

**HOUSE OF REPRESENTATIVES**

EIGHTY-SEVENTH SESSION

**H. F. No. 2555**

02/27/2012 Authored by Kiffmeyer, Nelson, Abeler, Banaian and Norton  
The bill was read for the first time and referred to the Committee on Health and Human Services Reform

03/08/2012 Adoption of Report: Pass as Amended and re-referred to the Committee on Civil Law

03/13/2012 Adoption of Report: Pass as Amended and re-referred to the Committee on Government Operations and Elections

03/20/2012 Adoption of Report: Pass as Amended and re-referred to the Committee on State Government Finance

03/26/2012 Adoption of Report: Pass as Amended and re-referred to the Committee on Health and Human Services Finance

04/02/2012 Adoption of Report: Pass as Amended and re-referred to the Committee on Ways and Means

04/19/2012 Adoption of Report: Pass as Amended and Read Second Time

04/20/2012 Fiscal Calendar, Amended  
Read Third Time as Amended  
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

## A bill for an act

1.1 relating to state government; implementing changes to the sunset review;  
1.2 changing certain agency requirements; requiring posting of convictions of  
1.3 felonies or gross misdemeanors and malpractice settlements or judgments for a  
1.4 regulated practitioner; requiring certain information on regulated practitioners;  
1.5 requiring a study; prohibiting transfer of certain funds; requiring reports and a  
1.6 financial audit; setting fees; abolishing the Combative Sports Commission and  
1.7 transferring combative sports duties to the commissioner of labor and industry;  
1.8 establishing a Combative Sports Advisory Council; requiring a review of the  
1.9 Minnesota Board of Medical Practice; changing provisions for health-related  
1.10 licensing boards; appropriating money; amending Minnesota Statutes 2010,  
1.11 sections 3.922, by adding a subdivision; 3.9223, subdivision 7; 3.9225,  
1.12 subdivision 7; 3.9226, subdivision 7; 147.01, subdivision 4; 147.111, by adding a  
1.13 subdivision; 148.102, by adding a subdivision; 148.261, subdivision 1; 148.263,  
1.14 by adding a subdivision; 148.5194, subdivision 5; 148.6445, subdivision 10;  
1.15 148B.07, by adding a subdivision; 148C.095, by adding a subdivision; 148E.285,  
1.16 by adding a subdivision; 150A.13, by adding a subdivision; 153.24, by adding  
1.17 a subdivision; 153A.17; 214.06, subdivisions 1, 1a, by adding a subdivision;  
1.18 214.09, by adding a subdivision; 214.103; 341.21, by adding a subdivision;  
1.19 341.28, subdivision 1; 341.37; Minnesota Statutes 2011 Supplement, sections  
1.20 3D.04; 3D.06; 3D.21, subdivisions 1, 2; proposing coding for new law in  
1.21 Minnesota Statutes, chapters 3D; 16B; 214; 341; repealing Minnesota Statutes  
1.22 2010, sections 138A.01; 138A.02; 138A.03; 138A.04; 138A.05; 138A.06;  
1.23 341.21, subdivisions 3, 4a; 341.22; 341.23; 341.24; 341.26.

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

**ARTICLE 1****SUNSET REVIEW**

1.28 Section 1. Minnesota Statutes 2011 Supplement, section 3D.04, is amended to read:

1.29 **3D.04 STAFF; CONTRACTS.**

2.1 The Legislative Coordinating Commission shall provide staff and administrative  
2.2 services for the commission. The Sunset Advisory Commission may enter into contracts  
2.3 for evaluations of agencies under review.

2.4 Sec. 2. Minnesota Statutes 2011 Supplement, section 3D.06, is amended to read:

2.5 **3D.06 AGENCY REPORT TO COMMISSION.**

2.6 (a) Before September 1 of the odd-numbered year before the year in which a  
2.7 state agency is subject to sunset review, the agency commissioner shall report to the  
2.8 commission:

2.9 (1) information regarding the application to the agency of the criteria in section  
2.10 3D.10;

2.11 (2) ~~a priority-based~~ an outcome-based budget for the agency;

2.12 (3) an inventory of all boards, commissions, committees, and other entities related  
2.13 to the agency; and

2.14 (4) any other information that the agency commissioner considers appropriate or that  
2.15 is requested by the commission.

2.16 ~~The September 1 deadline in this section does not apply in 2011.~~

2.17 (b) The outcome-based budget required by paragraph (a) must be for each of the  
2.18 agency's activities, as the term activity is used in state budgeting:

2.19 (1) identify the statutory authority for the activity;

2.20 (2) include one or more performance goals and associated performance measures  
2.21 that measure outcomes, not inputs;

2.22 (3) discuss the extent to which each performance measure is reliable and verifiable,  
2.23 and can be accurately measured;

2.24 (4) discuss the extent to which the agency has met each performance measure, and  
2.25 the extent to which the budget devoted to the activity has permitted or prevented the  
2.26 agency from meeting its performance goals;

2.27 (5) discuss efficiencies that would allow the agency to better meet its goals; and

2.28 (6) identify agencies at any level of government or private sector entities that provide  
2.29 the same activities, and describe agency interaction with the activities provided by others.

2.30 Sec. 3. Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 1, is amended  
2.31 to read:

2.32 Subdivision 1. **Group 1.** The following agencies are sunset and, except as provided  
2.33 in section 3D.14, expire on June 30, ~~2012~~ 2024: Capitol Area Architectural and Planning  
2.34 Board, Amateur Sports Commission, ~~Combative Sports Commission~~, all health-related

3.1 licensing boards listed in section 214.01, Council on Affairs of Chicano/Latino People,  
3.2 ~~Council on Black Minnesotans~~, Council on Asian-Pacific Minnesotans, Indian Affairs  
3.3 Council, Council on Disabilities, and all advisory groups associated with these agencies.

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

3.5 Sec. 4. Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 2, is amended  
3.6 to read:

3.7 Subd. 2. **Group 2.** The following agencies are sunset and, except as provided in  
3.8 section 3D.14, expire on June 30, 2014: Department of Health, Department of Human  
3.9 Services, Department of Human Rights, Department of Education, Board of Teaching,  
3.10 Minnesota Office of Higher Education, Council on Black Minnesotans, Emergency  
3.11 Medical Services Regulatory Board, and all advisory groups associated with these  
3.12 agencies.

3.13 Sec. 5. **COUNCIL ON BLACK MINNESOTANS INTERIM REVIEW.**

3.14 (a) The Council on Black Minnesotans is continued for two years and added to the  
3.15 2014 Sunset Advisory Commission review schedule. In the council's report to the Sunset  
3.16 Advisory Commission, the council must submit an interim report and respond to issues  
3.17 raised in previous audits by the Office of the Legislative Auditor.

3.18 (b) The Office of the Legislative Auditor should conduct a financial audit of the  
3.19 Council of Black Minnesotans by December 1, 2013, prior to sunset review in 2014.

3.20 Sec. 6. **REVIEW OF SUNSET PROCESS.**

3.21 The Office of the Legislative Auditor is requested to conduct a review of the sunset  
3.22 process in Minnesota Statutes, chapter 3D. The review must be conducted as soon as  
3.23 possible after completion of the first full cycle of sunset reviews of state agencies in 2022.  
3.24 The legislative auditor is requested to present the results of the review in a report to the  
3.25 Legislative Audit Commission and the Sunset Advisory Commission.

## 3.26 ARTICLE 2

### 3.27 ADMINISTRATIVE PROCEDURES AND FEES

3.28 Section 1. Minnesota Statutes 2010, section 3.922, is amended by adding a subdivision  
3.29 to read:

3.30 Subd. 11. **Report.** The council shall prepare and distribute a report to the governor  
3.31 and legislature by November 15 of each year. The report shall summarize the activities

4.1 of the council since its last report, list receipts and expenditures, identify the major  
4.2 problems and issues confronting American Indian people, and list the specific objectives  
4.3 that the council seeks to attain during the biennium. To the extent possible, the council  
4.4 shall report on outcome measures.

4.5 Sec. 2. Minnesota Statutes 2010, section 3.9223, subdivision 7, is amended to read:

4.6 Subd. 7. **Report.** The council shall prepare and distribute a report to the governor  
4.7 and legislature by November 15 of each ~~even-numbered~~ year. The report shall summarize  
4.8 the activities of the council since its last report, list receipts and expenditures, identify  
4.9 the major problems and issues confronting Chicano/Latino people, and list the specific  
4.10 objectives that the council seeks to attain during the next biennium. To the extent possible,  
4.11 the council shall report on outcome measures.

