Sec. 10. Minnesota Statutes 2004, section 624.714, is amended by adding a subdivision to read:

Subd. 24. PREDATORY OFFENDERS. Except when acting under the authority of other law, it is a misdemeanor for a person required to register by section 243.166 to carry a pistol whether or not the carrier possesses a permit to carry issued under this section. If an action prohibited by this subdivision is also a violation of another law, the violation may be prosecuted under either law.

Sec. 11. ADOPTION OF STANDARDS.

By October 1, 2005, the Department of Public Safety shall adopt and publish minimum standards that organizations and government entities must meet to certify individuals as certified firearms instructors under Minnesota Statutes, section 624.714, subdivision 2a, paragraph (d).

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

Presented to the governor May 20, 2005

Signed by the governor May 24, 2005, 2:45 p.m.

CHAPTER 84—S.F.No. 1378

An act relating to health; modifying medical education funding provisions; amending Minnesota Statutes 2004, section 62J.692, subdivisions 3, 4, 7.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2004, section 62J.692, subdivision 3, is amended to read:

- Subd. 3. **APPLICATION PROCESS.** (a) A clinical medical education program conducted in Minnesota by a teaching institution to train physicians, doctor of pharmacy practitioners, dentists, chiropractors, or physician assistants is eligible for funds under subdivision 4 if the program:
 - (1) is funded, in part, by patient care revenues;
- (2) occurs in patient care settings that face increased financial pressure as a result of competition with nonteaching patient care entities; and
 - (3) emphasizes primary care or specialties that are in undersupply in Minnesota.
- (b) A clinical medical education program for advanced practice nursing is eligible for funds under subdivision 4 if the program meets the eligibility requirements in paragraph (a), clauses (1) to (3), and is sponsored by the University of Minnesota Academic Health Center, the Mayo Foundation, or institutions that are part of the

Minnesota State Colleges and Universities system or members of the Minnesota Private College Council.

- (c) Applications must be submitted to the commissioner by a sponsoring institution on behalf of an eligible clinical medical education program and must be received by October 31 of each year for distribution in the following year. An application for funds must contain the following information:
- (1) the official name and address of the sponsoring institution and the official name and site address of the clinical medical education programs on whose behalf the sponsoring institution is applying;
- (2) the name, title, and business address of those persons responsible for administering the funds;
- (3) for each clinical medical education program for which funds are being sought; the type and specialty orientation of trainees in the program; the name, site address, and medical assistance provider number of each training site used in the program; the total number of trainees at each training site; and the total number of eligible trainee FTEs at each site. Only those training sites that host 0.5 FTE or more eligible trainees for a program may be included in the program's application; and
- (4) other supporting information the commissioner deems necessary to determine program eligibility based on the criteria in paragraphs (a) and (b) and to ensure the equitable distribution of funds.
- (d) An application must include the information specified in clauses (1) to (3) for each clinical medical education program on an annual basis for three consecutive years. After that time, an application must include the information specified in clauses (1) to (3) in the first year of each biennium when requested, at the discretion of the commissioner:
- (1) audited clinical training costs per trainee for each clinical medical education program when available or estimates of clinical training costs based on audited financial data:
- (2) a description of current sources of funding for clinical medical education costs, including a description and dollar amount of all state and federal financial support, including Medicare direct and indirect payments; and
 - (3) other revenue received for the purposes of clinical training.
- (e) An applicant that does not provide information requested by the commissioner shall not be eligible for funds for the current funding cycle.
- Sec. 2. Minnesota Statutes 2004, section 62J.692, subdivision 4, is amended to read:
- Subd. 4. **DISTRIBUTION OF FUNDS.** (a) The commissioner shall annually distribute 90 percent of available medical education funds to all qualifying applicants based on a distribution formula that reflects a summation of two factors:

- (1) an education factor, which is determined by the total number of eligible trainee FTEs and the total statewide average costs per trainee, by type of trainee, in each clinical medical education program; and
- (2) a public program volume factor, which is determined by the total volume of public program revenue received by each training site as a percentage of all public program revenue received by all training sites in the fund pool.

In this formula, the education factor is weighted at 67 percent and the public program volume factor is weighted at 33 percent.

