarterly reports submitted by the steering committee related to Minnesota eligibility system funding and expenditures.
- 12**      **Legislative enactment required.** Amends § 144.05, by adding subd. 6. (a) Prohibits the commissioner of health from entering into or renewing any interagency agreement or service level agreement, or related agreements, with a value of more than \$100,000 a year, with any state department, state agency, or the Office of MN.IT Services, unless this is authorized by enactment of a new law. Provides that agreements without a specific expiration date expire two years from the effective date of this section or of the agreement, unless authorized by enactment of a new law.

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(b) Prohibits the commissioner from transferring appropriations and funds in amounts over \$100,000 across agency accounts or programs, unless this is authorized by enactment of a new law.

(c) Defines “state department” and “state agency.”

**Effective date.** Provides an immediate effective date.

**13** **Legislative enactment required.** Amends § 256.01, by adding subd. 41. (a) Prohibits the commissioner of human services from entering into or renewing any interagency agreement or service level agreement, or related agreements, with a value of more than \$100,000 a year, with any state department, state agency, or the Office of MN.IT Services, unless this is authorized by enactment of a new law. Provides that agreements without a specific expiration date expire two years from the effective date of this section or of the agreement, unless authorized by enactment of a new law.

(b) Prohibits the commissioner from transferring appropriations and funds in amounts over \$100,000 across agency accounts or programs, unless this is authorized by enactment of a new law.

(c) Defines “state department” and “state agency.”

Provides an immediate effective date.

**14** **Federal waiver.** Amends § 256L.02, by adding subd. 7. Directs the commissioner of human services to apply for an innovation waiver under section 1332 of the Affordable Care Act, or any other applicable federal waiver, to allow persons eligible for MinnesotaCare to decline MinnesotaCare coverage and instead access advanced premium tax credits and cost-sharing reductions by purchasing qualified health plans, either through MNsure or outside of MNsure through health plan companies. Requires the waiver request to be submitted within nine months of the effective date of this provision. Requires the commissioner to coordinate the waiver request with the waiver requested by the commissioner of commerce to allow individuals to purchase qualified health plans outside of MNsure directly from health plan companies, and receive advanced premium tax credits and cost-sharing reductions (required by Laws 2015, chapter 71, article 12, section 8). Requires the commissioner of human services to submit a draft waiver proposal to the MNsure board and legislative committees at least 30 days before submitting the final waiver proposal to the federal government, and to notify the board and legislative committees of any federal decision or action. If federal approval is granted, requires the commissioner to submit to the legislature draft legislation and fiscal estimates necessary to implement the proposal.

**Effective date.** Provides an immediate effective date

**15** **Federal-state eligibility determination and enrollment system for insurance affordability programs.** Directs the commissioner of human services to seek a federal waiver to establish a federal-state eligibility determination and enrollment system.

**Subd. 1. Waiver request.** (a) Requires the commissioner of human services, in consultation with the MNsure board and the commissioners of commerce and health, to apply for a federal section 1332 innovation waiver, or any other applicable waiver, to establish a federal-state eligibility determination and enrollment system for state insurance affordability programs, for coverage beginning January 1, 2018. States that

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the system shall take the place of MNsure. Specifies that under the system, eligibility determinations and enrollment for MA and MinnesotaCare shall be conducted by the commissioner, and eligibility determinations and enrollment for qualified health plans, advanced premium tax credits, and cost-sharing reductions shall be conducted by the federally-facilitated marketplace.

(b) Defines “state insurance affordability programs.”

(c) Requires the system to incorporate an asset test for persons who qualify as adults without children under MA or MinnesotaCare. Specifies the asset limit as \$10,000 in total net assets for a household of one and \$20,000 for a household of two or more.

**Subd. 2. Requirements of waiver application.** Requires the commissioner, in designing the eligibility determination and enrollment system and developing the waiver application, to: (1) incorporate, where appropriate and cost-effective, elements of the MNsure and DHS eligibility determination systems; (2) coordinate the waiver request with the waiver requests required by section 256L.02, subdivision 7 (allowing persons to decline MinnesotaCare and access tax credits and cost-sharing reductions) and Laws 2015, chapter 71, article 12, section 8 (allowing purchase of qualified health plans outside of MNsure and access to tax credits and cost-sharing reductions); (3) regularly consult with stakeholder groups; and (4) seek all available federal grants and funds for planning and development.

**Subd. 3. Vendor contract; use of existing resources.** Requires the commissioner, in consultation with MN.IT, to contract with a vendor for technical assistance. Requires the commissioner to use existing resources in developing the waiver request and contracting for technical assistance.

**Subd. 4. Reports to legislative committees.** Requires the commissioner to report to legislative committees, by January 1, 2017, on progress in seeking the waiver, and to notify legislative committees of any federal decision related to the waiver request.

**Effective date.** Provides an immediate effective date.

**16 Revisor’s instruction.** Authorizes the revisor of statutes to change cross-references to statutes and rules that are repealed in this article, and to make any necessary technical changes to preserve the meaning of the text.

**17 Repealer.** Repeals the statutes and rules that establish and govern MNsure. Provides that this section is effective upon approval of the waiver request to establish and operate a federal-state eligibility determination and enrollment system, or January 1, 2018, whichever is later.

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### **Article 4: Health Department**

#### **Overview**

This article modifies programs operated by the Health Department, including home care licensure, hospice licensure, abortion reporting, safe harbor services, funeral establishments, health information technology, and distribution of grants for family planning services. It establishes a greater Minnesota family medicine residency grant program. It modifies a provision governing patient consent to release health records. It requires licensure of certain facilities that perform abortions. It directs the commissioner of health to establish a Web site to allow consumers to search for retail prescription drug prices. It establishes a grant program to provide screening and treatment for pre- and postpartum mood and anxiety disorders.

- 1 Coordination with national HIT activities.** Amends § 62J.495, subd. 4. Adds the following activities to the commissioner of health's duties to coordinate the use of health information technology: (1) providing financial and technical support to health care providers to encourage implementation of admission, discharge, and transfer alerts and care summary and document exchange transactions, and to evaluate the impact of health information technology on cost and quality of care; (2) providing educational resources and technical assistance to health care providers and patients regarding privacy, security, and consent laws governing health information; and (3) assessing the state's legal, financial, and regulatory framework for the exchange of health information, and recommending modifications to allow providers to securely exchange data in compliance with patient preferences.
- 2 Account establishment.** Amends § 62J.496, subd. 1. Expands the allowable uses of funds in the electronic health record system revolving account, to allow funds to be used for the commissioner of health's activities listed in section 62J.495, subdivision 4, related to coordination of health information technology activities. Provides that the commissioner will not award new loans or loan guarantees from this account after July 1, 2016.
- 3 Greater Minnesota family medicine residency grant program.** Adds § 144.1912. Creates a program administered by the commissioner of health to award grants to family medicine residency programs that are located outside the seven-county metro area and that have a demonstrated history of training physicians for practice outside the metro area.

**Subd. 1. Definitions.** Defines terms "commissioner" and "eligible family medicine residency program."

**Subd. 2. Program administration.** Directs the commissioner to award grants to existing, eligible, nonprofit family medicine residency programs to fund new and existing residency positions. Requires funds to be allocated first for new residency positions, with remaining funds allocated for existing positions. Allows the commissioner to fund a new residency position for up to three years, lists allowable uses for grant funds, and prohibits funds from supplanting other funds available for residency positions.

**Subd. 3. Applications.** Establishes a process for programs to apply for grant funds.

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**Subd. 4. Program oversight.** Allows the commissioner to collect information from residency programs that the commissioner needs to administer and evaluate the grant program.

**4 Patient consent to release of records.** Amends § 144.293, subd. 2. Requires a consent form used by a health care provider for the release of a patient's health records to include the option to indicate yes or no to each type of health records release for which the provider is requesting consent. Prohibits a provider from conditioning the patient's receipt of treatment on the patient's willingness to release records.

**5 Prescription drug price reporting.** Adds § 144.7011.

**Subd. 1. Definitions.** Defines the following terms: available discount, retail pharmacy, and retail price.

**Subd. 2. Prescription drug price information reporting.** Requires the commissioner of health, by July 1, 2017, to establish an online, interactive Web site that allows retail pharmacies to voluntarily list retail prices and available discounts for one or more of the 150 mostly commonly dispensed prescription drugs. Specifies criteria for the Web site. Requires the commissioner of health to annually consult with the commissioner of human services to determine the 150 most commonly filled drugs, based on MA and MinnesotaCare drug utilization.

**Subd. 3. Pharmacy duties.** Beginning July 1, 2017, and each month thereafter, requires participating pharmacies to submit retail prices and available discounts to the commissioner. Requires pharmacies to provide 60-days' notice when opting out of the reporting system.

**Subd. 4. External vendors.** Allows the commissioner to contract with an outside vendor to collect data from pharmacies, and to develop and host the interactive application.

**6 Exclusions from home care licensure.** Amends § 144A.471, subd. 9. This subdivision lists individuals and organizations that are excluded from requirements that apply to licensed home care providers, when the excluded individuals and organizations provide specific home care services.

- The amendment to clause (10) adds employees of licensed home care providers to the list of employees that are excluded from requirements that apply to licensed home care providers, when the employees of licensed home care providers respond to occasional emergency calls from individuals who live in settings attached to or next to the location where home care services are also provided.
- The new clause (11) excludes employees of nursing homes, home care providers, and boarding care homes from requirements that apply to licensed home care providers, when the employees provide occasional minor services free of charge to individuals who live in settings attached to or next to the nursing home, boarding care home, or location where home care services are also provided.

**7 Hospice provider.** Amends section 144A.75, subd. 5. Removes a reference to "terminally ill" from the definition of "hospice provider" to conform with changes made to the definition of "hospice patient" in section 144A.75, subdivision 6.