4.12 Sec. 3. Minnesota Statutes 2010, section 3.9225, subdivision 7, is amended to read:

4.13 Subd. 7. **Report.** The council shall prepare and distribute a report to the governor  
4.14 and legislature by November 15 of each ~~even-numbered~~ year. The report shall summarize  
4.15 the activities of the council since its last report, list receipts and expenditures, identify  
4.16 the major problems and issues confronting Black people, and list the specific objectives  
4.17 which the council seeks to attain during the next biennium. To the extent possible, the  
4.18 council shall report on outcome measures.

4.19 Sec. 4. Minnesota Statutes 2010, section 3.9226, subdivision 7, is amended to read:

4.20 Subd. 7. **Report.** The council shall prepare and distribute a report to the governor  
4.21 and legislature by November 15 of each ~~even-numbered~~ year. The report shall summarize  
4.22 the activities of the council since its last report, list receipts and expenditures, identify  
4.23 the major problems and issues confronting Asian-Pacific people, and list the specific  
4.24 objectives that the council seeks to attain during the next biennium. To the extent possible,  
4.25 the council shall report on outcome measures.

4.26 Sec. 5. **[3D.045] COORDINATION WITH LEGISLATIVE AUDITOR.**

4.27 To the extent possible, the commission and the Office of the Legislative Auditor  
4.28 shall align their work so that audits and program evaluations conducted by the Office  
4.29 of the Legislative Auditor can inform the work of the commission. The commission  
4.30 may request the Office of the Legislative Auditor to provide updates on financial audits  
4.31 and program evaluations the Office of the Legislative Auditor has prepared on agencies  
4.32 scheduled for Sunset Advisory Commission review.

5.1       Sec. 6. **[3D.065] REPORT ON PERSONNEL.**

5.2             By September 1 of the odd-numbered year before the year in which a state agency is  
5.3 subject to sunset review, the commissioner of management and budget must report to the  
5.4 Sunset Advisory Commission on the number of full-time equivalent employees and the  
5.5 salary structure for each agency under review.

5.6       Sec. 7. **[16B.371] ASSISTANCE TO SMALL AGENCIES.**

5.7             (a) The commissioner may provide administrative support services to small agencies.  
5.8 To promote efficiency and cost-effective use of state resources, and to improve financial  
5.9 controls, the commissioner may require a small agency to receive administrative support  
5.10 services through the Department of Administration or through another agency designated  
5.11 by the commissioner. Services subject to this section include finance, accounting, payroll,  
5.12 purchasing, human resources, and other services designated by the commissioner. The  
5.13 commissioner may determine what constitutes a small agency for purposes of this section.  
5.14 The commissioner, in consultation with the commissioner of management and budget and  
5.15 small agencies, shall evaluate small agencies' needs for administrative support services.  
5.16 If the commissioner provides administrative support services to a small agency, the  
5.17 commissioner must enter into a service level agreement with the agency, specifying the  
5.18 services to be provided and the costs and anticipated outcomes of the services.

5.19             (b) The Chicano Latino Affairs Council, the Council on Black Minnesotans, the  
5.20 Council on Asian-Pacific Minnesotans, the Indian Affairs Council, and the Minnesota  
5.21 State Council on Disability must use the services specified in paragraph (a).

5.22             (c) The commissioner of administration may assess agencies for services it provides  
5.23 under this section. The amounts assessed are appropriated to the commissioner.

5.24             (d) For agencies covered in this section, the commissioner has the authority to require  
5.25 the agency to comply with applicable state finance, accounting, payroll, purchasing, and  
5.26 human resources policies. The agencies served retain the ownership and responsibility for  
5.27 spending decisions and for ongoing implementation of appropriate business operations.

5.28       Sec. 8. Minnesota Statutes 2010, section 147.01, subdivision 4, is amended to read:

5.29             Subd. 4. **Disclosure.** Subject to the exceptions listed in this subdivision, all  
5.30 communications or information received by or disclosed to the board relating to any  
5.31 person or matter subject to its regulatory jurisdiction are confidential and privileged and  
5.32 any disciplinary hearing shall be closed to the public.

5.33             (a) Upon application of a party in a proceeding before the board under section  
5.34 147.091, the board shall produce and permit the inspection and copying, by or on behalf of

6.1 the moving party, of any designated documents or papers relevant to the proceedings, in  
6.2 accordance with the provisions of rule 34, Minnesota Rules of Civil Procedure.

6.3 (b) If the board takes corrective action or imposes disciplinary measures of any kind,  
6.4 whether by contested case or by settlement agreement, the name and business address of  
6.5 the licensee, the nature of the misconduct, and the action taken by the board are public  
6.6 data. If disciplinary action is taken by settlement agreement, the entire agreement is public  
6.7 data. The board shall decide disciplinary matters, whether by settlement or by contested  
6.8 case, by roll call vote. The votes are public data.

6.9 (c) The board shall exchange information with other licensing boards, agencies, or  
6.10 departments within the state, as required under section 214.10, subdivision 8, paragraph  
6.11 (c), and may release information in the reports required under section 147.02, subdivision  
6.12 6.

6.13 (d) The board shall upon request furnish to a person who made a complaint, or the  
6.14 alleged victim of a violation of section 147.091, subdivision 1, paragraph (t), or both, a  
6.15 description of the activities and actions of the board relating to that complaint, a summary  
6.16 of the results of an investigation of that complaint, and the reasons for actions taken  
6.17 by the board.

6.18 (e) A probable cause hearing held pursuant to section 147.092 shall be closed to the  
6.19 public, except for the notices of hearing made public by operation of section 147.092.

6.20 (f) Findings of fact, conclusions, and recommendations issued by the administrative  
6.21 law judge, and transcripts of oral arguments before the board pursuant to a contested case  
6.22 proceeding in which an administrative law judge found a violation of section 147.091,  
6.23 subdivision 1, paragraph (t), are public data.

6.24 **EFFECTIVE DATE.** This section is effective for all corrective action taken on  
6.25 or after August 1, 2012.

6.26 Sec. 9. Minnesota Statutes 2010, section 147.111, is amended by adding a subdivision  
6.27 to read:

6.28 **Subd. 10. Failure to report.** On or after August 1, 2012, any person, health care  
6.29 facility, business, or organization that fails to report as required under subdivisions 2 to 6  
6.30 shall be subject to civil penalties for failing to report as required by law.

6.31 **EFFECTIVE DATE.** This section is effective August 1, 2012.

6.32 Sec. 10. Minnesota Statutes 2010, section 148.102, is amended by adding a subdivision  
6.33 to read:

7.1 Subd. 8. **Failure to report.** On or after August 1, 2012, any person or insurer that  
7.2 fails to report as required under subdivisions 2 to 4 shall be subject to civil penalties for  
7.3 failing to report as required by law.

7.4 **EFFECTIVE DATE.** This section is effective August 1, 2012.

7.5 Sec. 11. Minnesota Statutes 2010, section 148.261, subdivision 1, is amended to read:

7.6 Subdivision 1. **Grounds listed.** The board may deny, revoke, suspend, limit, or  
7.7 condition the license and registration of any person to practice professional, advanced  
7.8 practice registered, or practical nursing under sections 148.171 to 148.285, or to otherwise  
7.9 discipline a licensee or applicant as described in section 148.262. The following are  
7.10 grounds for disciplinary action:

7.11 (1) Failure to demonstrate the qualifications or satisfy the requirements for a license  
7.12 contained in sections 148.171 to 148.285 or rules of the board. In the case of a person  
7.13 applying for a license, the burden of proof is upon the applicant to demonstrate the  
7.14 qualifications or satisfaction of the requirements.

7.15 (2) Employing fraud or deceit in procuring or attempting to procure a permit, license,  
7.16 or registration certificate to practice professional or practical nursing or attempting to  
7.17 subvert the licensing examination process. Conduct that subverts or attempts to subvert  
7.18 the licensing examination process includes, but is not limited to:

7.19 (i) conduct that violates the security of the examination materials, such as removing  
7.20 examination materials from the examination room or having unauthorized possession of  
7.21 any portion of a future, current, or previously administered licensing examination;

7.22 (ii) conduct that violates the standard of test administration, such as communicating  
7.23 with another examinee during administration of the examination, copying another  
7.24 examinee's answers, permitting another examinee to copy one's answers, or possessing  
7.25 unauthorized materials; or

7.26 (iii) impersonating an examinee or permitting an impersonator to take the  
7.27 examination on one's own behalf.

7.28 (3) Conviction ~~during the previous five years~~ of a felony or gross misdemeanor  
7.29 reasonably related to the practice of professional, advanced practice registered, or practical  
7.30 nursing. Conviction as used in this subdivision includes a conviction of an offense that if  
7.31 committed in this state would be considered a felony or gross misdemeanor without regard  
7.32 to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is  
7.33 made or returned but the adjudication of guilt is either withheld or not entered.

