

54.14

**ARTICLE 2**

54.15

**OPERATIONS**

54.16 Section 1. Minnesota Statutes 2018, section 13.46, subdivision 2, is amended to read:

54.17 Subd. 2. **General.** (a) Data on individuals collected, maintained, used, or disseminated  
54.18 by the welfare system are private data on individuals, and shall not be disclosed except:

54.19 (1) according to section 13.05;

54.20 (2) according to court order;

54.21 (3) according to a statute specifically authorizing access to the private data;

54.22 (4) to an agent of the welfare system and an investigator acting on behalf of a county,  
54.23 the state, or the federal government, including a law enforcement person or attorney in the  
54.24 investigation or prosecution of a criminal, civil, or administrative proceeding relating to the  
54.25 administration of a program;

54.26 (5) to personnel of the welfare system who require the data to verify an individual's  
54.27 identity; determine eligibility, amount of assistance, and the need to provide services to an  
54.28 individual or family across programs; coordinate services for an individual or family;  
54.29 evaluate the effectiveness of programs; assess parental contribution amounts; and investigate  
54.30 suspected fraud;

55.1 (6) to administer federal funds or programs;

55.2 (7) between personnel of the welfare system working in the same program;

55.3 (8) to the Department of Revenue to assess parental contribution amounts for purposes  
55.4 of section 252.27, subdivision 2a, administer and evaluate tax refund or tax credit programs  
55.5 and to identify individuals who may benefit from these programs. The following information  
55.6 may be disclosed under this paragraph: an individual's and their dependent's names, dates  
55.7 of birth, Social Security numbers, income, addresses, and other data as required, upon  
55.8 request by the Department of Revenue. Disclosures by the commissioner of revenue to the  
55.9 commissioner of human services for the purposes described in this clause are governed by  
55.10 section 270B.14, subdivision 1. Tax refund or tax credit programs include, but are not limited  
55.11 to, the dependent care credit under section 290.067, the Minnesota working family credit  
55.12 under section 290.0671, the property tax refund and rental credit under section 290A.04,  
55.13 and the Minnesota education credit under section 290.0674;

55.14 (9) between the Department of Human Services, the Department of Employment and  
55.15 Economic Development, and when applicable, the Department of Education, for the following  
55.16 purposes:

243.23

**ARTICLE 7**

243.24

**OPERATIONS****ARTICLE 2:**

69.14 Section 1. Minnesota Statutes 2018, section 13.46, subdivision 2, is amended to read:

69.15 Subd. 2. **General.** (a) Data on individuals collected, maintained, used, or disseminated  
69.16 by the welfare system are private data on individuals, and shall not be disclosed except:

69.17 (1) according to section 13.05;

69.18 (2) according to court order;

69.19 (3) according to a statute specifically authorizing access to the private data;

69.20 (4) to an agent of the welfare system and an investigator acting on behalf of a county,  
69.21 the state, or the federal government, including a law enforcement person or attorney in the  
69.22 investigation or prosecution of a criminal, civil, or administrative proceeding relating to the  
69.23 administration of a program;

69.24 (5) to personnel of the welfare system who require the data to verify an individual's  
69.25 identity; determine eligibility, amount of assistance, and the need to provide services to an  
69.26 individual or family across programs; coordinate services for an individual or family;  
69.27 evaluate the effectiveness of programs; assess parental contribution amounts; and investigate  
69.28 suspected fraud;

69.29 (6) to administer federal funds or programs;

70.1 (7) between personnel of the welfare system working in the same program;

70.2 (8) to the Department of Revenue to assess parental contribution amounts for purposes  
70.3 of section 252.27, subdivision 2a, administer and evaluate tax refund or tax credit programs  
70.4 and to identify individuals who may benefit from these programs. The following information  
70.5 may be disclosed under this paragraph: an individual's and their dependent's names, dates  
70.6 of birth, Social Security numbers, income, addresses, and other data as required, upon  
70.7 request by the Department of Revenue. Disclosures by the commissioner of revenue to the  
70.8 commissioner of human services for the purposes described in this clause are governed by  
70.9 section 270B.14, subdivision 1. Tax refund or tax credit programs include, but are not limited  
70.10 to, the dependent care credit under section 290.067, the Minnesota working family credit  
70.11 under section 290.0671, the property tax refund and rental credit under section 290A.04,  
70.12 and the Minnesota education credit under section 290.0674;

70.13 (9) between the Department of Human Services, the Department of Employment and  
70.14 Economic Development, and when applicable, the Department of Education, for the following  
70.15 purposes:

55.17 (i) to monitor the eligibility of the data subject for unemployment benefits, for any  
55.18 employment or training program administered, supervised, or certified by that agency;

55.19 (ii) to administer any rehabilitation program or child care assistance program, whether  
55.20 alone or in conjunction with the welfare system;

55.21 (iii) to monitor and evaluate the Minnesota family investment program or the child care  
55.22 assistance program by exchanging data on recipients and former recipients of food support,  
55.23 cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter  
55.24 119B, medical programs under chapter 256B or 256L, or a medical program formerly  
55.25 codified under chapter 256D; and

55.26 (iv) to analyze public assistance employment services and program utilization, cost,  
55.27 effectiveness, and outcomes as implemented under the authority established in Title II,  
55.28 Sections 201-204 of the Ticket to Work and Work Incentives Improvement Act of 1999.  
55.29 Health records governed by sections 144.291 to 144.298 and "protected health information"  
55.30 as defined in Code of Federal Regulations, title 45, section 160.103, and governed by Code  
55.31 of Federal Regulations, title 45, parts 160-164, including health care claims utilization  
55.32 information, must not be exchanged under this clause;

56.1 (10) to appropriate parties in connection with an emergency if knowledge of the  
56.2 information is necessary to protect the health or safety of the individual or other individuals  
56.3 or persons;

56.4 (11) data maintained by residential programs as defined in section 245A.02 may be  
56.5 disclosed to the protection and advocacy system established in this state according to Part  
56.6 C of Public Law 98-527 to protect the legal and human rights of persons with developmental  
56.7 disabilities or other related conditions who live in residential facilities for these persons if  
56.8 the protection and advocacy system receives a complaint by or on behalf of that person and  
56.9 the person does not have a legal guardian or the state or a designee of the state is the legal  
56.10 guardian of the person;

56.11 (12) to the county medical examiner or the county coroner for identifying or locating  
56.12 relatives or friends of a deceased person;

56.13 (13) data on a child support obligor who makes payments to the public agency may be  
56.14 disclosed to the Minnesota Office of Higher Education to the extent necessary to determine  
56.15 eligibility under section 136A.121, subdivision 2, clause (5);

56.16 (14) participant Social Security numbers and names collected by the telephone assistance  
56.17 program may be disclosed to the Department of Revenue to conduct an electronic data  
56.18 match with the property tax refund database to determine eligibility under section 237.70,  
56.19 subdivision 4a;

56.20 (15) the current address of a Minnesota family investment program participant may be  
56.21 disclosed to law enforcement officers who provide the name of the participant and notify  
56.22 the agency that:

70.16 (i) to monitor the eligibility of the data subject for unemployment benefits, for any  
70.17 employment or training program administered, supervised, or certified by that agency;

70.18 (ii) to administer any rehabilitation program or child care assistance program, whether  
70.19 alone or in conjunction with the welfare system;

70.20 (iii) to monitor and evaluate the Minnesota family investment program or the child care  
70.21 assistance program by exchanging data on recipients and former recipients of food support,  
70.22 cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter  
70.23 119B, medical programs under chapter 256B or 256L, or a medical program formerly  
70.24 codified under chapter 256D; and

70.25 (iv) to analyze public assistance employment services and program utilization, cost,  
70.26 effectiveness, and outcomes as implemented under the authority established in Title II,  
70.27 Sections 201-204 of the Ticket to Work and Work Incentives Improvement Act of 1999.  
70.28 Health records governed by sections 144.291 to 144.298 and "protected health information"  
70.29 as defined in Code of Federal Regulations, title 45, section 160.103, and governed by Code  
70.30 of Federal Regulations, title 45, parts 160-164, including health care claims utilization  
70.31 information, must not be exchanged under this clause;

70.32 (10) to appropriate parties in connection with an emergency if knowledge of the  
70.33 information is necessary to protect the health or safety of the individual or other individuals  
70.34 or persons;

71.1 (11) data maintained by residential programs as defined in section 245A.02 may be  
71.2 disclosed to the protection and advocacy system established in this state according to Part  
71.3 C of Public Law 98-527 to protect the legal and human rights of persons with developmental  
71.4 disabilities or other related conditions who live in residential facilities for these persons if  
71.5 the protection and advocacy system receives a complaint by or on behalf of that person and  
71.6 the person does not have a legal guardian or the state or a designee of the state is the legal  
71.7 guardian of the person;

71.8 (12) to the county medical examiner or the county coroner for identifying or locating  
71.9 relatives or friends of a deceased person;

71.10 (13) data on a child support obligor who makes payments to the public agency may be  
71.11 disclosed to the Minnesota Office of Higher Education to the extent necessary to determine  
71.12 eligibility under section 136A.121, subdivision 2, clause (5);

71.13 (14) participant Social Security numbers and names collected by the telephone assistance  
71.14 program may be disclosed to the Department of Revenue to conduct an electronic data  
71.15 match with the property tax refund database to determine eligibility under section 237.70,  
71.16 subdivision 4a;

71.17 (15) the current address of a Minnesota family investment program participant may be  
71.18 disclosed to law enforcement officers who provide the name of the participant and notify  
71.19 the agency that:

56.23 (i) the participant:

56.24 (A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after  
56.25 conviction, for a crime or attempt to commit a crime that is a felony under the laws of the  
56.26 jurisdiction from which the individual is fleeing; or

56.27 (B) is violating a condition of probation or parole imposed under state or federal law;

56.28 (ii) the location or apprehension of the felon is within the law enforcement officer's  
56.29 official duties; and

56.30 (iii) the request is made in writing and in the proper exercise of those duties;

57.1 (16) the current address of a recipient of general assistance may be disclosed to probation  
57.2 officers and corrections agents who are supervising the recipient and to law enforcement  
57.3 officers who are investigating the recipient in connection with a felony level offense;

57.4 (17) information obtained from food support applicant or recipient households may be  
57.5 disclosed to local, state, or federal law enforcement officials, upon their written request, for  
57.6 the purpose of investigating an alleged violation of the Food Stamp Act, according to Code  
57.7 of Federal Regulations, title 7, section 272.1(c);

57.8 (18) the address, Social Security number, and, if available, photograph of any member  
57.9 of a household receiving food support shall be made available, on request, to a local, state,  
57.10 or federal law enforcement officer if the officer furnishes the agency with the name of the  
57.11 member and notifies the agency that:

57.12 (i) the member:

57.13 (A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a  
57.14 crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

57.15 (B) is violating a condition of probation or parole imposed under state or federal law;  
57.16 or

57.17 (C) has information that is necessary for the officer to conduct an official duty related  
57.18 to conduct described in subitem (A) or (B);

57.19 (ii) locating or apprehending the member is within the officer's official duties; and

57.20 (iii) the request is made in writing and in the proper exercise of the officer's official duty;

57.21 (19) the current address of a recipient of Minnesota family investment program, general  
57.22 assistance, or food support may be disclosed to law enforcement officers who, in writing,  
57.23 provide the name of the recipient and notify the agency that the recipient is a person required  
57.24 to register under section 243.166, but is not residing at the address at which the recipient is  
57.25 registered under section 243.166;

57.26 (20) certain information regarding child support obligors who are in arrears may be  
57.27 made public according to section 518A.74;

71.20 (i) the participant:

71.21 (A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after  
71.22 conviction, for a crime or attempt to commit a crime that is a felony under the laws of the  
71.23 jurisdiction from which the individual is fleeing; or

71.24 (B) is violating a condition of probation or parole imposed under state or federal law;

71.25 (ii) the location or apprehension of the felon is within the law enforcement officer's  
71.26 official duties; and

71.27 (iii) the request is made in writing and in the proper exercise of those duties;

71.28 (16) the current address of a recipient of general assistance may be disclosed to probation  
71.29 officers and corrections agents who are supervising the recipient and to law enforcement  
71.30 officers who are investigating the recipient in connection with a felony level offense;

71.31 (17) information obtained from food support applicant or recipient households may be  
71.32 disclosed to local, state, or federal law enforcement officials, upon their written request, for  
72.1 the purpose of investigating an alleged violation of the Food Stamp Act, according to Code  
72.2 of Federal Regulations, title 7, section 272.1(c);

72.3 (18) the address, Social Security number, and, if available, photograph of any member  
72.4 of a household receiving food support shall be made available, on request, to a local, state,  
72.5 or federal law enforcement officer if the officer furnishes the agency with the name of the  
72.6 member and notifies the agency that:

72.7 (i) the member:

72.8 (A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a  
72.9 crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

72.10 (B) is violating a condition of probation or parole imposed under state or federal law;  
72.11 or

72.12 (C) has information that is necessary for the officer to conduct an official duty related  
72.13 to conduct described in subitem (A) or (B);

72.14 (ii) locating or apprehending the member is within the officer's official duties; and

72.15 (iii) the request is made in writing and in the proper exercise of the officer's official duty;

72.16 (19) the current address of a recipient of Minnesota family investment program, general  
72.17 assistance, or food support may be disclosed to law enforcement officers who, in writing,  
72.18 provide the name of the recipient and notify the agency that the recipient is a person required  
72.19 to register under section 243.166, but is not residing at the address at which the recipient is  
72.20 registered under section 243.166;

72.21 (20) certain information regarding child support obligors who are in arrears may be  
72.22 made public according to section 518A.74;

57.28 (21) data on child support payments made by a child support obligor and data on the  
 57.29 distribution of those payments excluding identifying information on obligees may be  
 57.30 disclosed to all obligees to whom the obligor owes support, and data on the enforcement  
 57.31 actions undertaken by the public authority, the status of those actions, and data on the income  
 57.32 of the obligor or obligee may be disclosed to the other party;

58.1 (22) data in the work reporting system may be disclosed under section 256.998,  
 58.2 subdivision 7;

58.3 (23) to the Department of Education for the purpose of matching Department of Education  
 58.4 student data with public assistance data to determine students eligible for free and  
 58.5 reduced-price meals, meal supplements, and free milk according to United States Code,  
 58.6 title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to allocate federal and state  
 58.7 funds that are distributed based on income of the student's family; and to verify receipt of  
 58.8 energy assistance for the telephone assistance plan;

58.9 (24) the current address and telephone number of program recipients and emergency  
 58.10 contacts may be released to the commissioner of health or a community health board as  
 58.11 defined in section 145A.02, subdivision 5, when the commissioner or community health  
 58.12 board has reason to believe that a program recipient is a disease case, carrier, suspect case,  
 58.13 or at risk of illness, and the data are necessary to locate the person;

58.14 (25) to other state agencies, statewide systems, and political subdivisions of this state,  
 58.15 including the attorney general, and agencies of other states, interstate information networks,  
 58.16 federal agencies, and other entities as required by federal regulation or law for the  
 58.17 administration of the child support enforcement program;

58.18 (26) to personnel of public assistance programs as defined in section 256.741, for access  
 58.19 to the child support system database for the purpose of administration, including monitoring  
 58.20 and evaluation of those public assistance programs;

58.21 (27) to monitor and evaluate the Minnesota family investment program by exchanging  
 58.22 data between the Departments of Human Services and Education, on recipients and former  
 58.23 recipients of food support, cash assistance under chapter 256, 256D, 256J, or 256K, child  
 58.24 care assistance under chapter 119B, medical programs under chapter 256B or 256L, or a  
 58.25 medical program formerly codified under chapter 256D;

58.26 (28) to evaluate child support program performance and to identify and prevent fraud  
 58.27 in the child support program by exchanging data between the Department of Human Services,  
 58.28 Department of Revenue under section 270B.14, subdivision 1, paragraphs (a) and (b),  
 58.29 without regard to the limitation of use in paragraph (c), Department of Health, Department  
 58.30 of Employment and Economic Development, and other state agencies as is reasonably  
 58.31 necessary to perform these functions;

58.32 (29) counties and the Department of Human Services operating child care assistance  
 58.33 programs under chapter 119B may disseminate data on program participants, applicants,  
 58.34 and providers to the commissioner of education;

72.23 (21) data on child support payments made by a child support obligor and data on the  
 72.24 distribution of those payments excluding identifying information on obligees may be  
 72.25 disclosed to all obligees to whom the obligor owes support, and data on the enforcement  
 72.26 actions undertaken by the public authority, the status of those actions, and data on the income  
 72.27 of the obligor or obligee may be disclosed to the other party;

72.28 (22) data in the work reporting system may be disclosed under section 256.998,  
 72.29 subdivision 7;

72.30 (23) to the Department of Education for the purpose of matching Department of Education  
 72.31 student data with public assistance data to determine students eligible for free and  
 72.32 reduced-price meals, meal supplements, and free milk according to United States Code,  
 73.1 title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to allocate federal and state  
 73.2 funds that are distributed based on income of the student's family; and to verify receipt of  
 73.3 energy assistance for the telephone assistance plan;

73.4 (24) the current address and telephone number of program recipients and emergency  
 73.5 contacts may be released to the commissioner of health or a community health board as  
 73.6 defined in section 145A.02, subdivision 5, when the commissioner or community health  
 73.7 board has reason to believe that a program recipient is a disease case, carrier, suspect case,  
 73.8 or at risk of illness, and the data are necessary to locate the person;

73.9 (25) to other state agencies, statewide systems, and political subdivisions of this state,  
 73.10 including the attorney general, and agencies of other states, interstate information networks,  
 73.11 federal agencies, and other entities as required by federal regulation or law for the  
 73.12 administration of the child support enforcement program;

73.13 (26) to personnel of public assistance programs as defined in section 256.741, for access  
 73.14 to the child support system database for the purpose of administration, including monitoring  
 73.15 and evaluation of those public assistance programs;

73.16 (27) to monitor and evaluate the Minnesota family investment program by exchanging  
 73.17 data between the Departments of Human Services and Education, on recipients and former  
 73.18 recipients of food support, cash assistance under chapter 256, 256D, 256J, or 256K, child  
 73.19 care assistance under chapter 119B, medical programs under chapter 256B or 256L, or a  
 73.20 medical program formerly codified under chapter 256D;

73.21 (28) to evaluate child support program performance and to identify and prevent fraud  
 73.22 in the child support program by exchanging data between the Department of Human Services,  
 73.23 Department of Revenue under section 270B.14, subdivision 1, paragraphs (a) and (b),  
 73.24 without regard to the limitation of use in paragraph (c), Department of Health, Department  
 73.25 of Employment and Economic Development, and other state agencies as is reasonably  
 73.26 necessary to perform these functions;

73.27 (29) counties and the Department of Human Services operating child care assistance  
 73.28 programs under chapter 119B may disseminate data on program participants, applicants,  
 73.29 and providers to the commissioner of education;

59.1 (30) child support data on the child, the parents, and relatives of the child may be  
 59.2 disclosed to agencies administering programs under titles IV-B and IV-E of the Social  
 59.3 Security Act, as authorized by federal law;

59.4 (31) to a health care provider governed by sections 144.291 to 144.298, to the extent  
 59.5 necessary to coordinate services;

59.6 (32) to the chief administrative officer of a school to coordinate services for a student  
 59.7 and family; data that may be disclosed under this clause are limited to name, date of birth,  
 59.8 gender, and address; or

59.9 (33) to county correctional agencies to the extent necessary to coordinate services and  
 59.10 diversion programs; data that may be disclosed under this clause are limited to name, client  
 59.11 demographics, program, case status, and county worker information.

