

SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION

S.F. No. 1688

(SENATE AUTHORS: SEEBERGER)

DATE	D-PG	OFFICIAL STATUS
02/20/2025	452	Introduction and first reading Referred to Health and Human Services

1.1A bill for an act

1.2relating to health; establishing ambulance service grant programs and a rural

1.3emergency medical services uncompensated care pool payment program;

1.4establishing a monthly emergency medical services telecommunications fee and

1.5a prepaid wireless emergency medical services fee; authorizing transfers of money;

1.6appropriating money; amending Minnesota Statutes 2024, sections 144E.001, by

1.7adding subdivisions; 403.161, subdivisions 1, 3, 5, 6, 7; 403.162, subdivisions 1,

1.82, 5; proposing coding for new law in Minnesota Statutes, chapter 144E; repealing

1.9Minnesota Statutes 2024, section 144E.275, subdivision 1.

1.10BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.11Section 1. Minnesota Statutes 2024, section 144E.001, is amended by adding a subdivision

1.12to read:

1.13Subd. 8c. **Medical response unit.** "Medical response unit" means an organized service

1.14recognized by a local political subdivision with a primary responsibility to respond to

1.15medical emergencies to provide initial medical care before the arrival of a licensed ambulance

1.16service. Medical response units may also provide CEMT services as permitted under section

1.17144E.275, subdivision 7.

1.18Sec. 2. Minnesota Statutes 2024, section 144E.001, is amended by adding a subdivision

1.19to read:

1.20Subd. 12a. **Specialized medical response unit.** "Specialized medical response unit"

1.21means an organized service recognized by a director-approved authority other than a local

1.22political subdivision that responds to medical emergencies as needed or as required by local

1.23procedure or protocol.

2.1       Sec. 3. **[144E.54] AMBULANCE SERVICE COST OF READINESS GRANT**  
2.2       **PROGRAM.**

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

2.5       (b) "Capital expense" means an expense incurred by a licensed ambulance service for  
2.6       the purchase, improvement, or maintenance of long-term assets to improve the efficiency  
2.7       or capacity of the ambulance service, with an expected useful life of longer than five years.

2.8       (c) "Operational expense" means an expense incurred by a licensed ambulance service  
2.9       related to personnel, supplies and equipment, fuel, vehicle maintenance, travel, education,  
2.10      fundraising, or services needed to provide clinical care.

2.11      Subd. 2. **Grant program established.** The director must establish and administer an  
2.12      ambulance service cost of readiness grant program to help ambulance services cover the  
2.13      capital and operational expenses of maintaining the ambulance service. Licensed ambulance  
2.14      services, excluding ambulance services holding a specialized license, are eligible for grants  
2.15      under this section.

2.16      Subd. 3. **Application.** An ambulance service seeking a grant under this section must  
2.17      apply to the director in a form and manner established by the director.

2.18      Subd. 4. **Criteria for awarding grants.** When awarding grants under this section, the  
2.19      director must consider:

2.20      (1) the historical demand for ambulance transports by the ambulance service;

2.21      (2) the ambulance service's financial condition, including the extent of the ambulance  
2.22      service's compliance with requirements for financial cost reporting to the office;

2.23      (3) the population density of the ambulance service's primary service area;

2.24      (4) the square mileage of the ambulance service's primary service area;

2.25      (5) ambulance transport times for emergency transports and interfacility transports; and

2.26      (6) the number of emergency responses provided by a neighboring ambulance service  
2.27      according to a mutual aid agreement.

2.28      Subd. 5. **Uses of grant money.** An ambulance service must use grant money awarded  
2.29      under this section to cover operational expenses and capital expenses of maintaining the  
2.30      ambulance service.

Sec. 4. **[144E.55] EMERGENCY MEDICAL SERVICES IMPROVEMENT,  
MODERNIZATION, AND SUSTAINABILITY GRANT PROGRAM.**

**Subdivision 1. Definition.** For purposes of this subdivision, "political subdivision" means a county, a statutory or home rule charter city, or a township organized to provide town government.