7.34 (4) Revocation, suspension, limitation, conditioning, or other disciplinary action  
7.35 against the person's professional or practical nursing license or advanced practice

8.1 registered nursing credential, in another state, territory, or country; failure to report to the  
8.2 board that charges regarding the person's nursing license or other credential are pending in  
8.3 another state, territory, or country; or having been refused a license or other credential by  
8.4 another state, territory, or country.

8.5 (5) Failure to or inability to perform professional or practical nursing as defined in  
8.6 section 148.171, subdivision 14 or 15, with reasonable skill and safety, including failure  
8.7 of a registered nurse to supervise or a licensed practical nurse to monitor adequately the  
8.8 performance of acts by any person working at the nurse's direction.

8.9 (6) Engaging in unprofessional conduct, including, but not limited to, a departure  
8.10 from or failure to conform to board rules of professional or practical nursing practice that  
8.11 interpret the statutory definition of professional or practical nursing as well as provide  
8.12 criteria for violations of the statutes, or, if no rule exists, to the minimal standards of  
8.13 acceptable and prevailing professional or practical nursing practice, or any nursing  
8.14 practice that may create unnecessary danger to a patient's life, health, or safety. Actual  
8.15 injury to a patient need not be established under this clause.

8.16 (7) Failure of an advanced practice registered nurse to practice with reasonable  
8.17 skill and safety or departure from or failure to conform to standards of acceptable and  
8.18 prevailing advanced practice registered nursing.

8.19 (8) Delegating or accepting the delegation of a nursing function or a prescribed  
8.20 health care function when the delegation or acceptance could reasonably be expected to  
8.21 result in unsafe or ineffective patient care.

8.22 (9) Actual or potential inability to practice nursing with reasonable skill and safety  
8.23 to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or  
8.24 as a result of any mental or physical condition.

8.25 (10) Adjudication as mentally incompetent, mentally ill, a chemically dependent  
8.26 person, or a person dangerous to the public by a court of competent jurisdiction, within or  
8.27 without this state.

8.28 (11) Engaging in any unethical conduct, including, but not limited to, conduct likely  
8.29 to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard  
8.30 for the health, welfare, or safety of a patient. Actual injury need not be established under  
8.31 this clause.

8.32 (12) Engaging in conduct with a patient that is sexual or may reasonably be  
8.33 interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually  
8.34 demeaning to a patient, or engaging in sexual exploitation of a patient or former patient.

9.1 (13) Obtaining money, property, or services from a patient, other than reasonable  
9.2 fees for services provided to the patient, through the use of undue influence, harassment,  
9.3 duress, deception, or fraud.

9.4 (14) Revealing a privileged communication from or relating to a patient except when  
9.5 otherwise required or permitted by law.

9.6 (15) Engaging in abusive or fraudulent billing practices, including violations of  
9.7 federal Medicare and Medicaid laws or state medical assistance laws.

9.8 (16) Improper management of patient records, including failure to maintain adequate  
9.9 patient records, to comply with a patient's request made pursuant to sections 144.291 to  
9.10 144.298, or to furnish a patient record or report required by law.

9.11 (17) Knowingly aiding, assisting, advising, or allowing an unlicensed person to  
9.12 engage in the unlawful practice of professional, advanced practice registered, or practical  
9.13 nursing.

9.14 (18) Violating a rule adopted by the board, an order of the board, or a state or federal  
9.15 law relating to the practice of professional, advanced practice registered, or practical  
9.16 nursing, or a state or federal narcotics or controlled substance law.

9.17 (19) Knowingly providing false or misleading information that is directly related  
9.18 to the care of that patient unless done for an accepted therapeutic purpose such as the  
9.19 administration of a placebo.

9.20 (20) Aiding suicide or aiding attempted suicide in violation of section 609.215 as  
9.21 established by any of the following:

9.22 (i) a copy of the record of criminal conviction or plea of guilty for a felony in  
9.23 violation of section 609.215, subdivision 1 or 2;

9.24 (ii) a copy of the record of a judgment of contempt of court for violating an  
9.25 injunction issued under section 609.215, subdivision 4;

9.26 (iii) a copy of the record of a judgment assessing damages under section 609.215,  
9.27 subdivision 5; or

9.28 (iv) a finding by the board that the person violated section 609.215, subdivision  
9.29 1 or 2. The board shall investigate any complaint of a violation of section 609.215,  
9.30 subdivision 1 or 2.

9.31 (21) Practicing outside the scope of practice authorized by section 148.171,  
9.32 subdivision 5, 10, 11, 13, 14, 15, or 21.

9.33 (22) Practicing outside the specific field of nursing practice for which an advanced  
9.34 practice registered nurse is certified unless the practice is authorized under section 148.284.

10.1 (23) Making a false statement or knowingly providing false information to the  
10.2 board, failing to make reports as required by section 148.263, or failing to cooperate with  
10.3 an investigation of the board as required by section 148.265.

10.4 (24) Engaging in false, fraudulent, deceptive, or misleading advertising.

10.5 (25) Failure to inform the board of the person's certification status as a nurse  
10.6 anesthetist, nurse-midwife, nurse practitioner, or clinical nurse specialist.

10.7 (26) Engaging in clinical nurse specialist practice, nurse-midwife practice, nurse  
10.8 practitioner practice, or registered nurse anesthetist practice without current certification  
10.9 by a national nurse certification organization acceptable to the board, except during the  
10.10 period between completion of an advanced practice registered nurse course of study and  
10.11 certification, not to exceed six months or as authorized by the board.

10.12 (27) Engaging in conduct that is prohibited under section 145.412.

10.13 (28) Failing to report employment to the board as required by section 148.211,  
10.14 subdivision 2a, or knowingly aiding, assisting, advising, or allowing a person to fail to  
10.15 report as required by section 148.211, subdivision 2a.

10.16 Sec. 12. Minnesota Statutes 2010, section 148.263, is amended by adding a subdivision  
10.17 to read:

10.18 Subd. 7. **Failure to report.** On or after August 1, 2012, any person, institution,  
10.19 insurer, or organization that fails to report as required under subdivisions 2 to 5 shall be  
10.20 subject to civil penalties for failing to report as required by law.

10.21 **EFFECTIVE DATE.** This section is effective August 1, 2012.

10.22 Sec. 13. Minnesota Statutes 2010, section 148.5194, subdivision 5, is amended to read:

10.23 Subd. 5. ~~Nonrefundable~~ **Use and refunds of fees.** All fees are nonrefundable.  
10.24 The commissioner shall only use fees collected under this section for the purposes of  
10.25 administering this chapter. The legislature must not transfer money generated by these fees  
10.26 from the state government special revenue fund to the general fund. Surcharges collected  
10.27 by the commissioner of health under section 16E.22 are not subject to this subdivision.

10.28 Sec. 14. Minnesota Statutes 2010, section 148.6445, subdivision 10, is amended to  
10.29 read:

10.30 Subd. 10. ~~Nonrefundable~~ **Use and refunds of fees.** All fees are nonrefundable.  
10.31 The commissioner shall only use fees collected under this section for the purposes of  
10.32 administering this chapter. The legislature must not transfer money generated by these fees

11.1 from the state government special revenue fund to the general fund. Surcharges collected  
11.2 by the commissioner of health under section 16E.22 are not subject to this subdivision.

11.3 Sec. 15. Minnesota Statutes 2010, section 148B.07, is amended by adding a  
11.4 subdivision to read:

11.5 Subd. 10. **Failure to report.** On or after August 1, 2012, any person, institution,  
11.6 insurer, or organization that fails to report as required under subdivisions 2 to 6 shall be  
11.7 subject to civil penalties for failing to report as required by law.

11.8 **EFFECTIVE DATE.** This section is effective August 1, 2012.

11.9 Sec. 16. Minnesota Statutes 2010, section 148C.095, is amended by adding a  
11.10 subdivision to read:

11.11 Subd. 8. **Failure to report.** On or after August 1, 2012, any person, institution,  
11.12 insurer, or organization that fails to report as required under subdivisions 2 to 5 shall be  
11.13 subject to civil penalties for failing to report as required by law.

11.14 **EFFECTIVE DATE.** This section is effective August 1, 2012.

11.15 Sec. 17. Minnesota Statutes 2010, section 148E.285, is amended by adding a  
11.16 subdivision to read:

11.17 Subd. 4. **Failure to report.** On or after August 1, 2012, any person, institution, or  
11.18 organization that fails to report as required under subdivisions 1 and 2 shall be subject  
11.19 to civil penalties for failing to report as required by law.

11.20 **EFFECTIVE DATE.** This section is effective August 1, 2012.

11.21 Sec. 18. Minnesota Statutes 2010, section 150A.13, is amended by adding a  
11.22 subdivision to read:

11.23 Subd. 10. **Failure to report.** On or after August 1, 2012, any person, institution,  
11.24 insurer, or organization that fails to report as required under subdivisions 2 to 6 shall be  
11.25 subject to civil penalties for failing to report as required by law.