59.12 (b) Information on persons who have been treated for drug or alcohol abuse may only  
 59.13 be disclosed according to the requirements of Code of Federal Regulations, title 42, sections  
 59.14 2.1 to 2.67.

59.15 (c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16),  
 59.16 (17), or (18), or paragraph (b), are investigative data and are confidential or protected  
 59.17 nonpublic while the investigation is active. The data are private after the investigation  
 59.18 becomes inactive under section 13.82, subdivision 5, paragraph (a) or (b).

59.19 (d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but are  
 59.20 not subject to the access provisions of subdivision 10, paragraph (b).

59.21 For the purposes of this subdivision, a request will be deemed to be made in writing if  
 59.22 made through a computer interface system.

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

59.24 Sec. 2. Minnesota Statutes 2018, section 13.46, subdivision 3, is amended to read:

59.25 Subd. 3. **Investigative data.** (a) Data on persons, including data on vendors of services,  
 59.26 licensees, and applicants that is collected, maintained, used, or disseminated by the welfare  
 59.27 system in an investigation, authorized by statute, and relating to the enforcement of rules  
 59.28 or law are confidential data on individuals pursuant to section 13.02, subdivision 3, or  
 59.29 protected nonpublic data not on individuals pursuant to section 13.02, subdivision 13, and  
 59.30 shall not be disclosed except:

59.31 (1) pursuant to section 13.05;

59.32 (2) pursuant to statute or valid court order;

60.1 (3) to a party named in a civil or criminal proceeding, administrative or judicial, for  
 60.2 preparation of defense; or

73.30 (30) child support data on the child, the parents, and relatives of the child may be  
 73.31 disclosed to agencies administering programs under titles IV-B and IV-E of the Social  
 73.32 Security Act, as authorized by federal law;

74.1 (31) to a health care provider governed by sections 144.291 to 144.298, to the extent  
 74.2 necessary to coordinate services;

74.3 (32) to the chief administrative officer of a school to coordinate services for a student  
 74.4 and family; data that may be disclosed under this clause are limited to name, date of birth,  
 74.5 gender, and address; or

74.6 (33) to county correctional agencies to the extent necessary to coordinate services and  
 74.7 diversion programs; data that may be disclosed under this clause are limited to name, client  
 74.8 demographics, program, case status, and county worker information.

74.9 (b) Information on persons who have been treated for drug or alcohol abuse may only  
 74.10 be disclosed according to the requirements of Code of Federal Regulations, title 42, sections  
 74.11 2.1 to 2.67.

74.12 (c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16),  
 74.13 (17), or (18), or paragraph (b), are investigative data and are confidential or protected  
 74.14 nonpublic while the investigation is active. The data are private after the investigation  
 74.15 becomes inactive under section 13.82, subdivision 5, paragraph (a) or (b).

74.16 (d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but are  
 74.17 not subject to the access provisions of subdivision 10, paragraph (b).

74.18 For the purposes of this subdivision, a request will be deemed to be made in writing if  
 74.19 made through a computer interface system.

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

60.3 (4) to an agent of the welfare system or an investigator acting on behalf of a county,  
 60.4 state, or federal government, including a law enforcement officer or attorney in the  
 60.5 investigation or prosecution of a criminal, civil, or administrative proceeding, unless the  
 60.6 commissioner of human services determines that disclosure may compromise a Department  
 60.7 of Human Services ongoing investigation; or

60.8 ~~(4)~~ (5) to provide notices required or permitted by statute.

60.9 The data referred to in this subdivision shall be classified as public data upon submission  
 60.10 to an administrative law judge or court in an administrative or judicial proceeding. Inactive  
 60.11 welfare investigative data shall be treated as provided in section 13.39, subdivision 3.

60.12 (b) Notwithstanding any other provision in law, the commissioner of human services  
 60.13 shall provide all active and inactive investigative data, including the name of the reporter  
 60.14 of alleged maltreatment under section 626.556 or 626.557, to the ombudsman for mental  
 60.15 health and developmental disabilities upon the request of the ombudsman.

60.16 (c) Notwithstanding paragraph (a) and section 13.39, the existence of an investigation  
 60.17 by the commissioner of human services of possible overpayments of public funds to a service  
 60.18 provider or recipient may be disclosed if the commissioner determines that it will not  
 60.19 compromise the investigation.

74.21 Sec. 2. Minnesota Statutes 2018, section 13.46, subdivision 4, is amended to read:

74.22 Subd. 4. **Licensing data.** (a) As used in this subdivision:

74.23 (1) "licensing data" are all data collected, maintained, used, or disseminated by the  
 74.24 welfare system pertaining to persons licensed or registered or who apply for licensure or  
 74.25 registration or who formerly were licensed or registered under the authority of the  
 74.26 commissioner of human services;

74.27 (2) "client" means a person who is receiving services from a licensee or from an applicant  
 74.28 for licensure; and

74.29 (3) "personal and personal financial data" are Social Security numbers, identity of and  
 74.30 letters of reference, insurance information, reports from the Bureau of Criminal  
 74.31 Apprehension, health examination reports, and social/home studies.

75.1 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants, license  
 75.2 holders, and former licensees are public: name, address, telephone number of licensees,  
 75.3 date of receipt of a completed application, dates of licensure, licensed capacity, type of  
 75.4 client preferred, variances granted, record of training and education in child care and child  
 75.5 development, type of dwelling, name and relationship of other family members, previous  
 75.6 license history, class of license, the existence and status of complaints, and the number of  
 75.7 serious injuries to or deaths of individuals in the licensed program as reported to the  
 75.8 commissioner of human services, the local social services agency, or any other county

75.9 welfare agency. For purposes of this clause, a serious injury is one that is treated by a  
75.10 physician.

75.11 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,  
75.12 an order of license suspension, an order of temporary immediate suspension, an order of  
75.13 license revocation, an order of license denial, or an order of conditional license has been  
75.14 issued, or a complaint is resolved, the following data on current and former licensees and  
75.15 applicants are public: the general nature of the complaint or allegations leading to the  
75.16 temporary immediate suspension; the substance and investigative findings of the licensing  
75.17 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence  
75.18 of settlement negotiations; the record of informal resolution of a licensing violation; orders  
75.19 of hearing; findings of fact; conclusions of law; specifications of the final correction order,  
75.20 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license  
75.21 contained in the record of licensing action; whether a fine has been paid; and the status of  
75.22 any appeal of these actions.

75.23 (iii) When a license denial under section 245A.05 or a sanction under section 245A.07  
75.24 is based on a determination that a license holder, applicant, or controlling individual is  
75.25 responsible for maltreatment under section 626.556 or 626.557, the identity of the applicant,  
75.26 license holder, or controlling individual as the individual responsible for maltreatment is  
75.27 public data at the time of the issuance of the license denial or sanction.

75.28 (iv) When a license denial under section 245A.05 or a sanction under section 245A.07  
75.29 is based on a determination that a license holder, applicant, or controlling individual is  
75.30 disqualified under chapter 245C, the identity of the license holder, applicant, or controlling  
75.31 individual as the disqualified individual and the reason for the disqualification are public  
75.32 data at the time of the issuance of the licensing sanction or denial. If the applicant, license  
75.33 holder, or controlling individual requests reconsideration of the disqualification and the  
75.34 disqualification is affirmed, the reason for the disqualification and the reason to not set aside  
75.35 the disqualification are public data.

76.1 (v) A correction order or fine issued to a child care provider for a licensing violation is  
76.2 private data on individuals under section 13.02, subdivision 12, or nonpublic data under  
76.3 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

76.4 (2) For applicants who withdraw their application prior to licensure or denial of a license,  
76.5 the following data are public: the name of the applicant, the city and county in which the  
76.6 applicant was seeking licensure, the dates of the commissioner's receipt of the initial  
76.7 application and completed application, the type of license sought, and the date of withdrawal  
76.8 of the application.

76.9 (3) For applicants who are denied a license, the following data are public: the name and  
76.10 address of the applicant, the city and county in which the applicant was seeking licensure,  
76.11 the dates of the commissioner's receipt of the initial application and completed application,  
76.12 the type of license sought, the date of denial of the application, the nature of the basis for  
76.13 the denial, the existence of settlement negotiations, the record of informal resolution of a

76.14 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final  
76.15 order of denial, and the status of any appeal of the denial.

76.16 (4) When maltreatment is substantiated under section 626.556 or 626.557 and the victim  
76.17 and the substantiated perpetrator are affiliated with a program licensed under chapter 245A,  
76.18 the commissioner of human services, local social services agency, or county welfare agency  
76.19 may inform the license holder where the maltreatment occurred of the identity of the  
76.20 substantiated perpetrator and the victim.

76.21 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder  
76.22 and the status of the license are public if the county attorney has requested that data otherwise  
76.23 classified as public data under clause (1) be considered private data based on the best interests  
76.24 of a child in placement in a licensed program.

76.25 (c) The following are private data on individuals under section 13.02, subdivision 12,  
76.26 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data  
76.27 on family day care program and family foster care program applicants and licensees and  
76.28 their family members who provide services under the license.

76.29 (d) The following are private data on individuals: the identity of persons who have made  
76.30 reports concerning licensees or applicants that appear in inactive investigative data, and the  
76.31 records of clients or employees of the licensee or applicant for licensure whose records are  
76.32 received by the licensing agency for purposes of review or in anticipation of a contested  
76.33 matter. The names of reporters of complaints or alleged violations of licensing standards  
76.34 under chapters 245A, 245B, 245C, and 245D, and applicable rules and alleged maltreatment  
77.1 under sections 626.556 and 626.557, are confidential data and may be disclosed only as  
77.2 provided in section 626.556, subdivision 11, or 626.557, subdivision 12b.

77.3 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this  
77.4 subdivision become public data if submitted to a court or administrative law judge as part  
77.5 of a disciplinary proceeding in which there is a public hearing concerning a license which  
77.6 has been suspended, immediately suspended, revoked, or denied.

77.7 (f) Data generated in the course of licensing investigations that relate to an alleged  
77.8 violation of law are investigative data under subdivision 3.

77.9 (g) Data that are not public data collected, maintained, used, or disseminated under this  
77.10 subdivision that relate to or are derived from a report as defined in section 626.556,  
77.11 subdivision 2, or 626.557, subdivision 18, are subject to the destruction provisions of  
77.12 sections 626.556, subdivision 11c, and 626.557, subdivision 12b.

77.13 (h) Upon request, not public data collected, maintained, used, or disseminated under  
77.14 this subdivision that relate to or are derived from a report of substantiated maltreatment as  
77.15 defined in section 626.556 or 626.557 may be exchanged with the Department of Health  
77.16 for purposes of completing background studies pursuant to section 144.057 and with the  
77.17 Department of Corrections for purposes of completing background studies pursuant to  
77.18 section 241.021.



60.20 Sec. 3. Minnesota Statutes 2018, section 13.461, subdivision 28, is amended to read:

60.21 Subd. 28. **Child care assistance program.** Data collected, maintained, used, or  
 60.22 disseminated by the welfare system pertaining to persons selected as legal nonlicensed child  
 60.23 care providers by families receiving child care assistance are classified under section 119B.02,  
 60.24 subdivision 6, paragraph (a). Child care assistance program payment data is classified under  
 60.25 section 119B.02, subdivision 6, paragraph (b).

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

77.19 (i) Data on individuals collected according to licensing activities under chapters 245A  
 77.20 and 245C, data on individuals collected by the commissioner of human services according  
 77.21 to investigations under chapters 245A, 245B, 245C, and 245D, and sections 626.556 and  
 77.22 626.557 may be shared with the Department of Human Rights, the Department of Health,  
 77.23 the Department of Corrections, the ombudsman for mental health and developmental  
 77.24 disabilities, and the individual's professional regulatory board when there is reason to believe  
 77.25 that laws or standards under the jurisdiction of those agencies may have been violated or  
 77.26 the information may otherwise be relevant to the board's regulatory jurisdiction. Background  
 77.27 study data on an individual who is the subject of a background study under chapter 245C  
 77.28 for a licensed service for which the commissioner of human services is the license holder  
 77.29 may be shared with the commissioner and the commissioner's delegate by the licensing  
 77.30 division. Unless otherwise specified in this chapter, the identity of a reporter of alleged  
 77.31 maltreatment or licensing violations may not be disclosed.

77.32 (j) In addition to the notice of determinations required under section 626.556, subdivision  
 77.33 10f, if the commissioner or the local social services agency has determined that an individual  
 77.34 is a substantiated perpetrator of maltreatment of a child based on sexual abuse, as defined  
 78.1 in section 626.556, subdivision 2, and the commissioner or local social services agency  
 78.2 knows that the individual is a person responsible for a child's care in another facility, the  
 78.3 commissioner or local social services agency shall notify the head of that facility of this  
 78.4 determination. The notification must include an explanation of the individual's available  
 78.5 appeal rights and the status of any appeal. If a notice is given under this paragraph, the  
 78.6 government entity making the notification shall provide a copy of the notice to the individual  
 78.7 who is the subject of the notice.

78.8 (k) All not public data collected, maintained, used, or disseminated under this subdivision  
 78.9 and subdivision 3 may be exchanged between the Department of Human Services, Licensing  
 78.10 Division, and the Department of Corrections for purposes of regulating services for which  
 78.11 the Department of Human Services and the Department of Corrections have regulatory  
 78.12 authority.

78.13 **EFFECTIVE DATE.** This section is effective August 1, 2019.

78.14 Sec. 3. Minnesota Statutes 2018, section 13.461, subdivision 28, is amended to read:

78.15 Subd. 28. **Child care assistance program.** (a) Data collected, maintained, used, or  
 78.16 disseminated by the welfare system pertaining to persons selected as legal nonlicensed child  
 78.17 care providers by families receiving child care assistance are classified under section 119B.02,  
 78.18 subdivision 6, paragraph (a). Child care assistance program payment data is classified under  
 78.19 section 119B.02, subdivision 6, paragraph (b).

78.20 (b) Data relating to child care assistance program disqualification is governed by section  
 78.21 124D.165, subdivision 4a.

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

ARTICLE 1:

60.27 Sec. 4. Minnesota Statutes 2018, section 15C.02, is amended to read:  
60.28 15C.02 LIABILITY FOR CERTAIN ACTS.

60.29 (a) A person who commits any act described in clauses (1) to (7) is liable to the state or  
60.30 the political subdivision for a civil penalty of ~~not less than \$5,500 and not more than \$11,000~~  
60.31 ~~per false or fraudulent claim~~ in the amounts set forth in the federal False Claims Act, United  
61.1 States Code, title 31, section 3729, and as modified by the federal Civil Penalties Inflation  
61.2 Adjustment Act Improvements Act of 2015, plus three times the amount of damages that  
61.3 the state or the political subdivision sustains because of the act of that person, except as  
61.4 otherwise provided in paragraph (b):

61.5 (1) knowingly presents, or causes to be presented, a false or fraudulent claim for payment  
61.6 or approval;

61.7 (2) knowingly makes or uses, or causes to be made or used, a false record or statement  
61.8 material to a false or fraudulent claim;

61.9 (3) knowingly conspires to commit a violation of clause (1), (2), (4), (5), (6), or (7);

61.10 (4) has possession, custody, or control of property or money used, or to be used, by the  
61.11 state or a political subdivision and knowingly delivers or causes to be delivered less than  
61.12 all of that money or property;

61.13 (5) is authorized to make or deliver a document certifying receipt for money or property  
61.14 used, or to be used, by the state or a political subdivision and, intending to defraud the state  
61.15 or a political subdivision, makes or delivers the receipt without completely knowing that  
61.16 the information on the receipt is true;

61.17 (6) knowingly buys, or receives as a pledge of an obligation or debt, public property  
61.18 from an officer or employee of the state or a political subdivision who lawfully may not  
61.19 sell or pledge the property; or

61.20 (7) knowingly makes or uses, or causes to be made or used, a false record or statement  
61.21 material to an obligation to pay or transmit money or property to the state or a political  
61.22 subdivision, or knowingly conceals or knowingly and improperly avoids or decreases an  
61.23 obligation to pay or transmit money or property to the state or a political subdivision.

61.24 (b) Notwithstanding paragraph (a), the court may assess not less than two times the  
61.25 amount of damages that the state or the political subdivision sustains because of the act of  
61.26 the person if:

61.27 (1) the person committing a violation under paragraph (a) furnished an officer or  
61.28 employee of the state or the political subdivision responsible for investigating the false or  
61.29 fraudulent claim violation with all information known to the person about the violation  
61.30 within 30 days after the date on which the person first obtained the information;

61.31 (2) the person fully cooperated with any investigation by the state or the political  
61.32 subdivision of the violation; and

4.4 Section 1. Minnesota Statutes 2018, section 15C.02, is amended to read:  
4.5 15C.02 LIABILITY FOR CERTAIN ACTS.

4.6 (a) A person who commits any act described in clauses (1) to (7) is liable to the state or  
4.7 the political subdivision for a civil penalty of ~~not less than \$5,500 and not more than \$11,000~~  
4.8 ~~per false or fraudulent claim~~ in the amounts set forth in the federal False Claims Act, United  
4.9 States Code, title 31, section 3729, and as modified by the federal Civil Penalties Inflation  
4.10 Adjustment Act Improvements Act of 2015, plus three times the amount of damages that  
4.11 the state or the political subdivision sustains because of the act of that person, except as  
4.12 otherwise provided in paragraph (b):

4.13 (1) knowingly presents, or causes to be presented, a false or fraudulent claim for payment  
4.14 or approval;

4.15 (2) knowingly makes or uses, or causes to be made or used, a false record or statement  
4.16 material to a false or fraudulent claim;

4.17 (3) knowingly conspires to commit a violation of clause (1), (2), (4), (5), (6), or (7);

4.18 (4) has possession, custody, or control of property or money used, or to be used, by the  
4.19 state or a political subdivision and knowingly delivers or causes to be delivered less than  
4.20 all of that money or property;

4.21 (5) is authorized to make or deliver a document certifying receipt for money or property  
4.22 used, or to be used, by the state or a political subdivision and, intending to defraud the state  
4.23 or a political subdivision, makes or delivers the receipt without completely knowing that  
4.24 the information on the receipt is true;

4.25 (6) knowingly buys, or receives as a pledge of an obligation or debt, public property  
4.26 from an officer or employee of the state or a political subdivision who lawfully may not  
4.27 sell or pledge the property; or

4.28 (7) knowingly makes or uses, or causes to be made or used, a false record or statement  
4.29 material to an obligation to pay or transmit money or property to the state or a political  
4.30 subdivision, or knowingly conceals or knowingly and improperly avoids or decreases an  
4.31 obligation to pay or transmit money or property to the state or a political subdivision.