**Subd. 2. Grant program established.** The director must establish and administer an emergency medical services improvement, modernization, and sustainability grant program to improve, modernize, and ensure the sustainability of the emergency medical services system at the local, regional, and statewide levels. Political subdivisions are eligible for grants under this section.

**Subd. 3. Application.** A political subdivision seeking a grant under this section must apply to the director in a form and manner established by the director.

**Subd. 4. Criteria when awarding grants.** (a) When awarding grants under this section, the director must consider:

(1) the level of collaboration between the political subdivision and licensed ambulance services and medical response units providing services in the jurisdiction of the political subdivision;

(2) how the proposed uses of the grant money would increase the capacity of the local emergency medical services system to respond to emergency calls in a more timely manner;

(3) how the proposed uses of the grant money would improve the long-term sustainability of the emergency medical services system; and

(4) how the political subdivision plans to evaluate its uses of the grant money using defined performance measures.

(b) The director must award 50 percent of the grant money to political subdivisions mainly located within one or more of the metropolitan counties listed in section 473.121, subdivision 4, or mainly located within the city of Duluth, Mankato, Moorhead, Rochester, or St. Cloud.

**Subd. 5. Uses of grant money.** (a) A political subdivision must use grant money awarded under this section:

(1) for activities to improve, modernize, or sustain emergency medical services provided in the jurisdiction of the political subdivision; or

(2) to provide subgrants to one or more licensed ambulance services, medical response units registered with the director under section 144E.275, or education programs approved by the director under section 144E.285. Ambulance services not licensed under this chapter, medical response units not registered with the director under section 144E.275, and education programs not approved under section 144E.285 are not eligible for a subgrant.

(b) A political subdivision may condition to the receipt of a subgrant on the subgrant recipient's compliance with mutually agreed-upon performance measures.

**Sec. 5. [144E.56] RURAL EMERGENCY MEDICAL SERVICES UNCOMPENSATED CARE POOL PAYMENT PROGRAM.**

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

(b) "Eligible ambulance service" means a licensed ambulance service that primarily provides ambulance services outside the metropolitan counties listed in section 473.121, subdivision 4.

(c) "Public safety answering point" has the meaning given in section 403.02, subdivision 19.

Subd. 2. Payment program established. The director must establish and administer a rural emergency medical services uncompensated care pool payment program. Eligible ambulance services are eligible for payments under this section.

Subd. 3. Excluded responses. In calculating payments under this section, the director must exclude EMS responses by specialized life support, as described in section 144E.101, subdivision 9.

Subd. 4. Application. (a) An eligible ambulance service seeking payment under this section must apply to the director by March 31 of the year in which the grant is sought, in a form and manner established by the director. In the application, the eligible ambulance service must specify the number of the eligible ambulance service's EMS responses that meet the criteria in subdivision 5.

(b) When an eligible ambulance service, an eligible ambulance service's parent company, a subsidiary of an eligible ambulance service, or a subsidiary of an eligible ambulance service's parent company collectively hold multiple licenses, the director must treat all such related ambulance services as a single eligible ambulance service.

5.1 Subd. 5. **Eligible EMS responses.** In order for an EMS response to be an eligible EMS  
5.2 response for purposes of subdivision 6, the EMS response must meet the following criteria:

5.3 (1) the EMS response was initiated by a request for emergency medical services initially  
5.4 received by a public safety answering point;

5.5 (2) an ambulance responded to the scene;

5.6 (3) the ambulance was not canceled while en route to the scene;

5.7 (4) the ambulance did not transport an individual from the scene to a hospital emergency  
5.8 department;

5.9 (5) the eligible ambulance service did not receive any payment for the EMS response  
5.10 from any source; and

5.11 (6) the EMS response was initiated during the calendar year immediately preceding the  
5.12 eligible ambulance service's application.

5.13 Subd. 6. **Calculations.** (a) The director must calculate payments as provided in paragraphs  
5.14 (b) and (c) for eligible ambulance services that submit an application under subdivision 4.