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- 8 Hospice patient.** Amends § 144A.75, subd. 6. Expands the definition of “hospice patient” to include an individual who is age 21 or younger; has been diagnosed with a chronic, complex, and life-threatening illness contributing to a shortened life expectancy; and is not expected to survive to adulthood. Adding these patients to the definition allows them to receive services from a hospice provider.
- 9 Hospice services; hospice care.** Amends § 144A.75, subd. 8. Amends the definition of “hospice services” or “hospice care” to conform with changes made to the definition of “hospice patient.”
- 10 Residential hospice facility.** Amends § 144A.75, subd. 13. Amends the definition of “residential hospice facility” to clarify that the facility resembles a single-family home that has been modified to address life safety, accessibility, and care needs.
- 11 Respite care.** Adds subd. 13a to § 144A.75. Adds a definition of “respite care.” This definition is similar to the definition of respite care found in hospice services rules at Minnesota Rules, part 4664.0020, subpart 5, except the definition in this bill includes a reference to residential hospice facility.
- 12 Forms.** Amends § 145.4131, subd. 1. Requires a physician or facility performing an abortion to include in abortion data reports submitted to the commissioner of health, the facility code for the patient and the facility code for the physician, if the abortion was performed via telemedicine. This section is effective January 1, 2017.
- 13 Licensure of certain facilities that perform abortions.** Adds § 145.417.

**Subd. 1. License required for facilities that perform ten or more abortions per month.** (a) Requires facilities where ten or more abortions are performed per month to be licensed by the commissioner of health and subject to licensure requirements under Minnesota Rules, chapter 4675 (outpatient surgical centers). Exempts hospitals and outpatient surgical centers from having to obtain a separate license.

(b) Allows certain parties to seek an injunction against the continued operation of an unlicensed facility.

(c) States that sanctions under other sections of law are allowed in addition to this subdivision.

**Subd. 2. Inspections; no notice required.** Requires the commissioner to perform routine and comprehensive inspections and investigations of facilities described in subdivision 1, not more than two times per year. Allows the inspection to be without notice and requires the facility to be open at all reasonable times for inspection.

**Subd. 3. Licensure fee.** Requires facilities to pay an annual license fee of \$3,712 to be collected by the commissioner of health and deposited according to section 144.122 (general licensing fees and deposits statute).

**Subd. 4. Suspension, revocation, and refusal to renew.** Allows the commissioner to refuse to grant or renew licenses, and allows suspension and revocation of licenses for the following grounds:

- (1) violating Minnesota Rules, chapter 4675 (outpatient surgical centers);

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- (2) permitting, aiding, or abetting an illegal act in the facility;
- (3) conduct or practices detrimental to the welfare of the patient;
- (4) obtaining or attempting to obtain a license by fraud or misrepresentation; or
- (5) a pattern of conduct involving one or more physicians in the facility who have a financial or economic interest in the facility and have not provided notice and disclosure of that interest.

**Subd. 5. Hearing.** Requires a hearing be provided to a facility prior to any suspension, revocation, or refusal to renew a license. Puts the burden of proof of a violation on the commissioner and allows a new license application to be filed if the conditions upon which the revocation, suspension, or refusal to renew are based are corrected. Granting of the new license is conditional upon inspection for compliance with this section and Minnesota Rules, chapter 4657.

**Subd. 6. Severability.** Allows for severability of any provision of this section if a provision is found to be unconstitutional.

- 14 Duties of director.** Amends § 145.4716, subd. 2. Directs the director of child sex trafficking prevention at the Minnesota Department of Health to manage the program in section 609.3241 that distributes funds to crime victims services organizations to serve sexually exploited youth. (Under current law this grant program is managed by the commissioner of public safety.)
- 15 Youth eligible for services.** Amends § 145.4716, by adding subd. 3. Specifies that youth age 24 and younger are eligible for safe harbor services provided by the commissioner of health and for shelter, housing beds, and services provided by the commissioner of human services for sexually exploited youth and youth at risk of sexual exploitation. (Currently these services are provided to youth age 18 and younger.)
- 16 Allocation to commissioner of health.** Amends section 145.882, subdivision 2. Effective July 1, 2017, requires any maternal and child health (MCH) block grant funds retained by the commissioner of health and used for grants for pre-pregnancy family planning services to be distributed according to section 145.925 (family planning grants).
- 17 Allocation to community health boards.** Amends section 145.882, subdivision 3. Effective July 1, 2017, amends a subdivision allocating MCH block grant funds to community health boards, to require MCH block grant funding allocated to community health boards and used for pre-pregnancy family planning services to be distributed according to section 145.925.
- 18 Use of block grant money.** Amends section 145.882, subdivision 7. Effective July 1, 2017, adds a cross-reference to a subdivision listing allowable uses of MCH block grant money that is allocated to community health boards to include MCH funds distributed according to section 145.925.
- 19 Grant program; screening and treatment for pre- and postpartum mood and anxiety disorders.** Adds § 145.908. Directs the commissioner of health to establish a grant program, within the limits of federal funds available specifically for this purpose, to provide culturally competent screening and treatment for pre- and postpartum mood and anxiety disorders in pregnant women and women who have given birth in the last 12 months.

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**Subd. 1. Grant program established.** Directs the commissioner of health to establish the grant program. Allows organizations to use grant funds to establish new programs, or to expand or maintain existing programs. Requires the commissioner to prioritize funding screenings in primary care settings.

**Subd. 2. Allowable uses of funds.** Lists required and permitted uses of funds.

**Subd. 3. Federal funds.** Requires the commissioner to apply for any available federal grant funds for the program.

- 20 Purpose.** Amends § 145.925, subdivision 1. Current law allows the commissioner of health to make grants to the listed entities to provide prepregnancy family planning services. Effective July 1, 2017, this section requires the commissioner to make grants for family planning services; the list of entities eligible for grants is moved to subdivisions 1d and 1e in section 145.925.
- 21 Definitions.** Amends § 145.925, subdivision 1a. Effective July 1, 2017, adds definitions for the following terms: community health board, family planning, federally qualified health center, hospital, public health clinic, and rural health clinic.
- 22 Commissioner to apply for federal Title X funds.** Adds subdivision 1b to § 145.925. Requires the commissioner of health to apply for federal Title X funds in each grant cycle, beginning with the federal 2018 grant cycle. (Title X is a federal grant program administered by the Department of Health and Human Services, Office of Population Affairs, to fund family planning and related preventive health services to low-income individuals.)
- 23 State and federal funds distributed according to this section.** Adds subdivision 1c to § 145.925. Effective July 1, 2017, requires the commissioner to distribute the following funds according to this section: federal Title X funds received by the commissioner of health; money appropriated from the general fund or the federal TANF fund for family planning grants under this section; and MCH block grant money used for prepregnancy family planning services.
- 24 Distribution; eligible entities.** Adds subdivision 1d to § 145.925. Effective July 1, 2017, requires the commissioner to distribute funds as follows:
- The commissioner shall distribute funds to public entities, including community health boards and public health clinics, that apply to the commissioner.
  - If any funds remain after the commissioner fulfills grant requests from public entities, the commissioner may distribute the remaining funds to hospitals, federally qualified health centers, and rural health clinics that provide comprehensive primary and preventive health care services and that apply to the commissioner for funds.
- 25 Subgrants from public entities.** Adds subdivision 1e to § 145.925. Effective July 1, 2017, allows a public entity that receives funds under subdivision 1d to distribute funds to other public or private entities to provide family planning services. Prohibits an entity from receiving a subgrant under this section if the entity provides abortion services or has an affiliate that provides abortion services, unless the entity or affiliate provides abortion services solely when the abortion is directly and medically necessary to save the life of the woman.

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- 26 Reporting and publication of grant and subgrant recipients.** Adds subd. 10 to section 145.925. Effective July 1, 2017, requires public entities to report to the commissioner each grant cycle on subgrant recipients and subgrant amounts. Also requires the commissioner to publish a list of all grant and subgrant recipients and grant and subgrant amounts on the department's Web site.
- 27 Requirements for funeral establishment.** Amends § 149A.50, subd. 2. Makes a change to requirements for funeral establishments to conform with changes made to section 149A.92, which governs preparation and embalming rooms.
- 28 Establishment update.** Amends § 149A.92, subd. 1. Removes a requirement that all funeral establishments must, by July 1, 2017, contain a preparation and embalming room that complies with the standards in this section. Instead, requires a room used by a funeral establishment for preparation and embalming to comply with the standards in this section, and allows a funeral establishment with branch locations to have one prep and embalming room that complies with the standards in this section for all locations. Specifies a funeral establishment where no preparation and embalming is performed does not need to have an on-site prep and embalming room.
- 29 Special event food stand.** Amends § 157.15, subd. 14. In a chapter governing food, beverage, and lodging establishments, amends the definition of special event food stand by removing a requirement that the special event food stand could operate no more than three times a year. With this amendment, a special event food stand may operate no more than ten total days within the applicable license period for the food stand.
- 30 Recreational camping area.** Amends § 327.14, subd. 9. In a chapter on regulation of camping areas by the commissioner of health, amends the definition of recreational camping area to exclude the following from Health Department regulation and fees: a privately owned camping area used for no more than once a year for no longer than seven days in a row by members of a private club who pays dues.
- Effective date.** This section is effective the day following final enactment.
- 31 Penalty assessment authorized.** Amends § 609.3241. Transfers management of the program to distribute funds to crime victims services organizations to serve sexually exploited youth, from the commissioner of public safety to the commissioner of health.
- 32 Expanding eligibility for designation as a critical access hospital.** Encourages the commissioner of health to contact Minnesota's federal elected officials and pursue changes to the Medicare rural hospital flexibility program to expand the number of hospitals eligible for designation as a critical access hospital. Requires a status report to legislative committees by January 1, 2017.
- 33 Repealer.** Paragraph (a), repeals section 149A.92, subdivision 11, the day following final enactment. This subdivision specifies that all funeral establishments where human remains are present for preparation and embalming, viewings, visitations, services, and holding must comply with the requirements for preparation and embalming rooms.
- Paragraph (b) repeals section 145.925, subdivision 2, effective July 1, 2017. This subdivisions prohibits the commissioner from making family planning grants to nonprofit

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corporations that perform abortions, excluding hospitals and health maintenance organizations.

### **Article 5: Chemical and Mental Health**

#### **Overview**

This article decreases the county share for chemical dependency treatment from 22.95 percent to 15 percent for fiscal year 2017, and prohibits using a facility's designation as an institution for mental diseases as a factor in making placement decisions.

