

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 4576

(SENATE AUTHORS: LIMMER)		
DATE	D-PG	OFFICIAL STATUS
03/04/2024	11914	Introduction and first reading Referred to Judiciary and Public Safety
03/14/2024	12225a 12263	Comm report: To pass as amended Second reading Referred to for comparison with HF4483
03/20/2024	12429	Rule 45; subst. General Orders HF4483, SF indefinitely postponed

1.1A bill for an act

1.2relating to legislative enactments; making miscellaneous technical corrections to

1.3laws and statutes; correcting erroneous, obsolete, and omitted text and references;

1.4removing redundant, conflicting, and superseded provisions; amending Minnesota

1.5Statutes 2022, sections 12A.02, subdivision 6; 12B.15, subdivision 8; 13.3805,

1.6subdivision 1; 13.6401, subdivision 2; 14.37, subdivision 2; 16A.99, subdivision

1.74; 62V.04, subdivision 12; 62V.05, subdivision 5; 115A.952, subdivision 1; 116.07,

1.8subdivision 4k; 120A.22, subdivision 11; 122A.182, subdivision 5; 123B.72,

1.9subdivision 3; 124E.03, subdivision 7; 124E.14; 126C.05, subdivision 8; 126C.126;

1.10126C.13, subdivision 4; 126C.17, subdivision 5; 150A.091, subdivisions 2, 5, 11a;

1.11152.25, subdivision 1b; 155A.29, subdivision 2; 161.088, subdivision 7; 171.17,

1.12subdivision 1; 171.22, subdivision 1; 176.011, subdivision 15; 180.03, subdivision

1.134; 216B.161, subdivision 1; 241.67, subdivision 2; 245A.11, subdivision 2;

1.14253B.02, subdivisions 7, 9; 256.042, subdivision 4; 256.9742, subdivision 3;

1.15256B.056, subdivision 11; 256B.058, subdivision 2; 256B.0595, subdivisions 1,

1.164; 256B.0625, subdivision 56; 256B.0941, subdivision 1; 256B.196, subdivision

1.172; 256B.197, subdivision 3; 256B.4911, subdivision 1; 256D.64, subdivision 2;

1.18256I.04, subdivision 2a; 256L.11, subdivisions 2, 6a; 259.12; 260B.188, subdivision

1.191; 270C.445, subdivisions 6b, 6c, 6d; 270C.446, subdivision 5; 272.02, subdivision

1.2097; 273.032; 273.121, subdivision 1; 276.04, subdivision 2; 290.0132, subdivision

1.2115; 297A.71, subdivision 14; 297A.75, subdivisions 1, 2, 3; 299K.09, subdivision

1.221; 326B.164, subdivision 5; 353.6511, subdivision 5; 353.6512, subdivision 5;

1.23462.357, subdivision 7; 504B.178, subdivision 2; 609.2231, subdivision 3; 609.596,

1.24subdivision 3; 609.748, subdivision 1; Minnesota Statutes 2023 Supplement,

1.25sections 15.06, subdivision 1; 17.457, subdivision 5; 47.60, subdivision 1;

1.26115E.042, subdivision 1a; 116J.871, subdivision 1; 116P.21, subdivision 5;

1.27122A.092, subdivision 5; 124D.65, subdivision 5; 124E.02; 125A.15; 125A.51;

1.28125A.515, subdivision 3; 144E.101, subdivisions 7, 12; 145D.01, subdivision 5;

1.29145D.02; 147.02, subdivision 1; 147.03, subdivision 1; 174.07, subdivision 3;

1.30181.217, subdivision 1; 245A.03, subdivisions 2, 7; 245A.10, subdivision 3;

1.31245G.06, subdivision 3a; 254B.05, subdivision 5; 256B.0625, subdivision 13e;

1.32256B.0913, subdivision 5; 256B.0943, subdivision 1; 289A.08, subdivision 7a;

1.33290.0132, subdivision 32; 290.067, subdivision 1; 290A.04, subdivision 2h;

1.34297A.71, subdivision 44; 299C.10, subdivision 1; 326B.164, subdivision 13;

1.35609.185; 624.7178, subdivision 4; Laws 2023, chapter 41, article 1, section 2,

1.36subdivision 49; Laws 2023, chapter 57, article 1, section 4, subdivision 2; Laws

1.372023, chapter 70, article 15, sections 10, subdivision 4; 12; repealing Minnesota

1.38Statutes 2022, sections 13.6435, subdivision 8; 16A.727; 256.021, subdivision 3;

2.1 273.11, subdivision 16; 297A.71, subdivision 45; Laws 2023, chapter 16, section
2.2 36; Laws 2023, chapter 53, article 11, section 31; Laws 2023, chapter 55, article
2.3 1, section 2; article 7, section 6; Laws 2023, chapter 57, article 2, section 39; Laws
2.4 2023, chapter 60, article 7, section 8; Laws 2023, chapter 63, article 7, sections 1;
2.5 3.

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

2.7 Section 1. Minnesota Statutes 2022, section 12A.02, subdivision 6, is amended to read:

2.8 Subd. 6. **Local government.** "Local government" has the meaning given in section
2.9 12.03, subdivision ~~5d~~ 5f.

2.10 Sec. 2. Minnesota Statutes 2022, section 12B.15, subdivision 8, is amended to read:

2.11 Subd. 8. **Local government.** "Local government" has the meaning given in section
2.12 12.03, subdivision ~~5d~~ 5f.

2.13 Sec. 3. Minnesota Statutes 2022, section 13.3805, subdivision 1, is amended to read:

2.14 Subdivision 1. **Health data generally. (a) Definitions.** As used in this subdivision:

2.15 (1) "Commissioner" means the commissioner of health.

2.16 (2) "Health data" are data on individuals created, collected, received, or maintained by
2.17 the Department of Health, political subdivisions, or statewide systems relating to the
2.18 identification, description, prevention, and control of disease or as part of an epidemiologic
2.19 investigation the commissioner designates as necessary to analyze, describe, or protect the
2.20 public health.

2.21 (b) **Data on individuals.** (1) Health data are private data on individuals. Notwithstanding
2.22 section 13.05, subdivision 9, health data may not be disclosed except as provided in this
2.23 subdivision and section 13.04.

2.24 (2) The commissioner or a community health board as defined in section 145A.02,
2.25 subdivision 5, may disclose health data to the data subject's physician as necessary to locate
2.26 or identify a case, carrier, or suspect case, to establish a diagnosis, to provide treatment, to
2.27 identify persons at risk of illness, or to conduct an epidemiologic investigation.

2.28 (3) With the approval of the commissioner, health data may be disclosed to the extent
2.29 necessary to assist the commissioner to locate or identify a case, carrier, or suspect case, to
2.30 alert persons who may be threatened by illness as evidenced by epidemiologic data, to
2.31 control or prevent the spread of serious disease, or to diminish an imminent threat to the
2.32 public health.

~~(e) **Health summary data.** Summary data derived from data collected under section 145.413 may be provided under section 13.05, subdivision 7.~~

Sec. 4. Minnesota Statutes 2022, section 13.6401, subdivision 2, is amended to read:

Subd. 2. **Department of Management and Budget.** (a) **Financial documents.** Data sharing of financial documents between agencies and the commissioner of management and budget is governed by section 16A.055.

(b) **Electronic payments.** Data relating to government services transactions is governed by section 16A.626.

(c) **Register of ownership of bonds or certificates.** Information in a register of ownership of state bonds or certificates is classified under section 16A.672, subdivision 11; ~~or, for tobacco securitization bonds, under section 16A.98, subdivision 5, paragraph (1).~~

Sec. 5. Minnesota Statutes 2022, section 14.37, subdivision 2, is amended to read:

Subd. 2. **Compiled rules.** The text of the rules in the first compilation published by the revisor is prima facie evidence of the text of the rules as against any previous documents. However, the previous documents may be used to construe the text of a rule. Except as provided in section 14.47, subdivision 6, the compilation shall not be construed as repealing any unpublished rule. The rules published in the compilation shall be construed as continuations of prior rules and not as new rules.

Any subsequent compilation or supplement published by the revisor and containing the revisor's certificate is prima facie evidence of the administrative rules in all courts and proceedings. Except as provided in section 14.47, subdivision 6, a compilation or supplement shall not be construed as repealing an unpublished rule. If there is any material inconsistency through omission or otherwise between the first compilation, a subsequent compilation or supplement, the State Register, and a rule filed with the secretary of state, and the omission or change was not due to the provisions of section 14.47, subdivision 6 or the correction of an obvious error or unintentional omission as required by section 14.47, subdivision 3, the rule filed with the secretary shall prevail.

Sec. 6. Minnesota Statutes 2023 Supplement, section 15.06, subdivision 1, is amended to read:

Subdivision 1. **Applicability.** This section applies to the following departments or agencies: the Departments of Administration; Agriculture; Children, Youth, and Families; Commerce; Corrections; Direct Care and Treatment; Education; Employment and Economic

Development; Health; Human Rights; Human Services; Iron Range Resources and Rehabilitation; Labor and Industry; Management and Budget; Natural Resources; Public Safety; Revenue; Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies; ~~the Office of Commissioner of Iron Range Resources and Rehabilitation~~; the Department of Information Technology Services; the Bureau of Mediation Services; and their successor departments and agencies. The heads of the foregoing departments or agencies are "commissioners."

Sec. 7. Minnesota Statutes 2022, section 16A.99, subdivision 4, is amended to read:

Subd. 4. **Refunding bonds.** The commissioner from time to time may issue appropriation bonds for the purpose of refunding any appropriation bonds ~~or tobacco securitization bonds authorized under section 16A.98~~ then outstanding, including the payment of any redemption premiums on the bonds, any interest accrued or to accrue to the redemption date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any refunding bonds may, in the discretion of the commissioner, be applied to the purchase or payment at maturity of the appropriation bonds to be refunded, to the redemption of the outstanding bonds on any redemption date, or to pay interest on the refunding bonds and may, pending application, be placed in escrow to be applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be invested and reinvested in obligations that are authorized investments under section 11A.24. The income earned or realized on the investment may also be applied to the payment of the bonds to be refunded or interest or premiums on the refunded bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been fully satisfied, any balance of the proceeds and any investment income may be returned to the general fund or, if applicable, the appropriation bond proceeds account for use in any lawful manner. All refunding bonds issued under this subdivision must be prepared, executed, delivered, and secured by appropriations in the same manner as the bonds to be refunded.

Sec. 8. Minnesota Statutes 2023 Supplement, section 17.457, subdivision 5, is amended to read:

Subd. 5. **Enforcement.** This section may be enforced by an enforcement officer under sections 97A.205 and 97A.211 and by the commissioner under sections 17.982 to ~~17.984~~ 17.983.

Sec. 9. Minnesota Statutes 2023 Supplement, section 47.60, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section, the terms defined have the meanings given them:

(a) "Consumer small loan" is a loan transaction in which cash is advanced to a borrower for the borrower's own personal, family, or household purpose. A consumer small loan is a short-term, unsecured loan to be repaid in a single installment. The cash advance of a consumer small loan is equal to or less than \$350. A consumer small loan includes an indebtedness evidenced by but not limited to a promissory note or agreement to defer the presentation of a personal check for a fee.

(b) "Consumer small loan lender" is a financial institution as defined in section 47.59 or a business entity registered with the commissioner and engaged in the business of making consumer small loans.

(c) "Annual percentage rate" means a measure of the cost of credit, expressed as a yearly rate, that relates the amount and timing of value received by the consumer to the amount and timing of payments made. Annual percentage interest rate includes all interest, finance charges, and fees. The annual percentage rate must be determined in accordance with either the actuarial method or the United States Rule method.

Sec. 10. Minnesota Statutes 2022, section 62V.04, subdivision 12, is amended to read:

Subd. 12. **Compensation.** ~~(a) The board members shall be paid a salary not to exceed the salary limits established under section 15A.0815, subdivision 4. The salary for board members shall be set in accordance with this subdivision and section 15A.0815, subdivision 5. This paragraph expires December 31, 2015.~~

~~(b)~~ Beginning January 1, 2016, the board members may be compensated in accordance with section 15.0575.

Sec. 11. Minnesota Statutes 2022, section 62V.05, subdivision 5, is amended to read:

Subd. 5. **Health carrier and health plan requirements; participation.** (a) Beginning January 1, 2015, the board may establish certification requirements for health carriers and health plans to be offered through MNsure that satisfy federal requirements under section 1311(c)(1) of the Affordable Care Act, Public Law 111-148.

(b) Paragraph (a) does not apply if by June 1, 2013, the legislature enacts regulatory requirements that:

(1) apply uniformly to all health carriers and health plans in the individual market;

(2) apply uniformly to all health carriers and health plans in the small group market; and

(3) satisfy minimum federal certification requirements under section 1311(c)(1) of the Affordable Care Act, Public Law 111-148.

(c) In accordance with section 1311(e) of the Affordable Care Act, Public Law 111-148, the board shall establish policies and procedures for certification and selection of health plans to be offered as qualified health plans through MNsure. The board shall certify and select a health plan as a qualified health plan to be offered through MNsure, if:

(1) the health plan meets the minimum certification requirements established in paragraph (a) or the market regulatory requirements in paragraph (b);

(2) the board determines that making the health plan available through MNsure is in the interest of qualified individuals and qualified employers;

(3) the health carrier applying to offer the health plan through MNsure also applies to offer health plans at each actuarial value level and service area that the health carrier currently offers in the individual and small group markets; and

(4) the health carrier does not apply to offer health plans in the individual and small group markets through MNsure under a separate license of a parent organization or holding company under section 60D.15, that is different from what the health carrier offers in the individual and small group markets outside MNsure.

(d) In determining the interests of qualified individuals and employers under paragraph (c), clause (2), the board may not exclude a health plan for any reason specified under section 1311(e)(1)(B) of the Affordable Care Act, Public Law 111-148. The board may consider:

(1) affordability;

(2) quality and value of health plans;

(3) promotion of prevention and wellness;

(4) promotion of initiatives to reduce health disparities;

(5) market stability and adverse selection;

(6) meaningful choices and access;

(7) alignment and coordination with state agency and private sector purchasing strategies and payment reform efforts; and

(8) other criteria that the board determines appropriate.

(e) For qualified health plans offered through MNsure on or after January 1, 2015, the board shall establish policies and procedures under paragraphs (c) and (d) for selection of health plans to be offered as qualified health plans through MNsure by February 1 of each year, beginning February 1, 2014. The board shall consistently and uniformly apply all policies and procedures and any requirements, standards, or criteria to all health carriers and health plans. For any policies, procedures, requirements, standards, or criteria that are defined as rules under section 14.02, subdivision 4, the board may use the process described in subdivision ~~9~~ 8.

(f) For 2014, the board shall not have the power to select health carriers and health plans for participation in MNsure. The board shall permit all health plans that meet the certification requirements under section 1311(c)(1) of the Affordable Care Act, Public Law 111-148, to be offered through MNsure.

(g) Under this subdivision, the board shall have the power to verify that health carriers and health plans are properly certified to be eligible for participation in MNsure.

(h) The board has the authority to decertify health carriers and health plans that fail to maintain compliance with section 1311(c)(1) of the Affordable Care Act, Public Law 111-148.

(i) For qualified health plans offered through MNsure beginning January 1, 2015, health carriers must use the most current addendum for Indian health care providers approved by the Centers for Medicare and Medicaid Services and the tribes as part of their contracts with Indian health care providers. MNsure shall comply with all future changes in federal law with regard to health coverage for the tribes.

Sec. 12. Minnesota Statutes 2022, section 115A.952, subdivision 1, is amended to read:

Subdivision 1. **Duties of agency; rules.** The agency may adopt rules to identify products that are used primarily for personal, family, or household purposes and that constitute a problem material or contain a problem material as defined in section 115A.03, subdivision ~~24a~~ 24c. The rules may also prescribe a uniform label to be affixed by retailers of identified products as provided in subdivision 4. Packaging that is recyclable or made from recycled material shall not constitute a problem material.

8.1 Sec. 13. Minnesota Statutes 2023 Supplement, section 115E.042, subdivision 1a, is
8.2 amended to read:

8.3 Subd. 1a. **Definitions.** (a) For purposes of this section, the following terms have the
8.4 meanings given.

8.5 (b) "Exercise" means an activity or training to evaluate responsibilities, roles, and
8.6 response plans for the discharge of oil or hazardous substances and includes but is not
8.7 limited to walkthroughs, tabletop exercises, or functional exercises.

8.8 (c) "Full-scale exercise" means training activities to evaluate responsibilities, roles, and
8.9 response plans for a confirmed discharge or worst-case discharge of oil or hazardous
8.10 substances and includes utilizing, as much as practicable, the equipment, personnel, and
8.11 coordinated resources required under ~~section 115E.042~~, subdivision 4.

8.12 (d) "Functional exercise" means a guided session where a simulated operational
8.13 environment trains and evaluates specific personnel, procedures, or resources on scenarios
8.14 relating to the discharge of oil or hazardous substances.

8.15 (e) "Tabletop exercise" means a guided session where the discussion addresses topics,
8.16 including but not limited to the roles and responsibilities of a rail carrier and its personnel
8.17 in response to a confirmed discharge of oil or hazardous substances.

8.18 (f) "Walkthrough" means drills and training designed to familiarize railroad personnel
8.19 with the response plans required under this chapter and the response requirements to a
8.20 confirmed discharge under this section.

8.21 Sec. 14. Minnesota Statutes 2022, section 116.07, subdivision 4k, is amended to read:

8.22 Subd. 4k. **Household hazardous waste and other problem materials; management.** (a)
8.23 The agency shall adopt rules to require the owner or operator of a solid waste disposal
8.24 facility or resource recovery facility to submit to the agency and to each county using or
8.25 projected to use the facility a management plan for the separation of household hazardous
8.26 waste and other problem materials from solid waste prior to disposal or processing and for
8.27 the proper management of the waste. The rules must require that the plan be developed in
8.28 coordination with each county using, or projected to use, the facility. The plan must not be
8.29 inconsistent with the plan developed under section 115A.956, subdivision 2, and must
8.30 include:

8.31 (1) identification of materials that are problem materials, as defined in section 115A.03,
8.32 subdivision ~~24a~~ 24c, for the facility;

(2) participation in public education activities on management of household hazardous waste and other problem materials in the facility's service area;

(3) a strategy for reduction of household hazardous waste and other problem materials entering the facility; and

(4) a plan for the storage and proper management of separated household hazardous waste and other problem materials.

(b) By September 30, 1992, the owner or operator of a facility shall implement the elements of the plan required in paragraph (a) relating to household hazardous waste management. After that date, the agency may not grant or renew a permit for a facility until the agency has:

(1) reviewed the elements of the facility's plan relating to household hazardous waste management;

(2) directed the applicant or permittee to make changes to these elements as necessary to comply with the plan requirements under paragraph (a); and

(3) included a requirement to implement the elements as a condition of the issued or renewed permit.

(c) By September 30, 1993, the owner or operator of a facility shall implement the elements of the plan required in paragraph (a) relating to problem materials management. After that date, the agency may not grant or renew a permit for a facility until the agency has:

(1) reviewed the elements of the facility's plan relating to problem materials management;

(2) directed the applicant or permittee to make changes to these elements as necessary to comply with the plan requirements under paragraph (a); and

(3) included a requirement to implement the elements as a condition of the issued or renewed permit.

Sec. 15. Minnesota Statutes 2023 Supplement, section 116J.871, subdivision 1, is amended to read:

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

(b) "Economic development" means financial assistance provided to a person directly or to a local unit of government or nonprofit organization on behalf of a person who is

engaged in the manufacture or sale of goods and services. Economic development does not include (1) financial assistance for rehabilitation of existing housing; (2) financial assistance for new housing construction in which total financial assistance at a single project site is less than \$100,000; or (3) financial assistance for the new construction of fully detached single-family affordable homeownership units for which the financial assistance covers no more than ten fully detached single-family affordable homeownership units. For purposes of this paragraph, "affordable homeownership" means housing targeted at households with incomes, at initial occupancy, at or below 115 percent of the state or area median income, whichever is greater, as determined by the United States Department of Housing and Urban Development.

(c) "Financial assistance" means (1) a grant awarded by a state agency for economic development related purposes if a single business receives \$200,000 or more of the grant proceeds; (2) a loan or the guaranty or purchase of a loan made by a state agency for economic development related purposes if a single business receives \$500,000 or more of the loan proceeds; or (3) a reduction, credit, or abatement of a tax assessed under chapter 297A where the tax reduction, credit, or abatement applies to a geographic area smaller than the entire state and was granted for economic development related purposes. Financial assistance does not include payments by the state of aids and credits under chapter 273 or 477A to a political subdivision.

(d) "Project site" means the location where improvements are made that are financed in whole or in part by the financial assistance; or the location of employees that receive financial assistance in the form of employment and training services as defined in section 116L.19, subdivision 4, or customized training from a technical college.

(e) "State agency" means any agency defined under section 16B.01, subdivision 2, Enterprise Minnesota, Inc., and the Department of Iron Range Resources and Rehabilitation Board.

Sec. 16. Minnesota Statutes 2023 Supplement, section 116P.21, subdivision 5, is amended to read:

Subd. 5. **Other capital construction statutes.** The following statutes also apply to recipients of appropriations from the trust fund: sections 16B.32; ~~16B.326~~; 16B.335, subdivisions 3 and 4; 16C.054; 16C.16; 16C.28; 16C.285; 138.40; 138.665; 138.666; 177.41 to 177.44; and 471.345.

11.1 Sec. 17. Minnesota Statutes 2022, section 120A.22, subdivision 11, is amended to read:

11.2 Subd. 11. **Assessment of performance.** (a) Each year the performance of every child
11.3 ages seven through 16 and every child ages 16 through 17 for which an initial report was
11.4 filed pursuant to section 120A.24, subdivision 1, after the child is 16 and who is not enrolled
11.5 in a public school must be assessed using a nationally norm-referenced standardized
11.6 achievement examination. The superintendent of the district in which the child receives
11.7 instruction and the person in charge of the child's instruction must agree about the specific
11.8 examination to be used and the administration and location of the examination.

11.9 (b) To the extent the examination in paragraph (a) does not provide assessment in all of
11.10 the subject areas in subdivision 9, the parent must assess the child's performance in the
11.11 applicable subject area. This requirement applies only to a parent who provides instruction
11.12 and does not meet the requirements of subdivision 10, clause (1), or (2), ~~or (3)~~.

11.13 (c) If the results of the assessments in paragraphs (a) and (b) indicate that the child's
11.14 performance on the total battery score is at or below the 30th percentile or one grade level
11.15 below the performance level for children of the same age, the parent must obtain additional
11.16 evaluation of the child's abilities and performance for the purpose of determining whether
11.17 the child has learning problems.

11.18 (d) A child receiving instruction from a nonpublic school, person, or institution that is
11.19 accredited by an accrediting agency, recognized according to section 123B.445, or recognized
11.20 by the commissioner, is exempt from the requirements of this subdivision.

11.21 Sec. 18. Minnesota Statutes 2023 Supplement, section 122A.092, subdivision 5, is amended
11.22 to read:

11.23 Subd. 5. **Reading strategies.** (a) A teacher preparation provider approved by the
11.24 Professional Educator Licensing and Standards Board to prepare persons for classroom
11.25 teacher licensure must include in its teacher preparation programs evidence-based best
11.26 practices in reading, consistent with sections 120B.1117 to 120B.124, including instruction
11.27 on phonemic awareness, phonics, vocabulary development, reading fluency, and reading
11.28 comprehension. Instruction on reading must enable the licensure candidate to teach reading
11.29 in the candidate's content areas. Teacher candidates must be instructed in using students'
11.30 native languages as a resource in creating effective differentiated instructional strategies
11.31 for English learners developing literacy skills. A teacher preparation provider also must
11.32 prepare early childhood and elementary teacher candidates for Tier 3 and Tier 4 teaching
11.33 licenses under sections 122A.183 and 122A.184, respectively, ~~for the portion of the~~

12.1 ~~examination under section 122A.185, subdivision 1, paragraph (e), covering assessment of~~
12.2 ~~reading instruction.~~

12.3 (b) Board-approved teacher preparation programs for teachers of elementary education
12.4 must require instruction in applying evidence-based, structured literacy reading instruction
12.5 programs that:

12.6 (1) teach students to read using foundational knowledge, practices, and strategies
12.7 consistent with sections 120B.1117 to 120B.124, with emphasis on mastery of foundational
12.8 reading skills so that students achieve continuous progress in reading; and

12.9 (2) teach specialized instruction in reading strategies, interventions, and remediations
12.10 that enable students of all ages and proficiency levels, including multilingual learners and
12.11 students demonstrating characteristics of dyslexia, to become proficient readers.

12.12 (c) Board-approved teacher preparation programs for teachers of elementary education,
12.13 early childhood education, special education, and reading intervention must include
12.14 instruction on dyslexia, as defined in section 125A.01, subdivision 2. Teacher preparation
12.15 programs may consult with the Department of Education, including the dyslexia specialist
12.16 under section 120B.122, to develop instruction under this paragraph. Instruction on dyslexia
12.17 must be modeled on practice standards of the International Dyslexia Association, and must
12.18 address:

12.19 (1) the nature and symptoms of dyslexia;

12.20 (2) resources available for students who show characteristics of dyslexia;

12.21 (3) evidence-based instructional strategies for students who show characteristics of
12.22 dyslexia, including the structured literacy approach; and

12.23 (4) outcomes of intervention and lack of intervention for students who show
12.24 characteristics of dyslexia.

12.25 (d) Nothing in this section limits the authority of a school district to select a school's
12.26 reading program or curriculum.

12.27 Sec. 19. Minnesota Statutes 2022, section 122A.182, subdivision 5, is amended to read:

12.28 Subd. 5. **Limitations on license.** (a) A Tier 2 license is limited to the content matter
12.29 indicated on the application for the initial Tier 2 license under subdivision 1, ~~paragraph (a),~~
12.30 and limited to the district or charter school that requested the initial Tier 2 license.

13.1 (b) A Tier 2 license shall not be construed to bring an individual within the definition
13.2 of a teacher for purposes of section 122A.40, subdivision 1, or 122A.41, subdivision 1,
13.3 clause (a).

13.4 Sec. 20. Minnesota Statutes 2022, section 123B.72, subdivision 3, is amended to read:

13.5 Subd. 3. **Certification.** Prior to occupying or reoccupying a school facility affected by
13.6 this section, a school board or its designee shall submit a document prepared by a system
13.7 inspector to the building official or to the commissioner, verifying that the facility's heating,
13.8 ventilation, and air conditioning system has been installed and operates according to design
13.9 specifications and code, according to section 123B.71, subdivision 9, clause ~~(6)~~ (7), item
13.10 (iii). A systems inspector shall also verify that the facility's design will provide the ability
13.11 for monitoring of outdoor airflow and total airflow of ventilation systems in new school
13.12 facilities and that any heating, ventilation, or air conditioning system that is installed or
13.13 modified for a project subject to this section must provide a filtration system with a current
13.14 ASHRAE standard.

13.15 Sec. 21. Minnesota Statutes 2023 Supplement, section 124D.65, subdivision 5, is amended
13.16 to read:

13.17 Subd. 5. **School district EL revenue.** (a) For fiscal year 2024 through fiscal year 2026,
13.18 a district's English learner programs revenue equals the sum of:

13.19 (1) the product of (i) \$1,228, and (ii) the greater of 20 or the adjusted average daily
13.20 membership of eligible English learners enrolled in the district during the current fiscal
13.21 year; and

13.22 (2) \$436 times the English learner pupil units under section 126C.05, subdivision 17.

13.23 (b) For fiscal year 2027 and later, a district's English learner programs revenue equals
13.24 the sum of:

13.25 (1) the product of (i) \$1,775, and (ii) the greater of 20 or the adjusted average daily
13.26 membership of eligible English learners enrolled in the district during the current fiscal
13.27 year;

13.28 (2) \$630 times the English learner pupil units under section 126C.05, subdivision 17;
13.29 and

13.30 (3) the district's English learner cross subsidy aid. A district's English learner cross
13.31 subsidy aid ~~under paragraph (e)~~ equals 25 percent of the district's English learner cross
13.32 subsidy under paragraph (c) for fiscal year 2027 and later.

(c) A district's English learner cross subsidy aid equals the greater of zero or the difference between the district's expenditures for qualifying English learner services for the second previous year and the district's English learner revenue for the second previous year.

(d) A pupil ceases to generate state English learner aid in the school year following the school year in which the pupil attains the state cutoff score on a commissioner-provided assessment that measures the pupil's emerging academic English.

Sec. 22. Minnesota Statutes 2023 Supplement, section 124E.02, is amended to read:

124E.02 DEFINITIONS.

(a) For purposes of this chapter, the terms defined in this section have the meanings given them.

(b) "Affidavit" means a written statement the authorizer submits to the commissioner for approval to establish a charter school under section 124E.06, subdivision 4, attesting to its review and approval process before chartering a school.

(c) "Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person.

(d) "Charter management organization" or "CMO" means any nonprofit or for-profit entity that contracts with a charter school board of directors to provide, manage, or oversee all or substantially all of a school's education program or a school's administrative, financial, business, or operational functions.

