

SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION

S.F. No. 2972

(SENATE AUTHORS: DIBBLE, Abeler, Maye Quade and Clark)

DATE	D-PG	OFFICIAL STATUS
03/24/2025	1020	Introduction and first reading Referred to Human Services
04/01/2025	1144a 1263	Comm report: To pass as amended and re-refer to Commerce and Consumer Protection Author added Abeler
04/03/2025	1356	Withdrawn and re-referred to Human Services
03/09/2026	6531a 6579	Comm report: To pass as amended and re-refer to Judiciary and Public Safety Author added Maye Quade
03/23/2026		Comm report: To pass as amended and re-refer to Human Services Author added Clark

1.1 A bill for an act

1.2 relating to health care facilities; regulating nursing staff requirements at nursing

1.3 homes and assisted living facilities; regulating for-profit entity acquisitions of

1.4 nursing homes and assisted living facilities; amending Minnesota Statutes 2024,

1.5 section 144A.04, by adding subdivisions; Minnesota Statutes 2025 Supplement,

1.6 sections 145D.40, by adding a subdivision; 145D.41, subdivisions 1, 2, by adding

1.7 a subdivision; proposing coding for new law in Minnesota Statutes, chapters 144G;

1.8 145D; repealing Minnesota Statutes 2024, section 144A.04, subdivision 7.

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

1.10 Section 1. Minnesota Statutes 2024, section 144A.04, is amended by adding a subdivision

1.11 to read:

1.12 Subd. 7b. Onsite registered nurse. (a) Except when waived under subdivision 7f, a

1.13 nursing home must have a registered nurse onsite 24 hours per day. The registered nurse

1.14 must be available to provide direct resident care.

1.15 (b) For any periods when the onsite registered nurse requirements in paragraph (a) are

1.16 waived under subdivision 7f, a nursing home must have a registered nurse, licensed nurse

1.17 practitioner, physician assistant, or physician available to respond immediately to telephone

1.18 calls from a nursing home.

1.19 Sec. 2. Minnesota Statutes 2024, section 144A.04, is amended by adding a subdivision to

1.20 read:

1.21 Subd. 7c. Staffing competencies. A nursing home must ensure that all nurses have the

1.22 specific competencies and skill sets necessary to care for residents' needs, as identified

1.23 through resident assessments and described in the service plan. Providing care includes but

2.1 is not limited to assessing, evaluating, planning, and implementing resident care plans and  
2.2 responding to residents' needs.

2.3 Sec. 3. Minnesota Statutes 2024, section 144A.04, is amended by adding a subdivision to  
2.4 read:

2.5 Subd. 7d. **Required staff ratio.** (a) The minimum staffing standard for nursing personnel  
2.6 in a nursing home is as specified in this subdivision.

2.7 (b) A nursing home must provide nursing care to all residents in accordance with each  
2.8 resident's service plan while also providing a minimum of 3.48 hours per resident per 24  
2.9 hours for total nurse staffing, including but not limited to a minimum of 0.55 hours per  
2.10 resident per 24 hours for registered nurses and a minimum of 2.45 hours per resident per  
2.11 24 hours for nurse aides and licensed nurse practitioners.

2.12 (c) For purposes of this subdivision, "hours of nursing personnel" means the paid, on-duty,  
2.13 productive nursing hours of all nurses and nursing assistants, calculated on the basis of any  
2.14 given 24-hour period. "Productive nursing hours" means all on-duty hours during which  
2.15 nurses and nursing assistants are engaged in nursing duties. Examples of nursing duties may  
2.16 be found in Minnesota Rules, part 4655.6400. Not included are vacations, holidays, sick  
2.17 leave, in-service classroom training, or lunches. Also not included are the nonproductive  
2.18 nursing hours of the in-service training director. In homes with more than 60 licensed beds,  
2.19 the hours of the director of nursing are excluded.

2.20 (d) A nursing home that is issued a notice of noncompliance under section 144A.10,  
2.21 subdivision 5, for a violation of this subdivision, shall be assessed a civil fine of \$300 for  
2.22 each day of noncompliance, subject to section 144A.10, subdivisions 7 and 8.

2.23 Sec. 4. Minnesota Statutes 2024, section 144A.04, is amended by adding a subdivision to  
2.24 read:

2.25 Subd. 7e. **Nursing supervision.** (a) Except when waived under subdivision 7f, a nursing  
2.26 home must designate a registered nurse to serve as a charge nurse for each shift.