The article directs the commissioner of human services to establish pilot projects to provide treatment and services to pregnant and postpartum women with substance use disorders.

As part of a federal planning grant for the Excellence in Mental Health demonstration project, this article authorizes the commissioner to develop certification standards for certified behavioral health clinics, establish a prospective payment system for services provided by these clinics, and to consult with stakeholders in the development and implementation of the clinics.

- 1 Certified community behavioral health clinics.** Amends Minnesota Statutes 2015 Supplement, § 245.735, subd. 3. Paragraph (a) establishes the certification standards for certified community behavioral health clinics (CCBHC).

Paragraph (b) allows the commissioner to certify a CCBHC that is unable to provide one of the services listed in paragraph (a) if the entity has a contract with a collaborating organization that will provide the services.

Paragraph (c) allows a CCBHC to receive payment without a county contract or approval for services. Provides that there is no county share when medical assistance pays a CCBHC for services. Requires the CCBHC's county to provide a letter of support to the commissioner in order for the CCBHC to be certified.

Paragraph (d) allows the commissioner to grant variances to state licensure or certification requirements as long as the variances do not conflict with federal requirements.

Paragraph (e) requires the commissioner to issue a list of required and recommended evidence-based practices that must be used by CCBHCs.

Paragraph (f) requires the commissioner to establish a prospective payment system for medical assistance payments for services delivered by CCBHCs. Allows the commissioner to include quality bonus payments based on federal criteria and the clinic's provision of evidence-based practices. Provides that the payment system does not apply to MinnesotaCare or to services that have cost-based rates under other law. Provides that implementation of the payment system is effective July 1, 2017, or upon federal approval, whichever is later.

Paragraph (g) instructs the commissioner to seek federal approval for continued federal financial participation for payment of CCBHC services after the federal demonstration period ends for CCBHCs that were certified during the demonstration period. Provides that

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payment for CCBHC services shall end effective July 1, 2019, if federal financial participation cannot be obtained.

Paragraph (h) allows the commissioner to establish a limit on the number of certified clinics so that claims will not exceed funds budgeted for this purpose. Provides that preference shall be given to certain clinics.

Paragraph (i) requires the commissioner to recertify CCBHCs at least every three years. Instructs the commissioner to develop a decertification procedure.

**Effective date.** Provides that this section is effective the day following final enactment.

- 2 **Public participation.** Amends Minnesota Statutes 2015 Supplement, § 245.735, subd. 4. Requires the commissioner to consult, collaborate, and partner with stakeholders in developing and implementing certified community behavioral health clinics.

**Effective date.** Provides that this section is effective the day following final enactment.

- 3 **Rental assistance.** Amends § 245.99, subd. 2. Modifies criteria for the receipt of housing assistance so that persons with a serious mental illness can receive up to 90 days of rental assistance.

- 4 **Division of costs.** Amends § 254B.03, subd. 4. Reduces the county share of cost for chemical dependency treatment to 15 percent for fiscal year 2017 only. The current county share is 22.95 percent. Makes a conforming reduction to the percent reimbursement from the state to the county if the state makes collections from private or third-party payments.

**Effective date.** This section is effective July 1, 2016.

- 5 **Eligibility for treatment in residential settings.** Amends § 254B.04, subd. 2a. Requires that if a person meets the criteria for residential placement, a facility's designation as an institution for mental diseases (IMD) must not be a factor in the placement decision.

**Effective date.** This section is effective July 1, 2016.

- 6 **Allocation of collections.** Amends § 254B.06, subd. 2. Changes the allocation of collections for fiscal year 2017 only. To conform to the change in county share of cost in subdivision 1, the amendment to this subdivision requires the commissioner to allocate 15 percent of the collection to the county of financial responsibility.

**Effective date.** This section is effective July 1, 2016.

- 7 **Reimbursement for institutions for mental disease.** Amends § 254B.06, by adding subdivision 4. Prohibits the commissioner from denying reimbursement to a program designated as an IMD due to a reduction in federal financial participation and the addition of new residential beds.

**Effective date.** This section is effective July 1, 2016.

- 8 **Pilot projects; treatment for pregnant and postpartum women with substance use disorder.** Adds § 254B.15. Directs the commissioner of human services to establish pilot projects, within the limits of federal funds available specifically for this purpose, to provide substance use disorder treatment and services to pregnant and postpartum women.

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**Subd. 1. Pilot projects established.** Directs the commissioner of human services to establish the pilot projects. Lists criteria the pilot projects must meet, and requires pilot projects to provide a portion of the treatment and services to women on an outpatient basis.

**Subd. 2. Federal funds.** Requires the commissioner to apply for any available federal grant funds for the pilot projects.

**9 Payment rates.** Amends § 256B.0621, subd. 10. Adds that in assisting a client who is moving from an institution to the community, a case manager may bill medical assistance for relocation targeted case management services conducted by interactive video as provided in section 256B.0924, subd. 4a.

**10 Mental health case management.** Amends § 256B.0625, subd. 20. Provides that medical assistance and MinnesotaCare will pay for mental health case management services provided by interactive video if the interactive video contact meets the requirements of subdivision 20b.

**11 Mental health targeted case management through interactive video.** Amends § 256B.0625, by adding subd. 20b. Paragraph (a) provides, subject to federal approval, that medical assistance will pay for targeted case management services provided by interactive video to a person who resides in a hospital, nursing facility, or residential setting staffed 24 hours a day, seven days a week. Use of interactive video must be approved in the case plan, must be in the best interests of the person, and must be approved by the person receiving services, the case manager, and the provider operating the setting where the person resides. Provides that interactive video cannot be used for more than 50 percent of the minimum required face-to-face contacts.

Paragraph (b) allows the person receiving services the right to consent to use of interactive active and to refuse the use of interactive video at any time.

Paragraph (c) instructs the commissioner to establish criteria for providing targeted case management via interactive video.

Paragraph (d) provides the requirements for a targeted case management provider to receive medical assistance reimbursement for services provided by interactive video.

**12 Targeted case management through interactive video.** Amends § 256B.0924, by adding subd. 4a. Paragraph (a) provides, subject to federal approval, that medical assistance will pay for targeted case management services provided by interactive video to a person who resides in a hospital, nursing facility, or residential setting staffed 24 hours a day, seven days a week. Use of interactive video must be approved in the case plan, must be in the best interests of the person, and must be approved by the person receiving services, the case manager, and the provider operating the setting where the person resides. Provides that interactive video cannot be used for more than 50 percent of the minimum required face-to-face contacts.

Paragraph (b) allows the person receiving services the right to consent to use of interactive video and to refuse the use of interactive video at any time.

Paragraph (c) instructs the commissioner to establish criteria for providing targeted case management via interactive video.

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Paragraph (d) provides the requirements for a targeted case management provider to receive medical assistance reimbursement for services provided by interactive video.

**13 Commissioner duty to seek federal approval.** Instructs the commissioner to seek federal approval to implement case management via interactive video.

**14 Rural demonstration project.** Paragraph (a) allows children's mental health collaboratives to apply for grants. Allows one demonstration project to be funded.

Paragraph (b) requires the project to provide individualized coaching to rural youth ages 15 to 25 currently in the mental health system or with emerging mental health conditions so that these youth are able to achieve their personal goals in education, employment, housing, and community functioning. Requires the grantee to use all available sources of funding and to complete a program evaluation.

Paragraph (c) instructs the commissioner to issue a report to legislative committees with jurisdiction over mental health on the status and outcome of the demonstration by January 15, 2019. Requires the collaboratives administering the projects to report outcome data to the commissioner.

## **Article 6: Children and Families**

### **Overview**

In January 2016, the Select Committee on Affordable Child Care was created. The committee visited communities throughout Minnesota to listen to issues presented by child care providers and parents who use, or are in need of, child care services. This article presents proposals to address needs expressed by providers and parents related to accessibility, licensing processes, training of providers and licensors, business development, and advocacy.

In addition, this article modifies child care assistance program maximum rates for providers who are located within the boundaries of a city located in two or more counties, modifies the Food Stamp (also known as SNAP) Employment and Training Program requirements related to how federal funds are used, creates a permanent child support task force, and creates a new parenting expense adjustment for use in calculating child support obligations.

**1 Subsidy restrictions.** Amends § 119B.13, subd. 1. Modifies child care assistance program maximum rates by setting the maximum rate for child care providers who are located within the boundaries of a city located in two or more counties at the maximum rate paid in the county with the highest maximum reimbursement rates or the provider's charge, whichever is less.

**Effective date.** Provides an effective date of September 11, 2017.

**2 Electronic application; information.** Creates § 245A.043. Paragraph (a) instructs the commissioner to study the cost for development of a Web site for use by child care providers and prospective providers that would provide a single point of access for statutes and rules relevant to child care; a guide how to start a child care business; and completing and submitting electronic applications, child care assistance program registration, application for rating under the quality rating and improvement system, among other things.



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Paragraph (b) instructs the commissioner to submit the feasibility study to the legislature by September 30, 2016.

**Effective date.** Provides an effective date of July 1, 2017.

- 3 Notification to provider.** Creates § 245A.055. Paragraph (a) requires a county licensor who has conducted a licensing inspection to provide the licensee with written notification of potential licensing violations noted during the visit. The notification must be provided prior to the licensor's departure from the home.

Paragraph (b) clarifies that by issuing the required notification to the licensee, the licensor is not relieved from notifying the commissioner of the violation as required by statute or rule.

- 4 Positive support strategies.** Creates § 245A.23. Paragraph (a) requires the commissioner to review and evaluate the applicability of the positive support strategies and restrictive intervention rules to child care providers. Lists items the commissioner must consider. Requires the commissioner to complete this review and evaluation process no later than December 31, 2016, and to submit a written plan to modify application of rules for child care programs to the legislature by January 15, 2017.

Paragraph (b) exempts child care providers from certain rules until the commissioner has completed the review and evaluation process and submitted a written plan to the legislature.

**Effective date.** Provides and immediate effective date.

- 5 Training for county licensing staff on family child care and group family child care requirements; supervision.** Creates § 245A.55. Paragraph (a) establishes an eight-hour preservice training requirement for county licensors.