(e) "Control" means the ability to affect the management, operations, or policy actions or decisions of a person, whether by owning voting securities, by contract, or otherwise.

(f) "Educational management organization" or "EMO" means a nonprofit or for-profit entity that provides, manages or oversees all or substantially all of the education program, or the school's administrative, financial, business, or operational functions.

(g) "Immediate family member" means an individual whose relationship by blood, marriage, adoption, or partnership is no more remote than first cousin.

(h) "Market need and demand study" means a study that includes the following for the proposed locations of the school or additional site:

(1) current and projected demographic information;

(2) student enrollment patterns;

(3) information on existing schools and types of educational programs currently available;

- 15.1 (4) characteristics of proposed students and families;
- 15.2 (5) availability of properly zoned and classified facilities; and
- 15.3 (6) quantification of existing demand for the school or site.
- 15.4 (i) "Person" means an individual or entity of any kind.
- 15.5 (j) "Related party" means an affiliate or immediate ~~relative~~ family member of the other
- 15.6 interested party, an affiliate of an immediate ~~relative~~ family member who is the other
- 15.7 interested party, or an immediate ~~relative~~ family member of an affiliate who is the other
- 15.8 interested party.
- 15.9 (k) For purposes of this chapter, the terms defined in section 120A.05 have the same
- 15.10 meanings.
- 15.11 Sec. 23. Minnesota Statutes 2022, section 124E.03, subdivision 7, is amended to read:
- 15.12 Subd. 7. **Additional program-specific requirements.** (a) A charter school offering
- 15.13 online courses or programs must comply with section ~~124D.095~~ 124D.094 governing online
- 15.14 ~~learning~~ instruction.
- 15.15 (b) A charter school that provides early childhood health and developmental screening
- 15.16 must comply with sections 121A.16 to 121A.19 governing early childhood screening.
- 15.17 (c) A charter school that provides school-sponsored youth athletic activities must comply
- 15.18 with section 121A.38 governing policies on concussions.
- 15.19 Sec. 24. Minnesota Statutes 2022, section 124E.14, is amended to read:
- 15.20 **124E.14 CONFLICTS OF INTEREST.**
- 15.21 (a) No member of the board of directors, employee, officer, or agent of a charter school
- 15.22 shall participate in selecting, awarding, or administering a contract if a conflict of interest
- 15.23 exists. A conflict exists when:
- 15.24 (1) the board member, employee, officer, or agent;
- 15.25 (2) the immediate family member of the board member, employee, officer, or agent;
- 15.26 (3) the partner of the board member, employee, officer, or agent; or
- 15.27 (4) an organization that employs, or is about to employ any individual in clauses (1) to
- 15.28 (3),

16.1 has a financial or other interest in the entity with which the charter school is contracting. A
16.2 violation of this prohibition renders the contract void.

16.3 (b) The conflict of interest provisions under this section do not apply to compensation
16.4 paid to a teacher employed as a teacher by the charter school or a teacher who provides
16.5 instructional services to the charter school through a cooperative formed under chapter
16.6 308A when the teacher also serves on the charter school board of directors.

16.7 (c) A charter school board member, employee, or officer is a local official for purposes
16.8 of section 471.895 with regard to receipt of gifts as defined under section 10A.071,
16.9 subdivision 1, paragraph (b). A board member, employee, or officer must not receive
16.10 compensation from a group health insurance provider.

16.11 Sec. 25. Minnesota Statutes 2023 Supplement, section 125A.15, is amended to read:

16.12 **125A.15 PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.**

16.13 The responsibility for special instruction and services for a child with a disability
16.14 temporarily placed in another district for care and treatment shall be determined in the
16.15 following manner:

16.16 (a) The district of residence of a child shall be the district in which the child's parent
16.17 resides, if living, or the child's guardian. If there is a dispute between school districts
16.18 regarding residency, the district of residence is the district designated by the commissioner.

16.19 (b) If a district other than the resident district places a pupil for care and treatment, the
16.20 district placing the pupil must notify and give the resident district an opportunity to participate
16.21 in the placement decision. When an immediate emergency placement of a pupil is necessary
16.22 and time constraints foreclose a resident district from participating in the emergency
16.23 placement decision, the district in which the pupil is temporarily placed must notify the
16.24 resident district of the emergency placement within 15 days. The resident district has up to
16.25 five business days after receiving notice of the emergency placement to request an
16.26 opportunity to participate in the placement decision, which the placing district must then
16.27 provide.

16.28 (c) When a child is temporarily placed for care and treatment in a day program located
16.29 in another district and the child continues to live within the district of residence during the
16.30 care and treatment, the district of residence is responsible for providing transportation to
16.31 and from the care and treatment program and an appropriate educational program for the
16.32 child. The resident district may establish reasonable restrictions on transportation, except
16.33 if a Minnesota court or agency orders the child placed at a day care and treatment program

and the resident district receives a copy of the order, then the resident district must provide transportation to and from the program unless the court or agency orders otherwise. Transportation shall only be provided by the resident district during regular operating hours of the resident district. The resident district may provide the educational program at a school within the district of residence, at the child's residence, or in the district in which the day treatment center is located by paying tuition to that district. If a child's district of residence, district of open enrollment under section 124D.03, or charter school of enrollment under section 124E.11 is authorized to provide online learning instruction under state statutes, the child's district of residence may utilize that ~~state-approved~~ online learning program in fulfilling its educational program responsibility under this section if the child, or the child's parent or guardian for a pupil under the age of 18, agrees to that form of instruction.

(d) When a child is temporarily placed in a residential program for care and treatment, the nonresident district in which the child is placed is responsible for providing an appropriate educational program for the child and necessary transportation while the child is attending the educational program; and must bill the district of the child's residence for the actual cost of providing the program, as outlined in section 125A.11, except as provided in paragraph (e). However, the board, lodging, and treatment costs incurred in behalf of a child with a disability placed outside of the school district of residence by the commissioner of human services or the commissioner of corrections or their agents, for reasons other than providing for the child's special educational needs must not become the responsibility of either the district providing the instruction or the district of the child's residence. For the purposes of this section, the state correctional facilities operated on a fee-for-service basis are considered to be residential programs for care and treatment. If a child's district of residence, district of open enrollment under section 124D.03, or charter school of enrollment under section 124E.11 is authorized to provide online learning instruction under state statutes, the nonresident district may utilize that ~~state-approved~~ online learning program in fulfilling its educational program responsibility under this section if the child, or the child's parent or guardian for a pupil under the age of 18, agrees to that form of instruction.

(e) A privately owned and operated residential facility may enter into a contract to obtain appropriate educational programs for special education children and services with a joint powers entity. The entity with which the private facility contracts for special education services shall be the district responsible for providing students placed in that facility an appropriate educational program in place of the district in which the facility is located. If a privately owned and operated residential facility does not enter into a contract under this paragraph, then paragraph (d) applies.

(f) The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. The district of residence may claim general education aid for the child as provided by law. Transportation costs must be paid by the district responsible for providing the transportation and the state must pay transportation aid to that district.

Sec. 26. Minnesota Statutes 2023 Supplement, section 125A.51, is amended to read:

125A.51 PLACEMENT OF CHILDREN WITHOUT DISABILITIES; EDUCATION AND TRANSPORTATION.

The responsibility for providing instruction and transportation for a pupil without a disability who has a short-term or temporary physical or emotional illness or disability, as determined by the standards of the commissioner, and who is temporarily placed for care and treatment for that illness or disability, must be determined as provided in this section.

(a) The school district of residence of the pupil is the district in which the pupil's parent or guardian resides. If there is a dispute between school districts regarding residency, the district of residence is the district designated by the commissioner.

(b) When parental rights have been terminated by court order, the legal residence of a child placed in a residential or foster facility for care and treatment is the district in which the child resides.

(c) Before the placement of a pupil for care and treatment, the district of residence must be notified and provided an opportunity to participate in the placement decision. When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the pupil is temporarily placed, if different from the district of residence, must notify the district of residence of the emergency placement within 15 days of the placement. When a nonresident district makes an emergency placement without first consulting with the resident district, the resident district has up to five business days after receiving notice of the emergency placement to request an opportunity to participate in the placement decision, which the placing district must then provide.

(d) When a pupil without a disability is temporarily placed for care and treatment in a day program and the pupil continues to live within the district of residence during the care and treatment, the district of residence must provide instruction and necessary transportation to and from the care and treatment program for the pupil. The resident district may establish reasonable restrictions on transportation, except if a Minnesota court or agency orders the

child placed at a day care and treatment program and the resident district receives a copy of the order, then the resident district must provide transportation to and from the program unless the court or agency orders otherwise. Transportation shall only be provided by the resident district during regular operating hours of the resident district. The resident district may provide the instruction at a school within the district of residence; at the pupil's residence; through an authorized online learning program provided by the pupil's resident district, district of open enrollment under section 124D.03, or charter school of enrollment under section 124E.11 if the child, or the child's parent or guardian for a pupil under the age of 18, agrees to that form of instruction; or, in the case of a placement outside of the resident district, in the district in which the day treatment program is located by paying tuition to that district. The district of placement may contract with a facility to provide instruction by teachers licensed by the Professional Educator Licensing and Standards Board.

(e) When a pupil without a disability is temporarily placed in a residential program for care and treatment, the district in which the pupil is placed must provide instruction for the pupil and necessary transportation while the pupil is receiving instruction, and in the case of a placement outside of the district of residence, the nonresident district must bill the district of residence for the actual cost of providing the instruction for the regular school year and for summer school, excluding transportation costs. If a pupil's district of residence, district of open enrollment under section 124D.03, or charter school of enrollment under section 124E.11 is authorized to provide online learning instruction under state statutes, the district in which the pupil is placed may utilize that ~~state-approved~~ online learning program in fulfilling its responsibility to provide instruction under this section if the child, or the child's parent or guardian for a pupil under the age of 18, agrees to that form of instruction.

(f) Notwithstanding paragraph (e), if the pupil is homeless and placed in a public or private homeless shelter, then the district that enrolls the pupil under section 120A.20, subdivision 2, paragraph (b), shall provide the transportation, unless the district that enrolls the pupil and the district in which the pupil is temporarily placed agree that the district in which the pupil is temporarily placed shall provide transportation. When a pupil without a disability is temporarily placed in a residential program outside the district of residence, the administrator of the court placing the pupil must send timely written notice of the placement to the district of residence. The district of placement may contract with a residential facility to provide instruction by teachers licensed by the Professional Educator Licensing and Standards Board. For purposes of this section, the state correctional facilities

20.1 operated on a fee-for-service basis are considered to be residential programs for care and
20.2 treatment.

20.3 (g) The district of residence must include the pupil in its residence count of pupil units
20.4 and pay tuition as provided in section 123A.488 to the district providing the instruction.
20.5 Transportation costs must be paid by the district providing the transportation and the state
20.6 must pay transportation aid to that district. For purposes of computing state transportation
20.7 aid, pupils governed by this subdivision must be included in the disabled transportation
20.8 category if the pupils cannot be transported on a regular school bus route without special
20.9 accommodations.

20.10 Sec. 27. Minnesota Statutes 2023 Supplement, section 125A.515, subdivision 3, is amended
20.11 to read:

20.12 Subd. 3. **Responsibilities for providing education.** (a) The district in which the children's
20.13 residential facility is located must provide education services, including special education
20.14 if eligible, to all students placed in a facility. If a child's district of residence, district of open
20.15 enrollment under section 124D.03, or charter school of enrollment under section 124E.11
20.16 is authorized to provide online learning instruction under state statutes, the district in which
20.17 the children's residential facility is located may utilize that ~~state-approved~~ online learning
20.18 program in fulfilling its education services responsibility under this section if the child, or
20.19 the child's parent or guardian for a pupil under the age of 18, agrees to that form of
20.20 instruction.

20.21 (b) For education programs operated by the Department of Corrections, the providing
20.22 district shall be the Department of Corrections. For students remanded to the commissioner
20.23 of corrections, the providing and resident district shall be the Department of Corrections.

20.24 Sec. 28. Minnesota Statutes 2022, section 126C.05, subdivision 8, is amended to read:

20.25 Subd. 8. **Average daily membership.** (a) Membership for pupils in grades kindergarten
20.26 through 12 and for prekindergarten pupils with disabilities shall mean the number of pupils
20.27 on the current roll of the school, counted from the date of entry until withdrawal. The date
20.28 of withdrawal shall mean the day the pupil permanently leaves the school or the date it is
20.29 officially known that the pupil has left or has been legally excused. However, a pupil,
20.30 regardless of age, who has been absent from school for 15 consecutive school days during
20.31 the regular school year or for five consecutive school days during summer school or
20.32 intersession classes of flexible school year programs without receiving instruction in the
20.33 home or hospital shall be dropped from the roll and classified as withdrawn. Nothing in this

section shall be construed as waiving the compulsory attendance provisions cited in section 120A.22. Average daily membership equals the sum for all pupils of the number of days of the school year each pupil is enrolled in the district's schools divided by the number of days the schools are in session or are providing e-learning days due to inclement weather. Days of summer school or intersession classes of flexible school year programs are only included in the computation of membership for pupils with a disability not appropriately served primarily in the regular classroom. A student must not be counted as more than 1.2 pupils in average daily membership under this section and section 126C.10, subdivision 2a, paragraph ~~(b)~~ (c). When the initial total average daily membership exceeds 1.2 for a pupil enrolled in more than one school district during the fiscal year, each district's average daily membership must be reduced proportionately.

(b) A student must not be counted as more than one pupil in average daily membership except for purposes of section 126C.10, subdivision 2a.

Sec. 29. Minnesota Statutes 2022, section 126C.126, is amended to read:

126C.126 USE OF GENERAL EDUCATION REVENUE FOR ALL-DAY KINDERGARTEN AND PREKINDERGARTEN.

A school district may spend general education revenue on extended time kindergarten and prekindergarten programs. At the school board's discretion, the district may use revenue generated by the all-day kindergarten pupil count under section 126C.05, subdivision 1, paragraph ~~(d)~~ (c), to meet the needs of three- and four-year-olds in the district. A school district may not use these funds on programs for three- and four-year-old children while maintaining a fee-based all-day kindergarten program.

Sec. 30. Minnesota Statutes 2022, section 126C.13, subdivision 4, is amended to read:

Subd. 4. **General education aid.** For fiscal year 2015 and later, a district's general education aid equals:

(1) general education revenue, excluding operating capital revenue, equity revenue, local optional revenue, and transition revenue, ~~minus the student achievement levy, multiplied times the ratio of the actual amount of student achievement levy levied to the permitted student achievement levy;~~ plus

(2) operating capital aid under section 126C.10, subdivision 13b;

(3) equity aid under section 126C.10, subdivision 30; plus

(4) transition aid under section 126C.10, subdivision 33; plus

22.1 (5) shared time aid under section 126C.01, subdivision 7; plus

22.2 (6) referendum aid under section 126C.17, subdivisions 7 and 7a; plus

22.3 (7) online learning aid under section 124D.096; plus

22.4 (8) local optional aid according to section 126C.10, subdivision 2e, paragraph ~~(e)~~ (f).

22.5 Sec. 31. Minnesota Statutes 2022, section 126C.17, subdivision 5, is amended to read:

22.6 Subd. 5. **Referendum equalization revenue.** (a) A district's referendum equalization
22.7 revenue equals the sum of the first tier referendum equalization revenue and the second tier
22.8 referendum equalization revenue.

22.9 (b) A district's first tier referendum equalization revenue equals the district's first tier
22.10 referendum equalization allowance times the district's adjusted pupil units for that year.

22.11 (c) A district's first tier referendum equalization allowance equals the lesser of the
22.12 district's referendum allowance under subdivision 1 or \$460.

22.13 (d) A district's second tier referendum equalization revenue equals the district's second
22.14 tier referendum equalization allowance times the district's adjusted pupil units for that year.

22.15 (e) A district's second tier referendum equalization allowance equals the lesser of the
22.16 district's referendum allowance under subdivision 1 or 25 percent of the formula allowance,
22.17 minus the sum of \$300 and the district's first tier referendum equalization allowance.

22.18 (f) Notwithstanding paragraph (e), the second tier referendum equalization allowance
22.19 for a district qualifying for secondary sparsity revenue under section 126C.10, subdivision
22.20 7, or elementary sparsity revenue under section 126C.10, subdivision 8, equals the district's
22.21 referendum allowance under subdivision 1 minus the district's first tier referendum
22.22 equalization allowance.

22.23 Sec. 32. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 7, is amended
22.24 to read:

22.25 Subd. 7. **Advanced life support.** (a) Except as provided in paragraphs (f) and (g), an
22.26 advanced life-support ambulance shall be staffed by at least:

22.27 (1) one EMT or one AEMT and one paramedic;

22.28 (2) one EMT or one AEMT and one registered nurse who is an EMT or an AEMT, is
22.29 currently practicing nursing, and has passed a paramedic practical skills test approved by
22.30 the board and administered by an education program; or

(3) one EMT or one AEMT and one physician assistant who is an EMT or an AEMT, is currently practicing as a physician assistant, and has passed a paramedic practical skills test approved by the board and administered by an education program.

(b) An advanced life-support service shall provide basic life support, as specified under subdivision 6, paragraph (a), advanced airway management, manual defibrillation, administration of intravenous fluids and pharmaceuticals, and administration of opiate antagonists.

(c) In addition to providing advanced life support, an advanced life-support service may staff additional ambulances to provide basic life support according to subdivision 6 and section 144E.103, subdivision 1.

(d) An ambulance service providing advanced life support shall have a written agreement with its medical director to ensure medical control for patient care 24 hours a day, seven days a week. The terms of the agreement shall include a written policy on the administration of medical control for the service. The policy shall address the following issues:

(1) two-way communication for physician direction of ambulance service personnel;

(2) patient triage, treatment, and transport;

(3) use of standing orders; and

(4) the means by which medical control will be provided 24 hours a day.

The agreement shall be signed by the licensee's medical director and the licensee or the licensee's designee and maintained in the files of the licensee.

(e) When an ambulance service provides advanced life support, the authority of a paramedic, Minnesota registered nurse-EMT, or Minnesota registered physician assistant-EMT to determine the delivery of patient care prevails over the authority of an EMT.

(f) Upon application from an ambulance service that includes evidence demonstrating hardship, the board may grant a variance from the staff requirements in paragraph (a), clause (1), and may authorize an advanced life-support ambulance to be staffed by a registered emergency medical responder driver with a paramedic for all emergency calls and interfacility transfers. The variance shall apply to advanced life-support ambulance services until the ambulance service renews its license. When the variance expires, an ambulance service may apply for a new variance under this paragraph. This paragraph applies only to an ambulance service whose primary service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato,

24.1 Moorhead, Rochester, and St. Cloud, or an ambulance service based in a community with
24.2 a population of less than 1,000 persons.

24.3 (g) After an initial emergency ambulance call, each subsequent emergency ambulance
24.4 response, until the initial ambulance is again available, and interfacility transfers, may be
24.5 staffed by one registered emergency medical responder driver and an EMT or paramedic.
24.6 This paragraph applies only to an ambulance service whose primary service area is mainly
24.7 located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside
24.8 the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, or an ambulance service
24.9 based in a community with a population of less than 1,000 persons.

24.10 Sec. 33. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 12, is
24.11 amended to read:

24.12 Subd. 12. **Mutual aid agreement.** (a) A licensee shall have a written agreement with
24.13 at least one neighboring licensed ambulance service for the preplanned and organized
24.14 response of emergency medical services, and other emergency personnel and equipment,
24.15 to a request for assistance in an emergency when local ambulance transport resources have
24.16 been expended. The response is predicated upon formal agreements among participating
24.17 ambulance services. A copy of each mutual aid agreement shall be maintained in the files
24.18 of the licensee and shall be filed with the board for informational purposes only.

24.19 (b) A licensee may have a written agreement with a neighboring licensed ambulance
24.20 service, including a licensed ambulance service from a neighboring state if that service is
24.21 currently and remains in compliance with its home state licensing requirements, to provide
24.22 support to the primary service area of the licensee upon the licensee's request. The agreement
24.23 may allow the licensee to suspend ambulance services in its primary service area during
24.24 the times the neighboring licensed ambulance service has agreed to provide all emergency
24.25 services to the licensee's primary service area. The agreement may permit the neighboring
24.26 licensed ambulance service to serve the licensee's primary service area for up to 24 hours
24.27 per day, provided service by the neighboring licensed ambulance service does not exceed
24.28 108 hours per calendar week. This paragraph applies only to an ambulance service whose
24.29 primary service area is mainly located outside the metropolitan counties listed in section
24.30 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester,
24.31 and St. Cloud, or an ambulance service based in a community with a population of less than
24.32 2,500 persons.

25.1 Sec. 34. Minnesota Statutes 2023 Supplement, section 145D.01, subdivision 5, is amended
25.2 to read:

25.3 Subd. 5. **Attorney general enforcement and supplemental authority.** (a) The attorney
25.4 general may bring an action in district court to enjoin or unwind a transaction or seek other
25.5 equitable relief necessary to protect the public interest if a health care entity or transaction
25.6 violates this section, if the transaction is contrary to the public interest, or if both a health
25.7 care entity or transaction violates this section and the transaction is contrary to the public
25.8 interest. Factors informing whether a transaction is contrary to the public interest include
25.9 but are not limited to whether the transaction:

25.10 (1) will harm public health;

25.11 (2) will reduce the affected community's continued access to affordable and quality care
25.12 and to the range of services historically provided by the entities or will prevent members
25.13 in the affected community from receiving a comparable or better patient experience;

25.14 (3) will have a detrimental impact on competing health care options within primary and
25.15 dispersed service areas;

25.16 (4) will reduce delivery of health care to disadvantaged, uninsured, underinsured, and
25.17 underserved populations and to populations enrolled in public health care programs;

25.18 (5) will have a substantial negative impact on medical education and teaching programs,
25.19 health care workforce training, or medical research;

25.20 (6) will have a negative impact on the market for health care services, health insurance
25.21 services, or skilled health care workers;

25.22 (7) will increase health care costs for patients;

25.23 (8) will adversely impact provider cost trends and containment of total health care
25.24 spending;

25.25 (9) will have a negative impact on wages paid by, or the number of employees employed
25.26 by, a health care entity involved in a transaction; or

25.27 (10) will have a negative impact on wages, collective bargaining units, and collective
25.28 bargaining agreements of existing or future workers employed by a health care entity
25.29 involved in a transaction.

25.30 (b) The attorney general may enforce this section under section 8.31.

25.31 (c) Failure of the entities involved in a transaction to provide timely information as
25.32 required by the attorney general or the commissioner shall be an independent and sufficient

ground for a court to enjoin or unwind the transaction or provide other equitable relief, provided the attorney general notified the entities of the inadequacy of the information provided and provided the entities with a reasonable opportunity to remedy the inadequacy.

(d) The commissioner shall provide to the attorney general, upon request, data and research on broader market trends, impacts on prices and outcomes, public health and population health considerations, and health care access, for the attorney general to use when evaluating whether a transaction is contrary to public interest. The commissioner may share with the attorney general, according to section 13.05, subdivision 9, any not public data, as defined in section 13.02, subdivision 8a, held by the commissioner to aid in the investigation and review of the transaction, and the attorney general must maintain this data with the same classification according to section 13.03, subdivision 4, paragraph ~~(d)~~ (c).

Sec. 35. Minnesota Statutes 2023 Supplement, section 145D.02, is amended to read:

145D.02 DATA REPORTING OF CERTAIN HEALTH CARE TRANSACTIONS.

(a) This section applies to all transactions where:

(1) the health care entity involved in the transaction has average revenue between \$10,000,000 and \$80,000,000 per year; or

(2) the transaction will result in an entity projected to have average revenue between \$10,000,000 per year and \$80,000,000 per year once the entity is operating at full capacity.

(b) A health care entity must provide the following data to the commissioner at least 30 days before the proposed completion date of the transaction, or within ten business days of the date the parties first reasonably anticipate entering into the transaction if the expected completion is within less than 30 days, in the form and manner determined by the commissioner:

(1) the entities involved in the transaction;

(2) the leadership, ownership structures, and business relationship of the entities involved in the transaction, including all board members, managing partners, member managers, and officers;

(3) the services provided by each entity and the operating and nonoperating revenue for each entity by location, for the last three years;

(4) the primary service area for each location;

(5) the proposed service area for each location;

(6) the current relationships between the entities and the affected health care providers and practices, the locations of affected health care providers and practices, the services provided by affected health care providers and practices, and the proposed relationships between the entities and the affected health care providers and practices;

(7) the terms of the transaction agreement or agreements;

(8) potential areas of expansion, whether in existing markets or new markets;

(9) plans to close facilities, reduce workforce, or reduce or eliminate services;

(10) the number of full-time equivalent positions at each location before and after the transaction by job category, including administrative and contract positions; and

(11) any other information relevant to evaluating the transaction that is requested by the commissioner.

(c) If the commissioner determines that information required from the health care entity under this section has not been provided, the commissioner may notify the entity of the necessary information within 30 days of the health care entity's initial submission of the notice. The health care entity must provide such additional information to the commissioner within 14 days of the commissioner's request.

(d) Data provided to or collected by the commissioner under this section are private data on individuals or nonpublic data, as defined in section 13.02. The commissioner may share with the attorney general, according to section 13.05, subdivision 9, any not public data, as defined in section 13.02, subdivision 8a, held by the commissioner to aid in the investigation and review of the transaction, and the attorney general must maintain this data with the same classification according to section 13.03, subdivision 4, paragraph ~~(d)~~ (c).

(e) A health care entity is exempt from reporting under this section if the health care entity is required to submit information to the attorney general and commissioner under section 145D.01, subdivision 2.

(f) The commissioner shall use data collected under this section to analyze the number of health care transactions in Minnesota and the potential impact these transactions may have on equitable access to or the cost and quality of health care services, and develop recommendations for the legislature on improvements to the law.

28.1 Sec. 36. Minnesota Statutes 2023 Supplement, section 147.02, subdivision 1, is amended
28.2 to read:

28.3 Subdivision 1. **United States or Canadian medical school graduates.** The board shall
28.4 issue a license to practice medicine to a person not currently licensed in another state or
28.5 Canada and who meets the requirements in paragraphs (a) to (i).

28.6 (a) An applicant for a license shall file a written application on forms provided by the
28.7 board, showing to the board's satisfaction that the applicant is of good moral character and
28.8 satisfies the requirements of this section.

28.9 (b) The applicant shall present evidence satisfactory to the board of being a graduate of
28.10 a medical or osteopathic medical school located in the United States, its territories, or
28.11 Canada, and approved by the board based upon its faculty, curriculum, facilities, accreditation
28.12 by a recognized national accrediting organization approved by the board, and other relevant
28.13 data, or is currently enrolled in the final year of study at the school.

28.14 (c) The applicant must have passed an examination as described in clause (1) or (2).

28.15 (1) The applicant must have passed a comprehensive examination for initial licensure
28.16 prepared and graded by the National Board of Medical Examiners, the Federation of State
28.17 Medical Boards, the Medical Council of Canada, the National Board of Osteopathic
28.18 Examiners, or the appropriate state board that the board determines acceptable. The board
28.19 shall by rule determine what constitutes a passing score in the examination.

28.20 (2) The applicant taking the United States Medical Licensing Examination (USMLE)
28.21 or Comprehensive Osteopathic Medical Licensing Examination (COMLEX-USA) must
28.22 have passed steps or levels one, two, and three. Step or level three must be passed within
28.23 five years of passing step or level two, or before the end of residency training. The applicant
28.24 must pass each of steps or levels one, two, and three with passing scores as recommended
28.25 by the USMLE program or National Board of Osteopathic Medical Examiners within three
28.26 attempts. The applicant taking combinations of Federation of State Medical Boards, National
28.27 Board of Medical Examiners, and USMLE may be accepted only if the combination is
28.28 approved by the board as comparable to existing comparable examination sequences and
28.29 all examinations are completed prior to the year 2000.

28.30 (d) The applicant shall present evidence satisfactory to the board of the completion of
28.31 one year of graduate, clinical medical training in a program accredited by a national
28.32 accrediting organization approved by the board.

(e) The applicant may make arrangements with the executive director to appear in person before the board or its designated representative to show that the applicant satisfies the requirements of this section. The board may establish as internal operating procedures the procedures or requirements for the applicant's personal presentation.

(f) The applicant shall pay a nonrefundable fee established by the board. Upon application or notice of license renewal, the board must provide notice to the applicant and to the person whose license is scheduled to be issued or renewed of any additional fees, surcharges, or other costs which the person is obligated to pay as a condition of licensure. The notice must:

(1) state the dollar amount of the additional costs; and

(2) clearly identify to the applicant the payment schedule of additional costs.

(g) The applicant must not be under license suspension or revocation by the licensing board of the state or jurisdiction in which the conduct that caused the suspension or revocation occurred.

(h) The applicant must not have engaged in conduct warranting disciplinary action against a licensee, or have been subject to disciplinary action other than as specified in paragraph (g). If the applicant does not satisfy the requirements stated in this paragraph, the board may issue a license only on the applicant's showing that the public will be protected through issuance of a license with conditions and limitations the board considers appropriate.