11.26 **EFFECTIVE DATE.** This section is effective August 1, 2012.

11.27 Sec. 19. Minnesota Statutes 2010, section 153.24, is amended by adding a subdivision  
11.28 to read:

12.1 Subd. 8. Failure to report. On or after August 1, 2012, any person, institution, or  
12.2 insurer that fails to report as required under subdivisions 2 to 5 shall be subject to civil  
12.3 penalties for failing to report as required by law.

12.4 EFFECTIVE DATE. This section is effective August 1, 2012.

12.5 Sec. 20. Minnesota Statutes 2010, section 153A.17, is amended to read:

12.6 **153A.17 EXPENSES; FEES.**

12.7 (a) The expenses for administering the certification requirements, including the  
12.8 complaint handling system for hearing aid dispensers in sections 153A.14 and 153A.15,  
12.9 and the Consumer Information Center under section 153A.18, must be paid from initial  
12.10 application and examination fees, renewal fees, penalties, and fines. The commissioner  
12.11 shall only use fees collected under this section for the purposes of administering this  
12.12 chapter. The legislature must not transfer money generated by these fees from the state  
12.13 government special revenue fund to the general fund. Surcharges collected by the  
12.14 commissioner of health under section 16E.22 are not subject to this paragraph.

12.15 (b) The fees are as follows:

12.16 (1) the initial and annual renewal certification application fee is \$600;

12.17 (2) the initial examination fee for the written portion is \$500, and for each time it  
12.18 is taken, thereafter;

12.19 (3) the initial examination fee for the practical portion is \$1,200, and \$600 for each  
12.20 time it is taken, thereafter; for individuals meeting the requirements of section 148.515,  
12.21 subdivision 2, the fee for the practical portion of the hearing instrument dispensing  
12.22 examination is \$250 each time it is taken;

12.23 (4) the trainee application fee is \$200;

12.24 (5) the penalty fee for late submission of a renewal application is \$200; and

12.25 (6) the fee for verification of certification to other jurisdictions or entities is \$25.

12.26 (c) The commissioner may prorate the certification fee for new applicants based on  
12.27 the number of quarters remaining in the annual certification period.

12.28 (d) All fees are nonrefundable. All fees, penalties, and fines received must be  
12.29 deposited in the state government special revenue fund.

12.30 (e) Beginning July 1, 2009, until June 30, 2016, a surcharge of \$100 shall be paid  
12.31 at the time of initial certification application or renewal to recover the commissioner's  
12.32 accumulated direct expenditures for administering the requirements of this chapter.

12.33 Sec. 21. Minnesota Statutes 2010, section 214.06, subdivision 1, is amended to read:

13.1 Subdivision 1. ~~Fee adjustment~~ **Fees to recover expenditures.** ~~Notwithstanding~~  
13.2 ~~any law to the contrary, the commissioner of health as authorized by section 214.13, all~~  
13.3 ~~health-related licensing boards and all non-health-related licensing boards shall by rule,~~  
13.4 ~~with the approval of the commissioner of management and budget, adjust, as needed,~~  
13.5 ~~any fee which the commissioner of health or the board is empowered to assess. The~~  
13.6 commissioner of health as authorized by section 214.13 and all health-related licensing  
13.7 boards and non-health-related licensing boards shall propose or adjust any fee according  
13.8 to section 16A.1283. As provided in section 16A.1285, the ~~adjustment~~ fees shall be  
13.9 an amount sufficient so that the total fees collected by each board will be based on  
13.10 anticipated expenditures, including expenditures for the programs authorized by sections  
13.11 214.10, 214.103, 214.11, 214.17 to 214.24, 214.28 to 214.37, and 214.40, except that a  
13.12 health-related licensing board may have anticipated expenditures in excess of anticipated  
13.13 revenues in a biennium by using accumulated surplus revenues from fees collected by that  
13.14 board in previous bienniums. A health-related licensing board may accumulate up to one  
13.15 year of operating funds, and then must reduce fees. A health-related licensing board shall  
13.16 not spend more money than the amount appropriated by the legislature for a biennium.  
13.17 For members of an occupation registered after July 1, 1984, by the commissioner of  
13.18 health under the provisions of section 214.13, the fee established must include an amount  
13.19 necessary to recover, over a five-year period, the commissioner's direct expenditures for  
13.20 adoption of the rules providing for registration of members of the occupation. All fees  
13.21 received shall be deposited in the state treasury.

13.22 Sec. 22. Minnesota Statutes 2010, section 214.06, subdivision 1a, is amended to read:

13.23 Subd. 1a. **Health occupations licensing account.** (a) Fees received by the  
13.24 commissioner of health or health-related licensing boards must be credited to the health  
13.25 occupations licensing account in the state government special revenue fund. The  
13.26 commissioner of management and budget shall ensure that the revenues and expenditures  
13.27 of each health-related licensing board are tracked separately in the health occupations  
13.28 licensing account.

13.29 (b) The fees collected must be used only by the boards identified in section 214.01,  
13.30 subdivision 2, and only for the purposes of the programs they administer. The legislature  
13.31 must not transfer money generated by these fees from the state government special  
13.32 revenue fund to the general fund. Surcharges collected by a health-related licensing board  
13.33 under section 16E.22 are not subject to this subdivision.

14.1 Sec. 23. Minnesota Statutes 2010, section 214.06, is amended by adding a subdivision  
14.2 to read:

14.3 Subd. 1b. **Health-related licensing boards; surcharges.** When a health-related  
14.4 licensing board imposes a surcharge, the surcharge must not be incorporated as a fee  
14.5 increase, but must be made as a separate assessment to be paid by the individuals regulated  
14.6 by the board.

14.7 Sec. 24. **[214.072] HEALTH-RELATED LICENSING BOARDS; WEB SITE.**

14.8 (a) Each health-related licensing board, as defined in section 214.01, subdivision 2,  
14.9 and the commissioner of health, as the regulator for occupational therapy practitioners,  
14.10 speech-language pathologists, audiologists, and hearing instrument dispensers, are  
14.11 required to post on its public Web site the name and business address of each regulated  
14.12 individual who has:

14.13 (1) a conviction during the previous ten years of a felony or gross misdemeanor.  
14.14 Conviction includes a conviction of an offense that if committed in this state would be  
14.15 considered a felony or gross misdemeanor without regard to its designation elsewhere,  
14.16 or a criminal proceeding where a finding or verdict of guilt is made or returned but the  
14.17 adjudication of guilt is either withheld or not entered;

14.18 (2) a malpractice judgment entered against the regulated individual in any state or  
14.19 jurisdiction within the past ten years and malpractice settlements entered against the  
14.20 regulated individual in any state or jurisdiction if there have been more than two within  
14.21 the past five years. Information describing judgments and settlements shall be developed  
14.22 by the boards, shall be stated in plain English, and shall ensure the public understands the  
14.23 context of actions involving licensees; or

14.24 (3) any disciplinary or corrective action or restriction of privileges taken against the  
14.25 individual's license by a licensing board in this state or in any other state or jurisdiction.  
14.26 The Web site shall identify the basis for disciplinary action, the type of disciplinary action  
14.27 taken, and whether the action was taken by a licensing board in this or another state or by  
14.28 the federal government.

14.29 (b) Each board and the commissioner of health must post in-state information  
14.30 required in paragraph (a) no later than January 1, 2013. Information from other states and  
14.31 jurisdictions must be posted no later than July 1, 2013.

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

14.33 Sec. 25. **[214.073] HEALTH-RELATED LICENSING BOARDS; AUTHORITY.**

15.1 (a) Each health-related licensing board, as defined in section 214.01, subdivision 2,  
15.2 and the commissioner of health, as the regulator for occupational therapy practitioners,  
15.3 speech-language pathologists, audiologists, and hearing instrument dispensers, shall  
15.4 require an applicant on or after August 1, 2012, to provide the individual's primary  
15.5 business address at the time of initial application and all subsequent renewals.

15.6 (b) Each health-related licensing board, as defined in section 214.01, subdivision 2,  
15.7 and the commissioner of health, as the regulator for occupational therapy practitioners,  
15.8 speech-language pathologists, audiologists, and hearing instrument dispensers, shall have  
15.9 the authority to conduct criminal background checks on all applicants, at the expense of  
15.10 the individual.

15.11 (c) The health-related licensing boards and the commissioner of health shall study:  
15.12 the value of implementing a requirement for criminal background checks for existing  
15.13 regulated individuals; how to utilize criminal background checks that have already been  
15.14 performed on these individuals; and how to implement any new requirements in the most  
15.15 cost effective way possible. The plan will include recommendations for any necessary  
15.16 statutory changes and shall seek to minimize duplication of requirements for background  
15.17 studies.