5.1 (b) Notwithstanding paragraph (a), the court may assess not less than two times the  
5.2 amount of damages that the state or the political subdivision sustains because of the act of  
5.3 the person if:

5.4 (1) the person committing a violation under paragraph (a) furnished an officer or  
5.5 employee of the state or the political subdivision responsible for investigating the false or  
5.6 fraudulent claim violation with all information known to the person about the violation  
5.7 within 30 days after the date on which the person first obtained the information;

5.8 (2) the person fully cooperated with any investigation by the state or the political  
5.9 subdivision of the violation; and

62.1 (3) at the time the person furnished the state or the political subdivision with information  
 62.2 about the violation, no criminal prosecution, civil action, or administrative action had been  
 62.3 commenced under this chapter with respect to the violation and the person did not have  
 62.4 actual knowledge of the existence of an investigation into the violation.

62.5 (c) A person violating this section is also liable to the state or the political subdivision  
 62.6 for the costs of a civil action brought to recover any penalty or damages.

62.7 (d) A person is not liable under this section for mere negligence, inadvertence, or mistake  
 62.8 with respect to activities involving a false or fraudulent claim.

5.10 (3) at the time the person furnished the state or the political subdivision with information  
 5.11 about the violation, no criminal prosecution, civil action, or administrative action had been  
 5.12 commenced under this chapter with respect to the violation and the person did not have  
 5.13 actual knowledge of the existence of an investigation into the violation.

5.14 (c) A person violating this section is also liable to the state or the political subdivision  
 5.15 for the costs of a civil action brought to recover any penalty or damages.

5.16 (d) A person is not liable under this section for mere negligence, inadvertence, or mistake  
 5.17 with respect to activities involving a false or fraudulent claim.

#### ARTICLE 7:

243.25 Section 1. Minnesota Statutes 2018, section 16A.055, subdivision 1a, is amended to read:

243.26 Subd. 1a. **Additional duties.** The commissioner may assist state agencies by providing  
 243.27 analytical, statistical, program evaluation using experimental or quasi-experimental design,  
 243.28 and organizational development services to state agencies in order to assist the agency to  
 243.29 achieve the agency's mission and to operate efficiently and effectively. For purposes of this  
 243.30 section, "experimental design" means a method of evaluating the impact of a service that  
 244.1 uses random assignment to assign participants into groups that respectively receive the  
 244.2 studied service and those that receive service as usual, so that any difference in outcomes  
 244.3 found at the end of the evaluation can be attributed to the studied service; and  
 244.4 "quasi-experimental design" means a method of evaluating the impact of a service that uses  
 244.5 strategies other than random assignment to establish statistically similar groups that  
 244.6 respectively receive the service and those that receive service as usual, so that any difference  
 244.7 in outcomes found at the end of the evaluation can be attributed to the studied service.

#### ARTICLE 1:

9.3 Sec. 8. Minnesota Statutes 2018, section 119B.125, is amended by adding a subdivision  
 9.4 to read:

9.5 Subd. 10. **Proof of surety bond coverage.** All licensed child care centers authorized  
 9.6 for reimbursement under this chapter that received child care assistance program revenue  
 9.7 equal to or greater than \$250,000 in the previous calendar year must provide to the  
 9.8 commissioner at least once per year proof of surety bond coverage of \$100,000 in a format  
 9.9 determined by the commissioner. The surety bond must be in a form approved by the  
 9.10 commissioner, be renewed annually, and allow for recovery of costs and fees in pursuing  
 9.11 a claim on the bond.

9.12 **EFFECTIVE DATE.** This section is effective January 1, 2020.

62.9 Sec. 5. Minnesota Statutes 2018, section 119B.02, subdivision 6, is amended to read:

62.10 Subd. 6. **Data.** (a) Data collected, maintained, used, or disseminated by the welfare

62.11 system pertaining to persons selected as legal nonlicensed child care providers by families

62.12 receiving child care assistance shall be treated as licensing data as provided in section 13.46,

62.13 subdivision 4.

62.14 (b) For purposes of this paragraph, "child care assistance program payment data" means

62.15 data for a specified time period showing (1) that a child care assistance program payment

62.16 under this chapter was made, and (2) the amount of child care assistance payments made

62.17 to a child care center. Child care assistance program payment data may include the number

62.18 of families and children on whose behalf payments were made for the specified time period.

9.13 Sec. 9. Minnesota Statutes 2018, section 119B.125, is amended by adding a subdivision

9.14 to read:

9.15 Subd. 11. **Financial misconduct.** (a) County agencies may conduct investigations of

9.16 financial misconduct by child care providers as described in section 245E.02, subdivisions

9.17 1 and 2, only after receiving verification that the department is not investigating a provider

9.18 under chapter 245E.

9.19 (b) If, upon investigation, a preponderance of evidence shows financial misconduct by

9.20 a provider, the county may immediately suspend the provider's authorization to receive

9.21 child care assistance payments under section 119B.13, subdivision 6, paragraph (d), prior

9.22 to pursuing other available remedies.

9.23 (c) The county shall give immediate notice in writing to a provider and any affected

9.24 families of any suspension of the provider's child care authorization under paragraph (b).

9.25 The notice shall state:

9.26 (1) the factual basis for the county's determination;

9.27 (2) the date of the suspension;

9.28 (3) the length of the suspension;

9.29 (4) the requirements and procedures for reinstatement;

9.30 (5) the right to dispute the county's determination and to provide evidence; and

9.31 (6) the right to appeal the county's determination.

10.1 (d) The county's determination under paragraph (b) is subject to the fair hearing

10.2 requirements under section 119B.16, subdivisions 1a, 1b, and 2. A provider that requests a

10.3 fair hearing is entitled to a hearing within ten days of the request.

ARTICLE 2:

78.23 Sec. 4. Minnesota Statutes 2018, section 119B.02, subdivision 6, is amended to read:

78.24 Subd. 6. **Data.** (a) Data collected, maintained, used, or disseminated by the welfare

78.25 system pertaining to persons selected as legal nonlicensed child care providers by families

78.26 receiving child care assistance shall be treated as licensing data as provided in section 13.46,

78.27 subdivision 4.

78.28 (b) For purposes of this paragraph, "child care assistance program payment data" means

78.29 data for a specified time period showing (1) that a child care assistance program payment

78.30 under this chapter was made, and (2) the amount of child care assistance payments made

78.31 to a child care center. Child care assistance program payment data may include the number

78.32 of families and children on whose behalf payments were made for the specified time period.

62.19 Any child care assistance program payment data that may identify a specific child care  
 62.20 assistance recipient or benefit paid on behalf of a specific child care assistance recipient,  
 62.21 as determined by the commissioner, is private data on individuals as defined in section  
 62.22 13.02, subdivision 12. Data related to a child care assistance payment is public if the data  
 62.23 relates to a child care assistance payment made to a licensed child care center or a child  
 62.24 care center exempt from licensure and:

62.25 (1) the child care center receives payment of more than \$100,000 from the child care  
 62.26 assistance program under this chapter in a period of one year or less; or

62.27 (2) when the commissioner or county agency either:

62.28 (i) disqualified the center from receipt of a payment from the child care assistance  
 62.29 program under this chapter for wrongfully obtaining child care assistance under section  
 62.30 256.98, subdivision 8, paragraph (c);

62.31 (ii) refused a child care authorization, revoked a child care authorization, stopped  
 62.32 payment, or denied payment for a bill for the center under section 119B.13, subdivision 6,  
 62.33 paragraph (d); or

63.1 (iii) made a finding of financial misconduct under section 245E.02.

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

63.3 Sec. 6. Minnesota Statutes 2018, section 119B.09, subdivision 7, is amended to read:

63.4 Subd. 7. **Date of eligibility for assistance.** (a) The date of eligibility for child care  
 63.5 assistance under this chapter is the later of the date the application was received by the  
 63.6 county; the beginning date of employment, education, or training; the date the infant is born  
 63.7 for applicants to the at-home infant care program; or the date a determination has been made  
 63.8 that the applicant is a participant in employment and training services under Minnesota  
 63.9 Rules, part 3400.0080, or chapter 256J.

63.10 (b) Payment ceases for a family under the at-home infant child care program when a  
 63.11 family has used a total of 12 months of assistance as specified under section 119B.035.  
 63.12 Payment of child care assistance for employed persons on MFIP is effective the date of  
 63.13 employment or the date of MFIP eligibility, whichever is later. Payment of child care  
 63.14 assistance for MFIP or DWP participants in employment and training services is effective  
 63.15 the date of commencement of the services or the date of MFIP or DWP eligibility, whichever  
 63.16 is later. Payment of child care assistance for transition year child care must be made  
 63.17 retroactive to the date of eligibility for transition year child care.

63.18 (c) Notwithstanding paragraph (b), payment of child care assistance for participants  
 63.19 eligible under section 119B.05 may only be made retroactive for a maximum of ~~six~~ three  
 63.20 months from the date of application for child care assistance.

79.1 Any child care assistance program payment data that may identify a specific child care  
 79.2 assistance recipient or benefit paid on behalf of a specific child care assistance recipient,  
 79.3 as determined by the commissioner, is private data on individuals as defined in section  
 79.4 13.02, subdivision 12. Data related to a child care assistance payment is public if the data  
 79.5 relates to a child care assistance payment made to a licensed child care center or a child  
 79.6 care center exempt from licensure and:

79.7 (1) the child care center receives payment of more than \$100,000 from the child care  
 79.8 assistance program under this chapter in a period of one year or less; or

79.9 (2) when the commissioner or county agency either:

79.10 (i) disqualified the center from receipt of a payment from the child care assistance  
 79.11 program under this chapter for wrongfully obtaining child care assistance under section  
 79.12 256.98, subdivision 8, paragraph (c);

79.13 (ii) refused a child care authorization, revoked a child care authorization, stopped  
 79.14 payment, or denied payment for a bill for the center under section 119B.13, subdivision 6,  
 79.15 paragraph (d); or

79.16 (iii) made a finding of financial misconduct under section 245E.02.

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

#### ARTICLE 1:

6.26 Sec. 4. Minnesota Statutes 2018, section 119B.09, subdivision 7, is amended to read:

6.27 Subd. 7. **Date of eligibility for assistance.** (a) The date of eligibility for child care  
 6.28 assistance under this chapter is the later of the date the application was received by the  
 6.29 county; the beginning date of employment, education, or training; the date the infant is born  
 6.30 for applicants to the at-home infant care program; or the date a determination has been made  
 6.31 that the applicant is a participant in employment and training services under Minnesota  
 6.32 Rules, part 3400.0080, or chapter 256J.

7.1 (b) Payment ceases for a family under the at-home infant child care program when a  
 7.2 family has used a total of 12 months of assistance as specified under section 119B.035.  
 7.3 Payment of child care assistance for employed persons on MFIP is effective the date of  
 7.4 employment or the date of MFIP eligibility, whichever is later. Payment of child care  
 7.5 assistance for MFIP or DWP participants in employment and training services is effective  
 7.6 the date of commencement of the services or the date of MFIP or DWP eligibility, whichever  
 7.7 is later. Payment of child care assistance for transition year child care must be made  
 7.8 retroactive to the date of eligibility for transition year child care.

7.9 (c) Notwithstanding paragraph (b), payment of child care assistance for participants  
 7.10 eligible under section 119B.05 may only be made retroactive for a maximum of ~~six~~ zero  
 7.11 months from the date of application for child care assistance.

63.21 **EFFECTIVE DATE.** This section is effective July 1, 2019.

63.22 Sec. 7. Minnesota Statutes 2018, section 119B.125, subdivision 6, is amended to read:

63.23 Subd. 6. **Record-keeping requirement.** (a) As a condition of payment, all providers  
63.24 receiving child care assistance payments must:

63.25 (1) keep accurate and legible daily attendance records at the site where services are  
63.26 delivered for children receiving child care assistance; and

63.27 ~~must (2) make those records available immediately to the county or the commissioner~~  
63.28 ~~upon request. Any records not provided to a county or the commissioner at the date and~~  
63.29 ~~time of the request are deemed inadmissible if offered as evidence by the provider in any~~  
63.30 ~~proceeding to contest an overpayment or disqualification of the provider.~~

64.1 ~~The (b) As a condition of payment, attendance records must be completed daily and~~  
64.2 ~~include the date, the first and last name of each child in attendance, and the times when~~  
64.3 ~~each child is dropped off and picked up. To the extent possible, the times that the child was~~  
64.4 ~~dropped off to and picked up from the child care provider must be entered by the person~~  
64.5 ~~dropping off or picking up the child. The daily attendance records must be retained at the~~  
64.6 ~~site where services are delivered for six years after the date of service.~~

64.7 (c) A county or the commissioner may deny or revoke a provider's authorization as a  
64.8 child care provider to any applicant, rescind authorization of any provider, to receive child  
64.9 care assistance payments under section 119B.13, subdivision 6, paragraph (d), pursue a  
64.10 fraud disqualification under section 256.98, take an action against the provider under chapter  
64.11 245E, or establish an attendance record overpayment ~~claim in the system~~ under paragraph  
64.12 (d) against a current or former provider, when the county or the commissioner knows or  
64.13 has reason to believe that the provider has not complied with the record-keeping requirement  
64.14 in this subdivision. ~~A provider's failure to produce attendance records as requested on more~~  
64.15 ~~than one occasion constitutes grounds for disqualification as a provider.~~

64.16 (d) To calculate an attendance record overpayment under this subdivision, the  
64.17 commissioner or county agency shall subtract the maximum daily rate from the total amount  
64.18 paid to a provider for each day that a child's attendance record is missing, unavailable,  
64.19 incomplete, inaccurate, or otherwise inadequate.

64.20 (e) The commissioner shall develop criteria for a county to determine an attendance  
64.21 record overpayment under this subdivision.

64.22 **EFFECTIVE DATE.** This section is effective July 1, 2019.

7.12 **EFFECTIVE DATE.** This section is effective for applications processed on or after  
7.13 July 1, 2019.

8.8 Sec. 7. Minnesota Statutes 2018, section 119B.125, subdivision 6, is amended to read:

8.9 Subd. 6. **Record-keeping requirement.** (a) As a condition of payment, all providers  
8.10 receiving child care assistance payments must keep accurate and legible daily attendance  
8.11 records at the site where services are delivered for children receiving child care assistance  
8.12 and must make those records available immediately to the county or the commissioner upon  
8.13 request. The attendance records must be completed daily and include the date, the first and  
8.14 last name of each child in attendance, and the times when each child is dropped off and  
8.15 picked up. To the extent possible, the times that the child was dropped off to and picked up  
8.16 from the child care provider must be entered by the person dropping off or picking up the  
8.17 child. The daily attendance records must be retained at the site where services are delivered  
8.18 for six years after the date of service.

8.19 (b) Records that are not produced immediately under paragraph (a), unless a delay is  
8.20 agreed upon by the commissioner and provider, shall not be valid for purposes of establishing  
8.21 a child's attendance and shall result in an overpayment under paragraph (d).

8.22 (c) A county or the commissioner may deny or revoke a provider's authorization as a  
8.23 child care provider to any applicant, rescind authorization of any provider, to receive child  
8.24 care assistance payments under section 119B.13, subdivision 6, paragraph (d), pursue a  
8.25 fraud disqualification under section 256.98, take an action against the provider under chapter  
8.26 245E, or establish an attendance record overpayment ~~claim in the system~~ under paragraph  
8.27 (d) against a current or former provider, when the county or the commissioner knows or  
8.28 has reason to believe that the provider has not complied with the record-keeping requirement  
8.29 in this subdivision. ~~A provider's failure to produce attendance records as requested on more~~  
8.30 ~~than one occasion constitutes grounds for disqualification as a provider.~~

8.31 (d) To calculate an attendance record overpayment under this subdivision, the  
8.32 commissioner or county agency subtracts the maximum daily rate from the total amount  
8.33 paid to a provider for each day that a child's attendance record is missing, unavailable,  
8.34 incomplete, illegible, inaccurate, or otherwise inadequate.

9.1 (e) The commissioner shall develop criteria to direct a county when the county must  
9.2 establish an attendance overpayment under this subdivision.

64.23 Sec. 8. Minnesota Statutes 2018, section 119B.13, subdivision 6, is amended to read:

64.24 Subd. 6. **Provider payments.** (a) A provider shall bill only for services documented  
 64.25 according to section 119B.125, subdivision 6. The provider shall bill for services provided  
 64.26 within ten days of the end of the service period. Payments under the child care fund shall  
 64.27 be made within 21 days of receiving a complete bill from the provider. Counties or the state  
 64.28 may establish policies that make payments on a more frequent basis.

64.29 (b) If a provider has received an authorization of care and been issued a billing form for  
 64.30 an eligible family, the bill must be submitted within 60 days of the last date of service on  
 64.31 the bill. A bill submitted more than 60 days after the last date of service must be paid if the  
 64.32 county determines that the provider has shown good cause why the bill was not submitted  
 64.33 within 60 days. Good cause must be defined in the county's child care fund plan under  
 65.1 section 119B.08, subdivision 3, and the definition of good cause must include county error.  
 65.2 Any bill submitted more than a year after the last date of service on the bill must not be  
 65.3 paid.

65.4 (c) If a provider provided care for a time period without receiving an authorization of  
 65.5 care and a billing form for an eligible family, payment of child care assistance may only be  
 65.6 made retroactively for a maximum of six months from the date the provider is issued an  
 65.7 authorization of care and billing form.

65.8 (d) A county or the commissioner may refuse to issue a child care authorization to a  
 65.9 licensed or legal nonlicensed provider, revoke an existing child care authorization to a  
 65.10 licensed or legal nonlicensed provider, stop payment issued to a licensed or legal nonlicensed  
 65.11 provider, or refuse to pay a bill submitted by a licensed or legal nonlicensed provider if:

65.12 (1) the provider admits to intentionally giving the county materially false information  
 65.13 on the provider's billing forms;

65.14 (2) a county or the commissioner finds by a preponderance of the evidence that the  
 65.15 provider intentionally gave the county materially false information on the provider's billing  
 65.16 forms, or provided false attendance records to a county or the commissioner;

65.17 (3) the provider is in violation of child care assistance program rules, until the agency  
 65.18 determines those violations have been corrected;

65.19 (4) the provider is operating after:

65.20 (i) an order of suspension of the provider's license issued by the commissioner;

65.21 (ii) an order of revocation of the provider's license; or

65.22 (iii) a final order of conditional license issued by the commissioner for as long as the  
 65.23 conditional license is in effect;

10.4 Sec. 10. Minnesota Statutes 2018, section 119B.13, subdivision 6, is amended to read:

10.5 Subd. 6. **Provider payments.** (a) A provider shall bill only for services documented  
 10.6 according to section 119B.125, subdivision 6. The provider shall bill for services provided  
 10.7 within ten days of the end of the service period. Payments under the child care fund shall  
 10.8 be made within 21 days of receiving a complete bill from the provider. Counties or the state  
 10.9 may establish policies that make payments on a more frequent basis.

10.10 (b) If a provider has received an authorization of care and been issued a billing form for  
 10.11 an eligible family, the bill must be submitted within 60 days of the last date of service on  
 10.12 the bill. A bill submitted more than 60 days after the last date of service must be paid if the  
 10.13 county determines that the provider has shown good cause why the bill was not submitted  
 10.14 within 60 days. Good cause must be defined in the county's child care fund plan under  
 10.15 section 119B.08, subdivision 3, and the definition of good cause must include county error.  
 10.16 Any bill submitted more than a year after the last date of service on the bill must not be  
 10.17 paid.

10.18 (c) If a provider provided care for a time period without receiving an authorization of  
 10.19 care and a billing form for an eligible family, payment of child care assistance may only be  
 10.20 made retroactively for a maximum of six months from the date the provider is issued an  
 10.21 authorization of care and billing form.