Public program revenue for the distribution formula includes revenue from medical assistance, prepaid medical assistance, general assistance medical care, and prepaid general assistance medical care. Training sites that receive no public program revenue are ineligible for funds available under this paragraph. Total statewide average costs per trainee for medical residents is based on audited clinical training costs per trainee in primary care clinical medical education programs for medical residents. Total statewide average costs per trainee for dental residents is based on audited clinical training costs per trainee in clinical medical education programs for dental students. Total statewide average costs per trainee for pharmacy residents is based on audited clinical training costs per trainee in clinical medical education programs for pharmacy students.

- (b) The commissioner shall annually distribute ten percent of total available medical education funds to all qualifying applicants based on the percentage received by each applicant under paragraph (a). These funds are to be used to offset clinical education costs at eligible clinical training sites based on criteria developed by the clinical medical education program. Applicants may choose to distribute funds allocated under this paragraph based on the distribution formula described in paragraph (a). Applicants may also choose to distribute funds to clinical training sites with a valid Minnesota medical assistance identification number that host fewer than 0.5 eligible trainee FTEs for a clinical medical education program.
- (c) Funds distributed shall not be used to displace current funding appropriations from federal or state sources.
- (d) Funds shall be distributed to the sponsoring institutions indicating the amount to be distributed to each of the sponsor's clinical medical education programs based on the criteria in this subdivision and in accordance with the commissioner's approval letter. Each clinical medical education program must distribute funds allocated under paragraph (a) to the training sites as specified in the commissioner's approval letter. Sponsoring institutions, which are accredited through an organization recognized by the Department of Education or the Centers for Medicare and Medicaid Services, may contract directly with training sites to provide clinical training. To ensure the quality of clinical training, those accredited sponsoring institutions must:
- (1) develop contracts specifying the terms, expectations, and outcomes of the clinical training conducted at sites; and

- (2) take necessary action if the contract requirements are not met. Action may include the withholding of payments under this section or the removal of students from the site.
- (e) Any funds not distributed in accordance with the commissioner's approval letter must be returned to the medical education and research fund within 30 days of receiving notice from the commissioner. The commissioner shall distribute returned funds to the appropriate training sites in accordance with the commissioner's approval letter.
- (f) The commissioner shall distribute by June 30 of each year an amount equal to the funds transferred under subdivision 10, plus five percent interest to the University of Minnesota Board of Regents for the instructional costs of health professional programs at the Academic Health Center and for interdisciplinary academic initiatives within the Academic Health Center.
- (g) A maximum of \$150,000 of the funds dedicated to the commissioner under section 297F.10, subdivision 1, paragraph (b), clause (2), may be used by the commissioner for administrative expenses associated with implementing this section.
- Sec. 3. Minnesota Statutes 2004, section 62J.692, subdivision 7, is amended to read:
- Subd. 7. TRANSFERS FROM THE COMMISSIONER OF HUMAN SER-VICES. (a) The amount transferred according to section 256B.69, subdivision 5c, paragraph (a), clause (1), shall be distributed by the commissioner annually to clinical medical education programs that meet the qualifications of subdivision 3 based on the formula in subdivision 4, paragraph (a).
- (b) Fifty percent of the amount transferred according to section 256B.69, subdivision 5c, paragraph (a), clause (2), shall be distributed by the commissioner to the University of Minnesota Board of Regents for the purposes described in sections 137.38 to 137.40. Of the remaining amount transferred according to section 256B.69, subdivision 5c, paragraph (a), clause (2), 24 percent of the amount shall be distributed by the commissioner to the Hennepin County Medical Center for clinical medical education. The remaining 26 percent of the amount transferred shall be distributed by the commissioner in accordance with subdivision 7a. If the federal approval is not obtained for the matching funds under section 256B.69, subdivision 5c, paragraph (a), clause (2), 100 percent of the amount transferred under this paragraph shall be distributed by the commissioner to the University of Minnesota Board of Regents for the purposes described in sections 137.38 to 137.40.
- (c) The amount transferred according to section 256B.69, subdivision 5c, paragraph (a), clause clauses (3) and (4), shall be distributed by the commissioner upon receipt to the University of Minnesota Board of Regents for the purposes of clinical graduate medical education.

Presented to the governor May 20, 2005

Signed by the governor May 24, 2005, 2:50 p.m.