5.15 (b) The director must award points for eligible EMS responses as follows:

5.16 (1) for eligible EMS responses one to 25, an eligible ambulance service is awarded ten  
5.17 points per response;

5.18 (2) for eligible EMS responses 26 to 50, an eligible ambulance service is awarded five  
5.19 points per response;

5.20 (3) for eligible EMS responses 51 to 100, an eligible ambulance service is awarded three  
5.21 points per response;

5.22 (4) for eligible EMS responses 101 to 200, an eligible ambulance service is awarded  
5.23 one point per response; and

5.24 (5) for eligible EMS responses exceeding 200, an eligible ambulance service is awarded  
5.25 zero points.

5.26 (c) The director must total the number of all points awarded under paragraph (b) and  
5.27 divide that number by the amount appropriated for purposes of this section to determine a  
5.28 per-point amount. The director must calculate the payment for each eligible ambulance  
5.29 service by multiplying the eligible ambulance service's number of awarded points by the  
5.30 established per-point amount.

6.1 Subd. 7. **Payments.** The director must certify the payment amount for each eligible  
6.2 ambulance service and must make the full payment to each eligible ambulance service by  
6.3 May 30 of the year in which the application was submitted.

6.4 Sec. 6. **[144E.57] EMERGENCY MEDICAL SERVICES TELECOMMUNICATIONS**  
6.5 **FEE.**

6.6 Subdivision 1. **Account established.** An emergency medical services special revenue  
6.7 account is established as a dedicated account in the special revenue fund. The emergency  
6.8 medical services special revenue account must consist of:

6.9 (1) money from an emergency medical services telecommunications fee established  
6.10 under subdivision 2;

6.11 (2) money from a prepaid wireless emergency medical services fee established under  
6.12 section 403.161; and

6.13 (3) transfers of state money into the account.

6.14 Subd. 2. **Emergency medical services telecommunications fee.** (a) Each subscriber  
6.15 of a wireless voice service must pay a monthly emergency medical services  
6.16 telecommunications fee in the amount of ... cents for each customer access line for activities  
6.17 to support the emergency medical services system in the state. The amount of the emergency  
6.18 medical services telecommunications fee must be the same for all subscribers.

6.19 (b) Each wireless voice telecommunication service provider must collect the emergency  
6.20 medical services telecommunications fee and transfer the amounts collected to the  
6.21 commissioner of public safety in the manner provided in section 403.11, subdivision 1,  
6.22 paragraph (d). The commissioner of public safety must deposit the money collected from  
6.23 the emergency medical services telecommunications fee in the emergency medical services  
6.24 special revenue account established under subdivision 1.

6.25 Subd. 3. **Emergency medical services fee for prepaid wireless telecommunications**  
6.26 **services.** The emergency medical services telecommunications fee established under  
6.27 subdivision 2 does not apply to prepaid wireless telecommunications services. Prepaid  
6.28 wireless telecommunications services are subject to the prepaid wireless emergency medical  
6.29 services fee established under section 403.161, subdivision 1, paragraph (d). The collection,  
6.30 remittance, and deposit of prepaid wireless emergency medical services fees are governed  
6.31 by sections 403.161 and 403.162.

Sec. 7. Minnesota Statutes 2024, section 403.161, subdivision 1, is amended to read:

Subdivision 1. **Fees imposed.** (a) A prepaid wireless E911 fee of 80 cents per retail transaction is imposed on prepaid wireless telecommunications service until the fee is adjusted as an amount per retail transaction under subdivision 7.

(b) A prepaid wireless telecommunications access Minnesota fee, in the amount of the monthly charge provided for in section 237.52, subdivision 2, is imposed on each retail transaction for prepaid wireless telecommunications service until the fee is adjusted as an amount per retail transaction under subdivision 7.

(c) A prepaid wireless 988 fee, in the amount of the monthly charge provided for in section 145.561, subdivision 4, paragraph (b), is imposed on each retail transaction for prepaid wireless telecommunications service until the fee is adjusted as an amount per retail transaction under subdivision 7.