2.27 (b) Except when waived under subdivision 7f, a nursing home must designate a registered  
2.28 nurse to serve as the director of nursing on a full-time basis. The director of nursing may  
2.29 serve as a charge nurse only when a nursing home has an average daily occupancy of 60 or  
2.30 fewer residents.

3.1 Sec. 5. Minnesota Statutes 2024, section 144A.04, is amended by adding a subdivision to  
3.2 read:

3.3 Subd. 7f. **Exemption process.** (a) The commissioner shall establish a process for  
3.4 exemption to the requirements under subdivisions 7b and 7e. A nursing home shall submit  
3.5 a request for exemption under this subdivision on a form developed and in a manner  
3.6 established by the commissioner. A requesting nursing home shall provide in writing to the  
3.7 commissioner the following information at a minimum:

3.8 (1) the specific requirement from which exemption is sought;

3.9 (2) a detailed explanation of the physical proximity of the requesting nursing home to  
3.10 other nursing homes within reasonable distance providing the same services as the requesting  
3.11 nursing home;

3.12 (3) the reason the nursing home is unable to comply with the requirement;

3.13 (4) the reason that compliance with the requirement will impose substantial hardship,  
3.14 including but not limited to the risk of the nursing home closing and requiring residents to  
3.15 move; and

3.16 (5) the reason that a waiver will not significantly harm residents.

3.17 Following the submission of an exemption request, the commissioner must provide public  
3.18 notice of the requested exemption and allow a public comment period.

3.19 (b) The commissioner shall evaluate requests for exemption under this subdivision by  
3.20 reviewing the application materials and all comments submitted during the public comment  
3.21 period. As part of the evaluation process, the commissioner may:

3.22 (1) inspect the nursing home;

3.23 (2) confer with the nursing home manager or designee;

3.24 (3) contact residents or their representatives to determine whether they believe a waiver  
3.25 is in the residents' best interest; and

3.26 (4) contact individuals who submitted public comment during the public comment period.

3.27 (c) The commissioner may grant an exemption if the commissioner determines that  
3.28 compliance with the requirement from which the exemption is sought cannot be accomplished  
3.29 without substantial hardship to the nursing home and granting an exemption will not  
3.30 significantly harm residents. The commissioner may not grant an exemption if it will create  
3.31 an imminent risk of harm to a resident.

4.1 (d) An exemption granted under this subdivision is in effect for 90 days. After 90 days,  
4.2 the nursing home may request a renewal of the exemption. After one renewal, the nursing  
4.3 home must submit a new request for exemption under this subdivision.

4.4 Sec. 6. [144G.65] NURSING STAFF REQUIREMENTS.

4.5 Subdivision 1. **Onsite registered nurse.** (a) Except when waived under subdivision 5,  
4.6 the facility must have a registered nurse onsite 24 hours per day. The registered nurse must  
4.7 be available to provide direct resident care.

4.8 (b) For any periods when the onsite registered nurse requirements in paragraph (a) are  
4.9 waived under subdivision 5, a facility must have a registered nurse, licensed nurse  
4.10 practitioner, physician assistant, or physician available to respond immediately to telephone  
4.11 calls from the facility.

4.12 Subd. 2. **Staffing competencies.** The facility must ensure that all nurses have the specific  
4.13 competencies and skill sets necessary to care for residents' needs, as identified through  
4.14 resident assessments, and described in the service plan. Providing care includes but is not  
4.15 limited to assessing, evaluating, planning, and implementing resident care plans and  
4.16 responding to residents' needs.

4.17 Subd. 3. **Required staff ratio.** (a) The minimum staffing standard for personnel in  
4.18 assisted living facilities is as specified in this subdivision.

4.19 (b) A facility must provide nursing care to all residents in accordance with each resident's  
4.20 service plan while also providing a minimum of 3.48 hours per resident per 24 hours for  
4.21 total nurse staffing, including but not limited to a minimum of 0.55 hours per resident per  
4.22 24 hours for registered nurses and a minimum of 2.45 hours per resident per 24 hours for  
4.23 nurse aides and licensed nurse practitioners per resident per 24 hours.

4.24 (c) For purposes of this subdivision, "hours of nursing personnel" means the paid, on-duty,  
4.25 productive nursing hours of all nurses and nursing assistants, calculated on the basis of any  
4.26 given 24-hour period. "Productive nursing hours" means all on-duty hours during which  
4.27 nurses and nursing assistants are engaged in nursing duties. Not included are vacations,  
4.28 holidays, sick leave, in-service classroom training, or lunches. Also not included are the  
4.29 nonproductive nursing hours of the in-service training director. In a facility with more than  
4.30 60 licensed beds, the hours of the director of nursing are excluded.