Paragraph (b) requires the commissioner to increase training and oversight of county licensors. Requires the commissioner to conduct at least biennial reviews of county performance.

Paragraph (c) instructs the commissioner to provide notices annually to county licensors and their supervisors on new laws relating to family child care and group family child care that were enacted during the previous 12 months.

- 6 Federal reimbursement.** Amends § 256D.051, subd. 6b. Adds language to the Food Stamp Employment and Training Program statute specifying how the federal appropriation for the program must be used. Requires the commissioner to report, by February 15, 2017, to the legislative committees with jurisdiction over the food stamp program on the progress of securing additional federal reimbursement funds. Allows service providers to be paid with federal funds for Food Stamp employment and training costs they incur.

- 7 Modification of parenting plan or order for parenting time.** Amends § 518.175, subd. 5. Makes structural changes to the subdivision. Instructs the court to modify an existing parenting plan or court order, if the plan or order cannot be used to determine the number of overnights or overnight equivalents the child has with each parent, so that the number of overnights or overnight equivalents the child has with each parent can be determined.

**Effective date.** Provides an August 1, 2018, effective date.

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- 8 Obligor.** Amends Minnesota Statutes 2015 Supplement, § 518A.26, subd. 14. To the definition of obligor, new language is added to provide that if a parent has more than 55 percent parenting time, there is a rebuttable presumption that the parent will have a zero dollar basic support obligation. Lists the types of evidence that can be produced to overcome the presumption. Adds that a zero support obligation does not relieve a party from paying arrears.
- Effective date.** Provides an August 1, 2018, effective date.
- 9 Computation of child support obligations.** Amends § 518A.34. Makes technical changes to conform with the changes made to the parenting expense adjustment formula in section 518A.36. Adds a new paragraph to establish the method of determining child support obligations when parents have split custody of joint children.
- Effective date.** Provides an August 1, 2018, effective date.
- 10 Parenting expense adjustment.** Amends § 518A.36.
- Subd. 1. General.** Adds that parenting time means the percentage of time a child spends with a parent during a calendar year according to a court order and averaged over a two year period.
- Subd. 2. Calculation of parenting expense adjustment.** Establishes a new formula for determining the parenting expense adjustment.
- Subd. 3. Calculation of basic support when parenting time is equal.** Strikes language made obsolete by the new parenting expense adjustment.
- Effective date.** Provides an August 1, 2018, effective date.
- 11 Modification.** Amends Minnesota Statutes 2015 Supplement, § 518A.39, subd. 2. Adds that if child support was established by applying a parenting expense adjustment under previously existing child support guidelines and there is no parenting plan or order from which overnights or overnight equivalents can be determined, then there is a rebuttable presumption that the established child support obligation will continue after modification unless the modification is based on a change in parenting time.
- Makes a technical change to reference the amended child support guidelines.
- Effective date.** Provides an August 1, 2018, effective date.
- 12 Child Support Task Force.** Creates § 518A.79.
- Subd. 1. Establishment; purpose.** Creates the Child Support Task Force to advise the commissioner of human services on matters related to the child support guidelines.
- Subd. 2. Members.** Paragraph (a) identifies the agencies, entities, and individuals who are to make up the 15 member task force.
- Paragraph (b) provides that task force members shall be compensated as provided in section 15.059, subdivision 3.
- Subd. 3. Organization.** Requires the commissioner of human services to convene the first meeting of the task force. Instructs the members to elect a chair and other

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officers. Requires the task force to meet at least three times per year, with one meeting devoted to collecting public input.

**Subd. 4. Staff.** Provides that the commissioner shall provide staff, office space, and administrative services for the task force.

**Subd. 5. Duties.** Paragraph (a) lists the general duties of the task force.  
Paragraph (b) lists the priority duties of the task force.

**Subd. 6. Consultation.** Requires the chair to consult with the Cultural and Ethnic Communities Leadership Council at least annually. This council also advises the commissioner.

**Subd. 7. Report and recommendations.** Instructs the commissioner to prepare a report for the legislature that summarizes the activities of the task force, issues identified by the task force, methods taken to address these issues, and recommendations for legislative action, if needed. Requires the first report to be submitted February 15, 2018, and biennially thereafter.

**Subd. 8. Expiration.** Provides that the task force expires June 30, 2019, unless extended by the legislature.

**Effective date.** Provides an immediate effective date.

- 13 Establishment of team.** Amends § 626.558, subd. 1. Adds children’s advocacy centers to the list of community-based agencies that may be included on the task force.
- 14 Duties of the team.** Amends § 626.558, subd. 2. Adds a representative of a children’s advocacy center to the list of agencies that may assist with case consultation.
- 15 Children’s advocacy center; definition.** Adds § 626.558, subd.4. Defines “children’s advocacy center.”
- 16 Legislative task force; child protection.** Amends Laws 2015, chapter 71, article 1, section 125. Modifies membership of the legislative task force by striking the four legislators who served as members of the governor’s task force, and adds eight legislators, four from the senate and four from the house with majority and minority membership equally represented.  
Requires the task force to meet at least quarterly and issue an annual report to the legislature and the governor by February 1.  
To the duties of the task force, two issues are added: clarifying the definition of “substantial child endangerment,” and evaluating practices when a child must be removed from the home due to maltreatment. Under current law a child can be removed pursuant to a court order or by law enforcement. The task force is to consider situations in which it may be appropriate for a child protection worker to remove the child.  
Provides that the task force expires December 31, 2020.
- 17 Child care provider liaison and advocate.** Requires the commissioner of human services to create a full-time position to act as a liaison and advocate for child care providers.  
Provides an immediate effective date.

**Section**

**18 Legislative task force on child care.**

**Subd. 1. Creation.** Creates a task force to evaluate issues related to affordability and accessibility of child care.

**Subd. 2. Membership.** Provides that the task force will be composed of eight legislators.

**Subd. 3. Duties.** Lists the issues that may be considered by the task force including, but not limited to: child care costs, accessibility, training requirements for providers, uniform training requirements for county licensors, and streamlining paperwork requirements.

**Subd. 4. Recommendations and report.** Requires the task force to issue a report to the legislature and governor by December 31, 2016.

**Effective date.** Provides an immediate effective date and a sunset date of December 31, 2016.

**19 Direction to commissioner; income and asset exclusion.** Prohibits the commissioner of human services from counting payments made to families by a demonstration project as income or assets for purposes of determining eligibility for various human services programs including child care assistance, MFIP, MA, and MinnesotaCare. Defines “income and child development in the first three years of life demonstration project.” Provides that this section will only be implemented if Minnesota is chosen as a site for the federal demonstration project, and provides a January 1, 2022, expiration date. Requires the commissioner to report to the legislature on the outcomes of the demonstration project by January 1, 2023.

**20 Revisor’s instruction.** Instructs the revisor, in consultation with the commissioner and nonpartisan legislative staff to recodify the Maltreatment of Minors Act. Requires the recodification to be drafted in bill form for introduction in the 2017 session.

**21 Repealer; hands off child care.** Repeals Minnesota Statutes, sections 179A.50, 179A.51, 179A.52, and 179A.53 (child care provider unionization).

**Article 7: Health-Related Licensing**

**Overview**

This article creates regulations governing the practice of three health-related professions.

**1 Definitions.** Creates § 147F.01. Defines the following terms as used in this practice act: “ABGG,” “ABMG,” “ACGC,” “board,” “eligible status,” “genetic counseling,” “genetic counselor,” “licensed physician,” “NSGC,” “qualified supervisor,” “supervisee,” and “supervision.”

**2 Scope of practice.** Creates § 147F.03. Lists the type of services provided by a licensed genetic counselor.

## Section

### **3**      **Unlicensed practice prohibited; protected titles and restrictions on use.** Creates § 147F.05.

**Subd. 1. Protected titles.** Prohibits use of the titles “genetic counselor, “licensed genetic counselor,” “gene counselor,” “genetic consultant,” “genetic assistant,” or “genetic associate” unless the individual is licensed as a genetic counselor.

**Subd. 2. Unlicensed practice prohibited.** Prohibits the practice of genetic counseling unless licensed as a genetic counselor, or subject to an exception as provided in subdivision 3 of this section.

**Subd. 3. Other practitioners.** Paragraph (a) provides nothing in this practice act shall limit the practice of other licensed professionals who are operating within their scope of practice.

Paragraph (b) provides that a license is not required for individuals who are employed by the federal government or federal agency, students enrolled in an accredited genetic counseling program or students who have graduated within the past six months and are scheduled to take the certification examination, a visiting certified genetic counselor working as a consultant, or are licensed to practice medicine under chapter 147.

**Subd. 4. Sanctions.** Provides that violation of this section is a misdemeanor and is subject to sanctions under section 214.11.

### **4**      **Licensure requirements.** Creates § 147F.07.

**Subd. 1. General requirements for licensure.** Requires applicants to submit a completed application along with the required fees, evidence of graduation from an accredited genetic counseling program, valid and current certification from a national certification program, and additional information requested by the board.

**Subd. 2. Licensure by reciprocity.** Requires an applicant to hold a current genetic counselor or medical geneticist registration or license in another jurisdiction whose standards meet or exceed those of Minnesota, and to meet specified requirements in subdivision 1. Requires the applicant to provide letters of verification from each jurisdiction in which the applicant is registered or licensed.

**Subd. 3. Licensure by equivalency.** Allows the board to grant a license to an individual who does not meet the certification requirements in subdivision 1, but who has been employed as a genetic counselor for a minimum of ten years and provides specified documentation to the board.

Provides that this subdivision expires February 1, 2018.

**Subd. 4. License expiration.** Provides that a license is valid for one year.

**Subd. 5. License renewal.** Requires a genetic counselor to submit a renewal application and the required fee, evidence of compliance with continuing education requirements, and any additional information requested by the board.