(i) If the examination in paragraph (c) was passed more than ten years ago, the applicant must either:

(1) pass the special purpose examination of the Federation of State Medical Boards with a score of 75 or better within three attempts; or

(2) have a current certification by a specialty board of the American Board of Medical Specialties, of the American Osteopathic Association, the Royal College of Physicians and Surgeons of Canada, or of the College of Family Physicians of Canada.

Sec. 37. Minnesota Statutes 2023 Supplement, section 147.03, subdivision 1, is amended to read:

Subdivision 1. **Endorsement; reciprocity.** (a) The board may issue a license to practice medicine to any person who satisfies the requirements in paragraphs (b) to (e).

(b) The applicant shall satisfy all the requirements established in section 147.02, subdivision 1, paragraphs (a), (b), (d), (e), and (f), or section 147.037, subdivision 1, paragraphs (a) to (e).

30.1 (c) The applicant shall:

30.2 (1) have passed an examination prepared and graded by the Federation of State Medical
30.3 Boards, the National Board of Medical Examiners, or the United States Medical Licensing
30.4 Examination (USMLE) program in accordance with section 147.02, subdivision 1, paragraph
30.5 (c), clause (2); the National Board of Osteopathic Medical Examiners; or the Medical Council
30.6 of Canada; and

30.7 (2) have a current license from the equivalent licensing agency in another state or Canada
30.8 and, if the examination in clause (1) was passed more than ten years ago, either:

30.9 (i) pass the Special Purpose Examination of the Federation of State Medical Boards
30.10 (SPEX) within three attempts; or

30.11 (ii) have a current certification by a specialty board of the American Board of Medical
30.12 Specialties, ~~of~~ the American Osteopathic Association, the Royal College of Physicians and
30.13 Surgeons of Canada, or ~~of~~ the College of Family Physicians of Canada; or

30.14 (3) if the applicant fails to meet the requirement established in section 147.02, subdivision
30.15 1, paragraph (c), clause (2), because the applicant failed to pass within the permitted three
30.16 attempts each of steps or levels one, two, and three of the USMLE or the Comprehensive
30.17 Osteopathic Medical Licensing Examination (COMLEX-USA), the applicant may be granted
30.18 a license provided the applicant:

30.19 (i) has passed each of steps or levels one, two, and three within no more than four attempts
30.20 for any of the three steps or levels with passing scores as recommended by the USMLE or
30.21 COMLEX-USA program;

30.22 (ii) is currently licensed in another state; and

30.23 (iii) has current certification by a specialty board of the American Board of Medical
30.24 Specialties, the American Osteopathic Association, the Royal College of Physicians and
30.25 Surgeons of Canada, or the College of Family Physicians of Canada.

30.26 (d) The applicant must not be under license suspension or revocation by the licensing
30.27 board of the state or jurisdiction in which the conduct that caused the suspension or revocation
30.28 occurred.

30.29 (e) The applicant must not have engaged in conduct warranting disciplinary action against
30.30 a licensee, or have been subject to disciplinary action other than as specified in paragraph
30.31 (d). If an applicant does not satisfy the requirements stated in this paragraph, the board may
30.32 issue a license only on the applicant's showing that the public will be protected through
30.33 issuance of a license with conditions or limitations the board considers appropriate.

31.1 (f) Upon the request of an applicant, the board may conduct the final interview of the
31.2 applicant by teleconference.

31.3 Sec. 38. Minnesota Statutes 2022, section 150A.091, subdivision 2, is amended to read:

31.4 Subd. 2. **Application and initial license or registration fees.** Each applicant shall
31.5 submit with a license, advanced dental therapist certificate, or permit application a
31.6 nonrefundable fee in the following amounts in order to administratively process an
31.7 application:

31.8 (1) dentist, \$308;

31.9 (2) full faculty dentist, \$308;

31.10 (3) limited faculty dentist, \$140;

31.11 (4) resident dentist or dental provider, \$55;

31.12 (5) advanced dental therapist, \$100;

31.13 (6) dental therapist, \$220;

31.14 (7) dental hygienist, \$115;

31.15 (8) licensed dental assistant, \$115;

31.16 (9) dental assistant with limited radiology registration as described in Minnesota Rules,
31.17 ~~part 3100.8500, subpart 3~~ 3100.1320, \$27; and

31.18 (10) guest license, \$50.

31.19 Sec. 39. Minnesota Statutes 2022, section 150A.091, subdivision 5, is amended to read:

31.20 Subd. 5. **Biennial license or registration renewal fees.** Each of the following applicants
31.21 shall submit with a biennial license or permit renewal application a fee as established by
31.22 the board, not to exceed the following amounts:

31.23 (1) dentist or full faculty dentist, \$475;

31.24 (2) dental therapist, \$300;

31.25 (3) dental hygienist, \$200;

31.26 (4) licensed dental assistant, \$150; and

31.27 (5) dental assistant with a limited radiology registration as described in Minnesota Rules,
31.28 ~~part 3100.8500, subpart 3~~ 3100.1320, \$24.

32.1 Sec. 40. Minnesota Statutes 2022, section 150A.091, subdivision 11a, is amended to read:

32.2 Subd. 11a. **Certificate for anesthesia/sedation late fee.** Applications for renewal of a
32.3 general anesthesia or moderate sedation certificate or a contracted sedation provider certificate
32.4 received after the time specified in Minnesota Rules, part 3100.3600, subparts 9 19 and 9b
32.5 21, must be assessed a late fee equal to 50 percent of the biennial renewal fee for an
32.6 anesthesia/sedation certificate.

32.7 Sec. 41. Minnesota Statutes 2022, section 152.25, subdivision 1b, is amended to read:

32.8 Subd. 1b. **Temporary suspension proceedings.** The commissioner may institute
32.9 proceedings to temporarily suspend the registration of a medical cannabis manufacturer for
32.10 a period of up to 90 days by notifying the manufacturer in writing if any action by an
32.11 employee, agent, officer, director, or controlling person of the manufacturer:

32.12 (1) violates any of the requirements of sections ~~152.21~~ 152.22 to 152.37 or the rules
32.13 adopted thereunder;

32.14 (2) permits, aids, or abets the commission of any violation of state law at the
32.15 manufacturer's location for cultivation, harvesting, manufacturing, packaging, and processing
32.16 or at any site for distribution of medical cannabis;

32.17 (3) performs any act contrary to the welfare of a registered patient or registered designated
32.18 caregiver; or

32.19 (4) obtains, or attempts to obtain, a registration by fraudulent means or misrepresentation.

32.20 Sec. 42. Minnesota Statutes 2022, section 155A.29, subdivision 2, is amended to read:

32.21 Subd. 2. **Requirements.** The conditions and process by which a salon is licensed shall
32.22 be established by the board by rule. In addition to those requirements, no license shall be
32.23 issued unless the board first determines that the conditions in clauses (1) to ~~(5)~~ (4) have
32.24 been satisfied:

32.25 (1) compliance with all local and state laws, particularly relating to matters of infection
32.26 control, health, and safety;

32.27 (2) the employment of a manager, as defined in section 155A.23, subdivision 8;

32.28 (3) if applicable, evidence of compliance with workers' compensation section 176.182;
32.29 and

32.30 (4) evidence of continued professional liability insurance coverage of at least \$25,000
32.31 for each claim and \$50,000 total coverage for each policy year for each operator.

33.1 Sec. 43. Minnesota Statutes 2022, section 161.088, subdivision 7, is amended to read:

33.2 Subd. 7. **Legislative report; evaluation.** (a) Annually by November 1, the commissioner
33.3 must electronically submit a report on the corridors of commerce program to the chairs and
33.4 ranking minority members of the legislative committees with jurisdiction over transportation
33.5 policy and finance. At a minimum, the report must include:

33.6 (1) a summary of the program, including a review of:

33.7 (i) project selection process details that address program design and implementation,
33.8 decision-making procedures, and eligibility evaluation;

33.9 (ii) criteria measurement methodologies and criteria weighting used in project selection;
33.10 and

33.11 (iii) the policy that provides the weight given each criterion;

33.12 (2) a summary of program finance, including funds expended in the previous selection
33.13 cycle, any future operating costs assigned under subdivision 6, and total funds expended
33.14 since program inception;

33.15 (3) a list of projects funded under the program in the previous selection cycle, including:

33.16 (i) project classification;

33.17 (ii) a breakdown of project costs and funding sources; and

33.18 (iii) a brief project description that is comprehensible to a lay audience;

33.19 (4) a comprehensive list of evaluated projects and candidate project recommendations
33.20 as required under subdivision 5, ~~paragraph (b)~~, that identifies for each project: eligibility,
33.21 classification, evaluation results for each criterion, score, and disposition in the selection
33.22 process; and

33.23 (5) any recommendations for changes to statutory requirements of the program.

33.24 (b) In every even-numbered year, the commissioner must incorporate into the report the
33.25 results of an independent evaluation of impacts and effectiveness of the program. The
33.26 evaluation must be performed by agency staff or a consultant. The individual or individuals
33.27 performing the evaluation must have experience in program evaluation, but must not be
33.28 regularly involved in the program's implementation.

33.29 (c) Notwithstanding paragraph (a), a report is not required in a year in which:

33.30 (1) no project selection was completed during the preceding 12 months; and

33.31 (2) an evaluation under paragraph (b) is not due.

34.1 Sec. 44. Minnesota Statutes 2022, section 171.17, subdivision 1, is amended to read:

34.2 Subdivision 1. **Offenses.** (a) The department shall immediately revoke the license of a
34.3 driver upon receiving a record of the driver's conviction of:

34.4 (1) manslaughter resulting from the operation of a motor vehicle or criminal vehicular
34.5 homicide or injury under section 609.2112, 609.2113, or 609.2114, or Minnesota Statutes
34.6 2012, section 609.21;

34.7 (2) a violation of section 169A.20 or 609.487;

34.8 (3) a felony in the commission of which a motor vehicle was used;

34.9 (4) failure to stop and disclose identity and render aid, as required under section 169.09,
34.10 in the event of a motor vehicle accident, resulting in the death or personal injury of another;

34.11 (5) perjury or the making of a false affidavit or statement to the department under any
34.12 law relating to the application, ownership, or operation of a motor vehicle, including on the
34.13 certification required under section 171.05, subdivision 2, paragraph (a), clause (1), item
34.14 (ii), subitem (C), to issue an instruction permit to a homeschool student;

34.15 (6) except as this section otherwise provides, three charges of violating within a period
34.16 of 12 months any of the provisions of chapter 169 or of the rules or municipal ordinances
34.17 enacted in conformance with chapter 169, for which the accused may be punished upon
34.18 conviction by imprisonment;

34.19 (7) two or more violations, within five years, of the misdemeanor offense described in
34.20 section 169.444, subdivision 2, paragraph (a);

34.21 (8) the gross misdemeanor offense described in section 169.444, subdivision 2, paragraph
34.22 (b);

34.23 (9) an offense in another state that, if committed in this state, would be grounds for
34.24 revoking the driver's license; or

34.25 (10) a violation of an applicable speed limit by a person driving in excess of 100 miles
34.26 per hour. The person's license must be revoked for six months for a violation of this clause,
34.27 or for a longer minimum period of time applicable under section 169A.53, 169A.54, or
34.28 171.174.

34.29 (b) The department shall immediately revoke the school bus endorsement of a driver
34.30 upon receiving a record of the driver's conviction of the misdemeanor offense described in
34.31 section 169.443, subdivision 7.

35.1 Sec. 45. Minnesota Statutes 2022, section 171.22, subdivision 1, is amended to read:

35.2 Subdivision 1. **Violations.** With regard to any driver's license, including a commercial
35.3 driver's license, it shall be unlawful for any person:

35.4 (1) to display, cause or permit to be displayed, or have in possession, any fictitious or
35.5 fraudulently altered driver's license or Minnesota identification card;

35.6 (2) to lend the person's driver's license or Minnesota identification card to any other
35.7 person or knowingly permit the use thereof by another;

35.8 (3) to display or represent as one's own any driver's license or Minnesota identification
35.9 card not issued to that person;

35.10 (4) to use a fictitious name or date of birth to any police officer or in any application for
35.11 a driver's license or Minnesota identification card, or to knowingly make a false statement,
35.12 or to knowingly conceal a material fact, or otherwise commit a fraud in any such application;

35.13 (5) to alter any driver's license or Minnesota identification card;

35.14 (6) to take any part of the driver's license examination for another or to permit another
35.15 to take the examination for that person;

35.16 (7) to make a counterfeit driver's license or Minnesota identification card;

35.17 (8) to use the name and date of birth of another person to any police officer for the
35.18 purpose of falsely identifying oneself to the police officer;

35.19 (9) to display as a valid driver's license any canceled, revoked, or suspended driver's
35.20 license. A person whose driving privileges have been withdrawn may display a driver's
35.21 license only for identification purposes; or

35.22 (10) to submit a false affidavit or statement to the department on the certification required
35.23 under section 171.05, subdivision 2, paragraph (a), clause (1), item (ii), subitem (C), to issue
35.24 an instruction permit to a homeschool student.

35.25 Sec. 46. Minnesota Statutes 2023 Supplement, section 174.07, subdivision 3, is amended
35.26 to read:

35.27 Subd. 3. **Exceptions.** This section does not apply to:

35.28 (1) a law that establishes a requirement with general applicability for an agency or
35.29 agencies to submit a report, including but not limited to reports and information under
35.30 sections 14.05, subdivision 5, and 14.116;

(2) a law that specifies a reporting expiration date or a date for the submission of a final report;

(3) information required by law to be included in a budget submission to the legislature under section 16A.11;

(4) the plans required under section 174.03, subdivisions 1a, 1b, and 1c;

(5) the forecast information requirements under section 174.03, subdivision 9; and

(6) the reports required under sections 161.088, subdivision 7; 161.089; 161.3203, subdivision 4; 165.03, subdivision 8; ~~165.14, subdivision 5~~; 174.03, subdivision 12; 174.185, subdivision 3; 174.247; 174.56, subdivisions 1 and 2; and 174.75, subdivision 3.

Sec. 47. Minnesota Statutes 2022, section 176.011, subdivision 15, is amended to read:

Subd. 15. **Occupational disease.** (a) "Occupational disease" means a mental impairment as defined in paragraph (d) or physical disease arising out of and in the course of employment peculiar to the occupation in which the employee is engaged and due to causes in excess of the hazards ordinary of employment and shall include undulant fever. Physical stimulus resulting in mental injury and mental stimulus resulting in physical injury shall remain compensable. Mental impairment is not considered a disease if it results from a disciplinary action, work evaluation, job transfer, layoff, demotion, promotion, termination, retirement, or similar action taken in good faith by the employer. Ordinary diseases of life to which the general public is equally exposed outside of employment are not compensable, except where the diseases follow as an incident of an occupational disease, or where the exposure peculiar to the occupation makes the disease an occupational disease hazard. A disease arises out of the employment only if there be a direct causal connection between the conditions under which the work is performed and if the occupational disease follows as a natural incident of the work as a result of the exposure occasioned by the nature of the employment. An employer is not liable for compensation for any occupational disease which cannot be traced to the employment as a direct and proximate cause and is not recognized as a hazard characteristic of and peculiar to the trade, occupation, process, or employment or which results from a hazard to which the worker would have been equally exposed outside of the employment.

(b) If immediately preceding the date of disablement or death, an employee was employed on active duty with an organized fire or police department of any municipality, as a member of the Minnesota State Patrol, conservation officer service, state crime bureau, as a forest officer by the Department of Natural Resources, correctional officer or security counselor

employed by the state or a political subdivision at a corrections, detention, or secure treatment facility, or sheriff or full-time deputy sheriff of any county, and the disease is that of myocarditis, coronary sclerosis, pneumonia or its sequel, and at the time of employment such employee was given a thorough physical examination by a licensed doctor of medicine, and a written report thereof has been made and filed with such organized fire or police department, with the Minnesota State Patrol, conservation officer service, state crime bureau, Department of Natural Resources, Department of Corrections, or sheriff's department of any county, which examination and report negated any evidence of myocarditis, coronary sclerosis, pneumonia or its sequel, the disease is presumptively an occupational disease and shall be presumed to have been due to the nature of employment. If immediately preceding the date of disablement or death, any individual who by nature of their position provides emergency medical care, or an employee who was employed as a licensed police officer under section 626.84, subdivision 1; firefighter; paramedic; correctional officer or security counselor employed by the state or a political subdivision at a corrections, detention, or secure treatment facility; emergency medical technician; or licensed nurse providing emergency medical care; and who contracts an infectious or communicable disease to which the employee was exposed in the course of employment outside of a hospital, then the disease is presumptively an occupational disease and shall be presumed to have been due to the nature of employment and the presumption may be rebutted by substantial factors brought by the employer or insurer. Any substantial factors which shall be used to rebut this presumption and which are known to the employer or insurer at the time of the denial of liability shall be communicated to the employee on the denial of liability.

(c) A firefighter on active duty with an organized fire department who is unable to perform duties in the department by reason of a disabling cancer of a type caused by exposure to heat, radiation, or a known or suspected carcinogen, as defined by the International Agency for Research on Cancer, and the carcinogen is reasonably linked to the disabling cancer, is presumed to have an occupational disease under paragraph (a). If a firefighter who enters the service after August 1, 1988, is examined by a physician prior to being hired and the examination discloses the existence of a cancer of a type described in this paragraph, the firefighter is not entitled to the presumption unless a subsequent medical determination is made that the firefighter no longer has the cancer.

(d) For the purposes of this chapter, "mental impairment" means a diagnosis of post-traumatic stress disorder by a licensed psychiatrist or psychologist. For the purposes of this chapter, "post-traumatic stress disorder" means the condition as described in the most recently published edition of the Diagnostic and Statistical Manual of Mental Disorders by

the American Psychiatric Association. For purposes of section 79.34, subdivision 2, one or more compensable mental impairment claims arising out of a single event or occurrence shall constitute a single loss occurrence.

(e) If, preceding the date of disablement or death, an employee who was employed on active duty as: a licensed police officer; a firefighter; a paramedic; an emergency medical technician; a licensed nurse employed to provide emergency medical services outside of a medical facility; a public safety dispatcher; a correctional officer or security counselor employed by the state or a political subdivision at a corrections, detention, or secure treatment facility; a sheriff or full-time deputy sheriff of any county; or a member of the Minnesota State Patrol is diagnosed with a mental impairment as defined in paragraph (d), and had not been diagnosed with the mental impairment previously, then the mental impairment is presumptively an occupational disease and shall be presumed to have been due to the nature of employment. This presumption may be rebutted by substantial factors brought by the employer or insurer. Any substantial factors that are used to rebut this presumption and that are known to the employer or insurer at the time of the denial of liability shall be communicated to the employee on the denial of liability. The mental impairment is not considered an occupational disease if it results from a disciplinary action, work evaluation, job transfer, layoff, demotion, promotion, termination, retirement, or similar action taken in good faith by the employer.

~~(f) Notwithstanding paragraph (a) and the rebuttable presumption for infectious or communicable diseases in paragraph (b), an employee who contracts COVID-19 is presumed to have an occupational disease arising out of and in the course of employment if the employee satisfies the requirements of clauses (1) and (2).~~

~~(1) The employee was employed as a licensed peace officer under section 626.84, subdivision 1; firefighter; paramedic; nurse or health care worker, correctional officer, or security counselor employed by the state or a political subdivision at a corrections, detention, or secure treatment facility; emergency medical technician; a health care provider, nurse, or assistive employee employed in a health care, home care, or long-term care setting, with direct COVID-19 patient care or ancillary work in COVID-19 patient units; and workers required to provide child care to first responders and health care workers under Executive Order 20-02 and Executive Order 20-19.~~

~~(2) The employee's contraction of COVID-19 must be confirmed by a positive laboratory test or, if a laboratory test was not available for the employee, as diagnosed and documented by the employee's licensed physician, licensed physician's assistant, or licensed advanced practice registered nurse (APRN), based on the employee's symptoms. A copy of the positive~~

39.1 ~~laboratory test or the written documentation of the physician's, physician assistant's, or~~
39.2 ~~APRN's diagnosis shall be provided to the employer or insurer.~~

39.3 ~~(3) Once the employee has satisfied the requirements of clauses (1) and (2), the~~
39.4 ~~presumption shall only be rebutted if the employer or insurer shows the employment was~~
39.5 ~~not a direct cause of the disease. A denial of liability under this paragraph must meet the~~
39.6 ~~requirements for a denial under section 176.221, subdivision 1.~~

39.7 ~~(4) The date of injury for an employee who has contracted COVID-19 under this~~
39.8 ~~paragraph shall be the date that the employee was unable to work due to a diagnosis of~~
39.9 ~~COVID-19, or due to symptoms that were later diagnosed as COVID-19, whichever occurred~~
39.10 ~~first.~~

39.11 ~~(5) An employee who has contracted COVID-19 but who is not entitled to the~~
39.12 ~~presumption under this paragraph is not precluded from claiming an occupational disease~~
39.13 ~~as provided in other paragraphs of this subdivision or from claiming a personal injury under~~
39.14 ~~subdivision 16.~~

39.15 ~~(6) The commissioner shall provide a detailed report on COVID-19 workers'~~
39.16 ~~compensation claims under this paragraph to the Workers' Compensation Advisory Council,~~
39.17 ~~and chairs and ranking minority members of the house of representatives and senate~~
39.18 ~~committees with jurisdiction over workers' compensation, by January 15, 2021.~~

39.19 Sec. 48. Minnesota Statutes 2022, section 180.03, subdivision 4, is amended to read:

39.20 Subd. 4. **Exemptions.** (a) The portion of an excavation, cave, open or water-filled pit,
39.21 or shaft is exempt from the requirements of this section if:

39.22 (1) it is located on property owned, leased, or administered by the ~~Office of the~~
39.23 ~~Commissioner~~ Department of Iron Range Resources and Rehabilitation;

39.24 (2) it is for the construction, operation, maintenance, or administration of:

39.25 (i) grants-in-aid trails as defined in section 85.018;

39.26 (ii) property owned or leased by a municipality, as defined in section 466.01, subdivision
39.27 1, that is intended or permitted to be used as a park, an open area for recreational purposes,
39.28 or for the provision of recreational services, including the creation of trails or paths without
39.29 artificial surfaces; or

39.30 (iii) recreational use, as defined in section 604A.21, subdivisions 5 and 6, provided the
39.31 use is administered by a municipality, as defined in section 466.01, subdivision 1;

39.32 (3) it is for economic development purposes under chapter 469; or

(4) upon written application by the property owner, the county mine inspector determines that it is provided with fencing, barriers, appropriate signs, or combinations of them, in a manner that is reasonably similar to the standards in subdivision 2, or if, in the inspector's judgment, it does not constitute a safety hazard.

(b) Where an exemption applies, there shall be, at a minimum, appropriate signs posted by the recipient of the exemption consistent with section 97B.001, subdivision 4:

(1) at each location of public access to the mining area restricting access to designated areas and warning of possible dangers due to the presence of excavations, shafts, caves, or open or water-filled pits;

(2) prohibiting public access beyond the boundaries of the designated public access area; and

(3) identifying those areas where the property on which public access is allowed abuts private property.

(c) Where an exemption applies, to reduce the possibility of inadvertent access beyond the boundaries of the designated public access area, any new fencing erected by the recipient of the exemption in accordance with subdivision 2 or 3 shall be maintained by the recipient of the exemption.

(d) Notwithstanding section 180.10, limited openings in preexisting fencing may be created and maintained by the recipient of the exemption or its agent to provide public access to the designated public access area.

(e) The county mine inspector has the authority to enter, examine, and inspect any and all property exempted under this section at all reasonable times by day or by night, and, in addition to enforcing the provisions of this chapter, may make recommendations regarding the erection of fences, barriers, signs, or a combination of them.

Sec. 49. Minnesota Statutes 2023 Supplement, section 181.217, subdivision 1, is amended to read:

Subdivision 1. **Minimum nursing home employment standards.** Except as provided in section 181.213, subdivision 4 5, paragraph (b) or (c), the minimum wages and other compensation established by the board in rule as minimum nursing home employment standards shall be the minimum wages and other compensation for nursing home workers or a subgroup of nursing home workers as a matter of state law. Except as provided in section 181.213, subdivision 4 5, paragraph (b) or (c), it shall be unlawful for a nursing

41.1 home employer to employ a nursing home worker for lower wages or other compensation
41.2 than that established as the minimum nursing home employment standards.

41.3 Sec. 50. Minnesota Statutes 2022, section 216B.161, subdivision 1, is amended to read:

41.4 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
41.5 the meanings given them in this subdivision.

41.6 (b) "Area development rate" means a rate schedule established by a utility that provides
41.7 customers within an area development zone service under a base utility rate schedule, except
41.8 that charges may be reduced from the base rate as agreed upon by the utility and the customer
41.9 consistent with this section.

41.10 (c) "Area development zone" means a contiguous or noncontiguous area designated by
41.11 an authority or municipality for development or redevelopment and within which one of
41.12 the following conditions exists:

41.13 (1) obsolete buildings not suitable for improvement or conversion or other identified
41.14 hazards to the health, safety, and general well-being of the community;

41.15 (2) buildings in need of substantial rehabilitation or in substandard condition; or

41.16 (3) low values and damaged investments.

41.17 (d) "Authority" means a rural development financing authority established under sections
41.18 469.142 to 469.151; a housing and redevelopment authority established under sections
41.19 469.001 to 469.047; a port authority established under sections 469.048 to 469.068; an
41.20 economic development authority established under sections 469.090 to 469.108; a
41.21 redevelopment agency as defined in sections 469.152 to 469.165; the ~~commissioner~~
41.22 Department of Iron Range Resources and Rehabilitation established under section 298.22;
41.23 a municipality that is administering a development district created under sections 469.124
41.24 to 469.133 or any special law; a municipality that undertakes a project under sections 469.152
41.25 to 469.165, except a town located outside the metropolitan area as defined in section 473.121,
41.26 subdivision 2, or with a population of 5,000 persons or less; or a municipality that exercises
41.27 the powers of a port authority under any general or special law.

41.28 (e) "Municipality" means a city, however organized, and, with respect to a project
41.29 undertaken under sections 469.152 to 469.165, "municipality" has the meaning given in
41.30 sections 469.152 to 469.165, and, with respect to a project undertaken under sections 469.142
41.31 to 469.151 or a county or multicounty project undertaken under sections 469.004 to 469.008,
41.32 also includes any county.

42.1 Sec. 51. Minnesota Statutes 2022, section 241.67, subdivision 2, is amended to read:

42.2 Subd. 2. **Treatment program standards.** (a) The commissioner shall adopt rules under
42.3 chapter 14 for the certification of adult and juvenile sex offender treatment programs in
42.4 state and local correctional facilities and state-operated adult and juvenile sex offender
42.5 treatment programs not operated in state or local correctional facilities. The rules shall
42.6 require that sex offender treatment programs be at least four months in duration. A
42.7 correctional facility may not operate a sex offender treatment program unless the program
42.8 has met the standards adopted by and been certified by the commissioner of corrections.
42.9 As used in this subdivision, "correctional facility" has the meaning given it in section
42.10 241.021, ~~subdivision 1, paragraph (f)~~ subdivision 1i.

42.11 (b) In addition to other certification requirements established under paragraph (a), the
42.12 commissioner must require all programs certified under this subdivision to participate in
42.13 the sex offender program evaluation project established by the commissioner under section
42.14 241.67, subdivision 8.