4.31 (d) An assisted living facility that is issued a notice of noncompliance for a violation of  
4.32 this subdivision shall be assessed a civil fine of \$300 for each day of noncompliance.

5.1 Subd. 4. **Nursing supervision.** (a) Except when waived under subdivision 5, the facility  
5.2 must designate a registered nurse to serve as a charge nurse for each shift.

5.3 (b) Except when waived under subdivision 5, the facility must designate a registered  
5.4 nurse to serve as the director of nursing on a full-time basis. The director of nursing may  
5.5 serve as a charge nurse only when the facility has an average daily occupancy of 60 or fewer  
5.6 residents.

5.7 Subd. 5. **Exemption process.** (a) The commissioner shall establish a process for  
5.8 exemption to the requirements under subdivisions 1 and 4. A facility shall submit a request  
5.9 for exemption under this subdivision on a form developed and in a manner established by  
5.10 the commissioner. A requesting facility shall provide in writing to the commissioner the  
5.11 following information at a minimum:

5.12 (1) the specific requirement from which exemption is sought;

5.13 (2) a detailed explanation of the physical proximity of the requesting facility to other  
5.14 facilities within reasonable distance providing the same services as the requesting facility;

5.15 (3) the reason the facility is unable to comply with the requirement;

5.16 (4) the reason that compliance with the requirement will impose substantial hardship,  
5.17 including but not limited to the risk of the facility closing and requiring residents to move;  
5.18 and

5.19 (5) the reason that a waiver will not significantly harm residents.

5.20 Following the submission of an exemption request, the commissioner must provide public  
5.21 notice of the requested exemption and allow a public comment period.

5.22 (b) The commissioner shall evaluate requests for exemption under this subdivision by  
5.23 reviewing the application materials and all comments submitted during the public comment  
5.24 period. As part of the evaluation process, the commissioner may:

5.25 (1) inspect the facility;

5.26 (2) confer with the facility manager or designee;

5.27 (3) contact residents or their representatives to determine whether they believe a waiver  
5.28 is in the residents' best interest; and

5.29 (4) contact individuals who submitted public comment during the public comment period.

5.30 (c) The commissioner may grant an exemption if the commissioner determines that  
5.31 compliance with the requirement from which the exemption is sought cannot be accomplished

6.1 without substantial hardship to the facility and granting an exemption will not significantly  
6.2 harm residents. The commissioner may not grant an exemption if it will create an imminent  
6.3 risk of harm to a resident.

6.4 (d) An exemption granted under this subdivision is in effect for 90 days. After 90 days,  
6.5 the facility may request a renewal of the exemption. After one renewal, the facility must  
6.6 submit a new request for exemption under this subdivision.

6.7 Sec. 7. Minnesota Statutes 2025 Supplement, section 145D.40, is amended by adding a  
6.8 subdivision to read:

6.9 Subd. 5. **Health care professional.** "Health care professional" means an individual who  
6.10 is licensed or registered by the state to provide health care services within the professional's  
6.11 scope of practice and in accordance with state law.

6.12 Sec. 8. Minnesota Statutes 2025 Supplement, section 145D.41, subdivision 1, is amended  
6.13 to read:

6.14 Subdivision 1. **Notice.** At least 120 days prior to the transfer of ownership or control of  
6.15 a nonprofit nursing home or nonprofit assisted living facility to a for-profit entity, the nursing  
6.16 home or assisted living facility must provide written notice to the attorney general, the  
6.17 commissioner of health, and the commissioner of human services of its intent to transfer  
6.18 ownership or control to a for-profit entity.