15.18 (d) Each health-related licensing board, as defined in section 214.01, subdivision 2,  
15.19 and the commissioner of health, as the regulator for occupational therapy practitioners,  
15.20 speech-language pathologists, audiologists, and hearing instrument dispensers, shall  
15.21 submit legislation for consideration in 2013 to require institutions, professional societies,  
15.22 other licensed professionals, and insurers and other entities to report conduct constituting  
15.23 grounds for disciplinary action to the respective regulatory entity. Each board and the  
15.24 commissioner must include penalties that may be imposed for failure to report. Boards  
15.25 with reporting obligations in statutes are exempt from this paragraph.

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

15.27 Sec. 26. **[214.0732] REQUIREMENT FOR CRIMINAL BACKGROUND**  
15.28 **CHECK.**

15.29 Subdivision 1. **Applicants.** Each health-related licensing board, as defined in section  
15.30 214.01, subdivision 2, and the commissioner of health, as regulator for occupational  
15.31 therapy practitioners, speech-language pathologists, audiologists, and hearing instrument  
15.32 dispensers, shall complete a fingerprint-based criminal background check on each  
15.33 applicant for initial licensure or other credential prior to granting a credential to practice.  
15.34 Each applicant must:

16.1 (1) submit a full set of fingerprints to the commissioner or board or its designee in a  
16.2 form and manner specified by the commissioner or board; and

16.3 (2) provide consent authorizing the board or commissioner to obtain the applicant's  
16.4 state and national criminal history record information for the purpose of determining the  
16.5 applicant's suitability and eligibility for a credential to practice.

16.6 Subd. 2. **Fees.** The applicant shall be responsible for all fees associated with  
16.7 preparation of the fingerprints and the criminal background check and the fees are not  
16.8 refundable.

16.9 Subd. 3. **Refusal to consent.** The boards and the commissioner of health shall  
16.10 not issue a credential to practice to any applicant who refuses to consent to a criminal  
16.11 background check or fails to submit fingerprints within 90 days after the application is  
16.12 submitted. Any fees paid by the applicant to a board or commissioner shall be forfeited  
16.13 if the applicant refuses to consent to the criminal background check or fails to submit  
16.14 fingerprints.

16.15 Subd. 4. **Submission of fingerprints.** A board or its designee and the commissioner  
16.16 of health shall submit applicant fingerprints to the Minnesota Bureau of Criminal  
16.17 Apprehension (BCA). The BCA shall perform a check for state criminal justice  
16.18 information and shall forward the applicant's fingerprints to the Federal Bureau of  
16.19 Investigation to perform a check for national criminal justice information regarding the  
16.20 applicant. The BCA shall report to the board or the commissioner the results of the state  
16.21 and national background checks.

16.22 Subd. 5. **Alternative to fingerprint-based background check.** A board or the  
16.23 commissioner of health may require an alternative method of criminal history background  
16.24 check for an applicant who has submitted at least three sets of fingerprints under this  
16.25 section that cannot be read.

16.26 Subd. 6. **Opportunity to challenge accuracy of report.** Prior to taking disciplinary  
16.27 action against an applicant based on a criminal conviction, a board or the commissioner  
16.28 of health shall provide the applicant with the opportunity to complete, or challenge the  
16.29 accuracy of, the criminal justice information reported to the board or commissioner. The  
16.30 applicant shall have 30 calendar days following notice from a board or the commissioner  
16.31 of the intent to take disciplinary action on a license to request an opportunity to correct or  
16.32 complete the record prior to a board or the commissioner taking disciplinary action based  
16.33 on the report. The applicant shall be allowed up to 180 days to challenge the accuracy or  
16.34 completeness of the report with the agency that is responsible for the record.

16.35 Subd. 7. **Disciplinary action.** A board or the commissioner of health shall review  
16.36 each criminal history report and determine whether the criminal convictions, if any, relate

17.1 to the practice of the regulated profession or occupation. If the criminal convictions are  
17.2 found to relate to the profession or occupation, the regulating board or commissioner  
17.3 may take any disciplinary action allowed by the respective practice act and pursuant  
17.4 to sections 214.10 and 214.103.

17.5 Subd. 8. **Factors to be considered.** In determining whether an applicant is suitable  
17.6 to receive a credential to practice, a board or the commissioner of health shall consider:

17.7 (1) the number of crimes for which the applicant has been convicted;

17.8 (2) the nature and seriousness of the crimes and vulnerability of the victims of the  
17.9 crimes, including whether the commission of the crimes involved the abuse of trust or the  
17.10 exploitation of a unique position or knowledge;

17.11 (3) the relationship between the crimes and the practice of the applicable profession  
17.12 or occupation;

17.13 (4) the age of the applicant at the time the crimes were committed;

17.14 (5) the amount of time that has elapsed since the crimes occurred;

17.15 (6) steps taken by the applicant to address substance abuse or mental or physical  
17.16 health issues present at the time of the crimes or subsequent to the crimes;

17.17 (7) evidence of the applicant's work history;

17.18 (8) whether the applicant has successfully completed the terms of any sentence  
17.19 imposed; and

17.20 (9) any other evidence demonstrating the applicant does not pose a risk of harm to  
17.21 the health or safety of the public.

17.22 Subd. 9. **Conviction.** For purposes of this section, an applicant is considered to  
17.23 have been convicted of a crime if the applicant has pleaded guilty or nolo contendere,  
17.24 been found guilty, or entered an Alford plea to any offense by any court in the state of  
17.25 Minnesota or similar offense in another state or United States territory or federal court.  
17.26 An applicant is considered to have been convicted of a crime if the applicant has been  
17.27 convicted or found guilty but adjudication was withheld. A board or the commissioner of  
17.28 health may consider public records from a juvenile delinquency proceeding where there  
17.29 has been a judicial determination that the elements of the offense occurred.

17.30 Subd. 10. **Data practices.** Fingerprints and all criminal history record information  
17.31 obtained by the boards or the commissioner of health is private data on individuals under  
17.32 section 13.02, subdivision 12, and restricted to the exclusive use of the board and its  
17.33 members and staff, the commissioner, investigative staff, agents, and attorneys for the  
17.34 purpose of evaluating an applicant's eligibility or qualifications to practice. The boards and  
17.35 the commissioner shall maintain fingerprints and the criminal history records information  
17.36 in a secure manner and comply with all applicable state and federal requirements.

18.1 **EFFECTIVE DATE.** This section is effective July 1, 2013, or as soon as the  
18.2 necessary agency interagency infrastructure and related business processes are operational,  
18.3 whichever is later.

18.4 Sec. 27. **SUNSET ADVISORY COMMISSION; DEPARTMENT OF HEALTH**  
18.5 **REVIEW.**

18.6 The Sunset Advisory Commission review of the Department of Health in 2013  
18.7 and 2014 must include an analysis of the extent to which health occupations should be  
18.8 licensed by the Department of Health, and the extent to which occupations should be  
18.9 licensed by licensing boards.

18.10 Sec. 28. **REPORT; INVESTIGATIONS FOR HEALTH-RELATED LICENSING**  
18.11 **BOARDS.**

18.12 The health-related licensing boards and the attorney general shall review and  
18.13 make recommendations to the legislature by January 15, 2013, on the respective roles  
18.14 of the boards and the attorney general in conducting investigations of licensees of the  
18.15 health-related licensing boards.

18.16 Sec. 29. **REPORT; INFORMATION SYSTEMS FOR LICENSING BOARDS.**

18.17 The commissioner of administration and the Office of Enterprise Technology  
18.18 utilizing business rules from the health licensing boards shall report to the legislature  
18.19 by January 15, 2013, the best system for providing electronic licensing, disciplinary,  
18.20 regulatory, and investigative services for the health-related licensing boards. Any costs  
18.21 incurred in preparing this report must be paid from surcharges collected under Minnesota  
18.22 Statutes, section 16E.22.

18.23 Sec. 30. **REPORT; HEALTH-RELATED LICENSING BOARD FEES.**

18.24 Each health-related licensing board, as defined in section 214.01, subdivision 2,  
18.25 and the commissioner of health, as the regulator for occupational therapy practitioners,  
18.26 speech-language pathologists, audiologists, and hearing instrument dispensers, shall  
18.27 report to the chair and lead minority member of the senate and house of representatives  
18.28 committees with jurisdiction over health and human services finance by January 15, 2013,  
18.29 on the degree to which fees imposed comply with Minnesota Statutes, sections 214.055  
18.30 and 214.06, for the health-related licensing boards or Minnesota Statutes, section 144.122,  
18.31 for the commissioner of health. If a board determines that its fees are expected to produce

19.1 more revenue than needed to recover expenditures during a five-year period, the board  
19.2 must propose reductions in those fees to the legislature.

19.3 Sec. 31. **REPORTS; ADMINISTRATIVE SUPPORT SERVICES.**

19.4 (a) The commissioner of administration shall report to the legislature by January 15,  
19.5 2013, on use of the SMART program by executive branch agencies.