10.22 (d) A county or the commissioner may refuse to issue a child care authorization to a  
 10.23 licensed or legal nonlicensed provider, revoke an existing child care authorization to a  
 10.24 licensed or legal nonlicensed provider, stop payment issued to a licensed or legal nonlicensed  
 10.25 provider, or refuse to pay a bill submitted by a licensed or legal nonlicensed provider if:

10.26 (1) the provider admits to intentionally giving the county materially false information  
 10.27 on the provider's billing forms;

10.28 (2) a county or the commissioner finds by a preponderance of the evidence that the  
 10.29 provider intentionally gave the county materially false information on the provider's billing  
 10.30 forms, or provided false attendance records to a county or the commissioner;

10.31 (3) the provider is in violation of child care assistance program rules, until the agency  
 10.32 determines those violations have been corrected;

10.33 (4) the provider is operating after:

11.1 (i) an order of suspension of the provider's license issued by the commissioner;

11.2 (ii) an order of revocation of the provider's license; or

11.3 (iii) a final order of conditional license issued by the commissioner for as long as the  
 11.4 conditional license is in effect;

65.24 (5) the provider submits false attendance reports or refuses to provide documentation  
 65.25 of the child's attendance upon request; ~~or~~

65.26 (6) the provider gives false child care price information; or

65.27 (7) the provider fails to report decreases in a child's attendance as required under section  
 65.28 119B.125, subdivision 9.

65.29 (e) For purposes of paragraph (d), clauses (3), (5), ~~and~~ (6), and (7), the county or the  
 65.30 commissioner may withhold the provider's authorization or payment for a period of time  
 65.31 not to exceed three months beyond the time the condition has been corrected.

66.1 (f) A county's payment policies must be included in the county's child care plan under  
 66.2 section 119B.08, subdivision 3. If payments are made by the state, in addition to being in  
 66.3 compliance with this subdivision, the payments must be made in compliance with section  
 66.4 16A.124.

66.5 **EFFECTIVE DATE.** This section is effective July 1, 2019.

66.6 Sec. 9. Minnesota Statutes 2018, section 119B.13, subdivision 7, is amended to read:

66.7 Subd. 7. **Absent days.** (a) Licensed child care providers and license-exempt centers  
 66.8 must not be reimbursed for more than 25 full-day absent days per child, excluding holidays,  
 66.9 in a ~~fixed~~ calendar year, or for more than ten consecutive full-day absent days. "Absent  
 66.10 day" means any day that the child is authorized and scheduled to be in care with a licensed  
 66.11 provider or license-exempt center, and the child is absent from the care for the entire day.  
 66.12 Legal nonlicensed family child care providers must not be reimbursed for absent days. If a  
 66.13 child attends for part of the time authorized to be in care in a day, but is absent for part of  
 66.14 the time authorized to be in care in that same day, the absent time must be reimbursed but  
 66.15 the time must not count toward the absent days limit. Child care providers must only be  
 66.16 reimbursed for absent days if the provider has a written policy for child absences and charges  
 66.17 all other families in care for similar absences.

66.18 (b) Notwithstanding paragraph (a), children with documented medical conditions that  
 66.19 cause more frequent absences may exceed the 25 absent days limit, or ten consecutive  
 66.20 full-day absent days limit. Absences due to a documented medical condition of a parent or  
 66.21 sibling who lives in the same residence as the child receiving child care assistance do not  
 66.22 count against the absent days limit in a ~~fixed~~ calendar year. Documentation of medical  
 66.23 conditions must be on the forms and submitted according to the timelines established by  
 66.24 the commissioner. A public health nurse or school nurse may verify the illness in lieu of a  
 66.25 medical practitioner. If a provider sends a child home early due to a medical reason,  
 66.26 including, but not limited to, fever or contagious illness, the child care center director or  
 66.27 lead teacher may verify the illness in lieu of a medical practitioner.

66.28 (c) Notwithstanding paragraph (a), children in families may exceed the absent days limit  
 66.29 if at least one parent: (1) is under the age of 21; (2) does not have a high school diploma or  
 66.30 commissioner of education-selected high school equivalency certification; and (3) is a

11.5 (5) the provider submits false attendance reports or refuses to provide documentation  
 11.6 of the child's attendance upon request; ~~or~~

11.7 (6) the provider gives false child care price information; or

11.8 (7) the provider fails to report decreases in a child's attendance, as required under section  
 11.9 119B.125, subdivision 9.

11.10 (e) For purposes of paragraph (d), clauses (3), (5), ~~and~~ (6), and (7), the county or the  
 11.11 commissioner may withhold the provider's authorization or payment for a period of time  
 11.12 not to exceed three months beyond the time the condition has been corrected.

11.13 (f) A county's payment policies must be included in the county's child care plan under  
 11.14 section 119B.08, subdivision 3. If payments are made by the state, in addition to being in  
 11.15 compliance with this subdivision, the payments must be made in compliance with section  
 11.16 16A.124.

11.17 **EFFECTIVE DATE.** This section is effective July 1, 2019.

11.18 Sec. 11. Minnesota Statutes 2018, section 119B.13, subdivision 7, is amended to read:

11.19 Subd. 7. **Absent days.** (a) Licensed child care providers and license-exempt centers  
 11.20 must not be reimbursed for more than 25 full-day absent days per child, excluding holidays,  
 11.21 in a ~~fixed~~ calendar year, or for more than ten consecutive full-day absent days. "Absent  
 11.22 day" means any day that the child is authorized and scheduled to be in care with a licensed  
 11.23 provider or license-exempt center and the child is absent from the care for the entire day.  
 11.24 Legal nonlicensed family child care providers must not be reimbursed for absent days. If a  
 11.25 child attends for part of the time authorized to be in care in a day, but is absent for part of  
 11.26 the time authorized to be in care in that same day, the absent time must be reimbursed but  
 11.27 the time must not count toward the absent days limit. Child care providers must only be  
 11.28 reimbursed for absent days if the provider has a written policy for child absences and charges  
 11.29 all other families in care for similar absences.

11.30 (b) Notwithstanding paragraph (a), children with documented medical conditions that  
 11.31 cause more frequent absences may exceed the 25 absent days limit, or ten consecutive  
 11.32 full-day absent days limit. Absences due to a documented medical condition of a parent or  
 12.1 sibling who lives in the same residence as the child receiving child care assistance do not  
 12.2 count against the absent days limit in a ~~fixed~~ calendar year. Documentation of medical  
 12.3 conditions must be on the forms and submitted according to the timelines established by  
 12.4 the commissioner. A public health nurse or school nurse may verify the illness in lieu of a  
 12.5 medical practitioner. If a provider sends a child home early due to a medical reason,  
 12.6 including, but not limited to, fever or contagious illness, the child care center director or  
 12.7 lead teacher may verify the illness in lieu of a medical practitioner.

12.8 (c) Notwithstanding paragraph (a), children in families may exceed the absent days limit  
 12.9 if at least one parent: (1) is under the age of 21; (2) does not have a high school diploma or  
 12.10 commissioner of education-selected high school equivalency certification; and (3) is a



66.31 student in a school district or another similar program that provides or arranges for child  
 66.32 care, parenting support, social services, career and employment supports, and academic  
 66.33 support to achieve high school graduation, upon request of the program and approval of the  
 67.1 county. If a child attends part of an authorized day, payment to the provider must be for the  
 67.2 full amount of care authorized for that day.

67.3 (d) Child care providers must be reimbursed for up to ten federal or state holidays or  
 67.4 designated holidays per year when the provider charges all families for these days and the  
 67.5 holiday or designated holiday falls on a day when the child is authorized to be in attendance.  
 67.6 Parents may substitute other cultural or religious holidays for the ten recognized state and  
 67.7 federal holidays. Holidays do not count toward the absent days limit.

67.8 (e) A family or child care provider must not be assessed an overpayment for an absent  
 67.9 day payment unless (1) there was an error in the amount of care authorized for the family,  
 67.10 (2) all of the allowed full-day absent payments for the child have been paid, or (3) the family  
 67.11 or provider did not timely report a change as required under law.

67.12 (f) The provider and family shall receive notification of the number of absent days used  
 67.13 upon initial provider authorization for a family and ongoing notification of the number of  
 67.14 absent days used as of the date of the notification.

67.15 (g) For purposes of this subdivision, "absent days limit" means 25 full-day absent days  
 67.16 per child, excluding holidays, in a ~~fiscal~~ calendar year; and ten consecutive full-day absent  
 67.17 days.

67.18 (h) For purposes of this subdivision, "holidays limit" means ten full-day holidays per  
 67.19 child, excluding absent days, in a calendar year.

67.20 (i) If a day meets the criteria of an absent day or a holiday under this subdivision, the  
 67.21 provider must bill that day as an absent day or holiday. A provider's failure to properly bill  
 67.22 an absent day or a holiday results in an overpayment, regardless of whether the child reached,  
 67.23 or is exempt from, the absent days limit or holidays limit for the calendar year.

67.24 **EFFECTIVE DATE.** This section is effective July 1, 2019.

67.25 Sec. 10. Minnesota Statutes 2018, section 144.057, subdivision 3, is amended to read:

67.26 Subd. 3. **Reconsiderations.** The commissioner of health shall review and decide  
 67.27 reconsideration requests, including the granting of variances, in accordance with the  
 67.28 procedures and criteria contained in chapter 245C. The commissioner must set aside a  
 67.29 disqualification for an individual who requests reconsideration and who meets the criteria  
 67.30 described in section 245C.22, subdivision 4, paragraph (d). The commissioner's decision  
 67.31 shall be provided to the individual and to the Department of Human Services. The  
 67.32 commissioner's decision to grant or deny a reconsideration of disqualification is the final  
 68.1 administrative agency action, except for the provisions under sections 245C.25, 245C.27,  
 68.2 and 245C.28, subdivision 3.

12.11 student in a school district or another similar program that provides or arranges for child  
 12.12 care, parenting support, social services, career and employment supports, and academic  
 12.13 support to achieve high school graduation, upon request of the program and approval of the  
 12.14 county. If a child attends part of an authorized day, payment to the provider must be for the  
 12.15 full amount of care authorized for that day.

12.16 (d) Child care providers must be reimbursed for up to ten federal or state holidays or  
 12.17 designated holidays per year when the provider charges all families for these days and the  
 12.18 holiday or designated holiday falls on a day when the child is authorized to be in attendance.  
 12.19 Parents may substitute other cultural or religious holidays for the ten recognized state and  
 12.20 federal holidays. Holidays do not count toward the absent days limit.

12.21 (e) A family or child care provider must not be assessed an overpayment for an absent  
 12.22 day payment unless (1) there was an error in the amount of care authorized for the family,  
 12.23 (2) all of the allowed full-day absent payments for the child have been paid, or (3) the family  
 12.24 or provider did not timely report a change as required under law.

12.25 (f) The provider and family shall receive notification of the number of absent days used  
 12.26 upon initial provider authorization for a family and ongoing notification of the number of  
 12.27 absent days used as of the date of the notification.

12.28 (g) For purposes of this subdivision, "absent days limit" means 25 full-day absent days  
 12.29 per child, excluding holidays, in a ~~fiscal~~ calendar year; and ten consecutive full-day absent  
 12.30 days.

12.31 (h) For purposes of this subdivision, "holidays limit" means ten full-day holidays per  
 12.32 child, excluding absent days, in a calendar year.

12.33 (i) If a day meets the criteria of an absent day or a holiday under this subdivision, the  
 12.34 provider must bill that day as an absent day or holiday. A provider's failure to properly bill  
 13.1 an absent day or a holiday results in an overpayment, regardless of whether the child reached,  
 13.2 or is exempt from, the absent days limit or holidays limit for the calendar year.

13.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.

#### ARTICLE 9:

299.11 Sec. 6. Minnesota Statutes 2018, section 144.057, subdivision 3, is amended to read:

299.12 Subd. 3. **Reconsiderations.** The commissioner of health shall review and decide  
 299.13 reconsideration requests, including the granting of variances, in accordance with the  
 299.14 procedures and criteria contained in chapter 245C. The commissioner must set aside a  
 299.15 disqualification for an individual who requests reconsideration and who meets the criteria  
 299.16 described in section 245C.22, subdivision 4, paragraph (d). The commissioner's decision  
 299.17 shall be provided to the individual and to the Department of Human Services. The  
 299.18 commissioner's decision to grant or deny a reconsideration of disqualification is the final  
 299.19 administrative agency action, except for the provisions under sections 245C.25, 245C.27,  
 299.20 and 245C.28, subdivision 3.

68.3 Sec. 11. Minnesota Statutes 2018, section 245.095, is amended to read:  
68.4 245.095 LIMITS ON RECEIVING PUBLIC FUNDS.

68.5 Subdivision 1. **Prohibition.** (a) If a provider, vendor, or individual enrolled, licensed,  
68.6 ~~or receiving funds under a grant contract, or registered~~ in any program administered by the  
68.7 commissioner, including under the commissioner's powers and authorities in section 256.01,  
68.8 is excluded from ~~any that program administered by the commissioner, including under the~~  
68.9 ~~commissioner's powers and authorities in section 256.01,~~ the commissioner shall:

68.10 (1) prohibit the excluded provider, vendor, or individual from enrolling ~~or,~~ becoming  
68.11 licensed, receiving grant funds, or registering in any other program administered by the  
68.12 commissioner; and

68.13 (2) disenroll, revoke or suspend a license, disqualify, or debar the excluded provider,  
68.14 vendor, or individual in any other program administered by the commissioner.

68.15 (b) The duration of this prohibition, disenrollment, revocation, suspension,  
68.16 disqualification, or debarment must last for the longest applicable sanction or disqualifying  
68.17 period in effect for the provider, vendor, or individual permitted by state or federal law.

68.18 Subd. 2. **Definitions.** (a) For purposes of this section, the following definitions have the  
68.19 meanings given them.

68.20 (b) "Excluded" means disenrolled, ~~subject to license revocation or suspension,~~  
68.21 ~~disqualified, or subject to vendor debarment~~ disqualified, having a license that has been  
68.22 revoked or suspended under chapter 245A, or debarred or suspended under Minnesota Rules,  
68.23 part 1230.1150, or excluded pursuant to section 256B.064, subdivision 3.

68.24 (c) "Individual" means a natural person providing products or services as a provider or  
68.25 vendor.

68.26 (d) "Provider" means includes any entity or individual receiving payment from a program  
68.27 administered by the Department of Human Services, and an owner, controlling individual,  
68.28 license holder, director, or managerial official of an entity receiving payment from a program  
68.29 administered by the Department of Human Services.

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

69.1 Sec. 12. Minnesota Statutes 2018, section 245A.02, subdivision 3, is amended to read:

69.2 Subd. 3. **Applicant.** "Applicant" means an individual, ~~corporation, partnership, voluntary~~  
69.3 ~~association, controlling individual, or other organization, or government entity, as defined~~  
69.4 ~~in section 13.02, subdivision 7a, that has applied for licensure under this chapter and the~~  
69.5 ~~rules of the commissioner~~ is subject to licensure under this chapter and that has applied for  
69.6 but not yet been granted a license under this chapter.

## ARTICLE 1:

13.8 Sec. 13. Minnesota Statutes 2018, section 245.095, is amended to read:  
13.9 245.095 LIMITS ON RECEIVING PUBLIC FUNDS.

13.10 Subdivision 1. **Prohibition.** (a) If a provider, vendor, or individual enrolled, licensed,  
13.11 ~~or receiving funds under a grant contract, or registered~~ in any program administered by the  
13.12 commissioner, including under the commissioner's powers and authorities in section 256.01,  
13.13 is excluded from ~~any that program administered by the commissioner, including under the~~  
13.14 ~~commissioner's powers and authorities in section 256.01,~~ the commissioner shall:

13.15 (1) prohibit the excluded provider, vendor, or individual from enrolling ~~or,~~ becoming  
13.16 licensed, receiving grant funds, or registering in any other program administered by the  
13.17 commissioner; and

13.18 (2) disenroll, revoke or suspend a license, disqualify, or debar the excluded provider,  
13.19 vendor, or individual in any other program administered by the commissioner.

13.20 (b) The duration of this prohibition, disenrollment, revocation, suspension,  
13.21 disqualification, or debarment must last for the longest applicable sanction or disqualifying  
13.22 period in effect for the provider, vendor, or individual permitted by state or federal law.

13.23 Subd. 2. **Definitions.** (a) For purposes of this section, the following definitions have the  
13.24 meanings given them.

13.25 (b) "Excluded" means disenrolled, ~~subject to license revocation or suspension,~~  
13.26 ~~disqualified, or subject to vendor debarment~~ disqualified, has a license that has been revoked  
13.27 or suspended under chapter 245A, has been debarred or suspended under Minnesota Rules,  
13.28 part 1230.1150, or terminated from participation in medical assistance under section  
13.29 256B.064.

13.30 (c) "Individual" means a natural person providing products or services as a provider or  
13.31 vendor.

14.1 (d) "Provider" means an owner, controlling individual, license holder, director, or  
14.2 managerial official.

- 69.7 **EFFECTIVE DATE.** This section is effective January 1, 2020.
- 69.8 Sec. 13. Minnesota Statutes 2018, section 245A.02, is amended by adding a subdivision  
69.9 to read:
- 69.10 Subd. 3b. **Authorized agent.** "Authorized agent" means the controlling individual  
69.11 designated by the license holder responsible for communicating with the commissioner of  
69.12 human services on all matters related to this chapter and on whom service of all notices and  
69.13 orders must be made pursuant to section 245A.04, subdivision 1.
- 69.14 **EFFECTIVE DATE.** This section is effective January 1, 2020.
- 69.15 Sec. 14. Minnesota Statutes 2018, section 245A.02, subdivision 8, is amended to read:
- 69.16 Subd. 8. **License.** "License" means a certificate issued by the commissioner under section  
69.17 245A.04 authorizing the license holder to provide a specified program for a specified period  
69.18 of time and in accordance with the terms of the license and the rules of the commissioner.
- 69.19 **EFFECTIVE DATE.** This section is effective January 1, 2020.
- 69.20 Sec. 15. Minnesota Statutes 2018, section 245A.02, subdivision 9, is amended to read:
- 69.21 Subd. 9. **License holder.** "License holder" means an individual, ~~corporation, partnership,~~  
69.22 ~~voluntary association, or other~~ organization, or government entity that is legally responsible  
69.23 for the operation of the program or service, and has been granted a license by the  
69.24 commissioner under this chapter or ~~chapter 245D~~ and the rules of the commissioner, ~~and~~  
69.25 ~~is a controlling individual.~~
- 69.26 **EFFECTIVE DATE.** This section is effective January 1, 2020.
- 69.27 Sec. 16. Minnesota Statutes 2018, section 245A.02, is amended by adding a subdivision  
69.28 to read:
- 69.29 Subd. 10c. **Organization.** "Organization" means a domestic or foreign corporation,  
69.30 nonprofit corporation, limited liability company, partnership, limited partnership, limited  
70.1 liability partnership, association, voluntary association, and any other legal or commercial  
70.2 entity. For purposes of this chapter, organization does not include a government entity.
- 70.3 **EFFECTIVE DATE.** This section is effective January 1, 2020.
- 70.4 Sec. 17. Minnesota Statutes 2018, section 245A.02, subdivision 12, is amended to read:
- 70.5 Subd. 12. **Private agency.** "Private agency" means an ~~individual, corporation, partnership,~~  
70.6 ~~voluntary association or other~~ organization, other than a county agency, or a court with  
70.7 jurisdiction, that places persons who cannot remain in their own homes in residential  
70.8 programs, foster care, or adoptive homes.
- 70.9 **EFFECTIVE DATE.** This section is effective January 1, 2020.
- 70.10 Sec. 18. Minnesota Statutes 2018, section 245A.02, subdivision 14, is amended to read:

70.11 Subd. 14. **Residential program.** (a) Except as provided in paragraph (b), "residential  
70.12 program" means a program that provides 24-hour-a-day care, supervision, food, lodging,  
70.13 rehabilitation, training, education, habilitation, or treatment outside a person's own home,  
70.14 including a program in an intermediate care facility for four or more persons with  
70.15 developmental disabilities; and chemical dependency or chemical abuse programs that are  
70.16 located in a hospital or nursing home and receive public funds for providing chemical abuse  
70.17 or chemical dependency treatment services under chapter 254B. Residential programs  
70.18 include home and community-based services for persons with disabilities or persons age  
70.19 65 and older that are provided in or outside of a person's own home under chapter 245D.