42.15 Sec. 52. Minnesota Statutes 2023 Supplement, section 245A.03, subdivision 2, is amended
42.16 to read:

42.17 Subd. 2. **Exclusion from licensure.** (a) This chapter does not apply to:

42.18 (1) residential or nonresidential programs that are provided to a person by an individual
42.19 who is related unless the residential program is a child foster care placement made by a
42.20 local social services agency or a licensed child-placing agency, except as provided in
42.21 subdivision 2a;

42.22 (2) nonresidential programs that are provided by an unrelated individual to persons from
42.23 a single related family;

42.24 (3) residential or nonresidential programs that are provided to adults who do not misuse
42.25 substances or have a substance use disorder, a mental illness, a developmental disability, a
42.26 functional impairment, or a physical disability;

42.27 (4) sheltered workshops or work activity programs that are certified by the commissioner
42.28 of employment and economic development;

42.29 (5) programs operated by a public school for children 33 months or older;

42.30 (6) nonresidential programs primarily for children that provide care or supervision for
42.31 periods of less than three hours a day while the child's parent or legal guardian is in the

- 43.1 same building as the nonresidential program or present within another building that is
43.2 directly contiguous to the building in which the nonresidential program is located;
- 43.3 (7) nursing homes or hospitals licensed by the commissioner of health except as specified
43.4 under section 245A.02;
- 43.5 (8) board and lodge facilities licensed by the commissioner of health that do not provide
43.6 children's residential services under Minnesota Rules, chapter 2960, mental health or
43.7 substance use disorder treatment;
- 43.8 (9) homes providing programs for persons placed by a county or a licensed agency for
43.9 legal adoption, unless the adoption is not completed within two years;
- 43.10 (10) programs licensed by the commissioner of corrections;
- 43.11 (11) recreation programs for children or adults that are operated or approved by a park
43.12 and recreation board whose primary purpose is to provide social and recreational activities;
- 43.13 (12) programs operated by a school as defined in section 120A.22, subdivision 4; YMCA
43.14 as defined in section 315.44; YWCA as defined in section 315.44; or JCC as defined in
43.15 section 315.51, whose primary purpose is to provide child care or services to school-age
43.16 children;
- 43.17 (13) Head Start nonresidential programs which operate for less than 45 days in each
43.18 calendar year;
- 43.19 (14) noncertified boarding care homes unless they provide services for five or more
43.20 persons whose primary diagnosis is mental illness or a developmental disability;
- 43.21 (15) programs for children such as scouting, boys clubs, girls clubs, and sports and art
43.22 programs, and nonresidential programs for children provided for a cumulative total of less
43.23 than 30 days in any 12-month period;
- 43.24 (16) residential programs for persons with mental illness, that are located in hospitals;
- 43.25 (17) the religious instruction of school-age children; Sabbath or Sunday schools; or the
43.26 congregate care of children by a church, congregation, or religious society during the period
43.27 used by the church, congregation, or religious society for its regular worship;
- 43.28 (18) camps licensed by the commissioner of health under Minnesota Rules, chapter
43.29 4630;
- 43.30 (19) mental health outpatient services for adults with mental illness or children with
43.31 emotional disturbance;

(20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules;

(21) community support services programs as defined in section 245.462, subdivision 6, and family community support services as defined in section 245.4871, subdivision 17;

(22) the placement of a child by a birth parent or legal guardian in a preadoptive home for purposes of adoption as authorized by section 259.47;

(23) settings registered under chapter ~~144D~~ which 144G that provide home care services licensed by the commissioner of health to fewer than seven adults;

(24) substance use disorder treatment activities of licensed professionals in private practice as defined in section 245G.01, subdivision 17;

(25) consumer-directed community support service funded under the Medicaid waiver for persons with developmental disabilities when the individual who provided the service is:

(i) the same individual who is the direct payee of these specific waiver funds or paid by a fiscal agent, fiscal intermediary, or employer of record; and

(ii) not otherwise under the control of a residential or nonresidential program that is required to be licensed under this chapter when providing the service;

(26) a program serving only children who are age 33 months or older, that is operated by a nonpublic school, for no more than four hours per day per child, with no more than 20 children at any one time, and that is accredited by:

(i) an accrediting agency that is formally recognized by the commissioner of education as a nonpublic school accrediting organization; or

(ii) an accrediting agency that requires background studies and that receives and investigates complaints about the services provided.

A program that asserts its exemption from licensure under item (ii) shall, upon request from the commissioner, provide the commissioner with documentation from the accrediting agency that verifies: that the accreditation is current; that the accrediting agency investigates complaints about services; and that the accrediting agency's standards require background studies on all people providing direct contact services;

(27) a program operated by a nonprofit organization incorporated in Minnesota or another state that serves youth in kindergarten through grade 12; provides structured, supervised youth development activities; and has learning opportunities take place before or after

45.1 school, on weekends, or during the summer or other seasonal breaks in the school calendar.

45.2 A program exempt under this clause is not eligible for child care assistance under chapter

45.3 119B. A program exempt under this clause must:

45.4 (i) have a director or supervisor on site who is responsible for overseeing written policies
45.5 relating to the management and control of the daily activities of the program, ensuring the
45.6 health and safety of program participants, and supervising staff and volunteers;

45.7 (ii) have obtained written consent from a parent or legal guardian for each youth
45.8 participating in activities at the site; and

45.9 (iii) have provided written notice to a parent or legal guardian for each youth at the site
45.10 that the program is not licensed or supervised by the state of Minnesota and is not eligible
45.11 to receive child care assistance payments;

45.12 (28) a county that is an eligible vendor under section 254B.05 to provide care coordination
45.13 and comprehensive assessment services;

45.14 (29) a recovery community organization that is an eligible vendor under section 254B.05
45.15 to provide peer recovery support services; or

45.16 (30) Head Start programs that serve only children who are at least three years old but
45.17 not yet six years old.

45.18 (b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a
45.19 building in which a nonresidential program is located if it shares a common wall with the
45.20 building in which the nonresidential program is located or is attached to that building by
45.21 skyway, tunnel, atrium, or common roof.

45.22 (c) Except for the home and community-based services identified in section 245D.03,
45.23 subdivision 1, nothing in this chapter shall be construed to require licensure for any services
45.24 provided and funded according to an approved federal waiver plan where licensure is
45.25 specifically identified as not being a condition for the services and funding.

45.26 Sec. 53. Minnesota Statutes 2023 Supplement, section 245A.03, subdivision 7, is amended
45.27 to read:

45.28 Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license
45.29 for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult
45.30 foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter
45.31 for a physical location that will not be the primary residence of the license holder for the
45.32 entire period of licensure. If a family child foster care home or family adult foster care home

license is issued during this moratorium, and the license holder changes the license holder's primary residence away from the physical location of the foster care license, the commissioner shall revoke the license according to section 245A.07. The commissioner shall not issue an initial license for a community residential setting licensed under chapter 245D. When approving an exception under this paragraph, the commissioner shall consider the resource need determination process in paragraph (h), the availability of foster care licensed beds in the geographic area in which the licensee seeks to operate, the results of a person's choices during their annual assessment and service plan review, and the recommendation of the local county board. The determination by the commissioner is final and not subject to appeal. Exceptions to the moratorium include:

(1) a license for a person in a foster care setting that is not the primary residence of the license holder and where at least 80 percent of the residents are 55 years of age or older;

(2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or community residential setting licenses replacing adult foster care licenses in existence on December 31, 2013, and determined to be needed by the commissioner under paragraph (b);

(3) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD, or regional treatment center; restructuring of state-operated services that limits the capacity of state-operated facilities; or allowing movement to the community for people who no longer require the level of care provided in state-operated facilities as provided under section 256B.092, subdivision 13, or 256B.49, subdivision 24; or

(4) new foster care licenses or community residential setting licenses determined to be needed by the commissioner under paragraph (b) for persons requiring hospital-level care; or.

~~(5) new foster care licenses or community residential setting licenses for people receiving customized living or 24-hour customized living services under the brain injury or community access for disability inclusion waiver plans under section 256B.49 or elderly waiver plan under chapter 256S and residing in the customized living setting for which a license is required. A customized living service provider subject to this exception may rebut the presumption that a license is required by seeking a reconsideration of the commissioner's determination. The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14. The exception is available until December 31, 2023. This exception is available when:~~

~~(i) the person's customized living services are provided in a customized living service setting serving four or fewer people in a single family home operational on or before June 30, 2021. Operational is defined in section 256B.49, subdivision 28;~~

~~(ii) the person's case manager provided the person with information about the choice of service, service provider, and location of service, including in the person's home, to help the person make an informed choice; and~~

~~(iii) the person's services provided in the licensed foster care or community residential setting are less than or equal to the cost of the person's services delivered in the customized living setting as determined by the lead agency.~~

(b) The commissioner shall determine the need for newly licensed foster care homes or community residential settings as defined under this subdivision. As part of the determination, the commissioner shall consider the availability of foster care capacity in the area in which the licensee seeks to operate, and the recommendation of the local county board. The determination by the commissioner must be final. A determination of need is not required for a change in ownership at the same address.

(c) When an adult resident served by the program moves out of a foster home that is not the primary residence of the license holder according to section 256B.49, subdivision 15, paragraph (f), or the adult community residential setting, the county shall immediately inform the Department of Human Services Licensing Division. The department may decrease the statewide licensed capacity for adult foster care settings.

(d) Residential settings that would otherwise be subject to the decreased license capacity established in paragraph (c) shall be exempt if the license holder's beds are occupied by residents whose primary diagnosis is mental illness and the license holder is certified under the requirements in subdivision 6a or section 245D.33.

(e) A resource need determination process, managed at the state level, using the available data required by section 144A.351, and other data and information shall be used to determine where the reduced capacity determined under section 256B.493 will be implemented. The commissioner shall consult with the stakeholders described in section 144A.351, and employ a variety of methods to improve the state's capacity to meet the informed decisions of those people who want to move out of corporate foster care or community residential settings, long-term service needs within budgetary limits, including seeking proposals from service providers or lead agencies to change service type, capacity, or location to improve services, increase the independence of residents, and better meet needs identified by the long-term services and supports reports and statewide data and information.

(f) At the time of application and reapplication for licensure, the applicant and the license holder that are subject to the moratorium or an exclusion established in paragraph (a) are required to inform the commissioner whether the physical location where the foster care will be provided is or will be the primary residence of the license holder for the entire period of licensure. If the primary residence of the applicant or license holder changes, the applicant or license holder must notify the commissioner immediately. The commissioner shall print on the foster care license certificate whether or not the physical location is the primary residence of the license holder.

(g) License holders of foster care homes identified under paragraph (f) that are not the primary residence of the license holder and that also provide services in the foster care home that are covered by a federally approved home and community-based services waiver, as authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human services licensing division that the license holder provides or intends to provide these waiver-funded services.

(h) The commissioner may adjust capacity to address needs identified in section 144A.351. Under this authority, the commissioner may approve new licensed settings or delicense existing settings. Delicensing of settings will be accomplished through a process identified in section 256B.493.

(i) The commissioner must notify a license holder when its corporate foster care or community residential setting licensed beds are reduced under this section. The notice of reduction of licensed beds must be in writing and delivered to the license holder by certified mail or personal service. The notice must state why the licensed beds are reduced and must inform the license holder of its right to request reconsideration by the commissioner. The license holder's request for reconsideration must be in writing. If mailed, the request for reconsideration must be postmarked and sent to the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds. If a request for reconsideration is made by personal service, it must be received by the commissioner within 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

(j) The commissioner shall not issue an initial license for children's residential treatment services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter for a program that Centers for Medicare and Medicaid Services would consider an institution for mental diseases. Facilities that serve only private pay clients are exempt from the moratorium described in this paragraph. The commissioner has the authority to manage existing statewide capacity for children's residential treatment services subject to the moratorium under this paragraph and may issue an initial license for such facilities if the

49.1 initial license would not increase the statewide capacity for children's residential treatment
49.2 services subject to the moratorium under this paragraph.

49.3 Sec. 54. Minnesota Statutes 2023 Supplement, section 245A.10, subdivision 3, is amended
49.4 to read:

49.5 Subd. 3. **Application fee for initial license or certification.** (a) For fees required under
49.6 subdivision 1, an applicant for an initial license or certification issued by the commissioner
49.7 shall submit a \$500 application fee with each new application required under this subdivision.
49.8 An applicant for an initial day services facility license under chapter 245D shall submit a
49.9 \$250 application fee with each new application. The application fee shall not be prorated,
49.10 is nonrefundable, and is in lieu of the annual license or certification fee that expires on
49.11 December 31. The commissioner shall not process an application until the application fee
49.12 is paid.

49.13 (b) Except as provided in clauses (1) and (2), an applicant shall apply for a license to
49.14 provide services at a specific location.

49.15 (1) For a license to provide home and community-based services to persons with
49.16 disabilities or age 65 and older under chapter 245D, an applicant shall submit an application
49.17 to provide services statewide. Notwithstanding paragraph (a), applications received by the
49.18 commissioner between July 1, 2013, and December 31, 2013, for licensure of services
49.19 provided under chapter 245D must include an application fee that is equal to the annual
49.20 license renewal fee under subdivision 4, paragraph (b), or \$500, whichever is less.
49.21 Applications received by the commissioner after January 1, 2014, must include the application
49.22 fee required under paragraph (a). Applicants who meet the modified application criteria
49.23 identified in section 245A.042, subdivision 2, are exempt from paying an application fee.

49.24 (2) For a license for a private agency to provide foster care or adoption services under
49.25 Minnesota Rules, parts 9545.0755 to 9545.0845, an applicant shall submit a single application
49.26 to provide services statewide.

49.27 ~~(c) The initial application fee charged under this subdivision does not include the~~
49.28 ~~temporary license surcharge under section 16E.22.~~

49.29 Sec. 55. Minnesota Statutes 2022, section 245A.11, subdivision 2, is amended to read:

49.30 Subd. 2. **Permitted single-family residential use.** ~~(a)~~ Residential programs with a
49.31 licensed capacity of six or fewer persons shall be considered a permitted single-family
49.32 residential use of property for the purposes of zoning and other land use regulations, except

that a residential program whose primary purpose is to treat juveniles who have violated criminal statutes relating to sex offenses or have been adjudicated delinquent on the basis of conduct in violation of criminal statutes relating to sex offenses shall not be considered a permitted use. This exception shall not apply to residential programs licensed before July 1, 1995. Programs otherwise allowed under this subdivision shall not be prohibited by operation of restrictive covenants or similar restrictions, regardless of when entered into, which cannot be met because of the nature of the licensed program, including provisions which require the home's occupants be related, and that the home must be occupied by the owner, or similar provisions.

~~(b) Unless otherwise provided in any town, municipal, or county zoning regulation, licensed residential services provided to more than four persons with developmental disabilities in a supervised living facility, including intermediate care facilities for persons with developmental disabilities, with a licensed capacity of seven to eight persons shall be considered a permitted single-family residential use of property for the purposes of zoning and other land use regulations. A town, municipal, or county zoning authority may require a conditional use or special use permit to assure proper maintenance and operation of the residential program. Conditions imposed on the residential program must not be more restrictive than those imposed on other conditional uses or special uses of residential property in the same zones, unless the additional conditions are necessary to protect the health and safety of the persons being served by the program. This paragraph expires July 1, 2023.~~

Sec. 56. Minnesota Statutes 2023 Supplement, section 245G.06, subdivision 3a, is amended to read:

Subd. 3a. Frequency of treatment plan reviews. (a) A license holder must ensure that the alcohol and drug counselor responsible for a client's treatment plan completes and documents a treatment plan review that meets the requirements of subdivision 3 in each client's file, according to the frequencies required in this subdivision. All ASAM levels referred to in this chapter are those described in section 254B.19, subdivision 1.

(b) For a client receiving residential ASAM level 3.3 or 3.5 high-intensity services or residential hospital-based services, a treatment plan review must be completed once every 14 days.

(c) For a client receiving residential ASAM level 3.1 low-intensity services or any other residential level not listed in paragraph (b), a treatment plan review must be completed once every 30 days.

51.1 (d) For a client receiving nonresidential ASAM level 2.5 partial hospitalization services,
51.2 a treatment plan review must be completed once every 14 days.

51.3 (e) For a client receiving nonresidential ASAM level 1.0 outpatient or 2.1 intensive
51.4 outpatient services or any other nonresidential level not included in paragraph (d), a treatment
51.5 plan review must be completed once every 30 days.

51.6 (f) For a client receiving nonresidential opioid treatment program services according to
51.7 section 245G.22, a treatment plan review must be completed:

51.8 (1) ~~a treatment plan review must be completed~~ weekly for the ten weeks following
51.9 completion of the treatment plan; and

51.10 (2) monthly thereafter.

51.11 Treatment plan reviews must be completed more frequently when clinical needs warrant.

51.12 (g) Notwithstanding paragraphs (e) and (f), clause (2), for a client in a nonresidential
51.13 program with a treatment plan that clearly indicates less than five hours of skilled treatment
51.14 services will be provided to the client each month, a treatment plan review must be completed
51.15 once every 90 days. Treatment plan reviews must be completed more frequently when
51.16 clinical needs warrant.

51.17 Sec. 57. Minnesota Statutes 2022, section 253B.02, subdivision 7, is amended to read:

51.18 Subd. 7. **Examiner.** "Examiner" means a person who is knowledgeable, trained, and
51.19 practicing in the diagnosis and assessment or in the treatment of the alleged impairment,
51.20 and who is a licensed physician; a mental health professional ~~as defined in section 245.462,~~
51.21 ~~subdivision 18, clauses (1) to (6)~~ qualified under section 245I.04, subdivision 2; a licensed
51.22 physician assistant; or an advanced practice registered nurse (APRN) as defined in section
51.23 148.171, subdivision 3, who is practicing in the emergency room of a hospital, so long as
51.24 the hospital has a process for credentialing and recredentialing any APRN acting as an
51.25 examiner in an emergency room.

51.26 Sec. 58. Minnesota Statutes 2022, section 253B.02, subdivision 9, is amended to read:

51.27 Subd. 9. **Health officer.** "Health officer" means:

51.28 (1) a licensed physician;

51.29 (2) a mental health professional ~~as defined in section 245.462, subdivision 18, clauses~~
51.30 ~~(1) to (6)~~ qualified under section 245I.04, subdivision 2;

51.31 (3) a licensed social worker;

52.1 (4) a registered nurse working in an emergency room of a hospital;

52.2 (5) an advanced practice registered nurse (APRN) as defined in section 148.171,
52.3 subdivision 3;

52.4 (6) a physician assistant as defined in section 147A.01, subdivision 18;

52.5 (7) a mental health practitioner as defined in section 245.462, subdivision 17, providing
52.6 mental health mobile crisis intervention services as described under section 256B.0624 with
52.7 the consultation and approval by a mental health professional; or

52.8 (8) a formally designated member of a prepetition screening unit established by section
52.9 253B.07.

52.10 Sec. 59. Minnesota Statutes 2023 Supplement, section 254B.05, subdivision 5, is amended
52.11 to read:

52.12 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance
52.13 use disorder services and service enhancements funded under this chapter.

52.14 (b) Eligible substance use disorder treatment services include:

52.15 (1) those licensed, as applicable, according to chapter 245G or applicable Tribal license
52.16 and provided according to the following ASAM levels of care:

52.17 (i) ASAM level 0.5 early intervention services provided according to section 254B.19,
52.18 subdivision 1, clause (1);

52.19 (ii) ASAM level 1.0 outpatient services provided according to section 254B.19,
52.20 subdivision 1, clause (2);

52.21 (iii) ASAM level 2.1 intensive outpatient services provided according to section 254B.19,
52.22 subdivision 1, clause (3);

52.23 (iv) ASAM level 2.5 partial hospitalization services provided according to section
52.24 254B.19, subdivision 1, clause (4);

52.25 (v) ASAM level 3.1 clinically managed low-intensity residential services provided
52.26 according to section 254B.19, subdivision 1, clause (5);

52.27 (vi) ASAM level 3.3 clinically managed population-specific high-intensity residential
52.28 services provided according to section 254B.19, subdivision 1, clause (6); and

52.29 (vii) ASAM level 3.5 clinically managed high-intensity residential services provided
52.30 according to section 254B.19, subdivision 1, clause (7);

53.1 (2) comprehensive assessments provided according to sections 245.4863, paragraph (a),
53.2 and 245G.05;

53.3 (3) treatment coordination services provided according to section 245G.07, subdivision
53.4 1, paragraph (a), clause (5);

53.5 (4) peer recovery support services provided according to section 245G.07, subdivision
53.6 2, clause (8);

53.7 (5) withdrawal management services provided according to chapter 245F;

53.8 (6) hospital-based treatment services that are licensed according to sections 245G.01 to
53.9 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to
53.10 144.56;

53.11 (7) adolescent treatment programs that are licensed as outpatient treatment programs
53.12 according to sections 245G.01 to 245G.18 or as residential treatment programs according
53.13 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or
53.14 applicable tribal license;

53.15 (8) ASAM 3.5 clinically managed high-intensity residential services that are licensed
53.16 according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which
53.17 provide ASAM level of care 3.5 according to section 254B.19, subdivision 1, clause (7),
53.18 and are provided by a state-operated vendor or to clients who have been civilly committed
53.19 to the commissioner, present the most complex and difficult care needs, and are a potential
53.20 threat to the community; and

53.21 (9) room and board facilities that meet the requirements of subdivision 1a.

53.22 (c) The commissioner shall establish higher rates for programs that meet the requirements
53.23 of paragraph (b) and one of the following additional requirements:

53.24 (1) programs that serve parents with their children if the program:

53.25 (i) provides on-site child care during the hours of treatment activity that:

53.26 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
53.27 9503; or

53.28 (B) is licensed under chapter 245A and sections 245G.01 to 245G.19; or

53.29 (ii) arranges for off-site child care during hours of treatment activity at a facility that is
53.30 licensed under chapter 245A as:

53.31 (A) a child care center under Minnesota Rules, chapter 9503; or

- 54.1 (B) a family child care home under Minnesota Rules, chapter 9502;
- 54.2 (2) culturally specific or culturally responsive programs as defined in section 254B.01,
- 54.3 subdivision 4a;
- 54.4 (3) disability responsive programs as defined in section 254B.01, subdivision 4b;
- 54.5 (4) programs that offer medical services delivered by appropriately credentialed health
- 54.6 care staff in an amount equal to two hours per client per week if the medical needs of the
- 54.7 client and the nature and provision of any medical services provided are documented in the
- 54.8 client file; or
- 54.9 (5) programs that offer services to individuals with co-occurring mental health and
- 54.10 substance use disorder problems if:
- 54.11 (i) the program meets the co-occurring requirements in section 245G.20;
- 54.12 (ii) 25 percent of the counseling staff are licensed mental health professionals under
- 54.13 section 245I.04, subdivision 2, or are students or licensing candidates under the supervision
- 54.14 of a licensed alcohol and drug counselor supervisor and mental health professional under
- 54.15 section 245I.04, subdivision 2, except that no more than 50 percent of the mental health
- 54.16 staff may be students or licensing candidates with time documented to be directly related
- 54.17 to provisions of co-occurring services;
- 54.18 (iii) clients scoring positive on a standardized mental health screen receive a mental
- 54.19 health diagnostic assessment within ten days of admission;
- 54.20 (iv) the program has standards for multidisciplinary case review that include a monthly
- 54.21 review for each client that, at a minimum, includes a licensed mental health professional
- 54.22 and licensed alcohol and drug counselor, and their involvement in the review is documented;
- 54.23 (v) family education is offered that addresses mental health and substance use disorder
- 54.24 and the interaction between the two; and
- 54.25 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder
- 54.26 training annually.
- 54.27 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program
- 54.28 that provides arrangements for off-site child care must maintain current documentation at
- 54.29 the substance use disorder facility of the child care provider's current licensure to provide
- 54.30 child care services.

(e) Adolescent residential programs that meet the requirements of Minnesota Rules, parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements in paragraph (c), clause ~~(4)~~ (5), items (i) to (iv).

(f) Subject to federal approval, substance use disorder services that are otherwise covered as direct face-to-face services may be provided via telehealth as defined in section 256B.0625, subdivision 3b. The use of telehealth to deliver services must be medically appropriate to the condition and needs of the person being served. Reimbursement shall be at the same rates and under the same conditions that would otherwise apply to direct face-to-face services.

(g) For the purpose of reimbursement under this section, substance use disorder treatment services provided in a group setting without a group participant maximum or maximum client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one. At least one of the attending staff must meet the qualifications as established under this chapter for the type of treatment service provided. A recovery peer may not be included as part of the staff ratio.

(h) Payment for outpatient substance use disorder services that are licensed according to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless prior authorization of a greater number of hours is obtained from the commissioner.

(i) Payment for substance use disorder services under this section must start from the day of service initiation, when the comprehensive assessment is completed within the required timelines.

Sec. 60. Minnesota Statutes 2022, section 256.042, subdivision 4, is amended to read:

Subd. 4. **Grants.** (a) The commissioner of human services shall submit a report of the grants proposed by the advisory council to be awarded for the upcoming calendar year to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance, by December 1 of each year, beginning December 1, 2022. This paragraph expires upon the expiration of the advisory council.

(b) The grants shall be awarded to proposals selected by the advisory council that address the priorities in subdivision 1, paragraph (a), clauses (1) to (4), unless otherwise appropriated by the legislature. The advisory council shall determine grant awards and funding amounts based on the funds appropriated to the commissioner under section 256.043, subdivision 3, paragraph ~~(h)~~ (n), and subdivision 3a, paragraph (d). The commissioner shall award the grants from the opiate epidemic response fund and administer the grants in compliance with

56.1 section 16B.97. No more than ten percent of the grant amount may be used by a grantee for
56.2 administration.

56.3 Sec. 61. Minnesota Statutes 2022, section 256.9742, subdivision 3, is amended to read:

56.4 Subd. 3. **Posting.** Every long-term care facility and acute care facility shall post in a
56.5 conspicuous place the address and telephone number of the office. A home care service
56.6 provider shall provide all recipients, including those in ~~housing with services under chapter~~
56.7 ~~144D~~ an assisted living facility under chapter 144G, with the address and telephone number
56.8 of the office. Counties shall provide clients receiving long-term care consultation services
56.9 under section 256B.0911 or home and community-based services through a state or federally
56.10 funded program with the name, address, and telephone number of the office. The posting
56.11 or notice is subject to approval by the ombudsman.

56.12 Sec. 62. Minnesota Statutes 2022, section 256B.056, subdivision 11, is amended to read:

56.13 Subd. 11. **Treatment of annuities.** (a) Any person requesting medical assistance payment
56.14 of long-term care services shall provide a complete description of any interest either the
56.15 person or the person's spouse has in annuities on a form designated by the department. The
56.16 form shall include a statement that the state becomes a preferred remainder beneficiary of
56.17 annuities or similar financial instruments by virtue of the receipt of medical assistance
56.18 payment of long-term care services. The person and the person's spouse shall furnish the
56.19 agency responsible for determining eligibility with complete current copies of their annuities
56.20 and related documents and complete the form designating the state as the preferred remainder
56.21 beneficiary for each annuity in which the person or the person's spouse has an interest.

56.22 (b) The department shall provide notice to the issuer of the department's right under this
56.23 section as a preferred remainder beneficiary under the annuity or similar financial instrument
56.24 for medical assistance furnished to the person or the person's spouse, and provide notice of
56.25 the issuer's responsibilities as provided in paragraph (c).

56.26 (c) An issuer of an annuity or similar financial instrument who receives notice of the
56.27 state's right to be named a preferred remainder beneficiary as described in paragraph (b)
56.28 shall provide confirmation to the requesting agency that the state has been made a preferred
56.29 remainder beneficiary. The issuer shall also notify the county agency when a change in the
56.30 amount of income or principal being withdrawn from the annuity or other similar financial
56.31 instrument or a change in the state's preferred remainder beneficiary designation under the
56.32 annuity or other similar financial instrument occurs. The county agency shall provide the

57.1 issuer with the name, address, and telephone number of a unit within the department that
57.2 the issuer can contact to comply with this paragraph.

57.3 (d) "Preferred remainder beneficiary" for purposes of this subdivision and sections
57.4 256B.0594 and 256B.0595 means the state is a remainder beneficiary in the first position
57.5 in an amount equal to the amount of medical assistance paid on behalf of the institutionalized
57.6 person, or is a remainder beneficiary in the second position if the institutionalized person
57.7 designates and is survived by a remainder beneficiary who is (1) a spouse who does not
57.8 reside in a medical institution, (2) a minor child, or (3) a child of any age who is blind or
57.9 permanently and totally disabled as defined in the Supplemental Security Income program.
57.10 Notwithstanding this paragraph, the state is the remainder beneficiary in the first position
57.11 if the spouse or child disposes of the remainder for less than fair market value.

57.12 (e) For purposes of this subdivision, "institutionalized person" and "long-term care
57.13 services" have the meanings given in section 256B.0595, subdivision 1, paragraph ~~(f)~~ (a).

57.14 (f) For purposes of this subdivision, "medical institution" means a skilled nursing facility,
57.15 intermediate care facility, intermediate care facility for persons with developmental
57.16 disabilities, nursing facility, or inpatient hospital.

57.17 Sec. 63. Minnesota Statutes 2022, section 256B.058, subdivision 2, is amended to read:

57.18 Subd. 2. **Monthly income allowance for community spouse.** (a) For an institutionalized
57.19 spouse, monthly income may be allocated to the community spouse as a monthly income
57.20 allowance for the community spouse. Beginning with the first full calendar month the
57.21 institutionalized spouse is in the institution, the monthly income allowance is not considered
57.22 available to the institutionalized spouse for monthly payment of costs of care in the institution
57.23 as long as the income is made available to the community spouse.

57.24 (b) The monthly income allowance is the amount by which the community spouse's
57.25 monthly maintenance needs allowance under paragraphs (c) and (d) exceeds the amount of
57.26 monthly income otherwise available to the community spouse.

57.27 (c) The community spouse's monthly maintenance needs allowance is the lesser of \$1,500
57.28 or 122 percent of the monthly federal poverty guideline for a family of two plus an excess
57.29 shelter allowance. The excess shelter allowance is for the amount of shelter expenses that
57.30 exceed 30 percent of 122 percent of the federal poverty guideline ~~line~~ for a family of two.
57.31 Shelter expenses are the community spouse's expenses for rent, mortgage payments including
57.32 principal and interest, taxes, insurance, required maintenance charges for a cooperative or
57.33 condominium that is the community spouse's principal residence, and the standard utility

58.1 allowance under section 5 of the federal Food and Nutrition Act of 2008. If the community
58.2 spouse has a required maintenance charge for a cooperative or condominium, the standard
58.3 utility allowance must be reduced by the amount of utility expenses included in the required
58.4 maintenance charge.

58.5 If the community or institutionalized spouse establishes that the community spouse
58.6 needs income greater than the monthly maintenance needs allowance determined in this
58.7 paragraph due to exceptional circumstances resulting in significant financial duress, the
58.8 monthly maintenance needs allowance may be increased to an amount that provides needed
58.9 additional income.