19.6 (b) The administrative services unit of health-related licensing boards shall report to  
19.7 the legislature by January 15, 2013, evaluating use of the units' services by health-related  
19.8 licensing boards.

19.9 Sec. 32. **MEDICAL PRACTICE ACT; STUDY.**

19.10 (a) The commissioner of health shall convene a working group to evaluate the state's  
19.11 Medical Practice Act to ensure that it effectively protects the safety and well-being of the  
19.12 citizens of the state and allows transparency. In this evaluation, the working group shall  
19.13 consider practice acts in other states, including conduct that may result in disciplinary  
19.14 action.

19.15 (b) Members of the working group shall include:

19.16 (1) two members of the Board of Medical Practice;

19.17 (2) two practicing physicians recommended by the Minnesota Medical Association;

19.18 (3) two medical educators, one from the University of Minnesota and one from the  
19.19 Mayo Clinic;

19.20 (4) two senators, one from each caucus, appointed by the subcommittee on  
19.21 committees, and two members of the house of representatives, one from each caucus,  
19.22 appointed by the speaker;

19.23 (5) the commissioner of health;

19.24 (6) consumers; and

19.25 (7) experts in the field of medical practice.

19.26 The majority of the working group must be composed of members who have no  
19.27 current or past affiliation with the Board of Medical Practice.

19.28 (c) Compensation for working group members is subject to Minnesota Statutes,  
19.29 section 15.059, subdivision 3, and must be paid from the operating funds of the Board of  
19.30 Medical Practice. The costs incurred by the commissioner of health to convene and support  
19.31 the working group must be paid from the operating funds of the Board of Medical Practice.

19.32 (d) The working group must elect a chair from its members.

19.33 (e) Meetings of the working group shall be open to the public.

20.1 (f) No later than January 1, 2013, the board shall submit the report of the working  
20.2 group and legislation modifying the practice act for consideration during the 2013  
20.3 legislative session.

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

20.5 Sec. 33. **BOARD OF MEDICAL PRACTICE REVIEW.**

20.6 The legislative auditor is requested to conduct a special investigation of the  
20.7 Minnesota Board of Medical Practice and its implementation of the Medical Practice  
20.8 Act. The legislative auditor is requested to submit the results of the investigation to the  
20.9 Sunset Advisory Commission and to the chairs and ranking minority members of the  
20.10 senate and house of representatives policy committees having jurisdiction over the board  
20.11 by January 1, 2013.

20.12 Sec. 34. **REPEALER.**

20.13 Minnesota Statutes 2010, sections 138A.01; 138A.02; 138A.03; 138A.04; 138A.05;  
20.14 and 138A.06, are repealed effective the day following final enactment.

### 20.15 **ARTICLE 3**

#### 20.16 **TRANSFER OF COMBATIVE SPORTS DUTIES**

20.17 Section 1. Minnesota Statutes 2010, section 341.21, is amended by adding a  
20.18 subdivision to read:

20.19 Subd. 3a. **Commissioner.** "Commissioner" means the commissioner of labor and  
20.20 industry.

20.21 Sec. 2. **[341.221] ADVISORY COUNCIL.**

20.22 The commissioner must appoint a Combative Sports Advisory Council to advise  
20.23 the commissioner on administration of duties under this chapter. The council must  
20.24 include members knowledgeable in the boxing and mixed martial arts industries and  
20.25 public members. Membership terms, removal of members, filling of vacancies, and  
20.26 compensation of members is as provided in section 15.059.

20.27 Sec. 3. Minnesota Statutes 2010, section 341.28, subdivision 1, is amended to read:

20.28 Subdivision 1. **Regulatory authority; combative sports.** All combative sport  
20.29 contests are subject to this chapter. ~~The commission shall, for every combative sport~~  
20.30 ~~contest.~~

21.1 ~~(1) direct a commission member to be present; and~~  
21.2 ~~(2) direct the attending commission member to make a written report of the contest.~~  
21.3 All combative sport contests within this state must be conducted according to the  
21.4 requirements of this chapter.

21.5 Sec. 4. Minnesota Statutes 2010, section 341.37, is amended to read:

21.6 **341.37 APPROPRIATION.**

21.7 A ~~commission~~ combative sports account is created in the special revenue fund.  
21.8 Money in the account is annually appropriated to the ~~commission~~ commissioner for the  
21.9 purposes of conducting its statutory responsibilities and obligations under this chapter.

21.10 Sec. 5. **TRANSFER OF DUTIES.**

21.11 The Combative Sports Commission is abolished. Duties of the commission are  
21.12 transferred to the commissioner of labor and industry. Minnesota Statutes, section 15.039,  
21.13 subdivisions 1 to 6, apply to this transfer.

21.14 Sec. 6. **REVISOR'S INSTRUCTION.**

21.15 The revisor of statutes shall substitute the term "commissioner" for "commission" in  
21.16 each place the term "commission" appears in Minnesota Statutes, chapter 341.

21.17 Sec. 7. **REPEALER.**

21.18 Minnesota Statutes 2010, sections 341.21, subdivisions 3 and 4a; 341.22; 341.23;  
21.19 341.24; and 341.26, are repealed.

21.20 Sec. 8. **EFFECTIVE DATE.**

21.21 This article is effective July 1, 2013.

21.22 **ARTICLE 4**

21.23 **HEALTH BOARDS**

21.24 Section 1. Minnesota Statutes 2010, section 214.09, is amended by adding a  
21.25 subdivision to read:

21.26 Subd. 5. **Health-related boards.** No current member of a health-related licensing  
21.27 board may seek a paid employment position with that board.

22.1 Sec. 2. Minnesota Statutes 2010, section 214.103, is amended to read:

22.2 **214.103 HEALTH-RELATED LICENSING BOARDS; COMPLAINT,**  
22.3 **INVESTIGATION, AND HEARING.**

22.4 Subdivision 1. **Application.** For purposes of this section, "board" means  
22.5 "health-related licensing board" and does not include the non-health-related licensing  
22.6 boards. Nothing in this section supersedes section 214.10, subdivisions 2a, 3, 8, and 9, as  
22.7 they apply to the health-related licensing boards.

22.8 Subd. 1a. **Notifications and resolution.** (a) No more than 14 calendar days after  
22.9 receiving a complaint regarding a licensee, the board shall notify the complainant that  
22.10 the board has received the complaint and shall provide the complainant with the written  
22.11 description of the board's complaint process. The board shall periodically, but no less  
22.12 than every 120 days, notify the complainant of the status of the complaint consistent  
22.13 with section 13.41.

22.14 (b) Except as provided in paragraph (d), no more than 60 calendar days after  
22.15 receiving a complaint regarding a licensee, the board must notify the licensee that the  
22.16 board has received a complaint and inform the licensee of:

22.17 (1) the substance of the complaint;

22.18 (2) the sections of the law that have allegedly been violated;

22.19 (3) the sections of the professional rules that have allegedly been violated; and

22.20 (4) whether an investigation is being conducted.

22.21 (c) The board shall periodically, but no less than every 120 days, notify the licensee  
22.22 of the status of the complaint consistent with section 13.41.

22.23 (d) Paragraphs (b) and (c) do not apply if the board determines that such notice  
22.24 would compromise the board's investigation and that such notice cannot reasonably be  
22.25 accomplished within this time.

22.26 (e) No more than one year after receiving a complaint regarding a licensee, the  
22.27 board must resolve or dismiss the complaint unless the board determines that resolving or  
22.28 dismissing the complaint cannot reasonably be accomplished in this time and is not in  
22.29 the public interest.

22.30 (f) Failure to make notifications or to resolve the complaint within the time  
22.31 established in this subdivision shall not deprive the board of jurisdiction to complete the  
22.32 investigation or to take corrective, disciplinary, or other action against the licensee that is  
22.33 authorized by law. Such a failure by the board shall not be the basis for a licensee's request  
22.34 for the board to dismiss a complaint, and shall not be considered by an administrative law  
22.35 judge, the board, or any reviewing court.

23.1           Subd. 2. **Receipt of complaint.** The boards shall receive and resolve complaints  
23.2 or other communications, whether oral or written, against regulated persons. Before  
23.3 resolving an oral complaint, the executive director or a board member designated by the  
23.4 board to review complaints ~~may~~ shall require the complainant to state the complaint in  
23.5 writing or authorize transcribing the complaint. The executive director or the designated  
23.6 board member shall determine whether the complaint alleges or implies a violation of  
23.7 a statute or rule which the board is empowered to enforce. The executive director or  
23.8 the designated board member may consult with the designee of the attorney general as  
23.9 to a board's jurisdiction over a complaint. If the executive director or the designated  
23.10 board member determines that it is necessary, the executive director may seek additional  
23.11 information to determine whether the complaint is jurisdictional or to clarify the nature  
23.12 of the allegations by obtaining records or other written material, obtaining a handwriting  
23.13 sample from the regulated person, clarifying the alleged facts with the complainant, and  
23.14 requesting a written response from the subject of the complaint.