70.20 (b) For a residential program under chapter 245D, "residential program" means a single  
70.21 or multifamily dwelling that is under the control, either directly or indirectly, of the service  
70.22 provider licensed under chapter 245D and in which at least one person receives services  
70.23 under chapter 245D, including residential supports and services under section 245D.03,  
70.24 subdivision 1, paragraph (c), clause (3); out-of-home crisis respite services under section  
70.25 245D.03, subdivision 1, paragraph (c), clause (1), item (ii); and out-of-home respite services  
70.26 under section 245D.03, subdivision 1, paragraph (b), clause (1). A residential program does  
70.27 not include out-of-home respite services when a case manager has determined that an  
70.28 unlicensed site meets the assessed needs of the person. A residential program also does not  
70.29 include multifamily dwellings where persons receive integrated community supports, even  
70.30 if authorization to provide these supports is granted under chapter 245D and approved in  
70.31 the federal waiver.

71.1 Sec. 19. Minnesota Statutes 2018, section 245A.02, subdivision 18, is amended to read:

71.2 Subd. 18. **Supervision.** (a) For purposes of licensed child care centers, "supervision"  
71.3 means when a program staff person:

71.4 (1) is within sight and hearing of a child at all times so that the program staff accountable  
71.5 for the child's care;

71.6 (2) can intervene to protect the health and safety of the child; and

71.7 (3) is within sight and hearing of the child at all times except as described in paragraphs  
71.8 (b) to (d).

71.9 (b) When an infant is placed in a crib room to sleep, supervision occurs when a program  
71.10 staff person is within sight or hearing of the infant. When supervision of a crib room is  
71.11 provided by sight or hearing, the center must have a plan to address the other supervision  
71.12 component components.

71.13 (c) When a single school-age child uses the restroom within the licensed space,  
71.14 supervision occurs when a program staff person has knowledge of the child's activity and  
71.15 location and checks on the child at least every five minutes. When a school-age child uses  
71.16 the restroom outside the licensed space, including but not limited to field trips, supervision  
71.17 occurs when staff accompany children to the restroom.

71.18 (d) When a school-age child leaves the classroom but remains within the licensed space  
 71.19 to deliver or retrieve items from the child's personal storage space, supervision occurs when  
 71.20 a program staff person has knowledge of the child's activity and location and checks on the  
 71.21 child at least every five minutes.

71.22 **EFFECTIVE DATE.** This section is effective September 30, 2019.

71.23 Sec. 20. Minnesota Statutes 2018, section 245A.03, subdivision 1, is amended to read:

71.24 Subdivision 1. **License required.** Unless licensed by the commissioner under this chapter,  
 71.25 an individual, ~~corporation, partnership, voluntary association, other~~ organization, or  
 71.26 ~~controlling individual~~ government entity must not:

71.27 (1) operate a residential or a nonresidential program;

71.28 (2) receive a child or adult for care, supervision, or placement in foster care or adoption;

71.29 (3) help plan the placement of a child or adult in foster care or adoption or engage in  
 71.30 placement activities as defined in section 259.21, subdivision 9, in this state, whether or not  
 71.31 the adoption occurs in this state; or

72.1 (4) advertise a residential or nonresidential program.

72.2 **EFFECTIVE DATE.** This section is effective January 1, 2020.

## ARTICLE 2:

80.31 Sec. 6. Minnesota Statutes 2018, section 245A.03, subdivision 2, is amended to read:

80.32 Subd. 2. **Exclusion from licensure.** (a) This chapter does not apply to:

81.1 (1) residential or nonresidential programs that are provided to a person by an individual  
 81.2 who is related unless the residential program is a child foster care placement made by a  
 81.3 local social services agency or a licensed child-placing agency, except as provided in  
 81.4 subdivision 2a;

81.5 (2) nonresidential programs that are provided by an unrelated individual to persons from  
 81.6 a single related family;

81.7 (3) residential or nonresidential programs that are provided to adults who do not misuse  
 81.8 substances or have a substance use disorder, a mental illness, a developmental disability, a  
 81.9 functional impairment, or a physical disability;

81.10 (4) sheltered workshops or work activity programs that are certified by the commissioner  
 81.11 of employment and economic development;

81.12 (5) programs operated by a public school for children 33 months or older;

- 81.13 (6) nonresidential programs primarily for children that provide care or supervision for  
 81.14 periods of less than three hours a day while the child's parent or legal guardian is in the  
 81.15 same building as the nonresidential program or present within another building that is  
 81.16 directly contiguous to the building in which the nonresidential program is located;
- 81.17 (7) nursing homes or hospitals licensed by the commissioner of health except as specified  
 81.18 under section 245A.02;
- 81.19 (8) board and lodge facilities licensed by the commissioner of health that do not provide  
 81.20 children's residential services under Minnesota Rules, chapter 2960, mental health or chemical  
 81.21 dependency treatment;
- 81.22 (9) homes providing programs for persons placed by a county or a licensed agency for  
 81.23 legal adoption, unless the adoption is not completed within two years;
- 81.24 (10) programs licensed by the commissioner of corrections;
- 81.25 (11) recreation programs for children or adults that are operated or approved by a park  
 81.26 and recreation board whose primary purpose is to provide social and recreational activities;
- 81.27 (12) programs operated by a school as defined in section 120A.22, subdivision 4; YMCA  
 81.28 as defined in section 315.44; YWCA as defined in section 315.44; or JCC as defined in  
 81.29 section 315.51, whose primary purpose is to provide child care or services to school-age  
 81.30 children;
- 81.31 (13) Head Start nonresidential programs which operate for less than 45 days in each  
 81.32 calendar year;
- 82.1 (14) noncertified boarding care homes unless they provide services for five or more  
 82.2 persons whose primary diagnosis is mental illness or a developmental disability;
- 82.3 (15) programs for children such as scouting, boys clubs, girls clubs, and sports and art  
 82.4 programs, and nonresidential programs for children provided for a cumulative total of less  
 82.5 than 30 days in any 12-month period;
- 82.6 (16) residential programs for persons with mental illness, that are located in hospitals;
- 82.7 (17) the religious instruction of school-age children; Sabbath or Sunday schools; or the  
 82.8 congregate care of children by a church, congregation, or religious society during the period  
 82.9 used by the church, congregation, or religious society for its regular worship;
- 82.10 (18) camps licensed by the commissioner of health under Minnesota Rules, chapter  
 82.11 4630;
- 82.12 (19) mental health outpatient services for adults with mental illness or children with  
 82.13 emotional disturbance;
- 82.14 (20) residential programs serving school-age children whose sole purpose is cultural or  
 82.15 educational exchange, until the commissioner adopts appropriate rules;

- 82.16 (21) community support services programs as defined in section 245.462, subdivision  
82.17 6, and family community support services as defined in section 245.4871, subdivision 17;
- 82.18 (22) the placement of a child by a birth parent or legal guardian in a preadoptive home  
82.19 for purposes of adoption as authorized by section 259.47;
- 82.20 (23) settings registered under chapter 144D which provide home care services licensed  
82.21 by the commissioner of health to fewer than seven adults;
- 82.22 (24) substance use disorder treatment activities of licensed professionals in private  
82.23 practice as defined in section 245G.01, subdivision 17;
- 82.24 (25) consumer-directed community support service funded under the Medicaid waiver  
82.25 for persons with developmental disabilities when the individual who provided the service  
82.26 is:
- 82.27 (i) the same individual who is the direct payee of these specific waiver funds or paid by  
82.28 a fiscal agent, fiscal intermediary, or employer of record; and
- 82.29 (ii) not otherwise under the control of a residential or nonresidential program that is  
82.30 required to be licensed under this chapter when providing the service;
- 83.1 (26) a program serving only children who are age 33 months or older, that is operated  
83.2 by a nonpublic school, for no more than four hours per day per child, with no more than 20  
83.3 children at any one time, and that is accredited by:
- 83.4 (i) an accrediting agency that is formally recognized by the commissioner of education  
83.5 as a nonpublic school accrediting organization; or
- 83.6 (ii) an accrediting agency that requires background studies and that receives and  
83.7 investigates complaints about the services provided.
- 83.8 A program that asserts its exemption from licensure under item (ii) shall, upon request  
83.9 from the commissioner, provide the commissioner with documentation from the accrediting  
83.10 agency that verifies: that the accreditation is current; that the accrediting agency investigates  
83.11 complaints about services; and that the accrediting agency's standards require background  
83.12 studies on all people providing direct contact services;
- 83.13 (27) a program operated by a nonprofit organization incorporated in Minnesota or another  
83.14 state that serves youth in kindergarten through grade 12; provides structured, supervised  
83.15 youth development activities; and has learning opportunities take place before or after  
83.16 school, on weekends, or during the summer or other seasonal breaks in the school calendar.  
83.17 A program exempt under this clause is not eligible for child care assistance under chapter  
83.18 119B. A program exempt under this clause must:
- 83.19 (i) have a director or supervisor on site who is responsible for overseeing written policies  
83.20 relating to the management and control of the daily activities of the program, ensuring the  
83.21 health and safety of program participants, and supervising staff and volunteers;

72.3 Sec. 21. Minnesota Statutes 2018, section 245A.03, subdivision 3, is amended to read:

72.4 Subd. 3. **Unlicensed programs.** (a) It is a misdemeanor for an individual, ~~corporation,~~

72.5 ~~partnership, voluntary association, other~~ organization, or a ~~controlling individual~~ government

72.6 ~~entity~~ to provide a residential or nonresidential program without a license issued under this

72.7 chapter and in willful disregard of this chapter unless the program is excluded from licensure

72.8 under subdivision 2.

72.9 (b) The commissioner may ask the appropriate county attorney or the attorney general

72.10 to begin proceedings to secure a court order against the continued operation of the program,

72.11 if an individual, ~~corporation, partnership, voluntary association, other~~ organization, or

72.12 ~~controlling individual~~ government entity has:

72.13 (1) failed to apply for a license under this chapter after receiving notice that a license is

72.14 required or continues to operate without a license after receiving notice that a license is

72.15 required;

72.16 (2) continued to operate without a license after ~~the~~ a license issued under this chapter

72.17 has been revoked or suspended under ~~section 245A.07~~ this chapter, and the commissioner

83.22 (ii) have obtained written consent from a parent or legal guardian for each youth

83.23 participating in activities at the site; and

83.24 (iii) have provided written notice to a parent or legal guardian for each youth at the site

83.25 that the program is not licensed or supervised by the state of Minnesota and is not eligible

83.26 to receive child care assistance payments;

83.27 (28) a county that is an eligible vendor under section 254B.05 to provide care coordination

83.28 and comprehensive assessment services; ~~or~~

83.29 (29) a recovery community organization that is an eligible vendor under section 254B.05

83.30 to provide peer recovery support services; or

83.31 (30) family child care that is provided by an unrelated individual to families that do not

83.32 receive child care assistance if the number of children served does not exceed six children,

84.1 of which there are no more than a combined total of two infants and toddlers that includes

84.2 no more than one infant.

84.3 (b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a

84.4 building in which a nonresidential program is located if it shares a common wall with the

84.5 building in which the nonresidential program is located or is attached to that building by

84.6 skyway, tunnel, atrium, or common roof.

84.7 (c) Except for the home and community-based services identified in section 245D.03,

84.8 subdivision 1, nothing in this chapter shall be construed to require licensure for any services

84.9 provided and funded according to an approved federal waiver plan where licensure is

84.10 specifically identified as not being a condition for the services and funding.



72.18 has issued a final order affirming the revocation or suspension, or the license holder did not  
 72.19 timely appeal the sanction; or

72.20 (3) continued to operate without a license after ~~the~~ a temporary immediate suspension  
 72.21 of a license has been temporarily suspended under section 245A.07 issued under this chapter.

72.22 (c) The county attorney and the attorney general have a duty to cooperate with the  
 72.23 commissioner.

72.24 **EFFECTIVE DATE.** This section is effective January 1, 2020.

72.25 Sec. 22. Minnesota Statutes 2018, section 245A.04, subdivision 1, is amended to read:

72.26 Subdivision 1. **Application for licensure.** (a) An individual, ~~corporation, partnership,~~  
 72.27 ~~voluntary association, other organization or controlling individual, or government entity~~  
 72.28 that is subject to licensure under section 245A.03 must apply for a license. The application  
 72.29 must be made on the forms and in the manner prescribed by the commissioner. The  
 72.30 commissioner shall provide the applicant with instruction in completing the application and  
 72.31 provide information about the rules and requirements of other state agencies that affect the  
 73.1 applicant. An applicant seeking licensure in Minnesota with headquarters outside of  
 73.2 Minnesota must have a program office located within 30 miles of the ~~state~~ Minnesota border.  
 73.3 An applicant who intends to buy or otherwise acquire a program or services licensed under  
 73.4 this chapter that is owned by another license holder must apply for a license under this  
 73.5 chapter and comply with the application procedures in this section and section 245A.03.

73.6 The commissioner shall act on the application within 90 working days after a complete  
 73.7 application and any required reports have been received from other state agencies or  
 73.8 departments, counties, municipalities, or other political subdivisions. The commissioner  
 73.9 shall not consider an application to be complete until the commissioner receives all of the  
 73.10 information required under ~~section 245C.05~~ information.

73.11 When the commissioner receives an application for initial licensure that is incomplete  
 73.12 because the applicant failed to submit required documents or that is substantially deficient  
 73.13 because the documents submitted do not meet licensing requirements, the commissioner  
 73.14 shall provide the applicant written notice that the application is incomplete or substantially  
 73.15 deficient. In the written notice to the applicant the commissioner shall identify documents  
 73.16 that are missing or deficient and give the applicant 45 days to resubmit a second application  
 73.17 that is substantially complete. An applicant's failure to submit a substantially complete  
 73.18 application after receiving notice from the commissioner is a basis for license denial under  
 73.19 section 245A.05.

73.20 (b) An application for licensure must identify all controlling individuals as defined in  
 73.21 section 245A.02, subdivision 5a, and must ~~specify an~~ designate one individual to be the  
 73.22 authorized agent who is responsible for dealing with the commissioner of human services  
 73.23 on all matters provided for in this chapter and on whom service of all notices and orders  
 73.24 must be made. The application must be signed by the authorized agent and must include  
 73.25 the authorized agent's first, middle, and last name; mailing address; and e-mail address. By

73.26 submitting an application for licensure, the authorized agent consents to electronic  
73.27 communication with the commissioner throughout the application process. The authorized  
73.28 agent must be authorized to accept service on behalf of all of the controlling individuals of  
73.29 the program. A government entity that holds multiple licenses under this chapter may  
73.30 designate one authorized agent for all licenses issued under this chapter or may designate  
73.31 a different authorized agent for each license. Service on the authorized agent is service on  
73.32 all of the controlling individuals of the program. It is not a defense to any action arising  
73.33 under this chapter that service was not made on each controlling individual of the program.  
73.34 The designation of one or more a controlling individuals individual as agents the authorized  
74.1 agent under this paragraph does not affect the legal responsibility of any other controlling  
74.2 individual under this chapter.

74.3 (c) An applicant or license holder must have a policy that prohibits license holders,  
74.4 employees, subcontractors, and volunteers, when directly responsible for persons served  
74.5 by the program, from abusing prescription medication or being in any manner under the  
74.6 influence of a chemical that impairs the individual's ability to provide services or care. The  
74.7 license holder must train employees, subcontractors, and volunteers about the program's  
74.8 drug and alcohol policy.

74.9 (d) An applicant and license holder must have a program grievance procedure that permits  
74.10 persons served by the program and their authorized representatives to bring a grievance to  
74.11 the highest level of authority in the program.

74.12 (e) The applicant must be able to demonstrate competent knowledge of the applicable  
74.13 requirements of this chapter and chapter 245C, and the requirements of other licensing  
74.14 statutes and rules applicable to the program or services for which the applicant is seeking  
74.15 to be licensed. Effective January 1, 2013, The commissioner may limit communication  
74.16 during the application process to the authorized agent or the controlling individuals identified  
74.17 on the license application and for whom a background study was initiated under chapter  
74.18 245C. The commissioner may require the applicant, except for child foster care, to  
74.19 demonstrate competence in the applicable licensing requirements by successfully completing  
74.20 a written examination. The commissioner may develop a prescribed written examination  
74.21 format.

74.22 (f) When an applicant is an individual, the individual applicant must provide:

74.23 (1) the applicant's taxpayer identification numbers including the Social Security number  
74.24 or Minnesota tax identification number, and federal employer identification number if the  
74.25 applicant has employees;

74.26 (2) at the request of the commissioner, a copy of the most recent filing with the secretary  
74.27 of state that includes the complete business name, if any, and;

74.28 (3) if doing business under a different name, the doing business as (DBA) name, as  
74.29 registered with the secretary of state; and

- 74.30 ~~(2) a notarized signature of the applicant;~~ (4) if applicable, the applicant's National  
74.31 Provider Identifier (NPI) number and Unique Minnesota Provider Identifier (UMPI) number;  
74.32 and
- 75.1 (5) at the request of the commissioner, the notarized signature of the applicant or  
75.2 authorized agent.
- 75.3 (g) When an applicant is ~~a non-individual~~ an organization, the applicant must provide  
75.4 ~~the:~~
- 75.5 (1) the applicant's taxpayer identification numbers including the Minnesota tax  
75.6 identification number and federal employer identification number;
- 75.7 (2) at the request of the commissioner, a copy of the most recent filing with the secretary  
75.8 of state that includes the complete business name, and if doing business under a different  
75.9 name, the doing business as (DBA) name, as registered with the secretary of state;
- 75.10 (3) the first, middle, and last name, and address for all individuals who will be controlling  
75.11 individuals, including all officers, owners, and managerial officials as defined in section  
75.12 245A.02, subdivision 5a, and the date that the background study was initiated by the applicant  
75.13 for each controlling individual; ~~and~~
- 75.14 ~~(4) first, middle, and last name, mailing address, and notarized signature of the agent~~  
75.15 ~~authorized by the applicant to accept service on behalf of the controlling individuals.~~
- 75.16 (4) if applicable, the applicant's NPI number and UMPI number;
- 75.17 (5) the documents that created the organization and that determine the organization's  
75.18 internal governance and the relations among the persons that own the organization, have  
75.19 an interest in the organization, or are members of the organization, in each case as provided  
75.20 or authorized by the organization's governing statute, which may include a partnership  
75.21 agreement, bylaws, articles of organization, organizational chart, and operating agreement,  
75.22 or comparable documents as provided in the organization's governing statute; and
- 75.23 (6) the notarized signature of the applicant or authorized agent.
- 75.24 (h) When the applicant is a government entity, the applicant must provide:
- 75.25 (1) the name of the government agency, political subdivision, or other unit of government  
75.26 seeking the license and the name of the program or services that will be licensed;
- 75.27 (2) the applicant's taxpayer identification numbers including the Minnesota tax  
75.28 identification number and federal employer identification number;
- 75.29 (3) a letter signed by the manager, administrator, or other executive of the government  
75.30 entity authorizing the submission of the license application; and
- 75.31 (4) if applicable, the applicant's NPI number and UMPI number.