58.10 (d) The percentage of the federal poverty guideline used to determine the monthly
58.11 maintenance needs allowance in paragraph (c) is increased to 133 percent on July 1, 1991,
58.12 and to 150 percent on July 1, 1992. Adjustments in the income limits due to annual changes
58.13 in the federal poverty guidelines shall be implemented the first day of July following
58.14 publication of the annual changes. The \$1,500 maximum must be adjusted January 1, 1990,
58.15 and every January 1 after that by the same percentage increase in the Consumer Price Index
58.16 for all urban consumers (all items; United States city average) between the two previous
58.17 Septembers.

58.18 (e) If a court has entered an order against an institutionalized spouse for monthly income
58.19 for support of the community spouse, the community spouse's monthly income allowance
58.20 under this subdivision shall not be less than the amount of the monthly income ordered.

58.21 Sec. 64. Minnesota Statutes 2022, section 256B.0595, subdivision 1, is amended to read:

58.22 Subdivision 1. **Prohibited transfers.** (a) For purposes of this section, "long-term care
58.23 services" includes services in a nursing facility; services that are eligible for payment
58.24 according to section 256B.0625, subdivision 2, because they are provided in a swing bed;
58.25 services in an intermediate care facility for persons with developmental disabilities; and
58.26 home and community-based services provided pursuant to sections 256B.092 and 256B.49
58.27 and chapter 256S. For purposes of this subdivision and subdivisions 2, 3, and 4,
58.28 "institutionalized person" includes a person who is an inpatient in a nursing facility, a swing
58.29 bed, or an intermediate care facility for persons with developmental disabilities, or who is
58.30 receiving home and community-based services under sections 256B.092 and 256B.49 and
58.31 chapter 256S.

58.32 ~~(a)~~ (b) Effective for transfers made after August 10, 1993, an institutionalized person,
58.33 an institutionalized person's spouse, or any person, court, or administrative body with legal
58.34 authority to act in place of, on behalf of, at the direction of, or upon the request of the

institutionalized person or institutionalized person's spouse, may not give away, sell, or dispose of, for less than fair market value, any asset or interest therein, except assets other than the homestead that are excluded under the Supplemental Security Income program, for the purpose of establishing or maintaining medical assistance eligibility. This applies to all transfers, including those made by a community spouse after the month in which the institutionalized spouse is determined eligible for medical assistance. For purposes of determining eligibility for long-term care services, any transfer of such assets within 36 months before or any time after an institutionalized person requests medical assistance payment of long-term care services, or 36 months before or any time after a medical assistance recipient becomes an institutionalized person, for less than fair market value may be considered. Any such transfer is presumed to have been made for the purpose of establishing or maintaining medical assistance eligibility and the institutionalized person is ineligible for long-term care services for the period of time determined under subdivision 2, unless the institutionalized person furnishes convincing evidence to establish that the transaction was exclusively for another purpose, or unless the transfer is permitted under subdivision 3 or 4. In the case of payments from a trust or portions of a trust that are considered transfers of assets under federal law, or in the case of any other disposal of assets made on or after February 8, 2006, any transfers made within 60 months before or any time after an institutionalized person requests medical assistance payment of long-term care services and within 60 months before or any time after a medical assistance recipient becomes an institutionalized person, may be considered.

~~(b)~~ (c) This section applies to transfers, for less than fair market value, of income or assets, including assets that are considered income in the month received, such as inheritances, court settlements, and retroactive benefit payments or income to which the institutionalized person or the institutionalized person's spouse is entitled but does not receive due to action by the institutionalized person, the institutionalized person's spouse, or any person, court, or administrative body with legal authority to act in place of, on behalf of, at the direction of, or upon the request of the institutionalized person or the institutionalized person's spouse.

~~(e)~~ (d) This section applies to payments for care or personal services provided by a relative, unless the compensation was stipulated in a notarized, written agreement that was in existence when the service was performed, the care or services directly benefited the person, and the payments made represented reasonable compensation for the care or services provided. A notarized written agreement is not required if payment for the services was made within 60 days after the service was provided.

60.1 ~~(d)~~ (e) Effective for transactions, including the purchase of an annuity, occurring on or
60.2 after February 8, 2006, by or on behalf of an institutionalized person who has applied for
60.3 or is receiving long-term care services or the institutionalized person's spouse shall be treated
60.4 as the disposal of an asset for less than fair market value unless the department is named a
60.5 preferred remainder beneficiary as described in section 256B.056, subdivision 11. Any
60.6 subsequent change to the designation of the department as a preferred remainder beneficiary
60.7 shall result in the annuity being treated as a disposal of assets for less than fair market value.
60.8 The amount of such transfer shall be the maximum amount the institutionalized person or
60.9 the institutionalized person's spouse could receive from the annuity or similar financial
60.10 instrument. Any change in the amount of the income or principal being withdrawn from the
60.11 annuity or other similar financial instrument at the time of the most recent disclosure shall
60.12 be deemed to be a transfer of assets for less than fair market value unless the institutionalized
60.13 person or the institutionalized person's spouse demonstrates that the transaction was for fair
60.14 market value. In the event a distribution of income or principal has been improperly
60.15 distributed or disbursed from an annuity or other retirement planning instrument of an
60.16 institutionalized person or the institutionalized person's spouse, a cause of action exists
60.17 against the individual receiving the improper distribution for the cost of medical assistance
60.18 services provided or the amount of the improper distribution, whichever is less.

60.19 ~~(e)~~ (f) Effective for transactions, including the purchase of an annuity, occurring on or
60.20 after February 8, 2006, by or on behalf of an institutionalized person applying for or receiving
60.21 long-term care services shall be treated as a disposal of assets for less than fair market value
60.22 unless it is:

60.23 (1) an annuity described in subsection (b) or (q) of section 408 of the Internal Revenue
60.24 Code of 1986; or

60.25 (2) purchased with proceeds from:

60.26 (i) an account or trust described in subsection (a), (c), or (p) of section 408 of the Internal
60.27 Revenue Code;

60.28 (ii) a simplified employee pension within the meaning of section 408(k) of the Internal
60.29 Revenue Code; or

60.30 (iii) a Roth IRA described in section 408A of the Internal Revenue Code; or

60.31 (3) an annuity that is irrevocable and nonassignable; is actuarially sound as determined
60.32 in accordance with actuarial publications of the Office of the Chief Actuary of the Social
60.33 Security Administration; and provides for payments in equal amounts during the term of
60.34 the annuity, with no deferral and no balloon payments made.

~~(f) For purposes of this section, long-term care services include services in a nursing facility, services that are eligible for payment according to section 256B.0625, subdivision 2, because they are provided in a swing bed, intermediate care facility for persons with developmental disabilities, and home and community-based services provided pursuant to chapter 256S and sections 256B.092 and 256B.49. For purposes of this subdivision and subdivisions 2, 3, and 4, "institutionalized person" includes a person who is an inpatient in a nursing facility or in a swing bed, or intermediate care facility for persons with developmental disabilities or who is receiving home and community-based services under chapter 256S and sections 256B.092 and 256B.49.~~

(g) This section applies to funds used to purchase a promissory note, loan, or mortgage unless the note, loan, or mortgage:

(1) has a repayment term that is actuarially sound;

(2) provides for payments to be made in equal amounts during the term of the loan, with no deferral and no balloon payments made; and

(3) prohibits the cancellation of the balance upon the death of the lender.

(h) In the case of a promissory note, loan, or mortgage that does not meet an exception in paragraph (g), clauses (1) to (3), the value of such note, loan, or mortgage shall be the outstanding balance due as of the date of the institutionalized person's request for medical assistance payment of long-term care services.

(i) This section applies to the purchase of a life estate interest in another person's home unless the purchaser resides in the home for a period of at least one year after the date of purchase.

(j) This section applies to transfers into a pooled trust that qualifies under United States Code, title 42, section 1396p(d)(4)(C), by:

(1) a person age 65 or older or the person's spouse; or

(2) any person, court, or administrative body with legal authority to act in place of, on behalf of, at the direction of, or upon the request of a person age 65 or older or the person's spouse.

Sec. 65. Minnesota Statutes 2022, section 256B.0595, subdivision 4, is amended to read:

Subd. 4. **Other exceptions to transfer prohibition.** (a) An institutionalized person, as defined in subdivision 1, paragraph ~~(f)~~ (a), who has made, or whose spouse has made a

62.1 transfer prohibited by subdivision 1, is not ineligible for long-term care services if one of
62.2 the following conditions applies:

62.3 (1) the assets were transferred to the individual's spouse or to another for the sole benefit
62.4 of the spouse; or

62.5 (2) the institutionalized spouse, prior to being institutionalized, transferred assets to a
62.6 spouse, provided that the spouse to whom the assets were transferred does not then transfer
62.7 those assets to another person for less than fair market value. (At the time when one spouse
62.8 is institutionalized, assets must be allocated between the spouses as provided under section
62.9 256B.059); or

62.10 (3) the assets were transferred to the individual's child who is blind or permanently and
62.11 totally disabled as determined in the Supplemental Security Income program; or

62.12 (4) a satisfactory showing is made that the individual intended to dispose of the assets
62.13 either at fair market value or for other valuable consideration; or

62.14 (5) the local agency determines that denial of eligibility for long-term care services
62.15 would work an undue hardship and grants a waiver of a period of ineligibility resulting from
62.16 a transfer for less than fair market value based on an imminent threat to the individual's
62.17 health and well-being. Imminent threat to the individual's health and well-being means that
62.18 imposing a period of ineligibility would endanger the individual's health or life or cause
62.19 serious deprivation of food, clothing, or shelter. Whenever an applicant or recipient is denied
62.20 eligibility because of a transfer for less than fair market value, the local agency shall notify
62.21 the applicant or recipient that the applicant or recipient may request a waiver of the period
62.22 of ineligibility if the denial of eligibility will cause undue hardship. With the written consent
62.23 of the individual or the personal representative of the individual, a long-term care facility
62.24 in which an individual is residing may file an undue hardship waiver request, on behalf of
62.25 the individual who is denied eligibility for long-term care services on or after July 1, 2006,
62.26 due to a period of ineligibility resulting from a transfer on or after February 8, 2006; or

62.27 (6) for transfers occurring after August 10, 1993, the assets were transferred by the
62.28 person or the person's spouse: (i) into a trust established for the sole benefit of a son or
62.29 daughter of any age who is blind or disabled as defined by the Supplemental Security Income
62.30 program; or (ii) into a trust established for the sole benefit of an individual who is under 65
62.31 years of age who is disabled as defined by the Supplemental Security Income program. "For
62.32 the sole benefit of" has the meaning found in section 256B.059, subdivision 1.

62.33 (b) Subject to paragraph (c), when evaluating a hardship waiver, the local agency shall
62.34 take into account whether the individual was the victim of financial exploitation, whether

the individual has made reasonable efforts to recover the transferred property or resource, whether the individual has taken any action to prevent the designation of the department as a remainder beneficiary on an annuity as described in section 256B.056, subdivision 11, and other factors relevant to a determination of hardship.

(c) In the case of an imminent threat to the individual's health and well-being, the local agency shall approve a hardship waiver of the portion of an individual's period of ineligibility resulting from a transfer of assets for less than fair market value by or to a person:

(1) convicted of financial exploitation, fraud, or theft upon the individual for the transfer of assets; or

(2) against whom a report of financial exploitation upon the individual has been substantiated. For purposes of this paragraph, "financial exploitation" and "substantiated" have the meanings given in section 626.5572.

(d) The local agency shall make a determination within 30 days of the receipt of all necessary information needed to make such a determination. If the local agency does not approve a hardship waiver, the local agency shall issue a written notice to the individual stating the reasons for the denial and the process for appealing the local agency's decision. When a waiver is granted, a cause of action exists against the person to whom the assets were transferred for that portion of long-term care services provided within:

(1) 30 months of a transfer made on or before August 10, 1993;

(2) 60 months of a transfer if the assets were transferred after August 30, 1993, to a trust or portion of a trust that is considered a transfer of assets under federal law;

(3) 36 months of a transfer if transferred in any other manner after August 10, 1993, but prior to February 8, 2006; or

(4) 60 months of any transfer made on or after February 8, 2006, or the amount of the uncompensated transfer, whichever is less, together with the costs incurred due to the action.

Sec. 66. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13e, is amended to read:

Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall be the lower of the ingredient costs of the drugs plus the professional dispensing fee; or the usual and customary price charged to the public. The usual and customary price means the lowest price charged by the provider to a patient who pays for the prescription by cash,

check, or charge account and includes prices the pharmacy charges to a patient enrolled in a prescription savings club or prescription discount club administered by the pharmacy or pharmacy chain. The amount of payment basis must be reduced to reflect all discount amounts applied to the charge by any third-party provider/insurer agreement or contract for submitted charges to medical assistance programs. The net submitted charge may not be greater than the patient liability for the service. The professional dispensing fee shall be \$10.77 for prescriptions filled with legend drugs meeting the definition of "covered outpatient drugs" according to United States Code, title 42, section 1396r-8(k)(2). The dispensing fee for intravenous solutions that must be compounded by the pharmacist shall be \$10.77 per claim. The professional dispensing fee for prescriptions filled with over-the-counter drugs meeting the definition of covered outpatient drugs shall be \$10.77 for dispensed quantities equal to or greater than the number of units contained in the manufacturer's original package. The professional dispensing fee shall be prorated based on the percentage of the package dispensed when the pharmacy dispenses a quantity less than the number of units contained in the manufacturer's original package. The pharmacy dispensing fee for prescribed over-the-counter drugs not meeting the definition of covered outpatient drugs shall be \$3.65 for quantities equal to or greater than the number of units contained in the manufacturer's original package and shall be prorated based on the percentage of the package dispensed when the pharmacy dispenses a quantity less than the number of units contained in the manufacturer's original package. The National Average Drug Acquisition Cost (NADAC) shall be used to determine the ingredient cost of a drug. For drugs for which a NADAC is not reported, the commissioner shall estimate the ingredient cost at the wholesale acquisition cost minus two percent. The ingredient cost of a drug for a provider participating in the federal 340B Drug Pricing Program shall be either the 340B Drug Pricing Program ceiling price established by the Health Resources and Services Administration or NADAC, whichever is lower. Wholesale acquisition cost is defined as the manufacturer's list price for a drug or biological to wholesalers or direct purchasers in the United States, not including prompt pay or other discounts, rebates, or reductions in price, for the most recent month for which information is available, as reported in wholesale price guides or other publications of drug or biological pricing data. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to the actual acquisition cost of the drug product and no higher than the NADAC of the generic product. Establishment of the amount of payment for drugs shall not be subject to the requirements of the Administrative Procedure Act.

(b) Pharmacies dispensing prescriptions to residents of long-term care facilities using an automated drug distribution system meeting the requirements of section 151.58, or a

packaging system meeting the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse, may employ retrospective billing for prescription drugs dispensed to long-term care facility residents. A retrospectively billing pharmacy must submit a claim only for the quantity of medication used by the enrolled recipient during the defined billing period. A retrospectively billing pharmacy must use a billing period not less than one calendar month or 30 days.

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

(d) If a pharmacy dispenses a multisource drug, the ingredient cost shall be the NADAC of the generic product or the maximum allowable cost established by the commissioner unless prior authorization for the brand name product has been granted according to the criteria established by the Drug Formulary Committee as required by subdivision 13f, paragraph (a), and the prescriber has indicated "dispense as written" on the prescription in a manner consistent with section 151.21, subdivision 2.

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

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

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

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

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

(i) The commissioner shall increase the ingredient cost reimbursement calculated in paragraphs (a) and (f) by 1.8 percent for prescription and nonprescription drugs subject to the wholesale drug distributor tax under section 295.52.

Sec. 67. Minnesota Statutes 2022, section 256B.0625, subdivision 56, is amended to read:

Subd. 56. Medical service coordination. (a)(1) Medical assistance covers in-reach community-based service coordination that is performed through a hospital emergency department as an eligible procedure under a state ~~healthcare~~ health care program for a frequent user. A frequent user is defined as an individual who has frequented the hospital emergency department for services three or more times in the previous four consecutive months. In-reach community-based service coordination includes navigating services to address a client's mental health, chemical health, social, economic, and housing needs, or any other activity targeted at reducing the incidence of emergency room and other nonmedically necessary health care utilization.

(2) Medical assistance covers in-reach community-based service coordination that is performed through a hospital emergency department or inpatient psychiatric unit for a child or young adult up to age 21 with a serious emotional disturbance who has frequented the hospital emergency room two or more times in the previous consecutive three months or been admitted to an inpatient psychiatric unit two or more times in the previous consecutive four months, or is being discharged to a shelter.

(b) Reimbursement must be made in 15-minute increments and allowed for up to 60 days posthospital discharge based upon the specific identified emergency department visit or inpatient admitting event. In-reach community-based service coordination shall seek to connect frequent users with existing covered services available to them, including, but not limited to, targeted case management, waiver case management, or care coordination in a health care home. For children and young adults with a serious emotional disturbance, in-reach community-based service coordination includes navigating and arranging for community-based services prior to discharge to address a client's mental health, chemical health, social, educational, family support and housing needs, or any other activity targeted at reducing multiple incidents of emergency room use, inpatient readmissions, and other nonmedically necessary health care utilization. In-reach services shall seek to connect them with existing covered services, including targeted case management, waiver case management, care coordination in a health care home, children's therapeutic services and supports, crisis services, and respite care. Eligible in-reach service coordinators must hold a minimum of a bachelor's degree in social work, public health, corrections, or a related

field. The commissioner shall submit any necessary application for waivers to the Centers for Medicare and Medicaid Services to implement this subdivision.

(c)(1) For the purposes of this subdivision, "in-reach community-based service coordination" means the practice of a community-based worker with training, knowledge, skills, and ability to access a continuum of services, including housing, transportation, chemical and mental health treatment, employment, education, and peer support services, by working with an organization's staff to transition an individual back into the individual's living environment. In-reach community-based service coordination includes working with the individual during their discharge and for up to a defined amount of time in the individual's living environment, reducing the individual's need for readmittance.

(2) Hospitals utilizing in-reach service coordinators shall report annually to the commissioner on the number of adults, children, and adolescents served; the postdischarge services which they accessed; and emergency department/psychiatric hospitalization readmissions. The commissioner shall ensure that services and payments provided under in-reach care coordination do not duplicate services or payments provided under subdivision 20 or section 256B.0753, or 256B.0755, ~~or 256B.0625, subdivision 20.~~

Sec. 68. Minnesota Statutes 2023 Supplement, section 256B.0913, subdivision 5, is amended to read:

Subd. 5. **Services covered under alternative care.** (a) Alternative care funding may be used for payment of costs of:

- (1) adult day services and adult day services bath;
- (2) home care;
- (3) homemaker services;
- (4) personal care;
- (5) case management and conversion case management;
- (6) respite care;
- (7) specialized supplies and equipment;
- (8) home-delivered meals;
- (9) nonmedical transportation;
- (10) nursing services;
- (11) chore services;

- 69.1 (12) companion services;
- 69.2 (13) nutrition services;
- 69.3 (14) family caregiver training and education;
- 69.4 (15) coaching and counseling;
- 69.5 (16) telehome care to provide services in their own homes in conjunction with in-home
- 69.6 visits;
- 69.7 (17) consumer-directed community supports;
- 69.8 (18) environmental accessibility and adaptations; and
- 69.9 (19) discretionary services, for which lead agencies may make payment from their
- 69.10 alternative care program allocation for services not otherwise defined in this section or
- 69.11 section 256B.0625, following approval by the commissioner.

69.12 (b) Total annual payments for discretionary services for all clients served by a lead

69.13 agency must not exceed 25 percent of that lead agency's annual alternative care program

69.14 base allocation, except that when alternative care services receive federal financial

69.15 participation under the 1115 waiver demonstration, funding shall be allocated in accordance

69.16 with subdivision 17.

69.17 Sec. 69. Minnesota Statutes 2022, section 256B.0941, subdivision 1, is amended to read:

69.18 Subdivision 1. **Eligibility.** (a) An individual who is eligible for mental health treatment

69.19 services in a psychiatric residential treatment facility must meet all of the following criteria:

69.20 (1) before admission, services are determined to be medically necessary according to

69.21 Code of Federal Regulations, title 42, section 441.152;

69.22 (2) is younger than 21 years of age at the time of admission. Services may continue until

69.23 the individual meets criteria for discharge or reaches 22 years of age, whichever occurs

69.24 first;

69.25 (3) has a mental health diagnosis as defined in the most recent edition of the Diagnostic

69.26 and Statistical Manual for Mental Disorders, as well as clinical evidence of severe aggression,

69.27 or a finding that the individual is a risk to self or others;

69.28 (4) has functional impairment and a history of difficulty in functioning safely and

69.29 successfully in the community, school, home, or job; an inability to adequately care for

69.30 one's physical needs; or caregivers, guardians, or family members who are unable to safely

69.31 fulfill the individual's needs;

(5) requires psychiatric residential treatment under the direction of a physician to improve the individual's condition or prevent further regression so that services will no longer be needed;

(6) utilized and exhausted other community-based mental health services, or clinical evidence indicates that such services cannot provide the level of care needed; and

(7) was referred for treatment in a psychiatric residential treatment facility by a mental health professional qualified according to section 245I.04, subdivision 2.

(b) The commissioner shall provide oversight and review the use of referrals for clients admitted to psychiatric residential treatment facilities to ensure that eligibility criteria, clinical services, and treatment planning reflect clinical, state, and federal standards for psychiatric residential treatment facility level of care. The commissioner shall coordinate the production of a statewide list of children and youth who meet the medical necessity criteria for psychiatric residential treatment facility level of care and who are awaiting admission. The commissioner and any recipient of the list shall not use the statewide list to direct admission of children and youth to specific facilities.

Sec. 70. Minnesota Statutes 2023 Supplement, section 256B.0943, subdivision 1, is amended to read:

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

(b) "Children's therapeutic services and supports" means the flexible package of mental health services for children who require varying therapeutic and rehabilitative levels of intervention to treat a diagnosed emotional disturbance, as defined in section 245.4871, subdivision 15, or a diagnosed mental illness, as defined in section 245.462, subdivision 20. The services are time-limited interventions that are delivered using various treatment modalities and combinations of services designed to reach treatment outcomes identified in the individual treatment plan.

(c) "Clinical trainee" means a staff person who is qualified according to section 245I.04, subdivision 6.

(d) "Crisis planning" has the meaning given in section 245.4871, subdivision 9a.

(e) "Culturally competent provider" means a provider who understands and can utilize to a client's benefit the client's culture when providing services to the client. A provider may be culturally competent because the provider is of the same cultural or ethnic group

71.1 as the client or the provider has developed the knowledge and skills through training and
71.2 experience to provide services to culturally diverse clients.

71.3 (f) "Day treatment program" for children means a site-based structured mental health
71.4 program consisting of psychotherapy for three or more individuals and individual or group
71.5 skills training provided by a team, under the treatment supervision of a mental health
71.6 professional.

71.7 (g) "Direct service time" means the time that a mental health professional, clinical trainee,
71.8 mental health practitioner, or mental health behavioral aide spends face-to-face with a client
71.9 and the client's family or providing covered services through telehealth as defined under
71.10 section 256B.0625, subdivision 3b. Direct service time includes time in which the provider
71.11 obtains a client's history, develops a client's treatment plan, records individual treatment
71.12 outcomes, or provides service components of children's therapeutic services and supports.
71.13 Direct service time does not include time doing work before and after providing direct
71.14 services, including scheduling or maintaining clinical records.

71.15 (h) "Direction of mental health behavioral aide" means the activities of a mental health
71.16 professional, clinical trainee, or mental health practitioner in guiding the mental health
71.17 behavioral aide in providing services to a client. The direction of a mental health behavioral
71.18 aide must be based on the client's individual treatment plan and meet the requirements in
71.19 subdivision 6, paragraph (b), clause (7).

71.20 (i) "Emotional disturbance" has the meaning given in section 245.4871, subdivision 15.

71.21 (j) "Individual treatment plan" means the plan described in section 245I.10, subdivisions
71.22 7 and 8.

71.23 (k) "Mental health behavioral aide services" means medically necessary one-on-one
71.24 activities performed by a mental health behavioral aide qualified according to section
71.25 245I.04, subdivision 16, to assist a child retain or generalize psychosocial skills as previously
71.26 trained by a mental health professional, clinical trainee, or mental health practitioner and
71.27 as described in the child's individual treatment plan and individual behavior plan. Activities
71.28 involve working directly with the child or child's family as provided in subdivision 9,
71.29 paragraph (b), clause (4).

71.30 (l) "Mental health certified family peer specialist" means a staff person who is qualified
71.31 according to section 245I.04, subdivision 12.

71.32 (m) "Mental health practitioner" means a staff person who is qualified according to
71.33 section 245I.04, subdivision 4.

72.1 (n) "Mental health professional" means a staff person who is qualified according to
72.2 section 245I.04, subdivision 2.

72.3 (o) "Mental health service plan development" includes:

72.4 (1) development and revision of a child's individual treatment plan; and

72.5 (2) administering and reporting ~~the standardized outcome measurements in section~~

72.6 ~~245I.10, subdivision 6, paragraph (d), clauses (3) and (4), and other~~ standardized outcome
72.7 measurements approved by the commissioner, as periodically needed to evaluate the
72.8 effectiveness of treatment.

72.9 (p) "Mental illness," for persons at least age 18 but under age 21, has the meaning given
72.10 in section 245.462, subdivision 20, paragraph (a).

72.11 (q) "Psychotherapy" means the treatment described in section 256B.0671, subdivision
72.12 11.

72.13 (r) "Rehabilitative services" or "psychiatric rehabilitation services" means interventions
72.14 to: (1) restore a child or adolescent to an age-appropriate developmental trajectory that had
72.15 been disrupted by a psychiatric illness; or (2) enable the child to self-monitor, compensate
72.16 for, cope with, counteract, or replace psychosocial skills deficits or maladaptive skills
72.17 acquired over the course of a psychiatric illness. Psychiatric rehabilitation services for
72.18 children combine coordinated psychotherapy to address internal psychological, emotional,
72.19 and intellectual processing deficits, and skills training to restore personal and social
72.20 functioning. Psychiatric rehabilitation services establish a progressive series of goals with
72.21 each achievement building upon a prior achievement.

72.22 (s) "Skills training" means individual, family, or group training, delivered by or under
72.23 the supervision of a mental health professional, designed to facilitate the acquisition of
72.24 psychosocial skills that are medically necessary to rehabilitate the child to an age-appropriate
72.25 developmental trajectory heretofore disrupted by a psychiatric illness or to enable the child
72.26 to self-monitor, compensate for, cope with, counteract, or replace skills deficits or
72.27 maladaptive skills acquired over the course of a psychiatric illness. Skills training is subject
72.28 to the service delivery requirements under subdivision 9, paragraph (b), clause (2).

72.29 (t) "Standard diagnostic assessment" means the assessment described in section 245I.10,
72.30 subdivision 6.

72.31 (u) "Treatment supervision" means the supervision described in section 245I.06.

73.1 Sec. 71. Minnesota Statutes 2022, section 256B.196, subdivision 2, is amended to read:

73.2 Subd. 2. **Commissioner's duties.** (a) For the purposes of this subdivision and subdivision
73.3 3, the commissioner shall determine the fee-for-service outpatient hospital services upper
73.4 payment limit for nonstate government hospitals. The commissioner shall then determine
73.5 the amount of a supplemental payment to Hennepin County Medical Center and Regions
73.6 Hospital for these services that would increase medical assistance spending in this category
73.7 to the aggregate upper payment limit for all nonstate government hospitals in Minnesota.
73.8 In making this determination, the commissioner shall allot the available increases between
73.9 Hennepin County Medical Center and Regions Hospital based on the ratio of medical
73.10 assistance fee-for-service outpatient hospital payments to the two facilities. The commissioner
73.11 shall adjust this allotment as necessary based on federal approvals, the amount of
73.12 intergovernmental transfers received from Hennepin and Ramsey Counties, and other factors,
73.13 in order to maximize the additional total payments. The commissioner shall inform Hennepin
73.14 County and Ramsey County of the periodic intergovernmental transfers necessary to match
73.15 federal Medicaid payments available under this subdivision in order to make supplementary
73.16 medical assistance payments to Hennepin County Medical Center and Regions Hospital
73.17 equal to an amount that when combined with existing medical assistance payments to
73.18 nonstate governmental hospitals would increase total payments to hospitals in this category
73.19 for outpatient services to the aggregate upper payment limit for all hospitals in this category
73.20 in Minnesota. Upon receipt of these periodic transfers, the commissioner shall make
73.21 supplementary payments to Hennepin County Medical Center and Regions Hospital.