23.15           Subd. 3. **Referral to other agencies.** The executive director shall forward to  
23.16 another governmental agency any complaints received by the board which do not relate  
23.17 to the board's jurisdiction but which relate to matters within the jurisdiction of another  
23.18 governmental agency. The agency shall advise the executive director of the disposition  
23.19 of the complaint. A complaint or other information received by another governmental  
23.20 agency relating to a statute or rule which a board is empowered to enforce must be  
23.21 forwarded to the executive director of the board to be processed in accordance with this  
23.22 section. Governmental agencies may coordinate and conduct joint investigations of  
23.23 complaints that involve more than one governmental agency.

23.24           Subd. 4. **Role of the attorney general.** The executive director or the designated  
23.25 board member shall forward a complaint and any additional information to the designee  
23.26 of the attorney general when the executive director or the designated board member  
23.27 determines that a complaint is jurisdictional and:

23.28           (1) requires investigation before the executive director or the designated board  
23.29 member may resolve the complaint;

23.30           (2) that attempts at resolution for disciplinary action or the initiation of a contested  
23.31 case hearing is appropriate;

23.32           (3) that an agreement for corrective action is warranted; or

23.33           (4) that the complaint should be dismissed, consistent with subdivision 8.

23.34           Subd. 5. **Investigation by attorney general.** (a) If the executive director or the  
23.35 designated board member determines that investigation is necessary before resolving  
23.36 the complaint, the executive director shall forward the complaint and any additional

24.1 information to the designee of the attorney general. The designee of the attorney general  
24.2 shall evaluate the communications forwarded and investigate as appropriate.

24.3 (b) The designee of the attorney general may also investigate any other complaint  
24.4 forwarded under subdivision 3 when the designee of the attorney general determines that  
24.5 investigation is necessary.

24.6 (c) In the process of evaluation and investigation, the designee shall consult with  
24.7 or seek the assistance of the executive director or the designated board member. The  
24.8 designee may also consult with or seek the assistance of other qualified persons who are  
24.9 not members of the board who the designee believes will materially aid in the process of  
24.10 evaluation or investigation.

24.11 (d) Upon completion of the investigation, the designee shall forward the investigative  
24.12 report to the executive director with recommendations for further consideration or  
24.13 dismissal.

24.14 Subd. 6. **Attempts at resolution.** (a) At any time after receipt of a complaint, the  
24.15 executive director or the designated board member may attempt to resolve the complaint  
24.16 with the regulated person. The available means for resolution include a conference or  
24.17 any other written or oral communication with the regulated person. A conference may  
24.18 be held for the purposes of investigation, negotiation, education, or conciliation. Neither  
24.19 the executive director nor any member of a board's staff shall be a voting member in any  
24.20 attempts at resolutions which may result in disciplinary or corrective action. The results  
24.21 of attempts at resolution with the regulated person may include a recommendation to  
24.22 the board for disciplinary action, an agreement between the executive director or the  
24.23 designated board member and the regulated person for corrective action, or the dismissal  
24.24 of a complaint. If attempts at resolution are not in the public interest ~~or are not satisfactory~~  
24.25 ~~to the executive director or the designated board member, then the executive director or~~  
24.26 ~~the designated board member may initiate~~ a contested case hearing may be initiated.

24.27 (1) The designee of the attorney general shall represent the board in all attempts at  
24.28 resolution which the executive director or the designated board member anticipate may  
24.29 result in disciplinary action. A stipulation between the executive director or the designated  
24.30 board member and the regulated person shall be presented to the board for the board's  
24.31 consideration. An approved stipulation and resulting order shall become public data.

24.32 (2) The designee of the attorney general shall represent the board upon the request of  
24.33 the executive director or the designated board member in all attempts at resolution which  
24.34 the executive director or the designated board member anticipate may result in corrective  
24.35 action. Any agreement between the executive director or the designated board member  
24.36 and the regulated person for corrective action shall be in writing and shall be reviewed by

25.1 the designee of the attorney general prior to its execution. The agreement for corrective  
25.2 action shall provide for dismissal of the complaint upon successful completion by the  
25.3 regulated person of the corrective action.

25.4 (b) Upon receipt of a complaint alleging sexual contact or sexual conduct with a  
25.5 client, the board must forward the complaint to the designee of the attorney general for  
25.6 an investigation. If, after it is investigated, the complaint appears to provide a basis for  
25.7 disciplinary action, the board shall resolve the complaint by disciplinary action or initiate  
25.8 a contested case hearing. Notwithstanding paragraph (a), clause (2), a board may not take  
25.9 corrective action or dismiss a complaint alleging sexual contact or sexual conduct with a  
25.10 client unless, in the opinion of the executive director, the designated board member, and the  
25.11 designee of the attorney general, there is insufficient evidence to justify disciplinary action.

25.12 Subd. 7. **Contested case hearing.** If the executive director or the designated board  
25.13 member determines that attempts at resolution of a complaint are not in the public interest  
25.14 ~~or are not satisfactory to the executive director or the designated board member,~~ the  
25.15 executive director or the designated board member, after consultation with the designee  
25.16 of the attorney general, and the concurrence of a second board member, may initiate a  
25.17 contested case hearing under chapter 14. The designated board member or any board  
25.18 member who was consulted during the course of an investigation may participate at the  
25.19 contested case hearing. A designated or consulted board member may not deliberate or  
25.20 vote in any proceeding before the board pertaining to the case.

25.21 Subd. 8. **Dismissal and reopening of a complaint.** (a) A complaint may not be  
25.22 dismissed without the concurrence of at least two board members and, upon the request  
25.23 of the complainant, a review by a representative of the attorney general's office. The  
25.24 designee of the attorney general must review before dismissal any complaints which  
25.25 allege any violation of chapter 609, any conduct which would be required to be reported  
25.26 under section 626.556 or 626.557, any sexual contact or sexual conduct with a client,  
25.27 any violation of a federal law, any actual or potential inability to practice the regulated  
25.28 profession or occupation by reason of illness, use of alcohol, drugs, chemicals, or any other  
25.29 materials, or as a result of any mental or physical condition, any violation of state medical  
25.30 assistance laws, or any disciplinary action related to credentialing in another jurisdiction  
25.31 or country which was based on the same or related conduct specified in this subdivision.

25.32 (b) The board may reopen a dismissed complaint if the board receives newly  
25.33 discovered information that was not available to the board during the initial investigation  
25.34 of the complaint, or if the board receives a new complaint that indicates a pattern of  
25.35 behavior or conduct.

26.1 Subd. 9. **Information to complainant.** A board shall furnish to a person who made  
26.2 a complaint a written description of the board's complaint process, and actions of the  
26.3 board relating to the complaint.

26.4 Subd. 10. **Prohibited participation by board member.** A board member who  
26.5 has actual bias or a current or former direct financial or professional connection with a  
26.6 regulated person may not vote in board actions relating to the regulated person.

26.7 Sec. 3. **[214.108] HEALTH-RELATED LICENSING BOARDS; LICENSEE**  
26.8 **GUIDANCE.**

26.9 A health-related licensing board may offer guidance to current licensees about the  
26.10 application of laws and rules the board is empowered to enforce. This guidance shall not  
26.11 bind any court or other adjudicatory body.

26.12 Sec. 4. **[214.109] RECORD KEEPING.**

26.13 (a) A board may take administrative action against a regulated person whose records  
26.14 do not meet the standards of professional practice. Action taken under this paragraph  
26.15 shall not be considered disciplinary action.

26.16 (b) Records that are fraudulent or could result in patient harm may be handled  
26.17 through disciplinary or other corrective action.

26.18 **ARTICLE 5**

26.19 **APPROPRIATIONS**

26.20 Section 1. **APPROPRIATION; LEGISLATIVE COORDINATING**  
26.21 **COMMISSION.**

26.22 \$127,000 is appropriated to the Legislative Coordinating Commission from the  
26.23 general fund for the fiscal year ending June 30, 2013, to provide staff services or to enter  
26.24 into contracts to assist the Sunset Advisory Commission. The general fund budget base  
26.25 for the Legislative Coordinating Commission, as established in Laws 2011, First Special  
26.26 Session chapter 10, article 1, section 2, is increased by \$160,000 beginning in fiscal year  
26.27 2014.

26.28 Sec. 2. **MEDICAL PRACTICE ACT; STUDY.**

26.29 \$50,000 is appropriated in fiscal year 2013 to the Board of Medical Practice from  
26.30 the health occupations licensing account in the state government special revenue fund  
26.31 for transfer to the commissioner of health to convene and support the working group  
26.32 evaluating the state's Medical Practice Act. This is a onetime appropriation.