(d) A prepaid wireless emergency medical services fee, in the amount of the monthly charge provided for in section 144E.57, subdivision 2, is imposed on each retail transaction for prepaid wireless telecommunications service until the fee is adjusted as an amount per retail transaction under subdivision 7.

Sec. 8. Minnesota Statutes 2024, section 403.161, subdivision 3, is amended to read:

Subd. 3. **Fee collected.** The prepaid wireless E911, telecommunications access Minnesota, ~~and 988~~, and emergency medical services fees must be collected by the seller from the consumer for each retail transaction occurring in this state. The amount of each fee must be combined into one amount, which must be separately stated on an invoice, receipt, or other similar document that is provided to the consumer by the seller.

Sec. 9. Minnesota Statutes 2024, section 403.161, subdivision 5, is amended to read:

Subd. 5. **Remittance.** The prepaid wireless E911, telecommunications access Minnesota, ~~and 988~~, and emergency medical services fees are the liability of the consumer and not of the seller or of any provider, except that the seller is liable to remit all fees as provided in section 403.162.

Sec. 10. Minnesota Statutes 2024, section 403.161, subdivision 6, is amended to read:

Subd. 6. **Exclusion for calculating other charges.** The combined amount of the prepaid wireless E911, telecommunications access Minnesota, ~~and 988~~, and emergency medical services fees collected by a seller from a consumer must not be included in the base for

8.1 measuring any tax, fee, surcharge, or other charge that is imposed by this state, any political  
8.2 subdivision of this state, or any intergovernmental agency.

8.3 Sec. 11. Minnesota Statutes 2024, section 403.161, subdivision 7, is amended to read:

8.4 Subd. 7. **Fee changes.** (a) The prepaid wireless E911, telecommunications access  
8.5 Minnesota, ~~and 988~~, and emergency medical services fees must be proportionately increased  
8.6 or reduced upon any change to the fee imposed under section 403.11, subdivision 1,  
8.7 paragraph (c); the fee imposed under section 237.52, subdivision 2, ~~or~~; the fee imposed  
8.8 under section 145.561, subdivision 4, or the fee imposed under section 144E.57, subdivision  
8.9 2, as applicable.

8.10 (b) The department shall post notice of any fee changes on its website at least 30 days  
8.11 in advance of the effective date of the fee changes. It is the responsibility of sellers to monitor  
8.12 the department's website for notice of fee changes.

8.13 (c) Fee changes are effective 60 days after the first day of the first calendar month after  
8.14 the commissioner of public safety or the Public Utilities Commission, as applicable, changes  
8.15 the fee.

8.16 Sec. 12. Minnesota Statutes 2024, section 403.162, subdivision 1, is amended to read:

8.17 Subdivision 1. **Remittance.** Prepaid wireless E911, telecommunications access  
8.18 Minnesota, ~~and 988~~, and emergency medical services fees collected by sellers must be  
8.19 remitted to the commissioner of revenue at the times and in the manner provided by chapter  
8.20 297A with respect to the general sales and use tax. The commissioner of revenue shall  
8.21 establish registration and payment procedures that substantially coincide with the registration  
8.22 and payment procedures that apply in chapter 297A.

8.23 Sec. 13. Minnesota Statutes 2024, section 403.162, subdivision 2, is amended to read:

8.24 Subd. 2. **Seller's fee retention.** A seller may deduct and retain three percent of prepaid  
8.25 wireless E911, telecommunications access Minnesota, ~~and 988~~, and emergency medical  
8.26 services fees collected by the seller from consumers.