73.22 (b) For the purposes of this subdivision and subdivision 3, the commissioner shall
73.23 determine an upper payment limit for physicians and other billing professionals affiliated
73.24 with Hennepin County Medical Center and with Regions Hospital. The upper payment limit
73.25 shall be based on the average commercial rate or be determined using another method
73.26 acceptable to the Centers for Medicare and Medicaid Services. The commissioner shall
73.27 inform Hennepin County and Ramsey County of the periodic intergovernmental transfers
73.28 necessary to match the federal Medicaid payments available under this subdivision in order
73.29 to make supplementary payments to physicians and other billing professionals affiliated
73.30 with Hennepin County Medical Center and to make supplementary payments to physicians
73.31 and other billing professionals affiliated with Regions Hospital through HealthPartners
73.32 Medical Group equal to the difference between the established medical assistance payment
73.33 for physician and other billing professional services and the upper payment limit. Upon
73.34 receipt of these periodic transfers, the commissioner shall make supplementary payments
73.35 to physicians and other billing professionals affiliated with Hennepin County Medical Center

and shall make supplementary payments to physicians and other billing professionals affiliated with Regions Hospital through HealthPartners Medical Group.

(c) Beginning January 1, 2010, Ramsey County may make monthly voluntary intergovernmental transfers to the commissioner in amounts not to exceed \$6,000,000 per year. The commissioner shall increase the medical assistance capitation payments to any licensed health plan under contract with the medical assistance program that agrees to make enhanced payments to Regions Hospital. The increase shall be in an amount equal to the annual value of the monthly transfers plus federal financial participation, with each health plan receiving its pro rata share of the increase based on the pro rata share of medical assistance admissions to Regions Hospital by those plans. For the purposes of this paragraph, "the base amount" means the total annual value of increased medical assistance capitation payments, including the voluntary intergovernmental transfers, under this paragraph in calendar year 2017. For managed care contracts beginning on or after January 1, 2018, the commissioner shall reduce the total annual value of increased medical assistance capitation payments under this paragraph by an amount equal to ten percent of the base amount, and by an additional ten percent of the base amount for each subsequent contract year until December 31, 2025. Upon the request of the commissioner, health plans shall submit individual-level cost data for verification purposes. The commissioner may ratably reduce these payments on a pro rata basis in order to satisfy federal requirements for actuarial soundness. If payments are reduced, transfers shall be reduced accordingly. Any licensed health plan that receives increased medical assistance capitation payments under the intergovernmental transfer described in this paragraph shall increase its medical assistance payments to Regions Hospital by the same amount as the increased payments received in the capitation payment described in this paragraph. This paragraph expires January 1, 2026.

(d) For the purposes of this subdivision and subdivision 3, the commissioner shall determine an upper payment limit for ambulance services affiliated with Hennepin County Medical Center and the city of St. Paul, and ambulance services owned and operated by another governmental entity that chooses to participate by requesting the commissioner to determine an upper payment limit. The upper payment limit shall be based on the average commercial rate or be determined using another method acceptable to the Centers for Medicare and Medicaid Services. The commissioner shall inform Hennepin County, the city of St. Paul, and other participating governmental entities of the periodic intergovernmental transfers necessary to match the federal Medicaid payments available under this subdivision in order to make supplementary payments to Hennepin County Medical Center, the city of St. Paul, and other participating governmental entities equal to

the difference between the established medical assistance payment for ambulance services and the upper payment limit. Upon receipt of these periodic transfers, the commissioner shall make supplementary payments to Hennepin County Medical Center, the city of St. Paul, and other participating governmental entities. A tribal government that owns and operates an ambulance service is not eligible to participate under this subdivision.

(e) For the purposes of this subdivision and subdivision 3, the commissioner shall determine an upper payment limit for physicians, dentists, and other billing professionals affiliated with the University of Minnesota and University of Minnesota Physicians. The upper payment limit shall be based on the average commercial rate or be determined using another method acceptable to the Centers for Medicare and Medicaid Services. The commissioner shall inform the University of Minnesota Medical School and University of Minnesota School of Dentistry of the periodic intergovernmental transfers necessary to match the federal Medicaid payments available under this subdivision in order to make supplementary payments to physicians, dentists, and other billing professionals affiliated with the University of Minnesota and the University of Minnesota Physicians equal to the difference between the established medical assistance payment for physician, dentist, and other billing professional services and the upper payment limit. Upon receipt of these periodic transfers, the commissioner shall make supplementary payments to physicians, dentists, and other billing professionals affiliated with the University of Minnesota and the University of Minnesota Physicians.

(f) The commissioner shall inform the transferring governmental entities on an ongoing basis of ~~the need for~~ any changes needed in the intergovernmental transfers in order to continue the payments under paragraphs (a) to (e), at their maximum level, including increases in upper payment limits, changes in the federal Medicaid match, and other factors.

(g) The payments in paragraphs (a) to (e) shall be implemented independently of each other, subject to federal approval and to the receipt of transfers under subdivision 3.

(h) All of the data and funding transactions related to the payments in paragraphs (a) to (e) shall be between the commissioner and the governmental entities.

(i) For purposes of this subdivision, billing professionals are limited to physicians, nurse practitioners, nurse midwives, clinical nurse specialists, physician assistants, anesthesiologists, certified registered nurse anesthetists, dentists, dental hygienists, and dental therapists.

76.1 Sec. 72. Minnesota Statutes 2022, section 256B.197, subdivision 3, is amended to read:

76.2 Subd. 3. **Commissioner's duties.** (a) For the purposes of this subdivision, the
76.3 commissioner shall determine the fee-for-service inpatient hospital services upper payment
76.4 limit for nonstate government hospitals. The commissioner shall determine, for each eligible
76.5 nonstate government hospital, the amount of a supplemental payment for inpatient hospital
76.6 services that would increase medical assistance spending for each eligible nonstate
76.7 government hospital up to the amount that Medicare would pay for the Medicaid
76.8 fee-for-service inpatient hospital services provided by that hospital. If the combined amount
76.9 of such supplemental payment amounts and existing medical assistance payments for
76.10 inpatient hospital services to all nonstate government hospitals is less than the upper payment
76.11 limit, the commissioner shall increase the supplemental payment amount for each eligible
76.12 nonstate government hospital in proportion to the initial supplemental payments in order
76.13 to maximize the additional total payments.

76.14 (b) The commissioner shall inform each eligible nonstate government hospital and
76.15 associated governmental entities of voluntary intergovernmental transfers necessary to
76.16 provide the nonfederal share for the supplemental payment amount attributable to each
76.17 eligible nonstate government hospital, as calculated under paragraph (a).

76.18 (c) Upon receipt of a voluntary intergovernmental transfer from a governmental entity
76.19 associated with an eligible nonstate government hospital or from the eligible nonstate
76.20 government hospital, the commissioner shall make a supplemental payment, using the
76.21 amounts calculated under paragraph (a), to the associated eligible nonstate government
76.22 hospital.

76.23 (d) The commissioner may implement the payments in this section through use of periodic
76.24 payments and voluntary intergovernmental transfers.

76.25 (e) The commissioner shall inform eligible nonstate government hospitals and associated
76.26 governmental entities on an ongoing basis of ~~the need for~~ any changes needed in the payment
76.27 amounts or voluntary intergovernmental transfers in order to continue the payments under
76.28 paragraph (c) at their maximum level, including increases in upper payment limits, changes
76.29 in the federal Medicaid match, and other factors.

76.30 Sec. 73. Minnesota Statutes 2022, section 256B.4911, subdivision 1, is amended to read:

76.31 Subdivision 1. **Federal authority.** Consumer-directed community supports, as referenced
76.32 in sections 256B.0913, subdivision 5, paragraph (a), clause (17); 256B.092, subdivision 1b,

77.1 clause (4); 256B.49, subdivision 16, paragraph (c); and chapter 256S are governed, in whole,
77.2 by the federally-approved waiver plans for home and community-based services.

77.3 Sec. 74. Minnesota Statutes 2022, section 256D.64, subdivision 2, is amended to read:

77.4 Subd. 2. **Eligibility requirements.** To be eligible for the Minnesota food assistance
77.5 program, all of the following conditions must be met:

77.6 (1) the applicant must meet the initial and ongoing eligibility requirements for the federal
77.7 SNAP, except for the applicant's ineligible immigration status;

77.8 (2) the applicant must be either a qualified noncitizen as defined in section 256J.08,
77.9 subdivision 73, or a noncitizen otherwise residing lawfully in the United States;

77.10 (3) the applicant must be a resident of the state; and

77.11 (4) the applicant must not be receiving assistance under the MFIP ~~or the work-first~~
77.12 ~~program.~~

77.13 Sec. 75. Minnesota Statutes 2022, section 256I.04, subdivision 2a, is amended to read:

77.14 Subd. 2a. **License required; staffing qualifications.** (a) Except as provided in paragraph
77.15 (b), an agency may not enter into an agreement with an establishment to provide housing
77.16 support unless:

77.17 (1) the establishment is licensed by the Department of Health as a hotel and restaurant;
77.18 a board and lodging establishment; a boarding care home before March 1, 1985; or a
77.19 supervised living facility, and the service provider for residents of the facility is licensed
77.20 under chapter 245A. However, an establishment licensed by the Department of Health to
77.21 provide lodging need not also be licensed to provide board if meals are being supplied to
77.22 residents under a contract with a food vendor who is licensed by the Department of Health;

77.23 (2) the residence is: (i) licensed by the commissioner of human services under Minnesota
77.24 Rules, parts 9555.5050 to 9555.6265; (ii) certified by a county human services agency prior
77.25 to July 1, 1992, using the standards under Minnesota Rules, parts 9555.5050 to 9555.6265;
77.26 (iii) licensed by the commissioner under Minnesota Rules, parts 2960.0010 to 2960.0120,
77.27 with a variance under section 245A.04, subdivision 9; or (iv) licensed under section 245D.02,
77.28 subdivision 4a, as a community residential setting by the commissioner of human services;
77.29 or

77.30 (3) the facility is ~~registered under chapter 144D or~~ licensed under chapter 144G and
77.31 provides three meals a day.

78.1 (b) The requirements under paragraph (a) do not apply to establishments exempt from
78.2 state licensure because they are:

78.3 (1) located on Indian reservations and subject to tribal health and safety requirements;
78.4 or

78.5 (2) supportive housing establishments where an individual has an approved habitability
78.6 inspection and an individual lease agreement.

78.7 (c) Supportive housing establishments that serve individuals who have experienced
78.8 long-term homelessness and emergency shelters must participate in the homeless management
78.9 information system and a coordinated assessment system as defined by the commissioner.

78.10 (d) Effective July 1, 2016, an agency shall not have an agreement with a provider of
78.11 housing support unless all staff members who have direct contact with recipients:

78.12 (1) have skills and knowledge acquired through one or more of the following:

78.13 (i) a course of study in a health- or human services-related field leading to a bachelor
78.14 of arts, bachelor of science, or associate's degree;

78.15 (ii) one year of experience with the target population served;

78.16 (iii) experience as a mental health certified peer specialist according to section 256B.0615;
78.17 or

78.18 (iv) meeting the requirements for unlicensed personnel under sections 144A.43 to
78.19 144A.483;

78.20 (2) hold a current driver's license appropriate to the vehicle driven if transporting
78.21 recipients;

78.22 (3) complete training on vulnerable adults mandated reporting and child maltreatment
78.23 mandated reporting, where applicable; and

78.24 (4) complete housing support orientation training offered by the commissioner.

78.25 Sec. 76. Minnesota Statutes 2022, section 256L.11, subdivision 2, is amended to read:

78.26 Subd. 2. **Payment of certain providers.** Services provided by federally qualified health
78.27 centers, rural health clinics, facilities of the Indian ~~health service~~ Health Service, and certified
78.28 community behavioral health clinics shall be paid for according to the same rates and
78.29 conditions applicable to the same service provided by providers that are not federally
78.30 qualified health centers, rural health clinics, facilities of the Indian ~~health service~~ Health
78.31 Service, or certified community behavioral health clinics. The alternative payment

methodology described under section 256B.0625, subdivision 30, paragraph (1), shall not apply to services delivered under this chapter by federally qualified health centers, rural health clinics, and facilities of the Indian Health ~~Services~~ Service. The prospective payment system for certified behavioral health clinics under section 256B.0625, subdivision 5m, shall not apply to services delivered under this chapter.

Sec. 77. Minnesota Statutes 2022, section 256L.11, subdivision 6a, is amended to read:

Subd. 6a. **Dental providers.** ~~(a) Effective for dental services provided to MinnesotaCare enrollees on or after January 1, 2018, to December 31, 2021, the commissioner shall increase payment rates to dental providers by 54 percent.~~

~~(b)~~ (a) Effective for dental services provided on or after January 1, 2022, payment rates to dental providers shall equal the payment rates described in section 256B.76, subdivision 2.

~~(e)~~ (b) Payments made to prepaid health plans under section 256L.12 shall reflect the payment rates described in this subdivision. The prepaid health plans under contract with the commissioner shall provide payments to dental providers that are at least equal to a rate that includes the payment rate specified in this subdivision, and if applicable to the provider, the rates described under subdivision 7.

Sec. 78. Minnesota Statutes 2022, section 259.12, is amended to read:

259.12 CORRECTIONAL INMATES; NAME CHANGES; LIMITED.

During an inmate's confinement in a correctional facility, as defined in section 241.021, ~~subdivision 1, paragraph (f)~~ subdivision 1i, an inmate may request a name change under section 259.10 only once and may proceed in forma pauperis only when the failure to allow the name change would infringe on a constitutional right of an inmate.

Sec. 79. Minnesota Statutes 2022, section 260B.188, subdivision 1, is amended to read:

Subdivision 1. **Medical aid.** If a child is taken into custody as provided in section 260B.175 and detained in a local juvenile secure detention facility or shelter care facility, or if a child is sentenced by the juvenile court to a local correctional facility as defined in section 241.021, ~~subdivision 1, paragraph (f)~~ subdivision 1i, the child's county of residence shall pay the costs of medical services provided to the child during the period of time the child is residing in the facility. The county of residence is entitled to reimbursement from the child or the child's family for payment of medical bills to the extent that the child or the child's family has the ability to pay for the medical services. If there is a disagreement

between the county and the child or the child's family concerning the ability to pay or whether the medical services were necessary, the court with jurisdiction over the child shall determine the extent, if any, of the child's or the family's ability to pay for the medical services or whether the services are necessary. If the child is covered by health or medical insurance or a health plan when medical services are provided, the county paying the costs of medical services has a right of subrogation to be reimbursed by the insurance carrier or health plan for all amounts spent by it for medical services to the child that are covered by the insurance policy or health plan, in accordance with the benefits, limitations, exclusions, provider restrictions, and other provisions of the policy or health plan. The county may maintain an action to enforce this subrogation right. The county does not have a right of subrogation against the medical assistance program or the MinnesotaCare program.

Sec. 80. Minnesota Statutes 2022, section 270C.445, subdivision 6b, is amended to read:

Subd. 6b. **Exchange of data; Lawyers ~~Board~~ of Professional Responsibility Board.** The Lawyers ~~Board~~ of Professional Responsibility Board may refer to the commissioner complaints it receives about tax preparers who are not subject to its jurisdiction and who are alleged to have violated the provisions of this section, except subdivision 5a, or section 270C.4451.

Sec. 81. Minnesota Statutes 2022, section 270C.445, subdivision 6c, is amended to read:

Subd. 6c. **Exchange of data; commissioner.** The commissioner shall refer information and complaints about tax preparers who are alleged to have violated the provisions of this section, except subdivision 5a, or section 270C.4451, to:

(1) the State Board of Accountancy, if the tax preparer is under its jurisdiction; and

(2) the Lawyers ~~Board~~ of Professional Responsibility Board, if the tax preparer is under its jurisdiction.

Sec. 82. Minnesota Statutes 2022, section 270C.445, subdivision 6d, is amended to read:

Subd. 6d. **Data private.** Information exchanged on individuals under subdivisions 6a to 6c are private data under section 13.02, subdivision 12, until such time as a penalty is imposed as provided in section 326A.08 or by the Lawyers ~~Board~~ of Professional Responsibility Board.

81.1 Sec. 83. Minnesota Statutes 2022, section 270C.446, subdivision 5, is amended to read:

81.2 Subd. 5. **Removal from list.** The commissioner shall remove the name of a tax preparer
81.3 from the list of tax preparers published under this section:

81.4 (1) when the commissioner determines that the name was included on the list in error;

81.5 (2) within three years after the preparer has demonstrated to the commissioner that the
81.6 preparer fully paid all fines and penalties imposed, served any suspension, satisfied any
81.7 sentence imposed, successfully completed any probationary period imposed, and successfully
81.8 completed any remedial actions required by the commissioner, the State Board of
81.9 Accountancy, or the Lawyers ~~Board~~ of Professional Responsibility Board; or

81.10 (3) when the commissioner has been notified that the tax preparer is deceased.

81.11 Sec. 84. Minnesota Statutes 2022, section 272.02, subdivision 97, is amended to read:

81.12 Subd. 97. **Property used in business of mining subject to ~~net~~ gross proceeds tax.** The
81.13 following property used in the business of mining that is subject to the ~~net~~ gross proceeds
81.14 tax under section 298.015 is exempt:

81.15 (1) deposits of ores, metals, and minerals and the lands in which they are contained;

81.16 (2) all real and personal property used in mining, quarrying, producing, or refining ores,
81.17 minerals, or metals, including lands occupied by or used in connection with the mining,
81.18 quarrying, production, or ore refining facilities; and

81.19 (3) concentrate.

81.20 This exemption applies for each year that a person subject to tax under section 298.015
81.21 uses the property for mining, quarrying, producing, or refining ores, metals, or minerals.

81.22 Sec. 85. Minnesota Statutes 2022, section 273.032, is amended to read:

81.23 **273.032 MARKET VALUE DEFINITION.**

81.24 (a) Unless otherwise provided, for the purpose of determining any property tax levy
81.25 limitation based on market value or any limit on net debt, the issuance of bonds, certificates
81.26 of indebtedness, or capital notes based on market value, any qualification to receive state
81.27 aid based on market value, or any state aid amount based on market value, the terms "market
81.28 value," "estimated market value," and "market valuation," whether equalized or unequalized,
81.29 mean the estimated market value of taxable property within the local unit of government
81.30 before any of the following or similar adjustments for:

82.1 (1) the market value exclusions under:

82.2 (i) section 273.11, subdivisions 14a and 14c (vacant platted land);

82.3 ~~(ii) section 273.11, subdivision 16 (certain improvements to homestead property);~~

82.4 ~~(iii)~~ (ii) section 273.11, subdivisions 19 and 20 (certain improvements to business
82.5 properties);

82.6 ~~(iv)~~ (iii) section 273.11, subdivision 21 (homestead property damaged by mold);

82.7 ~~(v)~~ (iv) section 273.13, subdivision 34 (homestead of a veteran with a disability or family
82.8 caregiver); or

82.9 ~~(vi)~~ (v) section 273.13, subdivision 35 (homestead market value exclusion); or

82.10 (2) the deferment of value under:

82.11 (i) the Minnesota Agricultural Property Tax Law, section 273.111;

82.12 (ii) the Aggregate Resource Preservation Law, section 273.1115;

82.13 (iii) the Minnesota Open Space Property Tax Law, section 273.112;

82.14 (iv) the rural preserves property tax program, section 273.114; or

82.15 (v) the Metropolitan Agricultural Preserves Act, section 473H.10; or

82.16 (3) the adjustments to tax capacity for:

82.17 (i) tax increment financing under sections 469.174 to 469.1794;

82.18 (ii) fiscal disparities under chapter 276A or 473F; or

82.19 (iii) powerline credit under section 273.425.

82.20 (b) Estimated market value under paragraph (a) also includes the market value of
82.21 tax-exempt property if the applicable law specifically provides that the limitation,
82.22 qualification, or aid calculation includes tax-exempt property.

82.23 (c) Unless otherwise provided, "market value," "estimated market value," and "market
82.24 valuation" for purposes of property tax levy limitations and calculation of state aid, refer
82.25 to the estimated market value for the previous assessment year and for purposes of limits
82.26 on net debt, the issuance of bonds, certificates of indebtedness, or capital notes refer to the
82.27 estimated market value as last finally equalized.

82.28 (d) For purposes of a provision of a home rule charter or of any special law that is not
82.29 codified in the statutes and that imposes a levy limitation based on market value or any limit
82.30 on debt, the issuance of bonds, certificates of indebtedness, or capital notes based on market

83.1 value, the terms "market value," "taxable market value," and "market valuation," whether
83.2 equalized or unequalized, mean "estimated market value" as defined in paragraph (a).

83.3 Sec. 86. Minnesota Statutes 2022, section 273.121, subdivision 1, is amended to read:

83.4 Subdivision 1. **Notice.** Any county assessor or city assessor having the powers of a
83.5 county assessor, valuing or classifying taxable real property shall in each year notify those
83.6 persons whose property is to be included on the assessment roll that year if the person's
83.7 address is known to the assessor, otherwise the occupant of the property. The notice shall
83.8 be in writing and shall be sent by ordinary mail at least ten days before the meeting of the
83.9 local board of appeal and equalization under section 274.01 or the review process established
83.10 under section 274.13, subdivision 1c. Upon written request by the owner of the property,
83.11 the assessor may send the notice in electronic form or by electronic mail instead of on paper
83.12 or by ordinary mail. It shall contain: (1) the market value for the current and prior
83.13 assessment; ~~(2) the qualifying amount of any improvements under section 273.11,~~
83.14 ~~subdivision 16, for the current assessment, (3) the market value subject to taxation after~~
83.15 ~~subtracting the amount of any qualifying improvements for the current assessment, (4); (3)~~
83.16 ~~the classification of the property for the current and prior assessment, (5); (4) the assessor's~~
83.17 ~~office address; and (6); (5) the dates, places, and times set for the meetings of the local board~~
83.18 ~~of appeal and equalization, the review process established under section 274.13, subdivision~~
83.19 ~~1c, and the county board of appeal and equalization. If the classification of the property has~~
83.20 ~~changed between the current and prior assessments, a specific note to that effect shall be~~
83.21 ~~prominently listed on the statement. The commissioner of revenue shall specify the form~~
83.22 ~~of the notice. The assessor shall attach to the assessment roll a statement that the notices~~
83.23 ~~required by this section have been mailed. Any assessor who is not provided sufficient funds~~
83.24 ~~from the assessor's governing body to provide such notices, may make application to the~~
83.25 ~~commissioner of revenue to finance such notices. The commissioner of revenue shall conduct~~
83.26 ~~an investigation and, if satisfied that the assessor does not have the necessary funds, issue~~
83.27 ~~a certification to the commissioner of management and budget of the amount necessary to~~
83.28 ~~provide such notices. The commissioner of management and budget shall issue a payment~~
83.29 ~~for such amount and shall deduct such amount from any state payment to such county or~~
83.30 ~~municipality. The necessary funds to make such payments are hereby appropriated. Failure~~
83.31 ~~to receive the notice shall in no way affect the validity of the assessment, the resulting tax,~~
83.32 ~~the procedures of any board of review or equalization, or the enforcement of delinquent~~
83.33 ~~taxes by statutory means.~~

84.1 Sec. 87. Minnesota Statutes 2022, section 276.04, subdivision 2, is amended to read:

84.2 Subd. 2. **Contents of tax statements.** (a) The treasurer shall provide for the printing of
84.3 the tax statements. The commissioner of revenue shall prescribe the form of the property
84.4 tax statement and its contents. The tax statement must not state or imply that property tax
84.5 credits are paid by the state of Minnesota. The statement must contain a tabulated statement
84.6 of the dollar amount due to each taxing authority and the amount of the state tax from the
84.7 parcel of real property for which a particular tax statement is prepared. The dollar amounts
84.8 attributable to the county, the state tax, the voter approved school tax, the other local school
84.9 tax, the township or municipality, and the total of the metropolitan special taxing districts
84.10 as defined in section 275.065, subdivision 3, paragraph (i), must be separately stated. The
84.11 amounts due all other special taxing districts, if any, may be aggregated except that any
84.12 levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin,
84.13 Ramsey, Scott, or Washington under chapter 398A shall be listed on a separate line directly
84.14 under the appropriate county's levy. If the county levy under this paragraph includes an
84.15 amount for a lake improvement district as defined under sections 103B.501 to 103B.581,
84.16 the amount attributable for that purpose must be separately stated from the remaining county
84.17 levy amount. In the case of Ramsey County, if the county levy under this paragraph includes
84.18 an amount for public library service under section 134.07, the amount attributable for that
84.19 purpose may be separated from the remaining county levy amount. The amount of the tax
84.20 on homesteads qualifying under the senior citizens' property tax deferral program under
84.21 chapter 290B is the total amount of property tax before subtraction of the deferred property
84.22 tax amount. The amount of the tax on contamination value imposed under sections 270.91
84.23 to 270.98, if any, must also be separately stated. The dollar amounts, including the dollar
84.24 amount of any special assessments, may be rounded to the nearest even whole dollar. For
84.25 purposes of this section whole odd-numbered dollars may be adjusted to the next higher
84.26 even-numbered dollar. ~~The amount of market value excluded under section 273.11,~~
84.27 ~~subdivision 16, if any, must also be listed on the tax statement.~~

84.28 (b) The property tax statements for manufactured homes and sectional structures taxed
84.29 as personal property shall contain the same information that is required on the tax statements
84.30 for real property.

84.31 (c) Real and personal property tax statements must contain the following information
84.32 in the order given in this paragraph. The information must contain the current year tax
84.33 information in the right column with the corresponding information for the previous year
84.34 in a column on the left:

84.35 (1) the property's estimated market value under section 273.11, subdivision 1;

85.1 (2) the property's homestead market value exclusion under section 273.13, subdivision
85.2 35;

85.3 (3) the property's taxable market value under section 272.03, subdivision 15;

85.4 (4) the property's gross tax, before credits;

85.5 (5) for agricultural properties, the credits under sections 273.1384 and 273.1387;

85.6 (6) any credits received under sections 273.119; 273.1234 or 273.1235; 273.135;
85.7 273.1391; 273.1398, subdivision 4; 469.171; and 473H.10, except that the amount of credit
85.8 received under section 273.135 must be separately stated and identified as "taconite tax
85.9 relief"; and

85.10 (7) the net tax payable in the manner required in paragraph (a).

85.11 (d) If the county uses envelopes for mailing property tax statements and if the county
85.12 agrees, a taxing district may include a notice with the property tax statement notifying
85.13 taxpayers when the taxing district will begin its budget deliberations for the current year,
85.14 and encouraging taxpayers to attend the hearings. If the county allows notices to be included
85.15 in the envelope containing the property tax statement, and if more than one taxing district
85.16 relative to a given property decides to include a notice with the tax statement, the county
85.17 treasurer or auditor must coordinate the process and may combine the information on a
85.18 single announcement.

85.19 Sec. 88. Minnesota Statutes 2023 Supplement, section 289A.08, subdivision 7a, is amended
85.20 to read:

85.21 Subd. 7a. **Pass-through entity tax.** (a) For the purposes of this subdivision, the following
85.22 terms have the meanings given:

85.23 (1) "income" has the meaning given in section 290.01, subdivision 19, paragraph (i).
85.24 The income of a resident qualifying owner of a qualifying entity that is a partnership or
85.25 limited liability company taxed as a partnership under the Internal Revenue Code is not
85.26 subject to allocation outside this state as provided for resident individuals under section
85.27 290.17, subdivision 1, paragraph (a). The income of a nonresident qualifying owner of a
85.28 qualifying entity and the income of a resident qualifying owner of a qualifying entity that
85.29 is an S corporation, including a qualified subchapter S subsidiary organized under section
85.30 1361(b)(3)(B) of the Internal Revenue Code, are allocated and assigned to this state as
85.31 provided for nonresident partners and shareholders under sections 290.17, 290.191, and
85.32 290.20;

(2) "qualifying entity" means a partnership, limited liability company taxed as a partnership or S corporation, or S corporation including a qualified subchapter S subsidiary organized under section 1361(b)(3)(B) of the Internal Revenue Code that has at least one qualifying owner. Qualifying entity does not include a publicly traded partnership, as defined in section 7704 of the Internal Revenue Code; and

(3) "qualifying owner" means:

(i) a resident or nonresident individual or estate that is a partner, member, or shareholder of a qualifying entity;

(ii) a resident or nonresident trust that is a shareholder of a qualifying entity that is an S corporation; or

(iii) a disregarded entity that has a qualifying owner as its single owner.

(b) For taxable years beginning after December 31, 2020, a qualifying entity may elect to file a return and pay the pass-through entity tax imposed under paragraph (c). The election:

(1) must be made on or before the due date or extended due date of the qualifying entity's pass-through entity tax return;

(2) must exclude partners, members, shareholders, or owners who are not qualifying owners;

(3) may only be made by qualifying owners who collectively hold more than 50 percent of the ownership interests in the qualifying entity held by qualifying owners;

(4) is binding on all qualifying owners who have an ownership interest in the qualifying entity; and

(5) once made is irrevocable for the taxable year.

(c) Subject to the election in paragraph (b), a pass-through entity tax is imposed on a qualifying entity in an amount equal to the sum of the tax liability of each qualifying owner.

(d) The amount of a qualifying owner's tax liability under paragraph (c) is the amount of the qualifying owner's income multiplied by the highest tax rate for individuals under section 290.06, subdivision 2c. The computation of a qualifying owner's net investment income tax liability must be computed under section 290.033. When making this determination:

(1) nonbusiness deductions, standard deductions, or personal exemptions are not allowed; and

87.1 (2) a credit or deduction is allowed only to the extent allowed to the qualifying owner.