76.1 ~~(1)~~ (i) At the time of application for licensure or renewal of a license under this chapter,  
 76.2 the applicant or license holder must acknowledge on the form provided by the commissioner  
 76.3 if the applicant or license holder elects to receive any public funding reimbursement from  
 76.4 the commissioner for services provided under the license that:

76.5 (1) the applicant's or license holder's compliance with the provider enrollment agreement  
 76.6 or registration requirements for receipt of public funding may be monitored by the  
 76.7 commissioner as part of a licensing investigation or licensing inspection; and

76.8 (2) noncompliance with the provider enrollment agreement or registration requirements  
 76.9 for receipt of public funding that is identified through a licensing investigation or licensing  
 76.10 inspection, or noncompliance with a licensing requirement that is a basis of enrollment for  
 76.11 reimbursement for a service, may result in:

76.12 (i) a correction order or a conditional license under section 245A.06, or sanctions under  
 76.13 section 245A.07;

76.14 (ii) nonpayment of claims submitted by the license holder for public program  
 76.15 reimbursement;

76.16 (iii) recovery of payments made for the service;

76.17 (iv) disenrollment in the public payment program; or

76.18 (v) other administrative, civil, or criminal penalties as provided by law.

76.19 **EFFECTIVE DATE.** This section is effective January 1, 2020.

76.20 Sec. 23. Minnesota Statutes 2018, section 245A.04, subdivision 2, is amended to read:

76.21 Subd. 2. **Notification of affected municipality.** The commissioner must not issue a  
 76.22 license under this chapter without giving 30 calendar days' written notice to the affected  
 76.23 municipality or other political subdivision unless the program is considered a permitted  
 76.24 single-family residential use under sections 245A.11 and 245A.14. The commissioner may  
 76.25 provide notice through electronic communication. The notification must be given before  
 76.26 the first issuance of a license under this chapter and annually after that time if annual  
 76.27 notification is requested in writing by the affected municipality or other political subdivision.  
 76.28 State funds must not be made available to or be spent by an agency or department of state,  
 76.29 county, or municipal government for payment to a residential or nonresidential program  
 76.30 licensed under this chapter until the provisions of this subdivision have been complied with  
 76.31 in full. The provisions of this subdivision shall not apply to programs located in hospitals.

76.32 **EFFECTIVE DATE.** This section is effective January 1, 2020.

77.1 Sec. 24. Minnesota Statutes 2018, section 245A.04, subdivision 4, is amended to read:

77.2 Subd. 4. **Inspections; waiver.** (a) Before issuing ~~an initial~~ a license under this chapter,  
 77.3 the commissioner shall conduct an inspection of the program. The inspection must include  
 77.4 but is not limited to:

84.11 Sec. 7. Minnesota Statutes 2018, section 245A.04, subdivision 4, is amended to read:

84.12 Subd. 4. **Inspections; waiver.** (a) Before issuing ~~an initial~~ license, the commissioner  
 84.13 shall conduct an inspection of the program. The inspection must include but is not limited  
 84.14 to:

77.5 (1) an inspection of the physical plant;

77.6 (2) an inspection of records and documents;

77.7 ~~(3) an evaluation of the program by consumers of the program;~~

77.8 ~~(4)~~ (3) observation of the program in operation; and

77.9 ~~(5)~~ (4) an inspection for the health, safety, and fire standards in licensing requirements

77.10 for a child care license holder.

77.11 ~~For the purposes of this subdivision, "consumer" means a person who receives the~~

77.12 ~~services of a licensed program, the person's legal guardian, or the parent or individual having~~

77.13 ~~legal custody of a child who receives the services of a licensed program.~~

77.14 (b) The ~~evaluation required in paragraph (a), clause (3), or the~~ observation in paragraph

77.15 (a), clause ~~(4)~~ (3), is not required prior to issuing ~~an initial~~ a license under subdivision 7. If

77.16 the commissioner issues ~~an initial~~ a license under ~~subdivision 7 this chapter~~, these

77.17 requirements must be completed within one year after the issuance of ~~an initial~~ the license.

77.18 (c) Before completing a licensing inspection in a family child care program or child care

77.19 center, the licensing agency must offer the license holder an exit interview to discuss

77.20 ~~violations or potential violations~~ of law or rule observed during the inspection and offer

77.21 technical assistance on how to comply with applicable laws and rules. ~~Nothing in this~~

77.22 ~~paragraph limits the ability of the commissioner to issue a correction order or negative~~

77.23 ~~action for violations of law or rule not discussed in an exit interview or in the event that a~~

77.24 ~~license holder chooses not to participate in an exit interview.~~ The commissioner shall not

77.25 issue a correction order or negative ~~licensing~~ action for violations of law or rule not discussed

77.26 ~~in an exit interview, unless a license holder chooses not to participate in an exit interview~~

77.27 ~~or not to complete the exit interview. If the license holder is unable to complete the exit~~

77.28 ~~interview, the licensing agency must offer an alternate time for the license holder to complete~~

77.29 ~~the exit interview.~~

77.30 (d) If a family child care license holder ~~disputes a county licenser's interpretation of a~~

77.31 ~~licensing requirement during a licensing inspection or exit interview, the license holder~~

77.32 ~~may, within five business days after the exit interview or licensing inspection, request~~

77.33 ~~clarification from the commissioner, in writing, in a manner prescribed by the commissioner.~~

78.1 ~~The license holder's request must describe the county licenser's interpretation of the licensing~~

78.2 ~~requirement at issue, and explain why the license holder believes the county licenser's~~

78.3 ~~interpretation is inaccurate. The commissioner and the county must include the license~~

78.4 ~~holder in all correspondence regarding the disputed interpretation, and must provide an~~

78.5 ~~opportunity for the license holder to contribute relevant information that may impact the~~

78.6 ~~commissioner's decision. The county licenser must not issue a correction order related to~~

78.7 ~~the disputed licensing requirement until the commissioner has provided clarification to the~~

78.8 ~~license holder about the licensing requirement.~~

84.15 (1) an inspection of the physical plant;

84.16 (2) an inspection of records and documents;

84.17 (3) an evaluation of the program by consumers of the program;

84.18 (4) observation of the program in operation; and

84.19 (5) an inspection for the health, safety, and fire standards in licensing requirements for

84.20 a child care license holder.

84.21 For the purposes of this subdivision, "consumer" means a person who receives the

84.22 services of a licensed program, the person's legal guardian, or the parent or individual having

84.23 legal custody of a child who receives the services of a licensed program.

84.24 (b) The ~~evaluation required in paragraph (a), clause (3), or the~~ observation in paragraph

84.25 (a), clause (4), is not required prior to issuing ~~an initial~~ license under subdivision 7. If

84.26 the commissioner issues ~~an initial~~ license under ~~subdivision 7~~, these requirements must be

84.27 completed within one year after the issuance of ~~an initial~~ license.

84.28 (c) Before completing a licensing inspection in a family child care program or child care

84.29 center, the licensing agency must offer the license holder an exit interview to discuss all

84.30 violations of law or rule observed during the inspection and offer technical assistance on

84.31 how to comply with applicable laws and rules. The commissioner shall not issue a correction

84.32 order or negative action for violations of law or rule not discussed in an exit interview.

85.1 Nothing in this paragraph limits the ability of the commissioner to issue a correction order

85.2 or negative action for violations of law or rule not discussed in an exit interview or in the

85.3 event that a license holder chooses not to participate in an exit interview.

78.9 ~~(c)~~ (e) The commissioner or the county shall inspect at least annually a child care provider  
 78.10 licensed under this chapter and Minnesota Rules, chapter 9502 or 9503, for compliance  
 78.11 with applicable licensing standards.

78.12 ~~(e)~~ (f) No later than November 19, 2017, the commissioner shall make publicly available  
 78.13 on the department's website the results of inspection reports of all child care providers  
 78.14 licensed under this chapter and under Minnesota Rules, chapter 9502 or 9503, and the  
 78.15 number of deaths, serious injuries, and instances of substantiated child maltreatment that  
 78.16 occurred in licensed child care settings each year.

78.17 **EFFECTIVE DATE.** The amendments to paragraphs (a) and (b) are effective January  
 78.18 1, 2020. The amendments to paragraphs (c) to (f) are effective September 30, 2019.

78.19 Sec. 25. Minnesota Statutes 2018, section 245A.04, subdivision 6, is amended to read:

78.20 Subd. 6. **Commissioner's evaluation.** (a) Before issuing, denying, suspending, revoking,  
 78.21 or making conditional a license, the commissioner shall evaluate information gathered under  
 78.22 this section. The commissioner's evaluation shall consider the applicable requirements of  
 78.23 statutes and rules for the program or services for which the applicant seeks a license,  
 78.24 including the disqualification standards set forth in chapter 245C, and shall evaluate facts,  
 78.25 conditions, or circumstances concerning:

78.26 (1) the program's operation;

78.27 (2) the well-being of persons served by the program;

78.28 (3) available consumer evaluations of the program, and by persons receiving services;

78.29 (4) information about the qualifications of the personnel employed by the applicant or  
 78.30 license holder; and

79.1 (5) the applicant's or license holder's ability to demonstrate competent knowledge of the  
 79.2 applicable requirements of statutes and rules, including this chapter and chapter 245C, for  
 79.3 which the applicant seeks a license or the license holder is licensed.

79.4 (b) The commissioner shall also evaluate the results of the study required in subdivision  
 79.5 3 and determine whether a risk of harm to the persons served by the program exists. In

85.4 (d) The commissioner or the county shall inspect at least annually a child care provider  
 85.5 licensed under this chapter and Minnesota Rules, chapter 9502 or 9503, for compliance  
 85.6 with applicable licensing standards. Inspections of family child care providers shall be  
 85.7 conducted in accordance with section 245A.055. It shall not constitute a violation of rule  
 85.8 or statute for an individual who is related to a licensed family child care provider as defined  
 85.9 in section 245A.02, subdivision 13, to be present in the residence during business hours,  
 85.10 unless the individual provides sufficient hours or days of child care services for statutory  
 85.11 training requirements to apply, or the spouse is designated to be a caregiver, helper, or  
 85.12 substitute in the family child care program.

85.13 ~~(e) No later than November 19, 2017, The~~ commissioner shall make publicly available  
 85.14 on the department's website the results of inspection reports of all child care providers  
 85.15 licensed under this chapter and under Minnesota Rules, chapter 9502 or 9503, and the  
 85.16 number of deaths, serious injuries, and instances of substantiated child maltreatment that  
 85.17 occurred in licensed child care settings each year. The results of inspection reports shall not  
 85.18 be displayed on the department's website for longer than the minimum required time under  
 85.19 federal law.

85.20 **EFFECTIVE DATE.** This section is effective the day following final enactment, with  
 85.21 the exception that the amendments to paragraph (e) are effective August 1, 2019, and the  
 85.22 requirement for inspections of family child care centers to be conducted in accordance with  
 85.23 section 245A.055 is effective July 1, 2020.

79.6 ~~conducting this evaluation, the commissioner shall apply the disqualification standards set~~  
 79.7 ~~forth in chapter 245C.~~

79.8 **EFFECTIVE DATE.** This section is effective January 1, 2020.

79.9 Sec. 26. Minnesota Statutes 2018, section 245A.04, subdivision 7, is amended to read:

79.10 Subd. 7. **Grant of license; license extension.** (a) If the commissioner determines that  
 79.11 the program complies with all applicable rules and laws, the commissioner shall issue a  
 79.12 license consistent with this section or, if applicable, a temporary change of ownership license  
 79.13 under section 245A.043. At minimum, the license shall state:

79.14 (1) the name of the license holder;

79.15 (2) the address of the program;

79.16 (3) the effective date and expiration date of the license;

79.17 (4) the type of license;

79.18 (5) the maximum number and ages of persons that may receive services from the program;

79.19 and

79.20 (6) any special conditions of licensure.

79.21 (b) The commissioner may issue ~~an initial~~ a license for a period not to exceed two years

79.22 if:

79.23 (1) the commissioner is unable to conduct the evaluation or observation required by  
 79.24 subdivision 4, paragraph (a), ~~clauses (3) and clause~~ (4), because the program is not yet  
 79.25 operational;

79.26 (2) certain records and documents are not available because persons are not yet receiving  
 79.27 services from the program; and

79.28 (3) the applicant complies with applicable laws and rules in all other respects.

79.29 (c) A decision by the commissioner to issue a license does not guarantee that any person  
 79.30 or persons will be placed or cared for in the licensed program. ~~A license shall not be~~  
 80.1 ~~transferable to another individual, corporation, partnership, voluntary association, other~~  
 80.2 ~~organization, or controlling individual or to another location.~~

80.3 (d) ~~A license holder must notify the commissioner and obtain the commissioner's approval~~  
 80.4 ~~before making any changes that would alter the license information listed under paragraph~~  
 80.5 ~~(a).~~

## ARTICLE 7:

244.8 Sec. 2. Minnesota Statutes 2018, section 245A.04, subdivision 7, is amended to read:

244.9 Subd. 7. **Grant of license; license extension.** (a) If the commissioner determines that  
 244.10 the program complies with all applicable rules and laws, the commissioner shall issue a  
 244.11 license consistent with this section or, if applicable, a temporary change of ownership license  
 244.12 under section 245A.043. At minimum, the license shall state:

244.13 (1) the name of the license holder;

244.14 (2) the address of the program;

244.15 (3) the effective date and expiration date of the license;

244.16 (4) the type of license;

244.17 (5) the maximum number and ages of persons that may receive services from the program;

244.18 and

244.19 (6) any special conditions of licensure.

244.20 (b) The commissioner may issue ~~an initial~~ a license for a period not to exceed two years

244.21 if:

244.22 (1) the commissioner is unable to conduct the evaluation or observation required by  
 244.23 subdivision 4, paragraph (a), ~~clauses (3) and~~ (4), because the program is not yet operational;

244.24 (2) certain records and documents are not available because persons are not yet receiving  
 244.25 services from the program; and

244.26 (3) the applicant complies with applicable laws and rules in all other respects.

244.27 (c) A decision by the commissioner to issue a license does not guarantee that any person  
 244.28 or persons will be placed or cared for in the licensed program. ~~A license shall not be~~  
 244.29 ~~transferable to another individual, corporation, partnership, voluntary association, other~~  
 244.30 ~~organization, or controlling individual or to another location.~~

245.1 (d) ~~A license holder must notify the commissioner and obtain the commissioner's approval~~  
 245.2 ~~before making any changes that would alter the license information listed under paragraph~~  
 245.3 ~~(a).~~



80.6 ~~(e)~~ (d) Except as provided in paragraphs ~~(e)~~ (f) and ~~(h)~~ (g), the commissioner shall not  
 80.7 issue or reissue a license if the applicant, license holder, or controlling individual has:

80.8 (1) been disqualified and the disqualification was not set aside and no variance has been  
 80.9 granted;

80.10 (2) been denied a license under this chapter within the past two years;

80.11 (3) had a license issued under this chapter revoked within the past five years;

80.12 (4) an outstanding debt related to a license fee, licensing fine, or settlement agreement  
 80.13 for which payment is delinquent; or

80.14 (5) failed to submit the information required of an applicant under subdivision 1,  
 80.15 paragraph (f) or (g), after being requested by the commissioner.

80.16 When a license issued under this chapter is revoked under clause (1) or (3), the license  
 80.17 holder and controlling individual may not hold any license under chapter 245A ~~or 245D~~ for  
 80.18 five years following the revocation, and other licenses held by the applicant, license holder,  
 80.19 or controlling individual shall also be revoked.

80.20 ~~(e)~~ (c) The commissioner shall not issue or reissue a license under this chapter if an  
 80.21 individual living in the household where the ~~licensed~~ services will be provided as specified  
 80.22 under section 245C.03, subdivision 1, has been disqualified and the disqualification has not  
 80.23 been set aside and no variance has been granted.

80.24 ~~(e)~~ (f) Pursuant to section 245A.07, subdivision 1, paragraph (b), when a license issued  
 80.25 under this chapter has been suspended or revoked and the suspension or revocation is under  
 80.26 appeal, the program may continue to operate pending a final order from the commissioner.  
 80.27 If the license under suspension or revocation will expire before a final order is issued, a  
 80.28 temporary provisional license may be issued provided any applicable license fee is paid  
 80.29 before the temporary provisional license is issued.

80.30 ~~(h)~~ (g) Notwithstanding paragraph ~~(e)~~ (f), when a revocation is based on the  
 80.31 disqualification of a controlling individual or license holder, and the controlling individual  
 80.32 or license holder is ordered under section 245C.17 to be immediately removed from direct  
 81.1 contact with persons receiving services or is ordered to be under continuous, direct  
 81.2 supervision when providing direct contact services, the program may continue to operate  
 81.3 only if the program complies with the order and submits documentation demonstrating  
 81.4 compliance with the order. If the disqualified individual fails to submit a timely request for  
 81.5 reconsideration, or if the disqualification is not set aside and no variance is granted, the  
 81.6 order to immediately remove the individual from direct contact or to be under continuous,  
 81.7 direct supervision remains in effect pending the outcome of a hearing and final order from  
 81.8 the commissioner.

81.9 ~~(h)~~ (h) For purposes of reimbursement for meals only, under the Child and Adult Care  
 81.10 Food Program, Code of Federal Regulations, title 7, subtitle B, chapter II, subchapter A,  
 81.11 part 226, relocation within the same county by a licensed family day care provider, shall

245.4 ~~(e)~~ (d) Except as provided in paragraphs ~~(e)~~ (f) and ~~(h)~~ (g), the commissioner shall not  
 245.5 issue or reissue a license if the applicant, license holder, or controlling individual has:

245.6 (1) been disqualified and the disqualification was not set aside and no variance has been  
 245.7 granted;

245.8 (2) been denied a license within the past two years;

245.9 (3) had a license issued under this chapter revoked within the past five years;

245.10 (4) an outstanding debt related to a license fee, licensing fine, or settlement agreement  
 245.11 for which payment is delinquent; or

245.12 (5) failed to submit the information required of an applicant under subdivision 1,  
 245.13 paragraph (f) or (g), after being requested by the commissioner.

245.14 When a license issued under this chapter is revoked under clause (1) or (3), the license  
 245.15 holder and controlling individual may not hold any license under chapter 245A ~~or 245D~~ for  
 245.16 five years following the revocation, and other licenses held by the applicant, license holder,  
 245.17 or controlling individual shall also be revoked.