6.19 Sec. 9. Minnesota Statutes 2025 Supplement, section 145D.41, subdivision 2, is amended  
6.20 to read:

6.21 Subd. 2. **Information.** Together with the notice, the for-profit entity seeking to acquire  
6.22 ownership or control of the nonprofit nursing home or nonprofit assisted living facility must  
6.23 provide to the attorney general, commissioner of health, and commissioner of human services:

6.24 (1) the names of each individual with an interest in the for-profit entity and the percentage  
6.25 of interest each individual holds in the for-profit entity;

6.26 (2) a complete and detailed description of the for-profit entity's corporate structure;

6.27 (3) the names of each individual holding an interest in, and the percentage of interest  
6.28 held in, any affiliate, subsidiary, or otherwise related entity that the for-profit entity has a  
6.29 contract to provide goods or services for the operation or maintenance of the nursing home  
6.30 or assisted living facility or has a contract for goods and services to be provided to residents,

7.1 including any real estate investment trusts if permitted under section 145D.42, subdivision  
 7.2 1;

7.3 (4) for the previous five years, any filings required to be made to any federal or state  
 7.4 agency;

7.5 (5) the for-profit entity's current balance sheet;

7.6 (6) all application materials required under section 144A.03 or 144G.12, as applicable;

7.7 (7) a description of the condition of the buildings the for-profit entity seeks to acquire  
 7.8 or manage, identifying any cooling problems, electric medical devices present, recent exterior  
 7.9 additions and replacements, external building conditions, recent flush toilet breakdowns,  
 7.10 foreclosure status in the previous 12 months, heat risk, heating problems, indoor air quality,  
 7.11 recent interior additions and replacements, and mold, as those terms are defined and described  
 7.12 in Appendix A of the American Housing Survey for the United States: 2023;

7.13 (8) an affidavit and evidence; and

7.14 (9) other information required by the attorney general, commissioner of health, and  
 7.15 commissioner of human services.

7.16 Sec. 10. Minnesota Statutes 2025 Supplement, section 145D.41, is amended by adding a  
 7.17 subdivision to read:

7.18 Subd. 3. **Affidavit and evidence.** In addition to the notice required under subdivision  
 7.19 1, a for-profit entity seeking to acquire ownership or control of a nonprofit nursing home  
 7.20 or nonprofit assisted living facility must submit to the attorney general an affidavit and  
 7.21 evidence sufficient to demonstrate that:

7.22 (1) the for-profit entity has the financial, managerial, and operational ability to operate  
 7.23 or manage the nursing home or assisted living facility consistent with the requirements of:  
 7.24 (i) for a nursing home, sections 144A.01 to 144A.1888, chapter 256R, and Minnesota Rules,  
 7.25 chapter 4658; or (ii) for an assisted living facility, chapter 144G and Minnesota Rules,  
 7.26 chapter 4659;

7.27 (2) neither the for-profit entity nor any of its owners, managerial officials, or managers  
 7.28 have committed a crime listed in, or been found civilly liable for an offense listed in, section  
 7.29 144A.03, subdivision 1, clause (13), or 144G.12, subdivision 1, clause (13), as applicable;

7.30 (3) in the preceding ten years, there have been no judgments and no filed, pending, or  
 7.31 completed public or private litigations, tax liens, written complaints, administrative actions,

8.1 or investigations by a government agency against the for-profit entity or any of its owners,  
8.2 managerial officials, or managers;

8.3 (4) in the preceding ten years, the for-profit entity has not defaulted in the payment of  
8.4 money collected for others and has not discharged debts through bankruptcy proceedings;

8.5 (5) the for-profit entity will invest sufficient capital in the nursing home or assisted living  
8.6 facility to maintain or improve the facility's infrastructure and staffing;

8.7 (6)(i) housing costs or costs for services in a nursing home or assisted living facility in  
8.8 the United States over which the for-profit entity acquired ownership or control have not  
8.9 increased by more than the increase in the Consumer Price Index for all urban consumers  
8.10 published by the federal Bureau of Labor Statistics for the 12 months preceding the month  
8.11 in which the increase became effective; or (ii) if housing costs or costs for services in the  
8.12 nursing home or assisted living facility increased by more than the increase in the Consumer  
8.13 Price Index as described in item (i), the increase was justified;

8.14 (7) within five years after acquiring ownership or control of any other nursing home or  
8.15 assisted living facility in the United States, the for-profit entity did not sell or otherwise  
8.16 transfer ownership or control of the nursing home or assisted living facility to another person;  
8.17 and

8.18 (8) after acquiring ownership or control of another nursing home in the United States,  
8.19 that nursing home, with respect to the Centers for Medicare and Medicaid Services rating  
8.20 system:

8.21 (i) maintained or improved the nursing home's rating if upon acquisition of ownership  
8.22 or control the rating was three or more stars; or

8.23 (ii) improved the nursing home's rating to at least three stars if upon acquisition of  
8.24 ownership or control the rating was one or two stars.