87.2 (e) The amount of each credit and deduction used to determine a qualifying owner's tax
87.3 liability under paragraph (d) must also be used to determine that qualifying owner's income
87.4 tax liability under chapter 290.

87.5 (f) This subdivision does not negate the requirement that a qualifying owner pay estimated
87.6 tax if the qualifying owner's tax liability would exceed the requirements set forth in section
87.7 289A.25. The qualifying owner's liability to pay estimated tax on the qualifying owner's
87.8 tax liability as determined under paragraph (d) is, however, satisfied when the qualifying
87.9 entity pays estimated tax in the manner prescribed in section 289A.25 for composite estimated
87.10 tax.

87.11 (g) A qualifying owner's adjusted basis in the interest in the qualifying entity, and the
87.12 treatment of distributions, is determined as if the election to pay the pass-through entity tax
87.13 under paragraph (b) is not made.

87.14 (h) To the extent not inconsistent with this subdivision, for purposes of this chapter, a
87.15 pass-through entity tax return must be treated as a composite return and a qualifying entity
87.16 filing a pass-through entity tax return must be treated as a partnership filing a composite
87.17 return.

87.18 (i) The provisions of subdivision 17 apply to the election to pay the pass-through entity
87.19 tax under this subdivision.

87.20 (j) If a nonresident qualifying owner of a qualifying entity making the election to file
87.21 and pay the tax under this subdivision has no other Minnesota source income, filing of the
87.22 pass-through entity tax return is a return for purposes of subdivision 1, provided that the
87.23 nonresident qualifying owner must not have any Minnesota source income other than the
87.24 income from the qualifying entity, other electing qualifying entities, and other partnerships
87.25 electing to file a composite return under subdivision 7. If it is determined that the nonresident
87.26 qualifying owner has other Minnesota source income, the inclusion of the income and tax
87.27 liability for that owner under this provision will not constitute a return to satisfy the
87.28 requirements of subdivision 1. The tax paid for the qualifying owner as part of the
87.29 pass-through entity tax return is allowed as a payment of the tax by the qualifying owner
87.30 on the date on which the pass-through entity tax return payment was made.

87.31 (k) Once a credit is claimed by a qualifying owner under section 290.06, subdivision
87.32 40, a qualifying entity cannot receive a refund for tax paid under this subdivision for any
87.33 amounts claimed under that section by the qualifying owners. Once a credit is claimed under

88.1 section 290.06, subdivision 40, any refund must be claimed in conjunction with a return
88.2 filed by the qualifying owner.

88.3 (l) This ~~section~~ subdivision expires at the same time and on the same terms as section
88.4 164(b)(6)(B) of the Internal Revenue Code, except that the expiration of this ~~section~~
88.5 subdivision does not affect the commissioner's authority to audit or power of examination
88.6 and assessments for credits claimed under this section.

88.7 Sec. 89. Minnesota Statutes 2022, section 290.0132, subdivision 15, is amended to read:

88.8 Subd. 15. **Nonresident military service compensation.** For nonresidents of Minnesota,
88.9 compensation paid to a service member as defined in United States Code, title 10, section
88.10 101(a)(5), for military service as defined in United States Code, ~~Appendix~~, title 50, section
88.11 ~~511(2)~~ 3911(2), is a subtraction.

88.12 Sec. 90. Minnesota Statutes 2023 Supplement, section 290.0132, subdivision 32, is amended
88.13 to read:

88.14 Subd. 32. **Delayed net operating loss deduction.** The amount of the sum of each addition
88.15 required in section 290.0131, subdivision 20, for each taxable year, except as otherwise
88.16 provided, less the sum of all amounts subtracted under this subdivision in all prior taxable
88.17 years, that does not exceed 80 percent of federal taxable income as defined in section 290.01,
88.18 subdivision 19, paragraph (b), determined without regard to this subdivision, is a subtraction.
88.19 Any excess is a delayed net operating loss deduction carryforward, the entire amount of
88.20 which must be carried to the earliest taxable year. No subtraction under this subdivision is
88.21 allowed after 20 taxable years from the taxable year in which an operating loss arises. The
88.22 sum of the additions required under section 290.0131, subdivision 20, paragraph (a), are
88.23 aggregated and assigned to the taxable year immediately succeeding the taxable year in
88.24 which the operating loss arises, for purposes of determining the subtraction allowed under
88.25 this subdivision in that succeeding taxable year and the amount carried forward.

88.26 Sec. 91. Minnesota Statutes 2023 Supplement, section 290.067, subdivision 1, is amended
88.27 to read:

88.28 Subdivision 1. **Amount of credit.** (a) A taxpayer may take as a credit against the tax
88.29 due from the taxpayer and a spouse, if any, under this chapter an amount equal to the
88.30 dependent care credit for which the taxpayer is eligible pursuant to the provisions of section
88.31 21 of the Internal Revenue Code except that in determining whether the child qualified as
88.32 a dependent, income received as a Minnesota family investment program grant or allowance

89.1 to or on behalf of the child must not be taken into account in determining whether the child
89.2 received more than half of the child's support from the taxpayer.

89.3 (b) If a child who has not attained the age of six years at the close of the taxable year is
89.4 cared for at a licensed family day care home operated by the child's parent, the taxpayer is
89.5 deemed to have paid employment-related expenses. If the child is 16 months old or younger
89.6 at the close of the taxable year, the amount of expenses deemed to have been paid equals
89.7 the maximum limit for one ~~qualified~~ qualifying individual under section 21(c) and (d) of
89.8 the Internal Revenue Code. If the child is older than 16 months of age but has not attained
89.9 the age of six years at the close of the taxable year, the amount of expenses deemed to have
89.10 been paid equals the amount the licensee would charge for the care of a child of the same
89.11 age for the same number of hours of care.

89.12 (c) If a taxpayer:

89.13 (1) has a child who has not attained the age of one year at the close of the taxable year;
89.14 and

89.15 (2) does not participate in a dependent care assistance program as defined in section 129
89.16 of the Internal Revenue Code, in lieu of the actual employment related expenses paid for
89.17 that child under paragraph (a) or the deemed amount under paragraph (b), the lesser of (i)
89.18 the earned income of the taxpayer or (ii) the amount of the maximum limit for one ~~qualified~~
89.19 qualifying individual under section 21(c) and (d) of the Internal Revenue Code will be
89.20 deemed to be the employment related expense paid for that child. The earned income
89.21 limitation of section 21(d) of the Internal Revenue Code shall not apply to this deemed
89.22 amount. These deemed amounts apply regardless of whether any employment-related
89.23 expenses have been paid.

89.24 (d) If the taxpayer is not required and does not file a federal individual income tax return
89.25 for the tax year, no credit is allowed for any amount paid to any person unless:

89.26 (1) the name, address, and taxpayer identification number of the person are included on
89.27 the return claiming the credit; or

89.28 (2) if the person is an organization described in section 501(c)(3) of the Internal Revenue
89.29 Code and exempt from tax under section 501(a) of the Internal Revenue Code, the name
89.30 and address of the person are included on the return claiming the credit.

89.31 In the case of a failure to provide the information required under the preceding sentence,
89.32 the preceding sentence does not apply if it is shown that the taxpayer exercised due diligence
89.33 in attempting to provide the information required.

(e) In the case of a nonresident, or part-year resident, the credit determined under section 21 of the Internal Revenue Code must be allocated based on the ratio by which the earned income of the claimant and the claimant's spouse from Minnesota sources bears to the total earned income of the claimant and the claimant's spouse.

(f) For residents of Minnesota, the subtractions for military pay under section 290.0132, subdivisions 11 and 12, are not considered "earned income not subject to tax under this chapter."

(g) For residents of Minnesota, the exclusion of combat pay under section 112 of the Internal Revenue Code is not considered "earned income not subject to tax under this chapter."

(h) For taxpayers with federal adjusted gross income in excess of \$52,230, the credit is equal to the lesser of the credit otherwise calculated under this subdivision, or the amount equal to \$600 minus five percent of federal adjusted gross income in excess of \$52,230 for taxpayers with one ~~qualified~~ qualifying individual, or \$1,200 minus five percent of federal adjusted gross income in excess of \$52,230 for taxpayers with two or more ~~qualified~~ qualifying individuals, but in no case is the credit less than zero.

Sec. 92. Minnesota Statutes 2023 Supplement, section 290A.04, subdivision 2h, is amended to read:

Subd. 2h. **Additional refund.** (a) If the gross property taxes payable on a homestead increase more than 12 percent over the property taxes payable in the prior year on the same property that is owned and occupied by the same owner on January 2 of both years, and the amount of that increase is \$100 or more, a claimant who is a homeowner shall be allowed an additional refund equal to 60 percent of the amount of the increase over the greater of 12 percent of the prior year's property taxes payable or \$100. This subdivision shall not apply to any increase in the gross property taxes payable attributable to improvements made to the homestead after the assessment date for the prior year's taxes. ~~This subdivision shall not apply to any increase in the gross property taxes payable attributable to the termination of valuation exclusions under section 273.11, subdivision 16.~~

The maximum refund allowed under this subdivision is \$1,000.

(b) For purposes of this subdivision "gross property taxes payable" means property taxes payable determined without regard to the refund allowed under this subdivision.

91.1 (c) In addition to the other proofs required by this chapter, each claimant under this
91.2 subdivision shall file with the property tax refund return a copy of the property tax statement
91.3 for taxes payable in the preceding year or other documents required by the commissioner.

91.4 (d) Upon request, the appropriate county official shall make available the names and
91.5 addresses of the property taxpayers who may be eligible for the additional property tax
91.6 refund under this section. The information shall be provided electronically. The county may
91.7 recover its costs by charging the person requesting the information the reasonable cost for
91.8 preparing the data. The information may not be used for any purpose other than for notifying
91.9 the homeowner of potential eligibility and assisting the homeowner, without charge, in
91.10 preparing a refund claim.

91.11 Sec. 93. Minnesota Statutes 2022, section 297A.71, subdivision 14, is amended to read:

91.12 Subd. 14. **Mineral production facilities.** Building materials, equipment, and supplies
91.13 used for the construction of the following mineral production facilities are exempt.

91.14 The mineral production facilities that qualify for this exemption are:

91.15 (1) a value added iron products plant, which may be either a new plant or a facility
91.16 incorporated into an existing plant that produces iron upgraded to a minimum of 75 percent
91.17 iron content or any iron alloy with a total minimum metallic content of 90 percent;

91.18 (2) a facility used for the manufacture of fluxed taconite pellets as defined in section
91.19 298.24;

91.20 (3) a new capital project that has a total cost of over \$40,000,000 that is directly related
91.21 to production, cost, or quality at an existing taconite facility that does not qualify under
91.22 clause (1) or (2); and

91.23 (4) a new mine or minerals processing plant for any mineral subject to the ~~net~~ gross
91.24 proceeds tax imposed under section 298.015.

91.25 The tax must be imposed and collected as if the rate under section 297A.62, subdivision
91.26 1, applied, and then refunded in the manner provided in section 297A.75.

91.27 Sec. 94. Minnesota Statutes 2023 Supplement, section 297A.71, subdivision 44, is amended
91.28 to read:

91.29 Subd. 44. **Building materials, capital projects.** (a) Materials and supplies used or
91.30 consumed in and equipment incorporated into the construction or improvement of a capital

92.1 project funded partially or wholly under section 297A.9905 are exempt, provided that the
92.2 project has a total construction cost of at least \$40,000,000 within a 24-month period.

92.3 (b) Materials and supplies used or consumed in and equipment incorporated into the
92.4 construction, remodeling, expansion, or improvement of an ice arena or other buildings or
92.5 facilities owned and operated by the city of Plymouth are exempt. For purposes of this
92.6 paragraph, "facilities" include municipal streets and facilities associated with streets including
92.7 but not limited to lighting, curbs and gutters, and sidewalks. The total amount of refund on
92.8 all building materials, supplies, and equipment that the city may apply for under this
92.9 paragraph is \$2,500,000.

92.10 (c) The tax on purchases exempt under paragraph (a) and paragraph (b) must be imposed
92.11 and collected as if the rate under section 297A.62, subdivision 1, applied and then refunded
92.12 in the manner provided in section 297A.75. ~~Notwithstanding section 289A.40, the city of~~
92.13 ~~Plymouth must file for refund by December 31, 2017, for sales tax paid on all eligible~~
92.14 ~~purchases under paragraph (b) made prior to December 31, 2015.~~

92.15 Sec. 95. Minnesota Statutes 2022, section 297A.75, subdivision 1, is amended to read:

92.16 Subdivision 1. **Tax collected.** The tax on the gross receipts from the sale of the following
92.17 exempt items must be imposed and collected as if the sale were taxable and the rate under
92.18 section 297A.62, subdivision 1, applied. The exempt items include:

92.19 (1) building materials for an agricultural processing facility exempt under section
92.20 297A.71, subdivision 13;

92.21 (2) building materials for mineral production facilities exempt under section 297A.71,
92.22 subdivision 14;

92.23 (3) building materials for correctional facilities under section 297A.71, subdivision 3;

92.24 (4) building materials used in a residence for veterans with a disability exempt under
92.25 section 297A.71, subdivision 11;

92.26 (5) elevators and building materials exempt under section 297A.71, subdivision 12;

92.27 (6) materials and supplies for qualified low-income housing under section 297A.71,
92.28 subdivision 23;

92.29 (7) materials, supplies, and equipment for municipal electric utility facilities under
92.30 section 297A.71, subdivision 35;

93.1 (8) equipment and materials used for the generation, transmission, and distribution of
 93.2 electrical energy and an aerial camera package exempt under section 297A.68, subdivision
 93.3 37;

93.4 (9) commuter rail vehicle and repair parts under section 297A.70, subdivision 3, paragraph
 93.5 (a), clause (10);

93.6 (10) materials, supplies, and equipment for construction or improvement of projects and
 93.7 facilities under section 297A.71, subdivision 40;

93.8 ~~(11) materials, supplies, and equipment for construction, improvement, or expansion of~~
 93.9 ~~a biopharmaceutical manufacturing facility exempt under section 297A.71, subdivision 45;~~

93.10 ~~(12)~~ (11) enterprise information technology equipment and computer software for use
 93.11 in a qualified data center exempt under section 297A.68, subdivision 42;

93.12 ~~(13)~~ (12) materials, supplies, and equipment for qualifying capital projects under section
 93.13 297A.71, subdivision 44, paragraph (a), clause (1), and paragraph (b);

93.14 ~~(14)~~ (13) items purchased for use in providing critical access dental services exempt
 93.15 under section 297A.70, subdivision 7, paragraph (c);

93.16 ~~(15)~~ (14) items and services purchased under a business subsidy agreement for use or
 93.17 consumption primarily in greater Minnesota exempt under section 297A.68, subdivision
 93.18 44;

93.19 ~~(16)~~ (15) building materials, equipment, and supplies for constructing or replacing real
 93.20 property exempt under section 297A.71, subdivisions 49; 50, paragraph (b); and 51;

93.21 ~~(17)~~ (16) building materials, equipment, and supplies for qualifying capital projects
 93.22 under section 297A.71, subdivision 52; and

93.23 ~~(18)~~ (17) building materials, equipment, and supplies for constructing, remodeling,
 93.24 expanding, or improving a fire station, police station, or related facilities exempt under
 93.25 section 297A.71, subdivision 53.

93.26 Sec. 96. Minnesota Statutes 2022, section 297A.75, subdivision 2, is amended to read:

93.27 Subd. 2. **Refund; eligible persons.** Upon application on forms prescribed by the
 93.28 commissioner, a refund equal to the tax paid on the gross receipts of the exempt items must
 93.29 be paid to the applicant. Only the following persons may apply for the refund:

93.30 (1) for subdivision 1, clauses (1), (2), and ~~(14)~~ (13), the applicant must be the purchaser;

93.31 (2) for subdivision 1, clause (3), the applicant must be the governmental subdivision;

94.1 (3) for subdivision 1, clause (4), the applicant must be the recipient of the benefits
94.2 provided in United States Code, title 38, chapter 21;

94.3 (4) for subdivision 1, clause (5), the applicant must be the owner of the homestead
94.4 property;

94.5 (5) for subdivision 1, clause (6), the owner of the qualified low-income housing project;

94.6 (6) for subdivision 1, clause (7), the applicant must be a municipal electric utility or a
94.7 joint venture of municipal electric utilities;

94.8 (7) for subdivision 1, clauses (8), (11), ~~(12)~~, and ~~(15)~~ (14), the owner of the qualifying
94.9 business;

94.10 (8) for subdivision 1, clauses (9), (10), ~~(13)~~, ~~(17)~~ (12), (16), and ~~(18)~~ (17), the applicant
94.11 must be the governmental entity that owns or contracts for the project or facility; and

94.12 (9) for subdivision 1, clause ~~(16)~~ (15), the applicant must be the owner or developer of
94.13 the building or project.

94.14 Sec. 97. Minnesota Statutes 2022, section 297A.75, subdivision 3, is amended to read:

94.15 Subd. 3. **Application.** (a) The application must include sufficient information to permit
94.16 the commissioner to verify the tax paid. If the tax was paid by a contractor, subcontractor,
94.17 or builder, under subdivision 1, clauses (3) to ~~(13)~~ (12) or ~~(15)~~ to ~~(18)~~ (14) to (17), the
94.18 contractor, subcontractor, or builder must furnish to the refund applicant a statement including
94.19 the cost of the exempt items and the taxes paid on the items unless otherwise specifically
94.20 provided by this subdivision. The provisions of sections 289A.40 and 289A.50 apply to
94.21 refunds under this section.

94.22 (b) An applicant may not file more than two applications per calendar year for refunds
94.23 for taxes paid on capital equipment exempt under section 297A.68, subdivision 5.

94.24 Sec. 98. Minnesota Statutes 2023 Supplement, section 299C.10, subdivision 1, is amended
94.25 to read:

94.26 Subdivision 1. **Required fingerprinting.** (a) Sheriffs, peace officers, and community
94.27 corrections agencies operating secure juvenile detention facilities shall take or cause to be
94.28 taken immediately fingerprints and thumbprints, photographs, distinctive physical mark
94.29 identification data, information on any known aliases or street names, and other identification
94.30 data requested or required by the superintendent of the bureau, of the following:

95.1 (1) persons arrested for, appearing in court on a charge of, or convicted of a felony, gross
95.2 misdemeanor, or targeted misdemeanor;

95.3 (2) juveniles arrested for, appearing in court on a charge of, adjudicated delinquent for,
95.4 or alleged to have committed felonies or gross misdemeanors as distinguished from those
95.5 committed by adult offenders;

95.6 (3) adults and juveniles admitted to jails or detention facilities;

95.7 (4) persons reasonably believed by the arresting officer to be fugitives from justice;

95.8 (5) persons in whose possession, when arrested, are found concealed firearms or other
95.9 dangerous weapons, burglar tools or outfits, high-power explosives, or articles, machines,
95.10 or appliances usable for an unlawful purpose and reasonably believed by the arresting officer
95.11 to be intended for such purposes;

95.12 (6) juveniles referred by a law enforcement agency to a diversion program for a felony
95.13 or gross misdemeanor offense; and

95.14 (7) persons currently involved in the criminal justice process, on probation, on parole,
95.15 or in custody for any offense whom the superintendent of the bureau identifies as being the
95.16 subject of a court disposition record which cannot be linked to an arrest record, and whose
95.17 fingerprints are necessary to reduce the number of suspense files, or to comply with the
95.18 mandates of section 299C.111, relating to the reduction of the number of suspense files.
95.19 This duty to obtain fingerprints for the offenses in suspense at the request of the bureau
95.20 shall include the requirement that fingerprints be taken in post-arrest interviews, while
95.21 making court appearances, while in custody, or while on any form of probation, diversion,
95.22 or supervised release.

95.23 (b) Unless the superintendent of the bureau requires a shorter period, within 24 hours
95.24 of taking the fingerprints and data, the fingerprint records and other identification data
95.25 specified under paragraph (a) must be electronically entered into a bureau-managed
95.26 searchable database in a manner as may be prescribed by the superintendent.

95.27 (c) Prosecutors, courts, and probation officers and their agents, employees, and
95.28 subordinates shall attempt to ensure that the required identification data is taken on a person
95.29 described in paragraph (a). Law enforcement may take fingerprints of an individual who is
95.30 presently on probation.

95.31 (d) Fingerprints and thumbprints must be obtained no later than:

95.32 (1) release from booking; or

(2) if not booked prior to acceptance of a plea of guilty or not guilty.

Prior to acceptance of a plea of guilty or not guilty, an individual's finger and thumb prints must be submitted to the Bureau of Criminal Apprehension for the offense. If finger and thumb prints have not been successfully received by the bureau, an individual may, upon order of the court, be taken into custody for no more than eight hours so that the taking of prints can be completed. Upon notice and motion of the prosecuting attorney, this time period may be extended upon a showing that additional time in custody is essential for the successful taking of prints.

(e) For purposes of this section, a targeted misdemeanor is a misdemeanor violation of section 169A.20 (driving while impaired), 518B.01 (order for protection violation), 609.224 (fifth-degree assault), 609.2242 (domestic assault), 609.746 (interference with privacy), 609.748 (harassment or restraining order violation), ~~609.749~~ 609.79 (obscene or harassing telephone calls), 617.23 (indecent exposure), or 629.75 (domestic abuse no contact order).

Sec. 99. Minnesota Statutes 2022, section 299K.09, subdivision 1, is amended to read:

Subdivision 1. **Fees.** The commission shall adopt rules setting the following fees:

(1) a material safety data sheet fee to be paid by a facility when it submits material safety data sheets in lieu of a hazardous chemical report form as required under section 11021 of the federal act;

(2) a fee to be paid annually by a facility when the owner or operator submits its emergency and hazardous chemical inventory form, required under section 11022 of the federal act, ~~for calendar year 1990 and annually afterwards~~; and

(3) a late fee to be paid by a facility that fails to pay a fee under clause (1) or (2) in a timely manner, not to exceed 200 percent of the original fee.

Sec. 100. Minnesota Statutes 2022, section 326B.164, subdivision 5, is amended to read:

Subd. 5. **Registered unlicensed elevator constructor.** (a) An unlicensed individual shall not perform elevator work, unless the individual has first registered with the department as an unlicensed elevator constructor. Except as allowed by subdivision ~~12~~ 13, a registered unlicensed elevator constructor shall not perform elevator work unless the work is performed under the direct supervision of an individual actually licensed to perform such work. The licensed elevator constructor and the registered unlicensed elevator constructor must be employed by the same employer. Unlicensed individuals shall not supervise the performance of elevator work or make assignments of elevator work to unlicensed individuals. Licensed

97.1 elevator constructors shall provide direct supervision for no more than two registered
97.2 unlicensed elevator constructors.

97.3 (b) Notwithstanding any other provision of this section, no individual other than a master
97.4 elevator constructor or limited master elevator constructor shall plan or lay out elevator
97.5 wiring, apparatus, or equipment.

97.6 (c) Contractors employing registered unlicensed elevator constructors performing elevator
97.7 work shall maintain records establishing compliance with this subdivision that shall identify
97.8 all unlicensed individuals performing elevator work and shall permit the department to
97.9 examine and copy all such records.

97.10 (d) When a licensed elevator constructor supervises the elevator work of an unlicensed
97.11 individual, the licensed elevator constructor is responsible for ensuring that the elevator
97.12 work complies with this section and the Minnesota Elevator Code.

97.13 (e) A registered unlicensed elevator constructor with a minimum of one year experience
97.14 may perform the following maintenance tasks for elevator equipment without being provided
97.15 with direct supervision: oiling, cleaning, greasing, painting, relamping, and replacing of
97.16 escalator and moving walk comb teeth.

97.17 Sec. 101. Minnesota Statutes 2023 Supplement, section 326B.164, subdivision 13, is
97.18 amended to read:

97.19 Subd. 13. **Exemption from licensing.** (a) Employees of a licensed elevator contractor
97.20 or licensed limited elevator contractor are not required to hold or obtain a license under this
97.21 section or be provided with direct supervision by a licensed master elevator constructor,
97.22 licensed limited master elevator constructor, licensed elevator constructor, or licensed limited
97.23 elevator constructor to install, maintain, or repair platform lifts and stairway chairlifts.
97.24 Unlicensed employees performing elevator work under this exemption must comply with
97.25 subdivision 5 6. This exemption does not include the installation, maintenance, repair, or
97.26 replacement of electrical wiring for elevator equipment.

97.27 (b) Contractors or individuals shall not be required to hold or obtain a license under this
97.28 section when performing work on:

97.29 (1) conveyors, excluding vertical reciprocating conveyors;

97.30 (2) platform lifts not covered under section 326B.163, subdivision 5a; or

97.31 (3) dock levelers.

98.1 Sec. 102. Minnesota Statutes 2022, section 353.6511, subdivision 5, is amended to read:

98.2 Subd. 5. **Surviving dependent child benefit.** A surviving dependent child under section
98.3 353.01, subdivision ~~15a~~ 15, of a deceased member described in subdivision 1 is entitled to
98.4 a surviving child benefit equal to eight units.

98.5 Sec. 103. Minnesota Statutes 2022, section 353.6512, subdivision 5, is amended to read:

98.6 Subd. 5. **Surviving dependent child benefit.** A surviving dependent child under section
98.7 353.01, subdivision ~~15a~~ 15, of a deceased member described in subdivision 1 is entitled to
98.8 a surviving child benefit equal to eight units.

98.9 Sec. 104. Minnesota Statutes 2022, section 462.357, subdivision 7, is amended to read:

98.10 Subd. 7. **Permitted single family use.** A state licensed residential facility ~~or a housing~~
98.11 ~~with services establishment registered under chapter 144D, including an assisted living~~
98.12 facility under chapter 144G, serving six or fewer persons, a licensed day care facility serving
98.13 12 or fewer persons, and a group family day care facility licensed under Minnesota Rules,
98.14 parts 9502.0315 to 9502.0445 to serve 14 or fewer children shall be considered a permitted
98.15 single family residential use of property for the purposes of zoning, except that a residential
98.16 facility whose primary purpose is to treat juveniles who have violated criminal statutes
98.17 relating to sex offenses or have been adjudicated delinquent on the basis of conduct in
98.18 violation of criminal statutes relating to sex offenses shall not be considered a permitted
98.19 use.

98.20 Sec. 105. Minnesota Statutes 2022, section 504B.178, subdivision 2, is amended to read:

98.21 Subd. 2. **Interest.** Any deposit of money shall not be considered received in a fiduciary
98.22 capacity within the meaning of section 82.55, subdivision 26, but shall be held by the
98.23 landlord for the tenant who is party to the agreement and shall bear simple noncompounded
98.24 interest at the rate of ~~three percent per annum until August 1, 2003, and one percent per~~
98.25 ~~annum thereafter~~, computed from the first day of the next month following the full payment
98.26 of the deposit to the last day of the month in which the landlord, in good faith, complies
98.27 with the requirements of subdivision 3 or to the date upon which judgment is entered in any
98.28 civil action involving the landlord's liability for the deposit, whichever date is earlier. Any
98.29 interest amount less than \$1 shall be excluded from the provisions of this section.

99.1 Sec. 106. Minnesota Statutes 2023 Supplement, section 609.185, is amended to read:

99.2 **609.185 MURDER IN THE FIRST DEGREE.**

99.3 (a) Whoever does any of the following is guilty of murder in the first degree and shall
99.4 be sentenced to imprisonment for life:

99.5 (1) causes the death of a human being with premeditation and with intent to effect the
99.6 death of the person or of another;

99.7 (2) causes the death of a human being while committing or attempting to commit criminal
99.8 sexual conduct in the first or second degree with force or violence, either upon or affecting
99.9 the person or another;

99.10 (3) causes the death of a human being with intent to effect the death of the person or
99.11 another, while committing or attempting to commit burglary, aggravated robbery, carjacking
99.12 in the first or second degree, kidnapping, arson in the first or second degree, a drive-by
99.13 shooting, tampering with a witness in the first degree, escape from custody, or any felony
99.14 violation of chapter 152 involving the unlawful sale of a controlled substance;

99.15 (4) causes the death of a peace officer, prosecuting attorney, judge, or a guard employed
99.16 at a Minnesota state or local correctional facility, with intent to effect the death of that person
99.17 or another, while the person is engaged in the performance of official duties;

99.18 (5) causes the death of a minor while committing child abuse, when the perpetrator has
99.19 engaged in a past pattern of child abuse upon a child and the death occurs under
99.20 circumstances manifesting an extreme indifference to human life;

99.21 (6) causes the death of a human being while committing domestic abuse, when the
99.22 perpetrator has engaged in a past pattern of domestic abuse upon the victim or upon another
99.23 family or household member and the death occurs under circumstances manifesting an
99.24 extreme indifference to human life; or

99.25 (7) causes the death of a human being while committing, conspiring to commit, or
99.26 attempting to commit a felony crime to further terrorism and the death occurs under
99.27 circumstances manifesting an extreme indifference to human life.

99.28 (b) For the purposes of paragraph (a), clause (4), "prosecuting attorney" has the meaning
99.29 given in section 609.221, ~~subdivision 2, paragraph (c), clause (4)~~ subdivision 6, clause (4).