245.18 ~~(e)~~ (c) The commissioner shall not issue or reissue a license under this chapter if an  
 245.19 individual living in the household where the ~~licensed~~ services will be provided as specified  
 245.20 under section 245C.03, subdivision 1, has been disqualified and the disqualification has not  
 245.21 been set aside and no variance has been granted.

245.22 ~~(e)~~ (f) Pursuant to section 245A.07, subdivision 1, paragraph (b), when a license issued  
 245.23 under this chapter has been suspended or revoked and the suspension or revocation is under  
 245.24 appeal, the program may continue to operate pending a final order from the commissioner.  
 245.25 If the license under suspension or revocation will expire before a final order is issued, a  
 245.26 temporary provisional license may be issued provided any applicable license fee is paid  
 245.27 before the temporary provisional license is issued.

245.28 ~~(h)~~ (g) Notwithstanding paragraph ~~(e)~~ (f), when a revocation is based on the  
 245.29 disqualification of a controlling individual or license holder, and the controlling individual  
 245.30 or license holder is ordered under section 245C.17 to be immediately removed from direct  
 245.31 contact with persons receiving services or is ordered to be under continuous, direct  
 245.32 supervision when providing direct contact services, the program may continue to operate  
 245.33 only if the program complies with the order and submits documentation demonstrating  
 246.1 compliance with the order. If the disqualified individual fails to submit a timely request for  
 246.2 reconsideration, or if the disqualification is not set aside and no variance is granted, the  
 246.3 order to immediately remove the individual from direct contact or to be under continuous,  
 246.4 direct supervision remains in effect pending the outcome of a hearing and final order from  
 246.5 the commissioner.

246.6 ~~(h)~~ (h) For purposes of reimbursement for meals only, under the Child and Adult Care  
 246.7 Food Program, Code of Federal Regulations, title 7, subtitle B, chapter II, subchapter A,  
 246.8 part 226, relocation within the same county by a licensed family day care provider, shall



81.12 be considered an extension of the license for a period of no more than 30 calendar days or  
 81.13 until the new license is issued, whichever occurs first, provided the county agency has  
 81.14 determined the family day care provider meets licensure requirements at the new location.

81.15 ~~(j)~~ (i) Unless otherwise specified by statute, all licenses issued under this chapter expire  
 81.16 at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must  
 81.17 apply for and be granted a new license to operate the program or the program must not be  
 81.18 operated after the expiration date.

81.19 ~~(j)~~ (i) The commissioner shall not issue or reissue a license under this chapter if it has  
 81.20 been determined that a tribal licensing authority has established jurisdiction to license the  
 81.21 program or service.

81.22 **EFFECTIVE DATE.** This section is effective January 1, 2020.

81.23 Sec. 27. Minnesota Statutes 2018, section 245A.04, is amended by adding a subdivision  
 81.24 to read:

81.25 **Subd. 7a. Notification required.** (a) A license holder must notify the commissioner, in  
 81.26 a manner prescribed by the commissioner, and obtain the commissioner's approval before  
 81.27 making any change that would alter the license information listed under subdivision 7,  
 81.28 paragraph (a).

81.29 (b) A license holder must also notify the commissioner, in a manner prescribed by the  
 81.30 commissioner, before making any change:

81.31 (1) to the license holder's authorized agent as defined in section 245A.02, subdivision  
 81.32 3b;

82.1 (2) to the license holder's controlling individual as defined in section 245A.02, subdivision  
 82.2 5a;

82.3 (3) to the license holder information on file with the secretary of state;

82.4 (4) in the location of the program or service licensed under this chapter; and

82.5 (5) to the federal or state tax identification number associated with the license holder.

82.6 (c) When, for reasons beyond the license holder's control, a license holder cannot provide  
 82.7 the commissioner with prior notice of the changes in paragraph (b), clauses (1) to (3), the  
 82.8 license holder must notify the commissioner by the tenth business day after the change and  
 82.9 must provide any additional information requested by the commissioner.

82.10 (d) When a license holder notifies the commissioner of a change to the license holder  
 82.11 information on file with the secretary of state, the license holder must provide amended  
 82.12 articles of incorporation and other documentation of the change.

246.9 be considered an extension of the license for a period of no more than 30 calendar days or  
 246.10 until the new license is issued, whichever occurs first, provided the county agency has  
 246.11 determined the family day care provider meets licensure requirements at the new location.

246.12 ~~(j)~~ (i) Unless otherwise specified by statute, all licenses issued under this chapter expire  
 246.13 at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must  
 246.14 apply for and be granted a new license to operate the program or the program must not be  
 246.15 operated after the expiration date.

246.16 ~~(j)~~ (i) The commissioner shall not issue or reissue a license under this chapter if it has  
 246.17 been determined that a tribal licensing authority has established jurisdiction to license the  
 246.18 program or service.

246.19 **EFFECTIVE DATE.** This section is effective January 1, 2020.

246.20 Sec. 3. Minnesota Statutes 2018, section 245A.04, is amended by adding a subdivision to  
 246.21 read:

246.22 **Subd. 7a. Notification required.** (a) A license holder must notify the commissioner and  
 246.23 obtain the commissioner's approval before making any change that would alter the license  
 246.24 information listed under subdivision 7, paragraph (a).

246.25 (b) At least 30 days before the effective date of a change, the license holder must notify  
 246.26 the commissioner in writing of any change:

246.27 (1) to the license holder's controlling individual as defined in section 245A.02, subdivision  
 246.28 5a;

246.29 (2) to license holder information on file with the secretary of state;

246.30 (3) in the location of the program or service licensed under this chapter; and

246.31 (4) in the federal or state tax identification number associated with the license holder.

247.1 (c) When a license holder notifies the commissioner of a change to the business structure  
 247.2 governing the licensed program or services but is not selling the business, the license holder  
 247.3 must provide amended articles of incorporation and other documentation of the change and  
 247.4 any other information requested by the commissioner.

82.13 EFFECTIVE DATE. This section is effective January 1, 2020.

82.14 Sec. 28. Minnesota Statutes 2018, section 245A.04, is amended by adding a subdivision  
82.15 to read:

82.16 Subd. 9a. **Child foster home variances for capacity.** (a) The commissioner, or the  
82.17 commissioner of corrections under section 241.021, may grant a variance for a licensed  
82.18 family foster parent to allow additional foster children if:

82.19 (1) the variance is needed to allow: (i) a parenting youth in foster care to remain with  
82.20 the child of the parenting youth; (ii) siblings to remain together; (iii) a child with an  
82.21 established meaningful relationship with the family to remain with the family; or (iv) a  
82.22 family with special training or skills to provide care to a child who has a severe disability;

82.23 (2) there is no risk of harm to a child currently in the home;

82.24 (3) the structural characteristics of the home, including sleeping space, accommodates  
82.25 additional foster children;

82.26 (4) the home remains in compliance with applicable zoning, health, fire, and building  
82.27 codes; and

82.28 (5) the statement of intended use specifies conditions for an exception to capacity limits  
82.29 and specifies how the license holder will maintain a ratio of adults to children that ensures  
82.30 the safety and appropriate supervision of all the children in the home.

83.1 (b) A variance granted to a family foster home under Minnesota Rules, part 2960.3030,  
83.2 subpart 3, prior to October 1, 2019, remains in effect until January 1, 2020.

83.3 Sec. 29. Minnesota Statutes 2018, section 245A.04, subdivision 10, is amended to read:

83.4 Subd. 10. **Adoption agency; additional requirements.** In addition to the other  
83.5 requirements of this section, an individual, ~~corporation, partnership, voluntary association,~~  
83.6 ~~other~~ or organization, or controlling individual applying for a license to place children for  
83.7 adoption must:

83.8 (1) incorporate as a nonprofit corporation under chapter 317A;

83.9 (2) file with the application for licensure a copy of the disclosure form required under  
83.10 section 259.37, subdivision 2;

83.11 (3) provide evidence that a bond has been obtained and will be continuously maintained  
83.12 throughout the entire operating period of the agency, to cover the cost of transfer of records  
83.13 to and storage of records by the agency which has agreed, according to rule established by  
83.14 the commissioner, to receive the applicant agency's records if the applicant agency voluntarily  
83.15 or involuntarily ceases operation and fails to provide for proper transfer of the records. The  
83.16 bond must be made in favor of the agency which has agreed to receive the records; and

247.5 EFFECTIVE DATE. This section is effective January 1, 2020.

- 83.17 (4) submit a certified audit to the commissioner each year the license is renewed as  
 83.18 required under section 245A.03, subdivision 1.  
 83.19 **EFFECTIVE DATE.** This section is effective January 1, 2020.

83.20 Sec. 30. [245A.043] LICENSE APPLICATION AFTER CHANGE OF OWNERSHIP.

83.21 Subdivision 1. **Transfer prohibited.** A license issued under this chapter is only valid  
 83.22 for a premises and individual, organization, or government entity identified by the  
 83.23 commissioner on the license. A license is not transferable or assignable.

83.24 Subd. 2. **Change in ownership.** (a) If the commissioner determines that there is a change  
 83.25 in ownership, the commissioner shall require submission of a new license application. This  
 83.26 subdivision does not apply to a licensed program or service located in a home where the  
 83.27 license holder resides. A change in ownership occurs when:

83.28 (1) the license holder sells or transfers 100 percent of the property, stock, or assets;

83.29 (2) the license holder merges with another organization;

83.30 (3) the license holder consolidates with two or more organizations, resulting in the  
 83.31 creation of a new organization;

84.1 (4) there is a change to the federal tax identification number associated with the license  
 84.2 holder; or

84.3 (5) all controlling individuals associated with the original application have changed.

ARTICLE 2:

85.24 Sec. 8. Minnesota Statutes 2018, section 245A.04, is amended by adding a subdivision to  
 85.25 read:

85.26 Subd. 18. **Plain-language handbook.** By January 1, 2020, the commissioner of human  
 85.27 services shall, following consultation with family child care license holders, parents, and  
 85.28 county agencies, develop a plain-language handbook that describes the process and  
 85.29 requirements to become a licensed family child care provider. The handbook shall include  
 85.30 a list of the applicable statutory provisions and rules that apply to licensed family child care  
 85.31 providers. The commissioner shall electronically publish the handbook on the Department  
 85.32 of Human Services website, available at no charge to the public. Each county human services  
 85.33 office and the Department of Human Services shall maintain physical copies of the handbook  
 85.34 for public use.

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

ARTICLE 7:

247.6 Sec. 4. [245A.043] LICENSE APPLICATION AFTER CHANGE OF OWNERSHIP.

247.7 Subdivision 1. **Transfer prohibited.** A license issued under this chapter is only valid  
 247.8 for a premises and individual, organization, or government entity identified by the  
 247.9 commissioner on the license. A license is not transferable or assignable.

247.10 Subd. 2. **Change of ownership.** If the commissioner determines that there will be a  
 247.11 change of ownership, the commissioner shall require submission of a new license application.  
 247.12 A change of ownership occurs when:

247.13 (1) the license holder sells or transfers 100 percent of the property, stock, or assets;

247.14 (2) the license holder merges with another organization;

247.15 (3) the license holder consolidates with two or more organizations, resulting in the  
 247.16 creation of a new organization;

247.17 (4) there is a change in the federal tax identification number associated with the license  
 247.18 holder; or

247.19 (5) there is a turnover of each controlling individual associated with the license within  
 247.20 a 12-month period. A change to the license holder's controlling individuals, including a

84.4 (b) Notwithstanding paragraph (a), clauses (1) and (5), no change in ownership has  
 84.5 occurred if at least one controlling individual has been listed as a controlling individual for  
 84.6 the license for at least the previous 12 months.

84.7 Subd. 3. Change of ownership process. (a) When a change in ownership is proposed  
 84.8 and the party intends to assume operation without an interruption in service longer than 60  
 84.9 days after acquiring the program or service, the license holder must provide the commissioner  
 84.10 with written notice of the proposed change on a form provided by the commissioner at least  
 84.11 60 days before the anticipated date of the change in ownership. For purposes of this  
 84.12 subdivision and subdivision 4, "party" means the party that intends to operate the service  
 84.13 or program.

84.14 (b) The party must submit a license application under this chapter on the form and in  
 84.15 the manner prescribed by the commissioner at least 30 days before the change in ownership  
 84.16 is complete, and must include documentation to support the upcoming change. The party  
 84.17 must comply with background study requirements under chapter 245C and shall pay the  
 84.18 application fee required under section 245A.10. A party that intends to assume operation  
 84.19 without an interruption in service longer than 60 days after acquiring the program or service  
 84.20 is exempt from the requirements of Minnesota Rules, part 9530.6800.

84.21 (c) The commissioner may streamline application procedures when the party is an existing  
 84.22 license holder under this chapter and is acquiring a program licensed under this chapter or  
 84.23 service in the same service class as one or more licensed programs or services the party  
 84.24 operates and those licenses are in substantial compliance. For purposes of this subdivision,  
 84.25 "substantial compliance" means within the previous 12 months the commissioner did not  
 84.26 (1) issue a sanction under section 245A.07 against a license held by the party, or (2) make  
 84.27 a license held by the party conditional according to section 245A.06.

84.28 (d) Except when a temporary change in ownership license is issued pursuant to  
 84.29 subdivision 4, the existing license holder is solely responsible for operating the program  
 84.30 according to applicable laws and rules until a license under this chapter is issued to the  
 84.31 party.

84.32 (e) If a licensing inspection of the program or service was conducted within the previous  
 84.33 12 months and the existing license holder's record demonstrates substantial compliance with  
 84.34 the applicable licensing requirements, the commissioner may waive the party's inspection  
 85.1 required by section 245A.04, subdivision 4. The party must submit to the commissioner (1)  
 85.2 proof that the premises was inspected by a fire marshal or that the fire marshal deemed an  
 85.3 inspection was not warranted, and (2) proof that the premises was inspected for compliance  
 85.4 with the building code or no inspection was deemed warranted.

85.5 (f) If the party is seeking a license for a program or service that has an outstanding action  
 85.6 under section 245A.06 or 245A.07, the party must submit a letter as part of the application

247.21 change due to a transfer of stock, is not a change of ownership if at least one controlling  
 247.22 individual who was listed on the license for at least 12 consecutive months continues to be  
 247.23 a controlling individual after the reported change.

247.24 Subd. 3. Change of ownership requirements. (a) A license holder who intends to  
 247.25 change the ownership of the program or service under subdivision 2 to a party that intends  
 247.26 to assume operation without an interruption in service longer than 60 days after acquiring  
 247.27 the program or service must provide the commissioner with written notice of the proposed  
 247.28 sale or change, on a form provided by the commissioner, at least 60 days before the  
 247.29 anticipated date of the change in ownership. For purposes of this subdivision and subdivision  
 247.30 4, "party" means the party that intends to operate the service or program.

247.31 (b) The party must submit a license application under this chapter on the form and in  
 247.32 the manner prescribed by the commissioner at least 30 days before the change of ownership  
 248.1 is complete and must include documentation to support the upcoming change. The form  
 248.2 and manner of the application prescribed by the commissioner shall require only information  
 248.3 which is specifically required by statute or rule. The party must comply with background  
 248.4 study requirements under chapter 245C and shall pay the application fee required in section  
 248.5 245A.10. A party that intends to assume operation without an interruption in service longer  
 248.6 than 60 days after acquiring the program or service is exempt from the requirements of  
 248.7 Minnesota Rules, part 9530.6800.

248.8 (c) The commissioner may develop streamlined application procedures when the party  
 248.9 is an existing license holder under this chapter and is acquiring a program licensed under  
 248.10 this chapter or service in the same service class as one or more licensed programs or services  
 248.11 the party operates and those licenses are in substantial compliance according to the licensing  
 248.12 standards in this chapter and applicable rules. For purposes of this subdivision, "substantial  
 248.13 compliance" means within the past 12 months the commissioner did not: (i) issue a sanction  
 248.14 under section 245A.07 against a license held by the party or (ii) make a license held by the  
 248.15 party conditional according to section 245A.06.

248.16 (d) Except when a temporary change of ownership license is issued pursuant to  
 248.17 subdivision 4, the existing license holder is solely responsible for operating the program  
 248.18 according to applicable rules and statutes until a license under this chapter is issued to the  
 248.19 party.

248.20 (e) If a licensing inspection of the program or service was conducted within the previous  
 248.21 12 months and the existing license holder's license record demonstrates substantial  
 248.22 compliance with the applicable licensing requirements, the commissioner may waive the  
 248.23 party's inspection required by section 245A.04, subdivision 4. The party must submit to the  
 248.24 commissioner proof that the premises was inspected by a fire marshal or that the fire marshal  
 248.25 deemed that an inspection was not warranted and proof that the premises was inspected for  
 248.26 compliance with the building code or that no inspection was deemed warranted.

248.27 (f) If the party is seeking a license for a program or service that has an outstanding  
 248.28 correction order, the party must submit a letter with the license application identifying how

85.7 process identifying how the party has or will come into full compliance with the licensing  
85.8 requirements.

85.9 (g) The commissioner shall evaluate the party's application according to section 245A.04,  
85.10 subdivision 6. If the commissioner determines that the party has remedied or demonstrates  
85.11 the ability to remedy the outstanding actions under section 245A.06 or 245A.07 and has  
85.12 determined that the program otherwise complies with all applicable laws and rules, the  
85.13 commissioner shall issue a license or conditional license under this chapter. The conditional  
85.14 license remains in effect until the commissioner determines that the grounds for the action  
85.15 are corrected or no longer exist.

85.16 (h) The commissioner may deny an application as provided in section 245A.05. An  
85.17 applicant whose application was denied by the commissioner may appeal the denial according  
85.18 to section 245A.05.

85.19 (i) This subdivision does not apply to a licensed program or service located in a home  
85.20 where the license holder resides.

85.21 Subd. 4. **Temporary change in ownership license.** (a) After receiving the party's  
85.22 application pursuant to subdivision 3, upon the written request of the existing license holder  
85.23 and the party, the commissioner may issue a temporary change in ownership license to the  
85.24 party while the commissioner evaluates the party's application. Until a decision is made to  
85.25 grant or deny a license under this chapter, the existing license holder and the party shall  
85.26 both be responsible for operating the program or service according to applicable laws and  
85.27 rules, and the sale or transfer of the existing license holder's ownership interest in the licensed  
85.28 program or service does not terminate the existing license.

85.29 (b) The commissioner may issue a temporary change in ownership license when a license  
85.30 holder's death, divorce, or other event affects the ownership of the program and an applicant  
85.31 seeks to assume operation of the program or service to ensure continuity of the program or  
85.32 service while a license application is evaluated.

85.33 (c) This subdivision applies to any program or service licensed under this chapter.

86.1 **EFFECTIVE DATE.** This section is effective January 1, 2020.

86.2 Sec. 31. Minnesota Statutes 2018, section 245A.05, is amended to read:  
86.3 245A.05 DENIAL OF APPLICATION.

86.4 (a) The commissioner may deny a license if an applicant or controlling individual:

248.29 and within what length of time the party shall resolve the outstanding correction order and  
248.30 come into full compliance with the licensing requirements.

248.31 (g) Any action taken under section 245A.06 or 245A.07 against the existing license  
248.32 holder's license at the time the party is applying for a license, including when the existing  
248.33 license holder is operating under a conditional license or is subject to a revocation, shall  
249.1 remain in effect until the commissioner determines that the grounds for the action are  
249.2 corrected or no longer exist.

