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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 4327

- 03/09/2020 Authored by Liebling
- 03/12/2020 The bill was read for the first time and referred to the Committee on Government Operations
- 03/12/2020 Adoption of Report: Re-referred to the Judiciary Finance and Civil Law Division
- 04/14/2020 Adoption of Report: Amended and re-referred to the Health and Human Services Finance Division

1.1 A bill for an act

1.2 relating to public health; authorizing a peacetime declaration of emergency for a

1.3 public health emergency; establishing a health care response revolving account

1.4 and loan program; transferring money to the health care response revolving account;

1.5 amending Minnesota Statutes 2018, sections 12.03, by adding a subdivision; 12.31,

1.6 subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144.

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

1.8 Section 1. Minnesota Statutes 2018, section 12.03, is amended by adding a subdivision

1.9 to read:

1.10 Subd. 12. **Public health emergency.** "Public health emergency" means a determination

1.11 by the commissioner of health that the public health is affected by or under imminent threat

1.12 from pandemic influenza or an outbreak of a communicable or infectious disease that:

1.13 (1) is reasonably expected to require evacuation of the impacted population, relocation

1.14 of seriously ill or injured persons to temporary care facilities, or the provision of replacement

1.15 essential community services; or

1.16 (2) poses a probability of a large number of deaths, serious injuries, or long-term

1.17 disabilities in the affected population.

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

1.19 Sec. 2. Minnesota Statutes 2018, section 12.31, subdivision 2, is amended to read:

1.20 Subd. 2. **Declaration of peacetime emergency.** (a) The governor may declare a

1.21 peacetime emergency. A peacetime declaration of emergency may be declared only when

1.22 an act of nature, a public health emergency, a technological failure or malfunction, a terrorist

2.1 incident, an industrial accident, a hazardous materials accident, or a civil disturbance
2.2 endangers life and property and local government resources are inadequate to handle the
2.3 situation. If the peacetime emergency occurs on Indian lands, the governor or state director
2.4 of emergency management shall consult with tribal authorities before the governor makes
2.5 such a declaration. Nothing in this section shall be construed to limit the governor's authority
2.6 to act without such consultation when the situation calls for prompt and timely action. When
2.7 the governor declares a peacetime emergency, the governor must immediately notify the
2.8 majority and minority leaders of the senate and the speaker and majority and minority leaders
2.9 of the house of representatives. A peacetime emergency must not be continued for more
2.10 than five days unless extended by resolution of the Executive Council up to 30 days, except
2.11 that a peacetime emergency declared due to a public health emergency may be extended
2.12 by resolution of the Legislative Advisory Commission as established under section 3.30 for
2.13 up to 90 days. An order, or proclamation declaring, continuing, or terminating an emergency
2.14 must be given prompt and general publicity and filed with the secretary of state.

2.15 (b) By majority vote of each house of the legislature, the legislature may terminate a
2.16 peacetime emergency extending beyond 30 days. If the governor determines a need to extend
2.17 the peacetime emergency declaration beyond 30 days and the legislature is not sitting in
2.18 session, the governor must issue a call immediately convening both houses of the legislature,
2.19 except when the peacetime emergency is a public health emergency that has been extended
2.20 by resolution of the Legislative Advisory Commission. Nothing in this section limits the
2.21 governor's authority over or command of the National Guard as described in the Military
2.22 Code, chapters 190 to 192A, and required by the Minnesota Constitution, article V, section
2.23 3.

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

2.25 Sec. 3. **[144.4188] HEALTH CARE RESPONSE REVOLVING ACCOUNT AND**
2.26 **LOAN PROGRAM.**

2.27 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

2.28 (b) "Account" means the health care response revolving account established in this
2.29 section.

2.30 (c) "Communicable disease" means an infectious disease or condition that causes serious
2.31 illness, serious disability, or death, the infectious agent of which may pass or be carried,
2.32 directly or indirectly, from person to person.

3.1 Subd. 2. **Health care response revolving account.** A health care response revolving
3.2 account is created in the special revenue fund in the state treasury. Money in the account
3.3 does not cancel and is appropriated to the commissioner of health to:

3.4 (1) make no-interest or low-interest loans to health care providers, health care clinics,
3.5 health care facilities, and health systems for costs related to planning for, preparing for, or
3.6 responding to an outbreak of a communicable disease that meets one or more of the criteria
3.7 in section 144.4199, subdivision 3, clause (3); and

3.8 (2) administer the loan program under this section, including carrying out the
3.9 commissioner's due diligence duties under this section. Interest earned on money in the
3.10 account is credited to the account.