99.30 (c) For the purposes of paragraph (a), clause (4), "judge" has the meaning given in section
99.31 609.221, ~~subdivision 2, paragraph (c), clause (5)~~ subdivision 6, clause (5).

(d) For purposes of paragraph (a), clause (5), "child abuse" means an act committed against a minor victim that constitutes a violation of the following laws of this state or any similar laws of the United States or any other state: section 609.221; 609.222; 609.223; 609.224; 609.2242; 609.342; 609.343; 609.344; 609.345; 609.377; 609.378; or 609.713.

(e) For purposes of paragraph (a), clause (6), "domestic abuse" means an act that:

(1) constitutes a violation of section 609.221, 609.222, 609.223, 609.224, 609.2242, 609.342, 609.343, 609.344, 609.345, 609.713, or any similar laws of the United States or any other state; and

(2) is committed against the victim who is a family or household member as defined in section 518B.01, subdivision 2, paragraph (b).

(f) For purposes of paragraph (a), clause (7), "further terrorism" has the meaning given in section 609.714, subdivision 1.

Sec. 107. Minnesota Statutes 2022, section 609.2231, subdivision 3, is amended to read:

Subd. 3. **Correctional employees; prosecuting attorneys; judges; probation officers.** Whoever commits either of the following acts against an employee of a correctional facility as defined in section 241.021, ~~subdivision 1, paragraph (f)~~ subdivision 1i, against a prosecuting attorney as defined in section 609.221, ~~subdivision 2, paragraph (e), clause (4)~~ subdivision 6, clause (4), against a judge as defined in section 609.221, ~~subdivision 2, paragraph (e), clause (5)~~ subdivision 6, clause (5), or against a probation officer or other qualified person employed in supervising offenders while the person is engaged in the performance of a duty imposed by law, policy, or rule is guilty of a felony and may be sentenced to imprisonment for not more than two years or to payment of a fine of not more than \$4,000, or both:

(1) assaults the person and inflicts demonstrable bodily harm; or

(2) intentionally throws or otherwise transfers bodily fluids or feces at or onto the person.

Sec. 108. Minnesota Statutes 2022, section 609.596, subdivision 3, is amended to read:

Subd. 3. **Definitions.** As used in this section:

(1) "arson dog" means a dog that has been certified as an arson dog by a state fire or police agency or by an independent testing laboratory;

(2) "correctional facility" has the meaning given in section 241.021, ~~subdivision 1, paragraph (f)~~ subdivision 1i;

101.1 (3) "peace officer" has the meaning given in section 626.84, subdivision 1, paragraph
101.2 (c); and

101.3 (4) "search and rescue dog" means a dog that is trained to locate lost or missing persons,
101.4 victims of natural or other disasters, and human bodies.

101.5 Sec. 109. Minnesota Statutes 2022, section 609.748, subdivision 1, is amended to read:

101.6 Subdivision 1. **Definition.** For the purposes of this section, the following terms have
101.7 the meanings given them in this subdivision.

101.8 (a) "Harassment" includes:

101.9 (1) a single incident of physical or sexual assault, a single incident of harassment under
101.10 section 609.749, subdivision 2, paragraph (c), clause (8), a single incident of nonconsensual
101.11 dissemination of private sexual images under section 617.261, or repeated incidents of
101.12 intrusive or unwanted acts, words, or gestures that have a substantial adverse effect or are
101.13 intended to have a substantial adverse effect on the safety, security, or privacy of another,
101.14 regardless of the relationship between the actor and the intended target;

101.15 (2) targeted residential picketing; and

101.16 (3) a pattern of attending public events after being notified that the actor's presence at
101.17 the event is harassing to another.

101.18 (b) "Respondent" includes any adults or juveniles alleged to have engaged in harassment
101.19 or organizations alleged to have sponsored or promoted harassment.

101.20 (c) "Targeted residential picketing" includes the following acts when committed on more
101.21 than one occasion:

101.22 (1) marching, standing, or patrolling by one or more persons directed solely at a particular
101.23 residential building in a manner that adversely affects the safety, security, or privacy of an
101.24 occupant of the building; or

101.25 (2) marching, standing, or patrolling by one or more persons which prevents an occupant
101.26 of a residential building from gaining access to or exiting from the property on which the
101.27 residential building is located.

101.28 Sec. 110. Minnesota Statutes 2023 Supplement, section 624.7178, subdivision 4, is amended
101.29 to read:

101.30 Subd. 4. **Liability protection for mental health professionals.** A mental health
101.31 professional who provides notice to the sheriff under section ~~626.7171~~ 624.7171, subdivision

102.1 5, is immune from monetary liability and no cause of action, or disciplinary action by the
102.2 person's licensing board may arise against the mental health professional for disclosure of
102.3 confidences to the sheriff, for failure to disclose confidences to the sheriff, or for erroneous
102.4 disclosure of confidences to the sheriff in a good faith effort to warn against or take
102.5 precautions against a client's violent behavior or threat of suicide.

102.6 Sec. 111. Laws 2023, chapter 41, article 1, section 2, subdivision 49, is amended to read:

102.7 Subd. 49. North Star Promise	-0-	117,226,000
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102.8 \$117,226,000 the second year is transferred
102.9 from the general fund to the account in the
102.10 special revenue fund under Minnesota
102.11 Statutes, section 136A.1465, subdivision ~~6~~ 8.
102.12 The base for the transfer is \$49,500,000 in
102.13 fiscal year 2026 and thereafter.

102.14 Sec. 112. Laws 2023, chapter 57, article 1, section 4, subdivision 2, is amended to read:

102.15 Subd. 2. Excessive Price Increases to Generic		
102.16 Drugs	549,000	549,000

102.17 \$549,000 each year is for the duties under
102.18 Minnesota Statutes, sections 62J.841 to
102.19 ~~64J.845~~ 62J.95.

102.20 Sec. 113. Laws 2023, chapter 70, article 15, section 10, subdivision 4, is amended to read:

102.21 Subd. 4. **Integrated services for children and families.** (a) Any amount appropriated
102.22 for this subdivision is to stabilize and update legacy information technology systems,
102.23 modernize systems, and develop a plan for the future of information technology systems
102.24 for the programs that serve children and families. Outcomes to be achieved include:

102.25 (1) reducing unscheduled downtime on Social Services Information System by at least
102.26 20 percent;

102.27 (2) completing the transition of automated child support systems from mainframe
102.28 technology to a web-based environment;

102.29 (3) making information received regarding an individual's eligibility for benefits easier
102.30 to understand;

(4) enhancing the child support participant portal to provide additional options for uploading and updating information, making payments, exchanging data securely, and providing other features requested by users of the portal; and

(5) other outcomes identified by the commissioner under subdivision 2, paragraph (b).

(b) The commissioner must contract with an independent consultant to perform a thorough evaluation of the SSIS, which supports the child protection system in Minnesota. The consultant must make recommendations for improving the current system for usability, system performance, and federal Comprehensive Child Welfare Information System compliance and must address technical problems and identify any unnecessary or unduly burdensome data entry requirements that have contributed to system capacity issues. The consultant must assist the commissioner with selecting a platform for future development of an information technology system for child protection.

(c) The commissioner of human services must conduct a study and develop recommendations to streamline and reduce SSIS data entry requirements for child protection cases. The study must be completed in partnership with local social services agencies and others, as determined by the commissioner. The study must review all input fields required on current reporting forms and determine which input fields and information are required under state or federal law. By June 30, 2024, the commissioner must provide a status report and an implementation timeline to the chairs and ranking minority members of the legislative committees with jurisdiction over child protection. The status report must include information about procedures for soliciting ongoing user input from stakeholders, progress on solicitation and hiring of a consultant to conduct the system evaluation required under paragraph ~~(a)~~ (b), and a report on the progress and completed efforts to streamline data entry requirements and improve user experience.

Sec. 114. Laws 2023, chapter 70, article 15, section 12, is amended to read:

Sec. 12. EFFECTIVE DATE CHANGES.

(a) The effective date for 2023 S.F. No. 2934, article 3, section ~~5~~ 3, if enacted during the 2023 regular legislative session, is January 1, 2024, or upon federal approval, whichever occurs later, except that paragraph (a), clause (6), is effective the day following final enactment. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained. This paragraph prevails over any contrary effective date for 2023 S.F. No. 2934, article 3, section ~~5~~ 3, enacted during the 2023 regular legislative session, regardless of order of enactment.

(b) The effective date for 2023 S.F. No. 2934, article 5, section 10, if enacted during the 2023 regular legislative session, is the day following final enactment, except for paragraph (p), which is effective retroactive to June 30, 2022. This paragraph prevails over any contrary effective date for 2023 S.F. No. 2934, article 5, section 10, enacted during the 2023 regular legislative session, regardless of order of enactment.

(c) The effective date for 2023 S.F. No. 2934, article 5, section 11, if enacted during the 2023 regular legislative session, is the day following final enactment, except for paragraph (g), which is effective retroactive to June 30, 2022. This paragraph prevails over any contrary effective date for 2023 S.F. No. 2934, article 5, section 11, enacted during the 2023 regular legislative session, regardless of order of enactment.

Sec. 115. **REPEALER.**

Subdivision 1. Conflict resolution. Laws 2023, chapter 53, article 11, section 31, is repealed.

Subd. 2. Conflict resolution. Laws 2023, chapter 55, article 1, section 2, is repealed.

Subd. 3. Conflict resolution. Laws 2023, chapter 55, article 7, section 6, is repealed.

Subd. 4. Conflict resolution. Laws 2023, chapter 16, section 36, is repealed.

Subd. 5. Conflict resolution. Laws 2023, chapter 57, article 2, section 39, is repealed.

Subd. 6. Conflict resolution. Laws 2023, chapter 60, article 7, section 8, is repealed.

Subd. 7. Obsolete subdivision. Minnesota Statutes 2022, section 13.6435, subdivision 8, is repealed.

Subd. 8. Obsolete provisions. (a) Minnesota Statutes 2022, section 273.11, subdivision 16, is repealed.

(b) Minnesota Statutes 2022, section 16A.727, is repealed.

(c) Minnesota Statutes 2022, section 297A.71, subdivision 45, is repealed.

Subd. 9. Conflict resolution. Laws 2023, chapter 63, article 7, section 3, is repealed.

Subd. 10. Conflict resolution. Laws 2023, chapter 63, article 7, section 1, is repealed.

Subd. 11. Expired report. Minnesota Statutes 2022, section 256.021, subdivision 3, is repealed.

EFFECTIVE DATE. Subdivisions 9 and 10 are effective March 1, 2025.

105.1

Sec. 116. **SUPERSEDING ACTS.**

105.2

Any amendments or repeals enacted in the 2024 session of the legislature to sections

105.3

also amended or repealed in this act supersede the amendments or repeals in this act,

105.4

regardless of order of enactment.

13.6435 AGRICULTURAL DATA CODED ELSEWHERE.

Subd. 8. **Dairy products.** Financial and production information obtained by the commissioner of agriculture to administer chapter 32D are classified under section 32D.25, subdivision 2.

16A.727 BACKUP REVENUES; FOOTBALL STADIUM FUNDING.

(a) If the commissioner of management and budget determines that the amount of revenues under section 297E.021, subdivision 2, for the next fiscal year, plus \$20,000,000, will be less than the amounts specified in section 297E.021, subdivision 3, clause (1), items (i) to (iii), for that fiscal year, the commissioner may implement the revenue options authorized in Laws 2012, chapter 299, article 6; provided that this section does not constitute a pledge of tax revenues as security for the payment of principal and interest on appropriation bonds issued under section 16A.965. If the commissioner determines to exercise the authority under this section for a fiscal year, the commissioner must implement the revenue options, as necessary, in the following order:

- (1) a sports-themed lottery game under section 349A.20; and
- (2) a tax on suites as provided under section 473J.14.

(b) Revenue raised under the authority granted by this section must be deposited in the general fund.

(c) If the commissioner determines to implement one or more of the revenue options authorized by this section, each subsequent year the commissioner must determine if the revenue is needed and will be imposed and collected for the next fiscal year. If the commissioner determines that one or more revenue options implemented for a fiscal year are not needed for a subsequent fiscal year, the commissioner must terminate them in the reverse order they were required to be implemented by paragraph (a) with the last option implemented terminated first and so forth.

(d) Before implementing a revenue source authorized under this section, the commissioner must report the intent to do so to the Legislative Commission on Planning and Fiscal Policy. The commissioner must inform the commission of determinations to continue or discontinue each revenue source for a subsequent fiscal year.

(e) The provisions of this section no longer apply after the Minnesota Sports Facilities Authority certifies to the commissioner that it has determined that the revenues of the general fund under section 297A.994, the increased revenues under chapter 297E, and other available resources of the authority provide adequate financial security for the state and the authority.

256.021 VULNERABLE ADULT MALTREATMENT REVIEW PANEL.

Subd. 3. **Report.** (a) By January 15 of each year, the panel shall submit a report to the committees of the legislature with jurisdiction over section 626.557 regarding the number of requests for review it receives under this section, the number of cases where the panel requires the lead investigative agency to reconsider its final disposition, and the number of cases where the final disposition is changed, and any recommendations to improve the review or investigative process.

(b) This subdivision expires January 1, 2024.

273.11 VALUATION OF PROPERTY.

Subd. 16. **Valuation exclusion for certain improvements.** (a) Improvements to homestead property made before January 2, 2003, shall be fully or partially excluded from the value of the property for assessment purposes provided that (1) the house is at least 45 years old at the time of the improvement and (2) the assessor's estimated market value of the house on January 2 of the current year is equal to or less than \$400,000.

(b) For purposes of determining this eligibility, "house" means land and buildings.

(c) The age of a residence is the number of years since the original year of its construction. In the case of a residence that is relocated, the relocation must be from a location within the state and the only improvements eligible for exclusion under this subdivision are (1) those for which building permits were issued to the homeowner after the residence was relocated to its present site, and (2) those undertaken during or after the year the residence is initially occupied by the homeowner, excluding any market value increase relating to basic improvements that are necessary to install the residence on its foundation and connect it to utilities at its present site. In the case of an owner-occupied duplex or triplex, the improvement is eligible regardless of which portion of the property was improved.

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(d) If the property lies in a jurisdiction which is subject to a building permit process, a building permit must have been issued prior to commencement of the improvement. The improvements for a single project or in any one year must add at least \$5,000 to the value of the property to be eligible for exclusion under this subdivision. Only improvements to the structure which is the residence of the qualifying homesteader or construction of or improvements to no more than one two-car garage per residence qualify for the provisions of this subdivision. If an improvement was begun between January 2, 1992, and January 2, 1993, any value added from that improvement for the January 1994 and subsequent assessments shall qualify for exclusion under this subdivision provided that a building permit was obtained for the improvement between January 2, 1992, and January 2, 1993. Whenever a building permit is issued for property currently classified as homestead, the issuing jurisdiction shall notify the property owner of the possibility of valuation exclusion under this subdivision. The assessor shall require an application, including documentation of the age of the house from the owner, if unknown by the assessor. The application may be filed subsequent to the date of the building permit provided that the application must be filed within three years of the date the building permit was issued for the improvement. If the property lies in a jurisdiction which is not subject to a building permit process, the application must be filed within three years of the date the improvement was made. The assessor may require proof from the taxpayer of the date the improvement was made. Applications must be received prior to July 1 of any year in order to be effective for taxes payable in the following year.

No exclusion for an improvement may be granted by a local board of review or county board of equalization, and no abatement of the taxes for qualifying improvements may be granted by the county board unless (1) a building permit was issued prior to the commencement of the improvement if the jurisdiction requires a building permit, and (2) an application was completed.

(e) The assessor shall note the qualifying value of each improvement on the property's record, and the sum of those amounts shall be subtracted from the value of the property in each year for ten years after the improvement has been made. After ten years the amount of the qualifying value shall be added back as follows:

(1) 50 percent in the two subsequent assessment years if the qualifying value is equal to or less than \$10,000 market value; or

(2) 20 percent in the five subsequent assessment years if the qualifying value is greater than \$10,000 market value.

(f) If an application is filed after the first assessment date at which an improvement could have been subject to the valuation exclusion under this subdivision, the ten-year period during which the value is subject to exclusion is reduced by the number of years that have elapsed since the property would have qualified initially. The valuation exclusion shall terminate whenever (1) the property is sold, or (2) the property is reclassified to a class which does not qualify for treatment under this subdivision. Improvements made by an occupant who is the purchaser of the property under a conditional purchase contract do not qualify under this subdivision unless the seller of the property is a governmental entity. The qualifying value of the property shall be computed based upon the increase from that structure's market value as of January 2 preceding the acquisition of the property by the governmental entity.

(g) The total qualifying value for a homestead may not exceed \$50,000. The total qualifying value for a homestead with a house that is less than 70 years old may not exceed \$25,000. The term "qualifying value" means the increase in estimated market value resulting from the improvement if the improvement occurs when the house is at least 70 years old, or one-half of the increase in estimated market value resulting from the improvement otherwise. The \$25,000 and \$50,000 maximum qualifying value under this subdivision may result from multiple improvements to the homestead.

(h) If 50 percent or more of the square footage of a structure is voluntarily razed or removed, the valuation increase attributable to any subsequent improvements to the remaining structure does not qualify for the exclusion under this subdivision. If a structure is unintentionally or accidentally destroyed by a natural disaster, the property is eligible for an exclusion under this subdivision provided that the structure was not completely destroyed. The qualifying value on property destroyed by a natural disaster shall be computed based upon the increase from that structure's market value as determined on January 2 of the year in which the disaster occurred. A property receiving benefits under the homestead disaster provisions under sections 273.1231 to 273.1235 is not disqualified from receiving an exclusion under this subdivision. If any combination of improvements made to a structure after January 1, 1993, increases the size of the structure by 100 percent or more, the

valuation increase attributable to the portion of the improvement that causes the structure's size to exceed 100 percent does not qualify for exclusion under this subdivision.

297A.71 CONSTRUCTION EXEMPTIONS.

Subd. 45. **Biopharmaceutical manufacturing facility.** (a) Materials and supplies used or consumed in, capital equipment incorporated into, and privately owned infrastructure in support of the construction, improvement, or expansion of a biopharmaceutical manufacturing facility in the state are exempt if the commissioner of employment and economic development certifies to the commissioner of revenue that the following criteria are met:

(1) the facility is used for the manufacturing of biologics;

(2) the total capital investment made at the facility exceeds \$50,000,000; and

(3) the facility creates and maintains at least 190 full-time equivalent positions at the facility. These positions must be new jobs in Minnesota and not the result of relocating jobs that currently exist in Minnesota.

(b) The tax must be imposed and collected as if the rate under section 297A.62 applied, and refunded in the manner provided in section 297A.75.

(c) To be eligible for a refund, the owner of the biopharmaceutical manufacturing facility must:

(1) initially apply to the commissioner of employment and economic development for certification no later than one year from the final completion date of construction, improvement, or expansion of the facility; and

(2) for each year that the owner of the biopharmaceutical manufacturing facility applies for a refund, the commissioner of revenue must have received written certification from the commissioner of employment and economic development that the facility has met the criteria of paragraph (a).

(d) The refund is to be paid annually at a rate of 25 percent of the total allowable refund payable to date, with the commissioner making annual payments of the remaining refund until all of the refund has been paid.

(e) For purposes of this subdivision, "biopharmaceutical" and "biologics" are interchangeable and mean medical drugs or medicinal preparations produced using technology that uses biological systems, living organisms, or derivatives of living organisms to make or modify products or processes for specific use. The medical drugs or medicinal preparations include but are not limited to proteins, antibodies, nucleic acids, and vaccines.

Laws 2023, chapter 16, section 36

Sec. 36. Minnesota Statutes 2022, section 260.835, subdivision 2, is amended to read:

Subd. 2. **Expiration.** ~~The American Indian Child Welfare Advisory Council expires June 30, 2023. This section does not expire.~~

Laws 2023, chapter 53, article 11, section 31

Sec. 31. Minnesota Statutes 2022, section 181.9413, is amended to read:

181.9413 SICK LEAVE BENEFITS; CARE OF RELATIVES.

(a) An employee may use personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's child, as defined in section 181.940, subdivision 4, adult child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent, for reasonable periods of time as the employee's attendance may be necessary, on the same terms upon which the employee is able to use sick leave benefits for the employee's own illness or injury. This section applies only to personal sick leave benefits payable to the employee from the employer's general assets.

(b) An employee may use sick leave as allowed under this section for safety leave, whether or not the employee's employer allows use of sick leave for that purpose for such reasonable periods of time as may be necessary. Safety leave may be used for assistance to the employee or assistance to the relatives described in paragraph (a). For the purpose of this section, "safety leave" is leave for the purpose of providing or receiving assistance because of sexual assault, domestic abuse, or harassment or stalking. For the purpose of this paragraph:

(1) "domestic abuse" has the meaning given in section 518B.01;

(2) "sexual assault" means an act that constitutes a violation under sections 609.342 to 609.3453 or 609.352; and

(3) "harass" and "stalking" have the meanings given in section 609.749.

(c) An employer may limit the use of safety leave as described in paragraph (b) or personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's adult child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent to no less than 160 hours in any 12-month period. This paragraph does not apply to absences due to the illness or injury of a child, as defined in section 181.940, subdivision 4.

(d) For purposes of this section, "personal sick leave benefits" means time accrued and available to an employee to be used as a result of absence from work due to personal illness or injury, but does not include short-term or long-term disability or other salary continuation benefits.

(e) For the purpose of this section, "child" includes a stepchild and a biological, adopted, and foster child.

(f) For the purpose of this section, "grandchild" includes a step-grandchild, and a biological, adopted, and foster grandchild.

(g) This section does not prevent an employer from providing greater sick leave benefits than are provided for under this section.

(h) An employer shall not discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for requesting or obtaining a leave of absence under this section.

EFFECTIVE DATE. This section is effective July 1, 2023.
Laws 2023, chapter 55, article 1, section 2

Sec. 2. **[121A.224] OPIATE ANTAGONISTS.**

(a) A school district or charter school must maintain a supply of opiate antagonists, as defined in section 604A.04, subdivision 1, at each school site to be administered in compliance with section 151.37, subdivision 12.

(b) Each school building must have two doses of nasal naloxone available on-site.

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(c) The commissioner of health shall identify resources, including at least one training video to help schools implement an opiate antagonist emergency response and make the resources available for schools.

(d) A school board may adopt a model plan for use, storage, and administration of opiate antagonists.

EFFECTIVE DATE. This section is effective July 1, 2023.
Laws 2023, chapter 55, article 7, section 6

Sec. 6. Minnesota Statutes 2022, section 124D.68, subdivision 2, is amended to read:

Subd. 2. **Eligible pupils.** (a) A pupil under the age of 21 or who meets the requirements of section 120A.20, subdivision 1, paragraph (c), is eligible to participate in the graduation incentives program, if the pupil:

- (1) performs substantially below the performance level for pupils of the same age in a locally determined achievement test;
- (2) is behind in satisfactorily completing coursework or obtaining credits for graduation;
- (3) is pregnant or is a parent;
- (4) has been assessed as having substance use disorder;
- (5) has been excluded or expelled according to sections 121A.40 to 121A.56;
- (6) has been referred by a school district for enrollment in an eligible program or a program pursuant to section 124D.69;
- (7) is a victim of physical or sexual abuse;
- (8) has experienced mental health problems;
- (9) has experienced homelessness sometime within six months before requesting a transfer to an eligible program;
- (10) speaks English as a second language or is an English learner;
- (11) has withdrawn from school or has been chronically truant; or
- (12) is being treated in a hospital in the seven-county metropolitan area for cancer or other life threatening illness or is the sibling of an eligible pupil who is being currently treated, and resides with the pupil's family at least 60 miles beyond the outside boundary of the seven-county metropolitan area.

(b) A pupil otherwise qualifying under paragraph (a) who is at least 21 years of age and not yet 22 years of age, and is an English learner with an interrupted formal education according to section 124D.59, subdivision 2a, or is a pupil with a disability as set forth in section 125A.02, is eligible to participate in the graduation incentives program under section 124D.68 and in concurrent enrollment courses offered under section 124D.09, subdivision 10, and is funded in the same manner as other pupils under this section.

Laws 2023, chapter 57, article 2, section 39

Sec. 39. Minnesota Statutes 2022, section 62K.10, subdivision 4, is amended to read:

Subd. 4. **Network adequacy.** (a) Each designated provider network must include a sufficient number and type of providers, including providers that specialize in mental health and substance use disorder services, to ensure that covered services are available to all enrollees without unreasonable delay. In determining network adequacy, the commissioner of health shall consider availability of services, including the following:

- (1) primary care physician services are available and accessible 24 hours per day, seven days per week, within the network area;
- (2) a sufficient number of primary care physicians have hospital admitting privileges at one or more participating hospitals within the network area so that necessary admissions are made on a timely basis consistent with generally accepted practice parameters;
- (3) specialty physician service is available through the network or contract arrangement;

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(4) mental health and substance use disorder treatment providers, including but not limited to psychiatric residential treatment facilities, are available and accessible through the network or contract arrangement;

(5) to the extent that primary care services are provided through primary care providers other than physicians, and to the extent permitted under applicable scope of practice in state law for a given provider, these services shall be available and accessible; and

(6) the network has available, either directly or through arrangements, appropriate and sufficient personnel, physical resources, and equipment to meet the projected needs of enrollees for covered health care services.

(b) The commissioner must determine network sufficiency in a manner that is consistent with the requirements of this section and may establish sufficiency by referencing any reasonable criteria, which may include but is not limited to:

(1) provider-covered person ratios by specialty;

(2) primary care professional-covered person ratios;

(3) geographic accessibility of providers;

(4) geographic variation and population dispersion;

(5) waiting times for an appointment with participating providers;

(6) hours of operation;

(7) the ability of the network to meet the needs of covered persons, which may include:

(i) low-income persons;

(ii) children and adults with serious, chronic, or complex health conditions, physical disabilities, or mental illness; or

(iii) persons with limited English proficiency and persons from underserved communities;

(8) other health care service delivery system options, including telemedicine or telehealth, mobile clinics, centers of excellence, and other ways of delivering care; and

(9) the volume of technological and specialty care services available to serve the needs of covered persons that need technologically advanced or specialty care services.

EFFECTIVE DATE. The amendment to paragraph (a) is effective July 1, 2023. Paragraph (b) is effective January 1, 2025, and applies to health plans offered, issued, or renewed on or after that date.

Laws 2023, chapter 60, article 7, section 8

Sec. 8. Minnesota Statutes 2022, section 35.156, subdivision 2, is amended to read:

Subd. 2. **Federal fund account.** (a) Money granted to the state by the federal government for purposes of chronic wasting disease must be credited to a separate account in the federal fund and is annually appropriated to the commissioner of agriculture for the purposes for which the federal grant was made according to section 17.03.

(b) By February 15 each year, the commissioner of agriculture, in consultation with the commissioner of natural resources and Board of Animal Health, must submit a report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over agriculture and the environment and natural resources on the receipt and expenditure of any federal money received for purposes of chronic wasting disease.

Laws 2023, chapter 63, article 7, section 1

Section 1. Minnesota Statutes 2022, section 34A.01, subdivision 4, is amended to read:

Subd. 4. **Food.** "Food" means every ingredient used for, entering into the consumption of, or used or intended for use in the preparation of food, drink, confectionery, or condiment for humans or other animals, whether simple, mixed, or compound; and articles used as components of these ingredients, except that edible cannabinoid products, as defined in section 151.72, subdivision 1, paragraph ~~(e)~~ (f), are not food.

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EFFECTIVE DATE. This section is effective the day following final enactment.
Laws 2023, chapter 63, article 7, section 3

Sec. 3. Minnesota Statutes 2022, section 340A.412, subdivision 14, is amended to read:

Subd. 14. **Exclusive liquor stores.** (a) Except as otherwise provided in this subdivision, an exclusive liquor store may sell only the following items:

- (1) alcoholic beverages;
 - (2) tobacco products;
 - (3) ice;
 - (4) beverages, either liquid or powder, specifically designated for mixing with intoxicating liquor;
 - (5) soft drinks;
 - (6) liqueur-filled candies;
 - (7) food products that contain more than one-half of one percent alcohol by volume;
 - (8) cork extraction devices;
 - (9) books and videos on the use of alcoholic beverages;
 - (10) magazines and other publications published primarily for information and education on alcoholic beverages;
 - (11) multiple-use bags designed to carry purchased items;
 - (12) devices designed to ensure safe storage and monitoring of alcohol in the home, to prevent access by underage drinkers;
 - (13) home brewing equipment;
 - (14) clothing marked with the specific name, brand, or identifying logo of the exclusive liquor store, and bearing no other name, brand, or identifying logo;
 - (15) citrus fruit; ~~and~~
 - (16) glassware;₂
 - (17) edible cannabinoid products as defined in section 151.72, subdivision 1, paragraph (f); and
 - (18) products that detect the presence of fentanyl or a fentanyl analog.
- (b) An exclusive liquor store that has an on-sale, or combination on-sale and off-sale license may sell food for on-premise consumption when authorized by the municipality issuing the license.
- (c) An exclusive liquor store may offer live or recorded entertainment.

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