## Section

- 5 Board action on applications for licensure.** Creates § 147F.09. Requires the board to take action on each application submitted and provide written notice to the applicant of the action taken. Allows the board to investigate information provided by an applicant. Provides that if the board denies a license, grounds for denial must be disclosed to the applicant along with the applicant's right for a review of the board's decision.
- 6 Continuing education requirements.** Creates § 147F.11. Paragraph (a) requires genetic counselors to complete a minimum of 25 hours of approved continuing education units during each two-year period.
- Paragraph (b) allows the board to grant a variance to the continuing education requirements.
- 7 Discipline; reporting.** Creates § 147F.13. Provides that disciplinary action and reporting requirements are subject to sections 147.091 to 147.162, disciplinary provisions of the Board of Medical Practice.
- 8 Licensed genetic counselor advisory council.** Creates § 147F.15.
- Subd. 1. Membership.** Requires the board to appoint a five member council. One member must be a licensed physician, one a public member, and three licensed genetic counselors.
- Subd. 2. Organization.** Provides that section 15.059 governs the organization and administration of the council.
- Subd. 3. Duties.** Requires the council to advise the board on licensing standards and complaints, enforcement of the genetic counselor practice act, and provide for distribution of information on genetic counselor practice standards.
- Subd. 4. Expiration.** Provides that the council does not expire.
- 9 Fees.** Creates § 147F.17. Establishes fees for license application, initial license and annual renewal, provisional license, and a late fee. Allows the board to prorate fees. Provides that fees are nonrefundable. Requires fees to be deposited in the state government special revenue fund.
- 10 Definitions.** Creates § 148.9981. Defines the terms "advisory council," "code of ethics," "commissioner," "interpreting standards of practice," "registry," "remote interpretation," "spoken language health care interpreter" or "interpreter," and "spoken language interpreting services."
- 11 Registry.** Creates § 148.9982.
- Subdivision 1. Establishment.** Paragraph (a) requires the commissioner of health to establish a registry for spoken language health care interpreters by July 1, 2017. Requires the registry to have four tiers based on qualification standards.
- Paragraph (b) requires an individual who wants to be listed on the registry to submit an application to the commissioner.
- Paragraph (c) instructs the commissioner to determine if the applicant meets the requirements for the applicable registry tier and to notify the applicant of the action taken on the application.

## Section

Paragraph (d) provides that if the commissioner denies the application, the applicant may apply for a lower tier or may reapply for the same tier at a later date.

Paragraph (e) allows applicants who qualify for different tiers for different language to submit only one application.

Paragraph (f) allows the commissioner to request additional information from the applicant.

**Subd. 2. Tier 1 requirements.** Provides that an individual must be at least 18 years of age, pass an examination on basic medical terminology in English, pass an examination on interpreter ethics and standards of practice, and affirm that the applicant has read to code of ethics and standards of practice and will abide by them.

**Subd. 3. Tier 2 requirements.** In addition to the requirements of subdivision 2, between July 1, 2017, and June 30, 2018, the individual must provide proof of completion of a training program for medical interpreters that is at least 40 hours in length. Establishes training requirements effective July 1, 2018.

**Subd. 4. Tier 3 requirements.** In addition to the requirements of subdivision 2, an applicant must have national certification in health care interpreting that does not include a language proficiency component, or provide proof of successfully completing an interpreting certification program from an accredited U.S. academic institution that is at least 18 semester credits.

**Subd. 5. Tier 4 requirements.** In addition to the requirements of subdivision 2, an applicant must have national certification in health care interpreting that includes language proficiency in a non-English language, or has an associate's degree or higher in interpreting and has achieved a score of "advanced mid" or higher. The degree must include at least three semester credits of medical terminology or medical interpreting. Allows the commissioner, in consultation with the advisory committee, to approve alternate means of achieving proficiency or degrees from foreign institutions.

**Subd. 6. Change of name and address.** Requires registrants to notify the commissioner in writing within 30 days of any changes to their name, address, or email address.

**Subd. 7. Data.** Provides that applicant and registrant data shall be maintained according to § 13.41.

**12 Renewal.** Creates § 148.9983.

**Subd. 1. Registry period.** Provides that listing on the registry is valid for one year. Requires interpreters to submit a renewal application, a continuing education report, and the required fees.

**Subd. 2. Notice.** Requires the commissioner to send out a renewal notice 60 days before registry expiration. Requires that the renewal be received by the commissioner or postmarked at least 30 days prior to the registry expiration date.

**Subd. 3. Late fee.** Requires the interpreter to pay a late fee when a renewal application is submitted after the renewal deadline.

## Section

**Subd. 4. Lapse in renewal.** Provides that an interpreter must submit a new application if the interpreter's registry listing has been expired for one year or more.

### **13 Disciplinary actions; oversight of complaints.** Creates § 148.9884.

**Subd. 1. Prohibited conduct.** Lists the grounds for disciplinary or corrective action.

**Subd. 2. Complaints.** Allows the commissioner to investigate complaints. Requires the commissioner to follow the procedures followed by the health-related licensing boards for complaint investigations and hearings.

**Subd. 3. Disciplinary actions.** Lists the types of actions that may be taken by the commissioner.

**Subd. 4. Reinstatement requirements after disciplinary action.** Allows an interpreter who has been removed from the registry or had their practice suspended to request reinstatement.

### **14 Continuing education.** Creates § 148.9985.

**Subd. 1. Course approval.** Requires the advisory council to approve continuing education course and training. Allows a course, not approved by the council, to be submitted for credit, but permits the commissioner to disallow credit for the course. Lists the number of continuing education required for each tier.

**Subd. 2. Continuing education verification.** Requires each interpreter to submit a continuing education report form along with the renewal application.

**Subd. 3. Audit.** Allows the commissioner or advisory council to conduct a random audit of continuing education reports.

### **15 Spoken language health care interpreter advisory council.** Creates § 148.9986.

**Subd. 1. Establishment.** Instructs the commissioner to appoint a ten member advisory council.

**Subd. 2. Organization.** Requires the council to be organized and administered under section 15.059.

**Subd. 3. Duties.** Lists the duties of the council.

### **16 Fees.** Creates § 148.9987. Fees amounts for initial and renewal applications and late fees are not specified. Provides that fees are nonrefundable and are to be deposited in the state government special revenue fund.

### **17 Access to medical services.** Amends Minnesota Statutes 2015 Supplement, § 256B.0625, subd. 18a. Makes technical changes to conform to changes made by this bill. Provides that medical assistance shall cover only spoken language health care interpreter services provided by an interpreter listed on the registry. Provides an effective date of July 1, 2017.



## Section

- 18 Stratified medical assistance reimbursement system for spoken language health care interpreters.** Paragraph (a) instructs the commissioner of human services, in consultation with the commissioner of health, the advisory council, and stakeholders from the interpreting community to study and make recommendations for a reimbursement system based on the different tiers of the registry.
- Paragraph (b) requires the commissioner of human services to submit the proposed reimbursement system, including a fiscal note, to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services by January 15, 2018.
- 19 Initial spoken language health care advisory council meeting.** Requires the commissioner to convene the first council meeting by October 1, 2016.
- 20 Spoken language health care interpreter registry fees.** Provides that the initial and renewal fees for registrants shall be \$50 between July 1, 2017, and June 30, 2018. Between July 1, 2018, and June 30, 2019, the fees shall be \$70. Beginning July 1, 2019, the fees shall be in accordance with § 148.9987.
- 21 Repealer.** Repeals § 144.058 (Interpreter services quality initiative.) effective July 1, 2017.
- 22 Short title.** Creates § 153B.10. Provides the title for this act.
- 23 Definitions.** Creates § 153B.15. Defines the following terms: “advisory council,” “board,” “custom-fabricated device,” “licensed orthotic-prosthetic assistant,” “licensed orthotic fitter,” “licensed orthotist,” “licensed pedorthist,” “licensed prosthetist,” “licensed prosthetist orthotist,” “NCOPE,” “orthosis,” “orthotics,” “over-the-counter,” “off-the-shelf,” “pedorthic device,” “pedorthics,” “prescription,” “prosthesis,” “prosthetics,” “resident,” “residency,” and “supervisor.”
- 24 Exceptions.** Creates § 153B.20. Exempts the following from the provisions of this act:
- licensed physicians, osteopathic physicians, or podiatric physicians who are providing service within the scope of their practice;
  - professionals, such as physical therapists and occupational therapists, who are providing services within the scope of their practice;
  - individuals who practice orthotics, prosthetics, or pedorthics as part of their employment by the federal government or federal agency;
  - orthotic, prosthetic, or pedorthic students, residents, and interns; or an orthotist, prosthetist, pedorthist, prosthetic orthotist, assistant, or fitter who is licensed in another state or another country that has equivalent licensure requirements, and has applied for licensure under this act.

## Section

### **25 Orthotics, Prosthetics, and Pedorthics Advisory Council.** Creates § 153B.25.

**Subd. 1. Creation; membership.** Paragraph (a) establishes the seven member advisory council. Requires five members to be professionals licensed under this act, one member to be a licensed podiatrist, and one to be a public member.

Paragraph (b) provides that the council is to be organized under section 15.059.

**Subd. 2. Duties.** Lists the duties of the council.

### **26 Licensure.** Creates § 153B.30.

**Subd. 1. Application.** Requires applicants to submit a license application in the format required by the board, accompanied by the required nonrefundable fee.

**Subd. 2. Qualifications.** Requires applicants to meet the certification requirements of applicable national certifying board at the time of application and to be in good standing with the certifying board.

**Subd. 3. License term.** Provides that a license is valid for a term of up to 24 months beginning on January 1, or commencing after fulfilling the license requirements and ending on December 31 of the following year.

### **27 Employment by an accredited facility; scope of practice.** Creates § 153B.35. Allows a licensee to provide limited, supervised patient care beyond their scope of practice if:

- the licensee is employed by a facility that is accredited by a national accrediting organization in orthotics, prosthetics, and pedorthics;
- written objective criteria are provided by the facility to describe the knowledge and skills required by the licensee to demonstrate competence to provide services outside the licensee's scope of practice;
- the licensee is under the direction of supervisor licensed as an orthotist, prosthetist, or pedorthist who is employed by the facility; and the patient care occurs in compliance with facility accreditation standards.

### **28 Continuing education.** Creates § 153B.40.

**Subd. 1. Requirement.** Requires each licensee to comply with the continuing education requirements imposed by their certifying board.