8.27 Sec. 14. Minnesota Statutes 2024, section 403.162, subdivision 5, is amended to read:

8.28 Subd. 5. **Fees deposited.** (a) The commissioner of revenue shall, based on the relative  
8.29 proportion of the prepaid wireless E911 fee, the prepaid wireless telecommunications access  
8.30 Minnesota fee, ~~and the prepaid wireless 988 fee~~, and the prepaid wireless emergency medical



9.1 services fee imposed per retail transaction, divide the fees collected in corresponding  
9.2 proportions. Within 30 days of receipt of the collected fees, the commissioner shall:

9.3 (1) deposit the proportion of the collected fees attributable to the prepaid wireless E911  
9.4 fee in the 911 emergency telecommunications service account in the special revenue fund;

9.5 (2) deposit the proportion of collected fees attributable to the prepaid wireless  
9.6 telecommunications access Minnesota fee in the telecommunications access fund established  
9.7 in section 237.52, subdivision 1; ~~and~~

9.8 (3) deposit the proportion of the collected fees attributable to the prepaid wireless 988  
9.9 fee in the 988 special revenue account established in section 145.561, subdivision 3-; and

9.10 (4) deposit the proportion of the collected fees attributable to the prepaid wireless  
9.11 emergency medical services fee in the emergency medical services special revenue account  
9.12 established in section 144E.57, subdivision 1.

9.13 (b) The commissioner of revenue may deduct and deposit in a special revenue account  
9.14 an amount not to exceed two percent of collected fees. Money in the account is annually  
9.15 appropriated to the commissioner of revenue to reimburse its direct costs of administering  
9.16 the collection and remittance of prepaid wireless E911 fees, prepaid wireless  
9.17 telecommunications access Minnesota fees, ~~and~~ prepaid wireless 988 fees, and prepaid  
9.18 wireless emergency medical services fees.

9.19 Sec. 15. **TRANSFERS.**

9.20 (a) On July 1, 2025, the commissioner of management and budget must transfer  
9.21 \$80,000,000 from the general fund to the emergency medical services special revenue  
9.22 account in the special revenue fund. This is a onetime transfer.

9.23 (b) On June 30, 2027, and each June 30 thereafter, the commissioner of management  
9.24 and budget must transfer \$..... from the emergency medical services special revenue account  
9.25 in the special revenue fund to the general fund. This transfer shall expire upon a total of  
9.26 \$80,000,000 being transferred from the emergency medical services special revenue account  
9.27 to the general fund.

9.28 Sec. 16. **APPROPRIATIONS.**

9.29 (a) \$16,000,000 in fiscal year 2026 and \$16,000,000 in fiscal year 2027 are appropriated  
9.30 from the emergency medical services special revenue account in the special revenue fund  
9.31 to the Office of Emergency Medical Services for the ambulance service cost of readiness  
9.32 grant program under Minnesota Statutes, section 144E.54.

10.1 (b) \$60,000,000 in fiscal year 2026 and \$60,000,000 in fiscal year 2027 are appropriated  
10.2 from the emergency medical services special revenue account in the special revenue fund  
10.3 to the Office of Emergency Medical Services for the emergency medical services  
10.4 improvement, modernization, and sustainability grant program under Minnesota Statutes,  
10.5 section 144E.55.

10.6 (c) \$4,000,000 in fiscal year 2026 and \$4,000,000 in fiscal year 2027 are appropriated  
10.7 from the emergency medical services special revenue account in the special revenue fund  
10.8 to the Office of Emergency Medical Services for the rural emergency medical services  
10.9 uncompensated care pool payment program under Minnesota Statutes, section 144E.56.

10.10 Sec. 17. **REPEALER.**

10.11 Minnesota Statutes 2024, section 144E.275, subdivision 1, is repealed.

**144E.275 MEDICAL RESPONSE UNIT REGISTRATION.**

Subdivision 1. **Definitions.** For purposes of this section, the following definitions apply:

(a) "Medical response unit" means an organized service recognized by a local political subdivision whose primary responsibility is to respond to medical emergencies to provide initial medical care before the arrival of a licensed ambulance service. Medical response units may also provide CEMT services as permitted under subdivision 7.

(b) "Specialized medical response unit" means an organized service recognized by a director-approved authority other than a local political subdivision that responds to medical emergencies as needed or as required by local procedure or protocol.