8.25 **Sec. 11. [145D.42] PROHIBITED PRACTICES.**

8.26 A for-profit entity that acquires ownership or control of a nonprofit nursing home or  
8.27 nonprofit assisted living facility is prohibited from:

8.28 (1) interfering with the professional judgment of a health care professional providing  
8.29 care in the nursing home or assisted living facility or with a health care professional's  
8.30 diagnosis or treatment of residents in the nursing home or assisted living facility;

9.1 (2) providing unequal treatment with regard to charges for housing or services based on  
9.2 whether the resident pays for housing or services with private funds or through a public  
9.3 program;

9.4 (3) engaging in any act, practice, or course of business that would strip an asset from an  
9.5 acquired nursing home or assisted living facility or that would otherwise undermine the  
9.6 quality of, safety of, or access to care and services provided by the nursing home or assisted  
9.7 living facility;

9.8 (4) engaging in self-dealing;

9.9 (5) engaging in any acts, practices, or courses of business that result in an adverse impact  
9.10 on the health, safety, and well-being and quality of care of the residents of the nursing home  
9.11 or assisted living facility;

9.12 (6) spending less than 75 percent of the funds received by the nursing home or assisted  
9.13 living facility from public programs and state appropriations on the direct care of residents;

9.14 (7) raising resident housing costs beyond the Consumer Price Index for all urban  
9.15 consumers published by the federal Bureau of Labor Statistics for the 12 months preceding  
9.16 the month in which the increase became effective unless the for-profit entity can demonstrate  
9.17 that the increase was justified by legitimate business expenses;

9.18 (8) allowing a diminution of maintenance or a deterioration in the operations and  
9.19 infrastructure of the nursing home or assisted living facility that results in unsafe conditions  
9.20 or violations of building and other relevant codes, diminishes the property value of the  
9.21 facility, or jeopardizes the health and well-being of the residents; or

9.22 (9) for a nursing home:

9.23 (i) failing to improve in the Centers for Medicare and Medicaid Services rating if the  
9.24 nursing home's current rating is one or two stars; or

9.25 (ii) allowing a decline in the Centers for Medicare and Medicaid Services rating if the  
9.26 nursing home's current rating is at least three stars.

9.27 **Sec. 12. ATTORNEY GENERAL ENFORCEMENT.**

9.28 A violation of Minnesota Statutes, section 145D.42, is an unfair and unconscionable  
9.29 practice in violation of Minnesota Statutes, section 325F.69, subdivision 1. The attorney  
9.30 general may enforce this section under Minnesota Statutes, section 8.31.

10.1 Sec. 13. **REPEALER.**

10.2 Minnesota Statutes 2024, section 144A.04, subdivision 7, is repealed.

**144A.04 QUALIFICATIONS FOR LICENSE.**

Subd. 7. **Minimum nursing staff requirement.** The minimum staffing standard for nursing personnel in certified nursing homes is as specified in this subdivision.

(a) The minimum number of hours of nursing personnel to be provided in a nursing home is the greater of two hours per resident per 24 hours or 0.95 hours per standardized resident day. Upon transition to the 34 group, RUG-III resident classification system, the 0.95 hours per standardized resident day shall no longer apply.

(b) For purposes of this subdivision, "hours of nursing personnel" means the paid, on-duty, productive nursing hours of all nurses and nursing assistants, calculated on the basis of any given 24-hour period. "Productive nursing hours" means all on-duty hours during which nurses and nursing assistants are engaged in nursing duties. Examples of nursing duties may be found in Minnesota Rules, part 4655.6400. Not included are vacations, holidays, sick leave, in-service classroom training, or lunches. Also not included are the nonproductive nursing hours of the in-service training director. In homes with more than 60 licensed beds, the hours of the director of nursing are excluded. "Standardized resident day" means the sum of the number of residents in each case mix class multiplied by the case mix weight for that resident class, as found in Minnesota Rules, part 9549.0059, subpart 2, calculated on the basis of a facility's census for any given day. For the purpose of determining a facility's census, the commissioner of health shall exclude the resident days claimed by the facility for resident therapeutic leave or bed hold days.

(c) Calculation of nursing hours per standardized resident day is performed by dividing total hours of nursing personnel for a given period by the total of standardized resident days for that same period.

(d) A nursing home that is issued a notice of noncompliance under section 144A.10, subdivision 5, for a violation of this subdivision, shall be assessed a civil fine of \$300 for each day of noncompliance, subject to section 144A.10, subdivisions 7 and 8.