27.1 Sec. 3. **HEALTH-RELATED LICENSING BOARDS.**

27.2 The following amounts are appropriated in fiscal year 2013 to the following  
27.3 health-related licensing boards from the state government special revenue fund to carry  
27.4 out the duties in article 2:

27.5 (1) \$73,000 to the Board of Behavioral Health and Therapy;

27.6 (2) \$90,000 to the Board of Chiropractic Examiners;

27.7 (3) \$194,000 to the Board of Dentistry;

27.8 (4) \$15,000 to the Board of Dietetics and Nutrition Practice;

27.9 (5) \$19,000 to the Board of Marriage and Family Therapy;

27.10 (6) \$176,000 to the Board of Medical Practice;

27.11 (7) \$407,000 to the Board of Nursing;

27.12 (8) \$16,000 to the Board of Nursing Home Administrators;

27.13 (9) \$14,000 to the Board of Optometry;

27.14 (10) \$87,000 to the Board of Pharmacy;

27.15 (11) \$25,000 to the Board of Physical Therapy;

27.16 (12) \$17,000 to the Board of Podiatric Medicine;

27.17 (13) \$48,000 to the Board of Psychology;

27.18 (14) \$48,000 to the Board of Social Work; and

27.19 (15) \$26,000 to the Board of Veterinary Medicine.

APPENDIX  
Article locations in H2555-7

ARTICLE 1	SUNSET REVIEW .....	Page.Ln 1.26
ARTICLE 2	ADMINISTRATIVE PROCEDURES AND FEES .....	Page.Ln 3.26
ARTICLE 3	TRANSFER OF COMBATIVE SPORTS DUTIES .....	Page.Ln 20.15
ARTICLE 4	HEALTH BOARDS .....	Page.Ln 21.22
ARTICLE 5	APPROPRIATIONS .....	Page.Ln 26.18

**138A.01 LABOR INTERPRETIVE CENTER; BOARD OF DIRECTORS.**

Subdivision 1. **Establishment.** The Labor Interpretive Center is a public corporation of the state and is not subject to the laws governing a state agency except as provided in this chapter.

Subd. 2. **Purpose.** The purpose of the Labor Interpretive Center is to celebrate the contribution of working people to the past, present, and future of Minnesota; to spur an interest among the people of Minnesota in their own family and community traditions of work; to help young people discover their work skills and opportunities for a productive working life; and to advance the teaching of work and labor studies in schools and colleges.

Subd. 3. **Board of directors.** The center is governed by a board of ten directors. The membership terms, compensation, removal, and filling of vacancies of members of the board are as provided in section 15.0575. Membership of the board consists of:

- (1) three directors appointed by the governor;
- (2) one director appointed by the mayor of St. Paul, subject to the approval of the city council;
- (3) three directors appointed by the speaker of the house; and
- (4) three directors appointed by the Subcommittee on Committees of the senate Committee on Rules and Administration.

Directors must be representatives of labor, business, state and local government, local education authorities, and arts groups. The chairs of the senate Committee on Jobs, Energy, and Community Development and the house of representatives Committee on Labor-Management Relations shall serve as nonvoting members.

The board shall select a chair of the board from its members, and any other officers of the board deemed necessary.

Subd. 4. **Location.** The center must be located in the Capitol area of St. Paul as defined in section 15B.02, at the site recommended by the Capitol Area Architectural and Planning Board.

Subd. 5. **Meetings of the board.** The board shall meet at least twice a year and may hold additional meetings upon giving notice. Board meetings are subject to chapter 13D.

Subd. 6. **Conflict of interest.** A director, employee, or officer of the center may not participate in or vote on a decision of the board relating to a matter in which the director has either a direct or indirect financial interest or a conflict of interest as described in section 10A.07.

Subd. 7. **Tort claims.** The center is a state agency for purposes of section 3.736.

**138A.02 CENTER PERSONNEL.**

Subdivision 1. **Generally.** The board shall appoint an executive director of the center to serve in the unclassified service. The executive director must be chosen on the basis of training, experience, and knowledge in the areas of labor history and the changing world of work. The center shall employ staff, consultants, and other parties necessary to carry out the mission of the center.

Subd. 2. **Status of employees.** Employees of the center are executive branch state employees.

**138A.03 POWERS; DUTIES; BOARD; CENTER.**

Subdivision 1. **General powers.** The board has the powers necessary for the care, management, and direction of the center. The powers include:

- (1) overseeing the planning and construction of the center as funds are available;
- (2) leasing a temporary facility for the center during development of its organization and program; and
- (3) establishing advisory groups as needed to advise the board on program, policy, and related issues.

Subd. 2. **Duties.** The center is a state agency for purposes of the following accounting and budgeting requirements:

- (1) financial reports and other requirements under section 16A.06;
- (2) the state budget system under sections 16A.095, 16A.10, and 16A.11;
- (3) the state allotment and encumbrance, and accounting systems under sections 16A.14, subdivisions 2, 3, 4, and 5; and 16A.15, subdivisions 2 and 3; and
- (4) indirect costs under section 16A.127.

Subd. 3. **Program.** The board shall appoint a program advisory group to oversee the development of the center's programming. It must consist of representatives of cultural and educational organizations, labor education specialists, and curriculum supervisors in local schools.

## APPENDIX

### Repealed Minnesota Statutes: H2555-7

The program of the center may be implemented through exhibits, performances, seminars, films and multimedia presentations, participatory programs for all ages, and a resource center for teachers. Collaborative program development is encouraged with technical colleges, the Minnesota Historical Society, and other cultural institutions.

Subd. 4. **Board of governors.** The board may establish a board of governors to incorporate as a nonprofit organization to receive donations for the center and to serve as honorary advisors to the board of directors.

#### **138A.04 LABOR INTERPRETIVE CENTER ACCOUNT.**

The Minnesota labor interpretive center account is an account in the special revenue fund. Funds in the account not needed for the immediate purposes of the center may be invested by the state Board of Investment in any way authorized by section 11A.24. Funds in the account are appropriated to the center to be used as provided in this chapter.

#### **138A.05 AUDITS.**

The center is subject to the auditing requirements of sections 3.971 and 3.972.

#### **138A.06 ANNUAL REPORTS.**

The board shall submit annual reports to the legislature on the planning, development, and activities of the center. The board shall supply more frequent reports if requested.

#### **341.21 DEFINITIONS.**

Subd. 3. **Commission.** "Commission" means the Combative Sports Commission.

Subd. 4a. **Director.** "Director" means the executive director of the commission.

#### **341.22 COMBATIVE SPORTS COMMISSION.**

There is hereby created the Minnesota Combative Sports Commission consisting of nine members who are citizens of this state. The members must be appointed by the governor. One member of the commission must be a retired judge of the Minnesota district court, Minnesota Court of Appeals, Minnesota Supreme Court, the United States District Court for the District of Minnesota, or the Eighth Circuit Court of Appeals, and at least four members must have knowledge of the boxing industry. At least four members must have knowledge of the mixed martial arts industry. The governor shall make serious efforts to appoint qualified women to serve on the commission. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements must be as provided in sections 214.07 to 214.09. Unless otherwise provided, the provision of staff, administrative services, and office space; the review and processing of complaints; the setting of fees; and other provisions relating to commission operations are as provided in chapter 214. The purpose of the commission is to protect health, promote safety, and ensure fair events.

#### **341.23 LIMITATIONS.**

No member of the commission may directly or indirectly promote a contest, directly or indirectly engage in the managing of a combatant, or have an interest in any manner in the proceeds from a combative sport contest.

#### **341.24 EXECUTIVE DIRECTOR.**

The governor may appoint, and at pleasure remove, an executive director and prescribe the powers and duties of the office. The executive director shall not be a member of the commission. The commission may employ personnel necessary to the performance of its duties.

#### **341.26 MEETINGS.**

The commission shall hold a regular meeting quarterly and may hold special meetings. Except as otherwise provided in law, all meetings of the commission must be open to the public and reasonable notice of the meetings must be given under chapter 13D. If compliance with section 13D.02 is impractical, the commission may conduct a meeting of its members by telephone or other electronic means so long as the following conditions are met:

## APPENDIX

### Repealed Minnesota Statutes: H2555-7

(1) all members of the commission participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the commission can hear clearly all discussion and testimony and all votes of members of the commission and, if needed, receive those services required by sections 15.44 and 15.441;

(3) at least one member of the commission is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's vote on each issue can be identified and recorded.

Each member of the commission participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

If a telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the commission, to the extent practical, shall allow a person to monitor the meeting electronically from a remote location. The commission may require the person making such a connection to pay for documented costs that the commission incurs as a result of the additional connection.

If a telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the commission shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and that a person may monitor the meeting electronically from a remote location. The timing and method of providing notice is governed by section 13D.04.