**Subd. 2. Proof of attendance.** Requires each licensee to submit to the board proof of attendance at approved continuing education programs during the licensure period.

**Subd. 3. Extension of continuing education requirements.** Allows a licensee, for good cause, to apply for a six-month extension in order to complete continuing education requirements. Allows up to two consecutive extensions. "Good cause" is defined as unforeseen hardship.

## Section

- 29 License renewal.** Creates § 153B.45.
- Subd. 1. Submission of license renewal form.** Requires a licensee to submit a signed renewal application to the board that is postmarked no later than January 1.
- Subd. 2. Renewal application postmarked after January 1.** Requires the applicant to pay a late renewal fee if the application is postmarked after January 1.
- Subd. 3. Failure to submit renewal application.** Paragraph (a) requires the board to mail a notice to a licensee who fails to apply for license renewal. Provides that the notice must contain information on the steps that must be taken by the licensee to renew the license or to voluntarily terminate the license.
- Paragraph (b) provides that a licensee's failure to respond to the notice shall result in expiration of the license and termination of the right to practice.
- Paragraph (c) provides that an expired license may be reinstated.
- 30 Name and address change.** Creates § 153B.50. Paragraph (a) instructs a licensee to notify the board of any name change within 90 days of the change.
- Paragraph (b) requires a licensee to maintain a correct address with the board. Instructs a licensee to notify the board of any address change within 90 days of the change.
- 31 Inactive status.** Creates § 153B.55. Paragraph (a) allows a licensee to place the licensee's credential on active status.
- Paragraph (b) requires a licensee who requests restoration of a credential to complete a license renewal application and pay the current renewal fee.
- Paragraph (c) provides that a person whose license is on inactive status cannot practice.
- 32 License lapse due to military service.** Creates § 153B.60. Allows service members whose license expire while on active duty or while in training or education prior to induction, to have their license renewed or restored without paying a late fee or a restoration fee.
- 33 Endorsement.** Creates § 153B.65. Allows the board to issue a license, without examination, to applicants who are certified by a national certification organization.
- 34 Grounds for disciplinary action.** Creates § 153B.70. Paragraph (a) lists the grounds for adverse action by the board against an applicant or licensee.
- Paragraph (b) provides that a license to practice is automatically suspended if a guardian is appointed for the licensee or the licensee is committed by an order of the court under the Minnesota Commitment Act. Allows a licensee to be reinstated upon proof by clear and convincing evidence that the licensee has been rehabilitated.
- Paragraph (c) allows the board to require a licensee to submit to a mental or physical examination when the board has probable cause to believe the licensee is unable to practice due to intoxication, addiction to drugs, or mental or physical illness. Provides that the failure of a licensee to submit to an examination constitutes an admission of the allegations.
- Paragraph (d) allows the board to obtain a licensee's medical data and health records, without the consent of the licensee, if the board has probable cause to believe the licensee is unable to practice due to intoxication, addiction to drugs, or mental or physical illness.

## Section

Paragraph (e) requires the board to hold a hearing within 30 days when the board issues an order of immediate suspension of a license.

**35 Investigation; notice and hearings.** Creates § 153B.75. Authorizes the board to investigate alleged violations of the practice act, conduct hearings, and impose corrective or disciplinary action as provided in section 214.103 (Health-related licensing boards; complaint, investigation, and hearing.)

**36 Unlicensed practice.** Creates § 153B.80.

- Requires individuals to hold a license in order to practice one of the professions regulated by this act; and
- prohibits any individual from holding oneself out as a professional regulated by this act if the person is not regulated; and makes it a misdemeanor for a person to practice or hold oneself out as an orthotist, prosthetist, prosthetist orthotist, pedorthist, assistant, or fitter without a license. Grants the board the authority to seek a cease and desist order.

**37 Fees.** Creates § 153B.85. Lists various application and renewal fees.

**38 First appointments, first meeting, and first chair of the Orthotics, Prosthetics, and Pedorthics Advisory Council.** Instructs the board to make appointments to the council by September 1, 2016. Requires the council to convene by November 1, 2016.

### **Article 8: Human Services Forecast Adjustments**

See spreadsheet

### **Article 9: Health and Human Services Appropriations**

See spreadsheet

### **Article 10: State Government Appropriations**

**1 Appropriations.** Provides that appropriations in this act are added to or subtracted from appropriations made in the 2015 state government finance bill.

**2 Legislature.** Cancels \$3.14 million from the Senate carryforward account and \$440,000 from the Legislative Coordinating Commission carryforward account to the general fund. Appropriates \$318,000 to the Office of the Legislative Auditor for new duties related to fiscal notes, revenue estimates, and local impact notes. Reduces the appropriation to the Legislative Coordinating Commission by \$133,000.

**3 State Auditor.** Appropriates \$6.951 million from the general fund to the Office of the State Auditor. This appropriation is related to the repeal of the state auditor enterprise fund later in this bill.

**4 MN.IT services.** Appropriates \$500,000 for a study of enhanced cyber security across state government.

## Section

- 5 **Administration.** Appropriates \$148,000 for continued implementation of the state's Olmstead plan.
- 6 **MMB.** Reduces the appropriation to MMB by \$318,000. Provides that to the extent possible, this reduction be implemented through savings achieved in not administering the fiscal notes process.
- 7 **Revenue.** Provides that \$1 million of money previously appropriated must be used for efforts to identify and reject attempted tax refund fraud.
- 8 **Human Rights.** Appropriates \$180,000 for a St. Cloud office. Requires federal funds received by the department to be deposited in the general fund. Provides that if this is not possible under federal agreements, the general fund appropriation to the department is reduced by the amount of federal funds received during the biennium.
- 9 **Veterans Affairs.** Appropriates \$100,000 for a grant to Eagle's Healing Nest, \$300,000 for the state soldiers assistance fund, and \$100,000 for Cottages of Anoka.
- 10 **Military Affairs.** Appropriates \$1.8 million for security improvements at National Guard facilities.
- 11 **Public Safety.** Appropriates \$260,000 for payment of public safety officer survivor benefits.
- 12 **Savings; appropriation reduction for executive agencies.** Requires MMB to reduce general fund appropriations to executive agencies for the biennium by \$6.52 million. Specifies agencies that may not be included in this reduction. Provides that to the greatest extent possible these reductions must come from savings provided by reductions in salaries of commissioners, deputy commissioners, and assistant commissioners; a hiring freeze; reductions in spending on nonessential travel and on advertising. Requires MMB to report on reductions in spending, by agency. Provides that the reductions in this section are reductions to the base for the next biennium.
- 13 **Hiring freeze.** Imposes a hiring freeze in the executive and legislative branches. The freeze does not apply to students in work-study positions, and to positions necessary to perform essential government services. Specifies the method for determining these exceptions, and requires reporting of exceptions granted.
- 14 **Nonessential travel.** Prohibits state-paid nonessential travel during the biennium for employees of executive agencies. Requires the governor to report on travel.
- 15 **Limit on expenditures for advertising.** Provides that an executive branch agency's spending on advertising and promotions during fiscal year 2017 cannot exceed 90 percent of the amount the agency spent during fiscal year 2016. This section does not apply to the Minnesota Lottery or Explore Minnesota Tourism, or to advertising related to a declared emergency or disaster.
- 16 **Executive agency managers.** Provides that the salaries for department heads, deputy commissioners, and assistant commissioners are reduced by 5 percent. Requires MMB to reduce the number of deputy and assistant commissioners by 5 percent.
- 17 **Transition.** Provides that receipts from examinations conducted by the State Auditor must be credited to the general fund. Amounts in the state auditor enterprise fund are transferred to the general fund.

## Section

- 18**     **Public subsidy program suspended.** Provides that the public subsidy program for state elections does not apply for the remainder of the biennium. During this period, no transfers will be made from the general fund to the state elections campaign account, no public subsidy payments will be made from the account, and any written agreements made by a candidate as a condition of receiving a payment are not effective. Amounts designated on tax returns are not effective and remain in the general fund.

### **Article 11: State Government**

- 1**     **Application.** Provides that the process for review of state agency expenditure of federal money applies to all federal money, whether appropriated under section 4.07 (the general statute appropriating federal money) or another more specific section, unless the federal money is specifically excluded from this section.
- 2**     **State match.** Provides that requirements for review of federal funds involving an increased state match apply to federal money that has been awarded (rather than received).
- 3**     **Increase in amount.** Provides that requirements for review of increased amount of federal funds applies to federal money awarded and available to be expended.
- 4**     **Interim procedures; urgencies.** Amends procedures governing federal money awarded to the state during interim (or after deadline for review during session) when an urgency requires the money to be encumbered or expended before the next legislative session. Provides that the federal money may be allotted for expenditure if the Legislative Advisory Commission (LAC) makes a positive recommendation or no recommendation, or if the LAC has not reviewed the request within ten days. Provides that the federal money may not be spent if the LAC makes a negative recommendation or a recommendation for further review. Requires an LAC recommendation to be made at a meeting unless a written recommendation is signed by all member entitled to vote on the item. Defines what constitutes an “urgency” that justifies use of the process under this subdivision.
- 5**     **Legislative Advisory Commission review.** Amends process for LAC review of federal money awarded to the state when there is an increased state match, a change in purpose, or an increase in amount of federal money. Provides that the commissioner of MMB may not approve the expenditure if a member of the LAC makes a negative recommendation or requests further review within 20 days. The commissioner may approve the allotment of federal money for expenditure if the LAC makes a positive recommendation or no recommendation.
- 6**     **Interim procedures; nonurgencies.** Under current law, requests to spend federal money when there is no urgency for the money to be encumbered or expended before the next legislative session must be submitted by October 1. This section changes the deadline to the later of October 1 or 100 days before the start of the next legislative session. This section also makes this provision applicable if federal money is awarded and becomes available to the state (instead of if federal money becomes available for expenditure).
- 7**     **Withdrawal.** Authorizes the Commissioner of Management and Budget to withdraw a request to spend federal money.

