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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. **1501**

02/09/2023 Authored by Brand, Hemmingsen-Jaeger, Sencer-Mura, Frazier and Hassan
The bill was read for the first time and referred to the Committee on Workforce Development Finance and Policy
03/13/2023 Adoption of Report: Amended and re-referred to the Committee on State and Local Government Finance and Policy

1.1 A bill for an act
1.2 relating to workforce development; providing rate increases for providers of
1.3 extended employment services; appropriating money; amending Minnesota Statutes
1.4 2022, section 268A.15, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2022, section 268A.15, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 8a. **Provider rate increases.** (a) Effective July 1, 2023, subject to the availability
1.9 of additional funding, an annual growth factor adjustment of no less than a three percent
1.10 increase for providers of extended employment services for persons with severe disabilities
1.11 shall be authorized. If there is sufficient funding appropriated, the commissioner shall
1.12 increase reimbursement rates by the percentage of this adjustment.

1.13 (b) The commissioner of management and budget must include an annual inflationary
1.14 adjustment in reimbursement rates for providers of extended employment services for
1.15 persons with severe disabilities as a budget change request in each biennial detailed
1.16 expenditure budget submitted to the legislature under section 16A.11.

1.17 Sec. 2. **EXTENDED EMPLOYMENT FOR PERSONS WITH SEVERE**
1.18 **DISABILITIES; APPROPRIATION.**

1.19 (a) \$11,495,000 in fiscal year 2024 and \$11,495,000 in fiscal year 2025 are appropriated
1.20 from the general fund to the commissioner of employment and economic development for
1.21 extended employment services for persons with severe disabilities under Minnesota Statutes,
1.22 section 268A.15. Of these amounts, \$4,500,000 in fiscal year 2024 and \$4,500,000 in fiscal

2.1 year 2025 are for new rate increases and maintaining prior rate increases to providers of
2.2 extended employment services.

2.3 (b) \$6,830,000 in fiscal year 2024 and \$6,830,000 in fiscal year 2025 are appropriated
2.4 from the workforce development fund to the commissioner of employment and economic
2.5 development for extended employment services for persons with severe disabilities under
2.6 Minnesota Statutes, section 268A.15.