3.11 Subd. 3. **Determination criteria; notice.** (a) The commissioner may make no-interest
3.12 or low-interest loans from the account upon determinations by the commissioner that:

3.13 (1) an outbreak of a communicable disease has occurred in the state or is likely to occur
3.14 in Minnesota;

3.15 (2) one of the criteria in section 144.4199, subdivision 3, clause (3), is met; and

3.16 (3) health care providers, health care clinics, health care facilities, and health systems
3.17 may need additional resources on an emergency basis to plan for, prepare for, or respond
3.18 to the communicable disease outbreak.

3.19 (b) Prior to making no-interest or low-interest loans from the account, the commissioner
3.20 must notify the governor and provide written notice to the chairs and ranking minority
3.21 members of the legislative committees with jurisdiction over health care policy and finance
3.22 specifying the communicable disease necessitating the issuance of loans; an estimated
3.23 amount of loans that may be issued; and a description of how loan recipients anticipate
3.24 using the funds to plan for, prepare for, or respond to the communicable disease.

3.25 (c) Notwithstanding paragraphs (a) and (b), the commissioner may make no-interest or
3.26 low-interest loans from the account if the commissioner meets the requirements to make
3.27 expenditures from the public health response contingency account under section 144.4199.

3.28 Subd. 4. **Loans.** (a) The commissioner may make no-interest or low-interest loans to
3.29 health care providers, health care clinics, health care facilities, and health systems that
3.30 demonstrate a need for additional resources on an emergency basis to plan for, prepare for,
3.31 or respond to a communicable disease outbreak that has occurred or is likely to occur in
3.32 Minnesota, for a communicable disease that meets one or more of the criteria in section
3.33 144.4199, subdivision 3, clause (3). The commissioner shall determine the number of loans

4.1 issued and the loan amounts. The commissioner shall establish priorities for loan issuance
4.2 by assessing (1) the needs across the health care system for additional resources to respond
4.3 to the communicable disease outbreak, and (2) whether the health care provider, health care
4.4 clinic, health care facility, or health system has insufficient access to other resources to
4.5 respond to the communicable disease outbreak in a timely manner, or would be financially
4.6 at risk without a loan under this section.

4.7 (b) The commissioner shall prescribe forms and establish processes for applying for
4.8 loans and for loan repayments. A health care provider, health care clinic, health care facility,
4.9 or health system must specify in its application its anticipated uses of the loan and the
4.10 planned amount anticipated to be spent for each use.

4.11 Subd. 5. **Allowable uses for loans.** Allowable uses for a loan shall include but are not
4.12 limited to:

4.13 (1) staffing;

4.14 (2) staff training and coordination;

4.15 (3) the purchase of supplies and equipment to protect staff, visitors, and patients and to
4.16 treat affected patients;

4.17 (4) development and implementation of screening procedures; and

4.18 (5) isolation of patients.

4.19 Subd. 6. **Loan repayments.** All repayments, including principal and interest paid on
4.20 each loan, shall be credited to the account.

4.21 Subd. 7. **Evaluation; reports.** (a) During the loan application process and during the
4.22 loan period, the commissioner may require loan applicants or loan recipients to provide the
4.23 commissioner with information for the commissioner to evaluate the need for or the use of
4.24 the loan.

4.25 (b) By January 15 of each of the two years following a calendar year in which loans are
4.26 issued under this section, the commissioner shall report the following information to the
4.27 chairs and ranking minority members of the legislative committees with jurisdiction over
4.28 health and human services policy and finance for loans issued in the previous two calendar
4.29 years:

4.30 (1) the total number of loans issued under this section in each of the previous two calendar
4.31 years;

5.1 (2) the total amount of money loaned under this section in each of the previous two
5.2 calendar years; and

5.3 (3) for each loan recipient in the previous two calendar years, the name of the loan
5.4 recipient, loan amount, uses of the loan funds, and the amount spent for each use.

5.5 Subd. 8. **Data classification.** (a) Data collected by the commissioner during the
5.6 application process under subdivisions 4 and 7, paragraph (a), are private data on individuals,
5.7 as defined in section 13.02, subdivision 12, or nonpublic data, as defined in section 13.02,
5.8 subdivision 9.

5.9 (b) Data specified in paragraph (a) become public when the applicant receives a grant
5.10 or loan, except that the following data remain private data on individuals or nonpublic data:

5.11 (1) financial information collected by the commissioner during the application process;

5.12 (2) data on patients; and

5.13 (3) design, market, and feasibility studies collected by the commissioner during the
5.14 application process.

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

5.16 Sec. 4. **TRANSFER; HEALTH CARE RESPONSE REVOLVING ACCOUNT.**

5.17 The commissioner of management and budget shall transfer \$..... from the general fund
5.18 to the health care response revolving account under Minnesota Statutes, section 144.4188,
5.19 for no-interest or low-interest loans to health care providers, health care clinics, health care
5.20 facilities, and health systems to plan for, prepare for, or respond to a communicable disease
5.21 outbreak.

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