## Section

- 8**      **Fiscal notes and revenue estimates.** Provides that the legislative auditor shall participate in the fiscal note and revenue estimate process in the manner described in section 3.98. Provides that authority of the auditor and duties of entities subject to the auditor's other work also apply to fiscal notes and revenue estimates.
- 9**      **Fiscal notes and revenue estimates.** Provides that upon receiving a request for a fiscal note or revenue estimate, the legislative auditor shall request appropriate agencies to provide the legislative auditor with an analysis of the financial and personnel impacts of the bill. Requires agencies to submit the analysis in the time and manner requested by the auditor.
- Requires the legislative auditor to review the analysis submitted by agencies and assess the reasonableness of the analysis. Authorizes the auditor to require agencies to resubmit their analysis under new assumptions or calculation parameters defined by the auditor.
- Provides that when the auditor accepts the final analysis for all relevant agencies, the auditor shall deliver the completed fiscal note or revenue analysis. Requires that the note or estimate contain the final analysis and assumptions submitted to the auditor by agencies, and a statement by the legislative auditor as to whether the auditor agrees with the final analysis and assumptions. Requires the auditor to state reasons for any disagreements, and authorizes the auditor to offer alternative analysis and assumptions. Provides that if the auditor deems disagreements sufficiently large, the auditor may submit an unofficial unapproved fiscal note to the legislature, for public consideration of both the analysis of the agency and that of the auditor.
- 10**     **Local impact notes.** Provides that the legislative auditor, rather than the commissioner of management and budget, shall coordinate the development of local impact notes.
- 11**     **Payments to state auditor.** Provides that county payments for state auditor costs will be deposited in the state general fund instead of the state auditor enterprise fund.
- 12**     **Billings by state auditor.** Provides that political subdivision payments for state auditor costs will be deposited in the state general fund instead of the state auditor enterprise fund.
- 13**     **Reports to the legislature.** In a law governing reporting to the legislature, strikes a reference to the state auditor enterprise fund, and refers instead to expenditures relating to examinations.
- 14**     **Centralized tracking list of agency projects.** Requires the commissioner of management and budget to maintain a centralized list of new agency projects estimated to cost more than \$100,000 that are paid for from the general fund. Excludes intergovernmental aid programs and programs and activities mandated by law.
- 15**     **Revenue uncertainty information.** Requires the commissioner of management and budget to report to the legislature within 14 days of a budget forecast on uncertainty in Minnesota's general fund revenue projections.
- 16**     **Federal funds report.** Requires the commissioner of management and budget to report each year on federal funds received by the state. The report must include the total amount of federal funds received in the prior fiscal year and the anticipated total amount in the current fiscal year.

For each category of federal funding, the report must list: the federal funding source and a brief description of the purpose; the amount received in the prior fiscal year and the amount

## Section

anticipated in the current year; if there is a maintenance-of-effort requirement; number of full-time equivalent state employees needed to implement the federal funding; and amount of state funds spent or to be spent as a match or otherwise in conjunction with the federal funding.

- 17 Legislative approval required for fees.** Provides that an agency must not propose a fee or fine increase of more than 10 percent in a biennium.
- 18 Federal penalties relating to purchase or sale of state bonds.** Requires the commissioner of MMB to disclose to the legislative auditor within ten days any situation the commissioner believes potentially could subject the state to payment of a penalty to the federal government in connection with purchase or sale of bonds issued by the state.
- Requires that payment of a penalty to the federal government in connection with purchase or sale of bonds issued by the state must be made from funds appropriated for general MMB operations. If this is not feasible, the commissioner may seek approval for use of contingent account appropriations.
- Requires the commissioner to disclose to the legislative auditor and specified legislative officials within ten days the payment of a penalty to the federal government in connection with the purchase or sale of bonds issued by the state.
- 19 Construction and remodeling.** Requires legislative committee chairs to be notified of change items and cost increases in state construction projects.
- 20 New state buildings.** Provides that any requirement for legislative approval of a state building may be fulfilled only by approval of the entire legislature, and not by one or more committees of the legislature.
- 21 Termination of grant.** Requires that state grant agreements provide for immediate termination of the grant if the recipient is convicted of a criminal offense relating to a state grant agreement.
- 22 No fees for general fund grant administration.** Forbids an agency from charging a recipient of a grant from the general fund a fee and from deducting money from the grant to pay for costs of administering the grant.
- 23 Delegation of duties.** Requires that every three years the commissioner of administration audit use of contracting authority delegated to employees in other agencies. Requires the commissioner to develop guidelines for delegated contracting authority, to protect state legal interests, including possible review of contracts by the commissioner.
- 24 Conflict-free minerals.** Forbids state agencies from knowingly purchasing goods or services from persons not in compliance with federal law relating to disclosure of information relating to conflict minerals that originated in the Democratic Republic of the Congo or its neighboring countries.
- 25 Purchases.** Requires that whenever practicable public entities purchase printer or duplication cartridges that have 10 percent postconsumer material, are remanufactured, or are backed by a vendor offered program that will take back used cartridges and ensure they are recycled.



## Section

- 26 Designation of targeted groups.** Provides that an individual business must be included as a targeted group business for state purchasing programs if the business agrees its workforce will be composed of at least 40 percent minority persons or veterans.
- 27 State agency technology projects.** Provides that any unexpended operating balance appropriated to a state agency may be transferred to an account for the information technology cost of a specific project, subject to review of the Legislative Advisory Commission (LAC).
- 28 Charges.** Authorizes the Office of MN.IT Services to receive a fund transfer under the prior section, for purchase of information technology systems and services.
- 29 Legislative Advisory Commission review.** Provides that agency funds may not be transferred to MN.IT under the prior section until the proposed transfer has been submitted to the LAC. Specifies a process for LAC review, including the potential for the LAC to seek additional information. Authorizes MMB to approve the transfer unless the LAC makes a negative recommendation. Provides that an LAC recommendation must be made at a meeting, unless a written recommendation is signed by all members entitled to vote.
- 30 Lapse.** Provides that unspent amounts transferred to MN.IT under the prior sections lapse after four years to the fund from which the receipts were transferred.
- 31 Report.** Requires the MN.IT chief information officer to report by September 15 of each odd-numbered year regarding receipts credited to MN.IT under the prior sections. The report must include a description of projects funded.
- 32 Limit on number of FTE's.** Provides that the total number of FTE employees in all executive branch agencies may not exceed 31,691. Authorizes the commissioner of management and budget to forbid an executive agency from hiring a new employee or from filling a vacancy as necessary to ensure compliance with this section. Provides that the commissioner may authorize early retirement incentives (in the form of employer contributions for health insurance) as a means of achieving compliance with the complement limit.
- 33 Board of Barber Examiners.** Provides that the Board of Barber Examiners will have four, instead of three, barber members. As under current law, there will continue to be one public member.
- 34 Officers; compensation; fees; expenses.** Clarifies that section 214.09, governs compensation for board members. Under section 214.09, compensation is \$55 per day spent on board activities, plus expense reimbursement.
- 35 Fees.** Strikes references to various fees relating to apprentices.
- 36 Registration mandatory.** States that registration of the practice of barbering serves public health and safety. States that a registered barber may provide barbering services only in a registered barber shop or school, unless prior authorization is given by the board. Strikes references to apprentices. Provides that barber shop registration cards must be issued to the barber shop establishment address. Provides that barber instruction must be provided only in registered barber schools.

## Section

- 37 **Definitions.** Amends list of practices that constitute barbering. Defines “barber school,” “barber shop,” “certificate of registration,” “designated registered barber,” and “registered barber.”
- 38 **Persons exempt from registration.** Under current law, nurses and nursing aides are exempt from barbering laws while performing professional duties under supervision of an RN. This section expands the exemption to include nurses and nursing aides under supervision of a physician. Amends the exemption for cosmetologists to apply when they are providing cosmetology services, as defined in law. Current law says that cosmetologists shall not hold themselves out of barbers or practice in a barber shop. This section strikes “except in the case of nail technicians” from this provision. Current law exempt persons who perform barbering services for charitable purposes and without compensation in certain facilities. This section adds individual homes to that exemption.
- 39 **Who may receive certificates of registration.** States requirements for receiving a certificate of registration as a registered barber: (1) complete ten grades of education; (2) successfully complete 1,500 hours of study in a barber school; and (3) pass an exam.
- 40 **Qualifications; instructor.** Clarifies the reference to experience in other states in the law governing qualifications for barber instructors.
- 41 **Examinations.** Strikes language stating that a temporary instructor certificate may be valid only until the next examination. The current law, saying that the board may prescribe terms and conditions for this, is not changed.
- 42 **Barber schools.** Amends various provisions relating to barber schools, including prerequisites to admission, maximum hours of schooling per day, course of instruction, student/instructor ratio, own requirements, and requirements for a designated operator.
- 43 **Application; fee.** Requires application for examination to be notarized.
- 44 **Examinations.** States educational requirements for barber students who completed school more than four years prior to application and for registered barbers who fail to renew for four or more years. Strikes requirement for an oral test. Strikes references to apprentices.
- 45 **Certificate or registration; fees.** Strikes references to apprentices.
- 46 **Examination of nonresidents.** Amends provisions governing licensure by presenting credentials for another state or country, and provisions governing educational requirements for individuals without credentials from another state or country.
- 47 **Temporary military permits.** Strikes references to apprentice barbers.
- 48 **Certificates of registration and temporary permits to be displayed.** Provides that an instructor’s and a school’s certificates of registration must be displayed in a part of the barber school that is accessible to the public.
- 49 **Certificates of registration must be renewed annually.** Strikes references to registered apprentices.
- 50 **Registration actions.** Strikes references to apprentices and updates statutory range references.
- 51 **Reinstatement.** Updates statutory range references.

## Section

- 52**     **Administrative penalties.** Provides that penalty for missing or lapsed shop registration is *up to* \$500 (instead of \$500), and penalties for unregistered barbers are *up to* \$500 (first occurrence) and \$1,000 (second occurrence).
- 53**     **Violations.** Strikes references to apprentices. Changes “beauty parlor” reference to refer instead to “cosmetology salon.” Refers to “sanitation and disinfection” provisions, replacing “sanitary” provisions, and makes this reference apply to any barber workstation in a shop or school.
- 54**     **Perjury.** Changes statutory range references.
- 55**     **Rules.** Changes statutory range references. Refers to “sanitation and disinfection” provisions, replacing “sanitary” provisions. Strikes reference to apprentices.
- 56**     **Not to serve certain persons.** Strikes references to specific diseases and conditions, leaving in place a reference to a person, in a dangerous or infectious state of disease, with contagious or infectious disease. Changes statutory range references.
- 57**     **Application.** Amends the Veterans Preference Act to provide that a political subdivision may require a veteran to complete an initial hiring probationary period. Provides that veterans employed by political subdivisions have the same rights and legal protections that state employees have under paragraph (b) of this section.
- 58**     **Veterans Preference Act.** Amends the process for removing a veteran from government employment under the Veterans Preference Act in the following ways:
- provides that the rights under this section apply after any initial hiring probationary period expires;
  - requires a veteran who has been notified of intent to discharge to request a hearing under this section within 30 days, instead of 60 days;
  - grants a veteran the right to have a challenge to a removal or discharge heard by an arbitrator, even if the veteran’s employer has a civil service board or commission or merit system authority; and
  - requires the employer to pay all costs associated with the hearing except that the employer is not required to pay the veteran’s attorney fees unless the hearing reverses the level of the alleged incompetency or misconduct requiring discharge.
- 59**     **IRRRB.** Strikes provision that allows the IRRRB to use the uniform municipal contracting law instead of contracting laws that govern state agencies. Strikes IRRRB exemptions from IT consolidation law and from contract management authority of the commissioner of administration.
- 60**     **Killed in the line of duty.** Conforms Minnesota’s definition of “killed in the line of duty” with the definition found in the federal Hometown Heroes Act for purposes of awarding benefits to the survivors of public safety officers who are killed in the line of duty. The key changes are that the definition (1) expands coverage for accidental deaths while on duty from just peace officers to all public safety officers and (2) expands coverage to officers who die from work-connected heart attacks, strokes, and vascular ruptures.

## Section

- 61 Payment to the manufactured home relocation trust fund.** Increases from \$12 to \$15 (or from \$1 to \$1.25 per month) the annual payment that park owners may collect for the relocation trust fund.
- 62 Payment to the Minnesota manufactured home relocation trust fund.** Changes a reference to the annual payment to the relocation trust fund from \$12 to \$15, in connection with the change in the prior section.
- 63 Change in use; relocation expense; payments by park owner.** In the law governing payments from the manufactured home relocation trust fund, changes the maximum payments to \$7,000 for a single-section and \$12,500 for a multisection manufactured home. Amends the section dealing with payments that can be made if efforts to relocate a home have failed to provide that if the appraised market value cannot be determined, the tax market value, averaged over a period of five years, can be used. Increases maximum reimbursements to \$8,000 for a single-section and \$14,500 for a multisection manufactured home. Provides a minimum reimbursement of \$2,000 for a single section and \$4,000 for a multisection home.
- 64 Line of duty death.** Provides that deaths determined by the commissioner of public safety to be in the line of duty (as provided earlier in this bill) will also be considered “line of duty” deaths for purposes of the Public Employees Retirement Association.
- 65 Interim ordinance.** Requires ten-day notice and a public hearing if an interim ordinance will regulate, restrict, or prohibit activities relating to housing. An interim ordinance, also known as a moratorium ordinance, allows a municipality to regulate, restrict, or prohibit a use, development, or subdivision for up to one year in order to protect the municipality’s planning process.
- 66 School districts; group health insurance coverage.** Removes the requirement that school districts request a proposal from the public employee insurance program (PEIP). Allows school districts to have health insurance contracts up to five years in length, and service cooperatives to have health insurance contracts up to four years in length. Removes the provision which provides that a school district will not be considered self-insured for purposes of this subdivision solely by participating in a joint powers arrangement. Provides that the exclusive representative of the largest group of employees must not exercise authority under section 43A.316.
- 67 Jointly.** Removes the provision stating that a self-insurance pool operated by one or more service cooperatives is not considered self-insured for purposes of section 471.6161, subdivision 8.
- 68 Definitions.** Adds elected board members of service cooperatives and board members of Minnesota public employee unions to definition of "local official" in section 471.895, the law that prohibits gifts from interested persons to local officials.
- 69 Fiscal agent.** Corrects a mistaken cross-reference in 2015 law relating to equipment grants to MPR.
- 70 Report on state employee out-of-state travel expenses.** Requires the commissioner of management and budget to audit state employee out-of-state travel expenses incurred between July 1, 2013, and June 30, 2016, and report to the legislature.

## Section

- 71 State Auditor Report.** Requires the State Auditor to report by January 15, 2017, on a strategic plan to ensure that all local governments receive adequate oversight from the Office of the State Auditor.
- 72 Parking ramp financing.** Provides that the debt service and construction costs for the parking garage bounded by Sherburne Avenue, Park Street, University Avenue, and North Capitol Boulevard must be paid for exclusively by fees charged to persons parking in that garage. Prohibits charging fees for public disability parking.
- 73 Report on MNsure costs to counties.** Requires the State Auditor to report to the legislature by January 15, 2017, on costs incurred by Minnesota counties related to eligibility determinations and related enrollment activities for medical assistance and MinnesotaCare enrollees, that are due to implementing the technology system administered by MNsure.
- 74 Legislative Surrogacy Commission.** Creates a Legislative Commission on Surrogacy. Requires the commission to report by December 15, 2016, on specified issues relating to surrogacy.
- 75 LCPFP Study of Joint Budget Target Process.** Requires the Legislative Commission on Planning and Fiscal Policy to study and make recommendations to the legislature by January 15, 2017, on the process and timing for the legislature to establish joint budget targets.
- 76 Rulemaking.** Authorizes the Board of Barber Examiners to use expedited rulemaking procedures to amend Minnesota Rules, chapter 2100, to conform with this act. (Chapter 2100 contains all of the board's rules).
- 77 Transitioning apprentice barbers to registered barbers.** Provides that an apprentice barber practicing on August 1, 2016, is eligible to apply for registered barber status. An apprentice barber must take the registered barber exam. Provides that all apprentice barber registrations will be discontinued on December 31, 2017.
- 78 Repealer.** Repeals:
- 3.886: Legislative Water Commission
  - 6.581, subdivision 1: State auditor enterprise fund
  - 154.03: Apprentices may be employed
  - 154.06: Certificates of a registered apprentice
  - 154.11, subd. 2: Temporary apprentice permits for nonresidents
  - 154.12: Examination of nonresident apprentices
- 79 Effective dates.** The sections of the bill dealing with barbers are effective August 1, 2016.

**Section**

**Article 12: Public Safety**

- 1**      **Violations by drivers; penalties.** Amends traffic violations under Minnesota Statutes, section 169.444, by increasing the minimum fine from \$300 to \$500. Under Minnesota Statutes, section 169.444, it is a misdemeanor to fail to stop for a school bus displaying a stop arm or illegally pass on the right of a school bus flashing amber lights. **[H.F. 1948]**
  
- 2**      **Violations; driving without a valid license.** Sets increased penalties for some repeated offenses and injury and death situations where a person operates a motor vehicle without a valid driver's license (which under current law is generally a misdemeanor). It:
  - makes it a gross misdemeanor for operating without a valid license if the person causes a collision resulting in substantial bodily harm (which is a temporary but substantial loss, impairment, fracture, or disfigurement) or a person's death;
  - makes it a gross misdemeanor for a third or subsequent operating without a valid license conviction within a ten-year period; and
  - sets minimum fines, with a provision for community service in cases of financial hardship, of (1) \$750 for a second conviction, and (2) \$1,500 for third or subsequent convictions.

The section also permits, in addition to conviction under the section of statutes on driving without a valid license, conviction for other violations arising from the driving conduct. **[H.F. 3385]**
  
- 3**      **Registration required.** Amends the predatory offender registration statute by striking language. This change expands registration in prostitution offenses to include not only cases where a minor is under 13, but also undercover operations where a minor is reasonably believed to be under 13. *See* section 6. **[H.F. 2976, as amended]**
  
- 4**      **Sensory testing research.** Allows sensory testing services to possess and serve alcohol as part of their business operations. **[H.F. 3369]**
  
- 5**      **Felony assault motivated by bias.** Increases the statutory maximum penalty by 25 percent for felony assault motivated by bias. Applies to first- through third-degree assault. **[H.F. 2928]**

**Section**

**6 Hiring minor to engage in prostitution.** Amends the crime of hiring or offering to hire an individual to engage in prostitution when the actor reasonably believes the individual is a minor. This law was amended last year to provide penalties in undercover operations, but was limited to a five-year felony. This section creates tiered penalties based on the age of the minor:

- five-year felony if the minor is reasonably believed to be 16 or 17
- ten-year felony if the minor is reasonably believed to be 13, 14, or 15
- 20-year felony if the minor is reasonably believed to be under 13.

**[H.F. 2976, as amended]**

**7 Interfering with public safety helicopters; unmanned aerial vehicles.** Creates § 609.5001. Establishes a misdemeanor for knowingly operating an unmanned aerial vehicle (UAV) within one mile of a public safety helicopter (that is, one operated by a law enforcement agency, fire department, or emergency medical service provider) during its operations. It creates a penalty enhancement to a gross misdemeanor for second or subsequent offenses. Creates an exception for UAVs operated by public safety agencies under certain limited circumstances. **[H.F. 3517, as amended]**

**8 Avian influenza emergency response.** Extends the authorization to use disaster contingency account monies to pay for costs of eligible avian influenza emergency response activities. The revised language would permit monies in the account to be used for “any agricultural emergency” and makes the monies in the account available for these purposes through fiscal year 2019. Requires reports from the commissioner of management and budget to the Legislature by both January 15, 2018, and January 15, 2020, on monies used from the account to fund these activities.

**9 Correctional facility contract.** Directs the commissioner to enter into either a contract to operate and purchase or a lease to own the private prison in Appleton, Minnesota, in order to address bed capacity shortfalls in state correctional facilities. **[H.F. 3223, as amended]**

**10 Transfer; appropriation.** Transfers \$1,000,000 from the MINNCOR revolving fund to the general fund.