249.3 (h) The commissioner shall evaluate the application of the party according to section  
249.4 245A.04, subdivision 6. Pursuant to section 245A.04, subdivision 7, if the commissioner  
249.5 determines that the party complies with applicable laws and rules, the commissioner may  
249.6 issue a license or a temporary change of ownership license.

249.7 (i) The commissioner may deny an application as provided in section 245A.05. An  
249.8 applicant whose application was denied by the commissioner may appeal the denial according  
249.9 to section 245A.05.

249.10 (j) This subdivision does not apply to a licensed program or service located in a home  
249.11 where the license holder resides.

249.12 Subd. 4. **Temporary change of ownership license.** (a) After receiving the party's  
249.13 application and upon the written request of the existing license holder and the party, the  
249.14 commissioner may issue a temporary change of ownership license to the party while the  
249.15 commissioner evaluates the party's application. Until a decision is made to grant or deny a  
249.16 license under this chapter, the existing license holder and the party shall both be responsible  
249.17 for operating the program or service according to applicable laws and rules, and the sale or  
249.18 transfer of the license holder's ownership interest in the licensed program or service does  
249.19 not terminate the existing license.

249.20 (b) The commissioner may establish criteria to issue a temporary change of ownership  
249.21 license, if a license holder's death, divorce, or other event affects the ownership of the  
249.22 program, when an applicant seeks to assume operation of the program or service to ensure  
249.23 continuity of the program or service while a license application is evaluated. This subdivision  
249.24 applies to any program or service licensed under this chapter.

249.25 **EFFECTIVE DATE.** This section is effective January 1, 2020.

- 86.5 (1) fails to submit a substantially complete application after receiving notice from the  
86.6 commissioner under section 245A.04, subdivision 1;
- 86.7 (2) fails to comply with applicable laws or rules;
- 86.8 (3) knowingly withholds relevant information from or gives false or misleading  
86.9 information to the commissioner in connection with an application for a license or during  
86.10 an investigation;
- 86.11 (4) has a disqualification that has not been set aside under section 245C.22 and no  
86.12 variance has been granted;
- 86.13 (5) has an individual living in the household who received a background study under  
86.14 section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that  
86.15 has not been set aside under section 245C.22, and no variance has been granted;
- 86.16 (6) is associated with an individual who received a background study under section  
86.17 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to  
86.18 children or vulnerable adults, and who has a disqualification that has not been set aside  
86.19 under section 245C.22, and no variance has been granted; ~~or~~
- 86.20 (7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);
- 86.21 (8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision  
86.22 6;
- 86.23 (9) has a history of noncompliance as a license holder or controlling individual with  
86.24 applicable laws or rules, including but not limited to this chapter and chapters 119B and  
86.25 245C;
- 86.26 (10) is prohibited from holding a license according to section 245.095; or
- 86.27 (11) for family child foster care, has nondisqualifying background study information,  
86.28 as described in section 245C.05, subdivision 4, that reflects on the individual's ability to  
86.29 safely provide care to foster children.
- 86.30 (b) An applicant whose application has been denied by the commissioner must be given  
86.31 notice of the denial, which must state the reasons for the denial in plain language. Notice  
87.1 must be given by certified mail or personal service. The notice must state the reasons the  
87.2 application was denied and must inform the applicant of the right to a contested case hearing  
87.3 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The applicant may  
87.4 appeal the denial by notifying the commissioner in writing by certified mail or personal  
87.5 service. If mailed, the appeal must be postmarked and sent to the commissioner within 20  
87.6 calendar days after the applicant received the notice of denial. If an appeal request is made  
87.7 by personal service, it must be received by the commissioner within 20 calendar days after  
87.8 the applicant received the notice of denial. Section 245A.08 applies to hearings held to  
87.9 appeal the commissioner's denial of an application.



- 87.10 **EFFECTIVE DATE.** This section is effective January 1, 2020, except paragraph (a).
- 87.11 clause (11), is effective March 1, 2020.
- 87.12 Sec. 32. [245A.055] CLOSING A LICENSE.
- 87.13 Subdivision 1. **Inactive programs.** The commissioner shall close a license if the
- 87.14 commissioner determines that a licensed program has not been serving any client for a
- 87.15 consecutive period of 12 months or longer. The license holder is not prohibited from
- 87.16 reapplying for a license if the license holder's license was closed under this chapter.
- 87.17 Subd. 2. **Reconsideration of closure.** If a license is closed, the commissioner must
- 87.18 notify the license holder of closure by certified mail or personal service. If mailed, the notice
- 87.19 of closure must be mailed to the last known address of the license holder and must inform
- 87.20 the license holder why the license was closed and that the license holder has the right to
- 87.21 request reconsideration of the closure. If the license holder believes that the license was
- 87.22 closed in error, the license holder may ask the commissioner to reconsider the closure. The
- 87.23 license holder's request for reconsideration must be made in writing and must include
- 87.24 documentation that the licensed program has served a client in the previous 12 months. The
- 87.25 request for reconsideration must be postmarked and sent to the commissioner within 20
- 87.26 calendar days after the license holder receives the notice of closure. A timely request for
- 87.27 reconsideration stays imposition of the license closure until the commissioner issues a
- 87.28 decision on the request for reconsideration.
- 87.29 Subd. 3. **Reconsideration final.** The commissioner's disposition of a request for
- 87.30 reconsideration is final and not subject to appeal under chapter 14.
- 87.31 **EFFECTIVE DATE.** This section is effective January 1, 2020.

## ARTICLE 2:

- 86.2 Sec. 9. [245A.055] FAMILY CHILD CARE PROVIDER INSPECTIONS.
- 86.3 Subdivision 1. **Inspections.** The commissioner shall conduct inspections of each family
- 86.4 child care provider pursuant to section 245A.04, subdivision 4, paragraph (d).
- 86.5 Subd. 2. **Types of child care licensing inspections.** (a) "Initial inspection" means an
- 86.6 inspection before issuing an initial license under section 245A.04, subdivision 4, paragraph
- 86.7 (a).
- 86.8 (b) "Full inspection" means the inspection of a family child care provider to determine
- 86.9 ongoing compliance with all applicable legal requirements for family child care providers.
- 86.10 A full inspection shall be conducted for temporary provisional licensees and for providers
- 86.11 who do not meet the requirements needed for an abbreviated inspection.
- 86.12 (c) "Abbreviated inspection" means the inspection of a family child care provider to
- 86.13 determine ongoing compliance with key indicators that statistically predict compliance with

86.14 all applicable legal requirements for family child care providers. Abbreviated inspections  
86.15 are available for family child care providers who have been licensed for at least three years  
86.16 with the latest inspection finding no Level 4 violations. Providers must also not have had  
86.17 any substantiated licensing complaints that amount to a Level 4 violation, substantiated  
86.18 complaints of maltreatment, or sanctions under section 245A.07 in the past three years. If  
86.19 a county licensor finds that the provider has failed to comply with any key indicator during  
86.20 an abbreviated inspection, the county licensor shall immediately conduct a full inspection.

86.21 (d) "Follow-up inspection" means a full inspection conducted following an inspection  
86.22 that found more than one Level 4 violation.

86.23 Subd. 3. **Enforcement actions.** (a) Except where required by federal law, enforcement  
86.24 actions under this subdivision may be taken based on the risk level of the violation as follows:

86.25 (1) Level 1: a violation that presents no risk of harm or minimal risk of harm, warranting  
86.26 verbal technical assistance under section 245A.066, subdivision 1;

86.27 (2) Level 2: a violation that presents a low risk of harm, warranting issuance of a technical  
86.28 assistance notice under section 245A.066, subdivision 2;

86.29 (3) Level 3: a violation that presents a moderate risk of harm, warranting issuance of a  
86.30 fix-it ticket under section 245A.065; and

86.31 (4) Level 4: a violation that presents a substantial risk of harm, warranting issuance of  
86.32 a correction order or conditional license under section 245A.06.

87.1 (b) The commissioner shall, following consultation with family child care license holders,  
87.2 parents, and county agencies, issue a report by January 1, 2020, that identifies the violations  
87.3 of this chapter and Minnesota Rules, chapter 9502, that constitute Level 1, Level 2, Level  
87.4 3, or Level 4 violations based on the schedule in paragraph (a). The commissioner shall  
87.5 also identify the rules and statutes that may be violated at more than one risk level, such  
87.6 that the county licensor may assign the violation a risk level according to the licensor's  
87.7 discretion during an inspection. The report shall also identify all rules and statutory provisions  
87.8 that must be enforced in accordance with federal law. The commissioner shall provide the  
87.9 report to county agencies and the chairs and ranking minority members of the legislative  
87.10 committees with jurisdiction over child care, and shall post the report to the department's  
87.11 website. By July 1, 2020, the commissioner shall develop, distribute, and provide training  
87.12 on guidelines on the use of the risk-based violation levels in paragraph (a) during family  
87.13 child care provider inspections.

87.14 Subd. 4. **Follow-up inspections.** If, upon inspection, the commissioner finds more than  
87.15 one Level 4 violation, the commissioner shall conduct a follow-up inspection within six  
87.16 months. The date of the follow-up inspection does not alter the provider's annual inspection  
87.17 date.



- 87.18 **EFFECTIVE DATE.** This section is effective July 1, 2020, with the exception that  
 87.19 subdivision 3, paragraph (b), is effective the day following final enactment.
- 87.20 Sec. 10. Minnesota Statutes 2018, section 245A.06, subdivision 1, is amended to read:
- 87.21 Subdivision 1. **Contents of correction orders and conditional licenses.** (a) Except as  
 87.22 provided in paragraph (c), if the commissioner finds that the applicant or license holder has  
 87.23 failed to comply with an applicable law or rule and this failure does not imminently endanger  
 87.24 the health, safety, or rights of the persons served by the program, the commissioner may  
 87.25 issue a correction order and an order of conditional license to the applicant or license holder.  
 87.26 When issuing a conditional license, the commissioner shall consider the nature, chronicity,  
 87.27 or severity of the violation of law or rule and the effect of the violation on the health, safety,  
 87.28 or rights of persons served by the program. The correction order or conditional license must  
 87.29 state the following in plain language:
- 87.30 (1) the conditions that constitute a violation of the law or rule;
- 87.31 (2) the specific law or rule violated;
- 87.32 (3) the time allowed to correct each violation; and
- 88.1 (4) if a license is made conditional, the length and terms of the conditional license, and  
 88.2 the reasons for making the license conditional.
- 88.3 (b) Nothing in this section prohibits the commissioner from proposing a sanction as  
 88.4 specified in section 245A.07, prior to issuing a correction order or conditional license.
- 88.5 (c) For family child care license holders, the commissioner may issue a correction order  
 88.6 or conditional license as provided in this section if, upon inspection, the commissioner finds  
 88.7 a Level 4 violation as provided in section 245A.055, subdivision 3, or if a child care provider  
 88.8 fails to correct a Level 3 violation as required under section 245A.065, paragraph (e).
- 88.9 **EFFECTIVE DATE.** This section is effective July 1, 2020.
- 88.10 Sec. 11. Minnesota Statutes 2018, section 245A.06, is amended by adding a subdivision  
 88.11 to read:
- 88.12 Subd. 10. **Licensing interpretation disputes.** When a county licensor and child care  
 88.13 provider dispute the interpretation of a licensing requirement, a county licensor must seek  
 88.14 clarification from the Department of Human Services in writing before issuing a correction  
 88.15 order related to the disputed interpretation. The license holder must be included in all  
 88.16 correspondence between the county and the Department of Human Services regarding the  
 88.17 dispute. The provider must be given the opportunity to contribute pertinent information that  
 88.18 may impact the decision by the Department of Human Services.
- 88.19 Sec. 12. Minnesota Statutes 2018, section 245A.065, is amended to read:  
 88.20 245A.065 CHILD CARE FIX-IT TICKET.

88.21 Subdivision 1. **Contents of fix-it tickets.** (a) ~~In lieu of a correction order under section~~  
88.22 ~~245A.06,~~ The commissioner ~~shall~~ may issue a fix-it ticket to a family child care or child  
88.23 care center license holder if, upon inspection, the commissioner finds that:

88.24 (1) the license holder has failed to comply with a requirement in this chapter or Minnesota  
88.25 Rules, chapter 9502 or 9503, ~~that the commissioner determines to be eligible for a fix-it~~  
88.26 ~~ticket;~~

88.27 (2) the violation does not imminently endanger the health, safety, or rights of the persons  
88.28 served by the program;

88.29 (3) the license holder did not receive a fix-it ticket or correction order for the violation  
88.30 at the license holder's last licensing inspection; and

89.1 (4) the violation ~~can~~ cannot be corrected at the time of inspection ~~or within 48 hours,~~  
89.2 ~~excluding Saturdays, Sundays, and holidays; and~~

89.3 ~~(5) the license holder corrects the violation at the time of inspection or agrees to correct~~  
89.4 ~~the violation within 48 hours, excluding Saturdays, Sundays, and holidays.~~

89.5 (b) The commissioner shall not issue a fix-it ticket for violations that are corrected at  
89.6 the time of the inspection.

89.7 (c) The fix-it ticket must state:

89.8 (1) the conditions that constitute a violation of the law or rule;

89.9 (2) the specific law or rule violated; and

89.10 (3) that the violation ~~was corrected at the time of inspection or~~ must be corrected within  
89.11 48 hours, excluding Saturdays, Sundays, and holidays.

89.12 ~~(d)~~ (d) The commissioner shall not publicly publish a fix-it ticket on the department's  
89.13 website, unless required by federal law. Any publicly published fix-it ticket shall identify  
89.14 the federal law requiring publication.

89.15 ~~(d)~~ (e) Within 48 hours, excluding Saturdays, Sundays, and holidays, of receiving a fix-it  
89.16 ticket, the license holder must correct the violation and within one week submit evidence  
89.17 to the licensing agency that the violation was corrected.

89.18 ~~(e)~~ (f) If the violation is not corrected at the time of inspection ~~or within 48 hours,~~  
89.19 ~~excluding Saturdays, Sundays, and holidays,~~ or the evidence submitted is insufficient to  
89.20 establish that the license holder corrected the violation, the commissioner ~~must~~ may issue  
89.21 a correction order, according to section 245A.06, for the violation of Minnesota law or rule  
89.22 identified in the fix-it ticket ~~according to section 245A.06.~~

89.23 (f) The commissioner shall, following consultation with family child care license holders,  
89.24 child care center license holders, and county agencies, issue a report by October 1, 2017,  
89.25 that identifies the violations of this chapter and Minnesota Rules, chapters 9502 and 9503;

89.26 that are eligible for a fix-it ticket. The commissioner shall provide the report to county  
 89.27 agencies and the chairs and ranking minority members of the legislative committees with  
 89.28 jurisdiction over child care, and shall post the report to the department's website(g) Beginning  
 89.29 July 1, 2020, the commissioner may issue a fix-it ticket to a family child care license holder  
 89.30 if, upon inspection, the commissioner finds a Level 3 violation as provided in section  
 89.31 245A.055, subdivision 3.

90.1 Subd. 2. **Fix-it ticket laws and rules.** (a) For family child care license holders, violations  
 90.2 of the following laws and rules may qualify only for a fix-it ticket: 9502.0335, subpart 10;  
 90.3 9502.0375, subpart 2; 9502.0395; 9502.0405, subpart 3; 9502.0405, subpart 4, item A;  
 90.4 9502.0415, subpart 3; 9502.0425, subpart 2 (outdoor play spaces must be free from litter,  
 90.5 rubbish, unlocked vehicles, or human or animal waste); 9502.0425, subpart 3 (wading pools  
 90.6 must be kept clean); 9502.0425, subpart 5; 9502.0425, subpart 7, item F (screens on exterior  
 90.7 doors and windows when biting insects are prevalent); 9502.0425, subpart 8; 9502.0425,  
 90.8 subpart 10; 9502.0425, subpart 11 (decks free of splinters); 9502.0425, subpart 13 (toilets  
 90.9 flush thoroughly); 9502.0425, subpart 16; 9502.0435, subpart 1; 9502.0435, subpart 3;  
 90.10 9502.0435, subpart 7; 9502.0435, subpart 8, item B; 9502.0435, subpart 8, item E; 9502.0435,  
 90.11 subpart 12, items A through E; 9502.0435, subpart 13; 9502.0435, subpart 14; 9502.0435,  
 90.12 subpart 15; 9502.0435, subpart 15, items A and B; 9502.0445, subpart 1, item B; 9502.0445,  
 90.13 subpart 3, items B through D; 9502.0445, subpart 4, items A through C; 245A.04, subdivision  
 90.14 14, paragraph (c); 245A.06, subdivision 8; 245A.07, subdivision 5; 245A.146, subdivision  
 90.15 3, paragraph (c); 245A.148; 245A.152; 245A.50, subdivision 7; 245A.51, subdivision 3,  
 90.16 paragraph (d) (emergency preparedness plan available for review and posted in prominent  
 90.17 location).

90.18 (b) For child care center license holders, violations of the following laws and rules may  
 90.19 qualify only for a fix-it ticket: 9503.0120, item B; 9503.0120, item E; 9503.0125, item E;  
 90.20 9503.0125, item F; 9503.0125, item I; 9503.0125, item M; 9503.0140, subpart 2; 9503.0140,  
 90.21 subpart 7, item D; 9503.0140, subpart 9; 9503.0140, subpart 10; 9503.0140, subpart 13;  
 90.22 9503.0140, subpart 14; 9503.0140, subpart 15; 9503.0140, subpart 16 (item missing from  
 90.23 first-aid kit); 9503.0140, subpart 18; 9503.0140, subpart 19; 9503.0140, subpart 20;  
 90.24 9503.0140, subpart 21 (emergency plan not posted in prominent place); 9503.0145, subpart  
 90.25 2; 9503.0145, subpart 3; 9503.0145, subpart 4, item D; 9503.0145, subpart 8 (drinking water  
 90.26 provided in single service cups or at an accessible drinking fountain); 9503.0155, subpart  
 90.27 7, item D; 9503.0155, subpart 13; 9503.0155, subpart 16; 9503.0155, subpart 17; 9503.0155,  
 90.28 subpart 18, item D; 9503.0170, subpart 3; 9503.0145, subpart 7, item D; 245A.04, subdivision  
 90.29 14, paragraph (c); 245A.06, subdivision 8; 245A.07, subdivision 5; 245A.14, subdivision  
 90.30 8, paragraph (b) (experienced aide identification posting); 245A.146, subdivision 3, paragraph  
 90.31 (c); 245A.152; 245A.41, subdivision 3, paragraph (d); 245A.41, subdivision 3, paragraph  
 90.32 (e); 245A.41, subdivision 3, paragraph (f).

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

91.1 Sec. 13. [245A.066] CHILD CARE TECHNICAL ASSISTANCE.

88.1 Sec. 33. Minnesota Statutes 2018, section 245A.07, subdivision 1, is amended to read:

88.2 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional  
 88.3 under section 245A.06, the commissioner may suspend or revoke the license, impose a fine,  
 88.4 or secure an injunction against the continuing operation of the program of a license holder  
 88.5 who does not comply with applicable law or rule or who has nondisqualifying background  
 88.6 study information, as described in section 245C.05, subdivision 4, that reflects on the license  
 88.7 holder's ability to safely provide care to foster children. When applying sanctions authorized  
 88.8 under this section, the commissioner shall consider the nature, chronicity, or severity of the  
 88.9 violation of law or rule and the effect of the violation on the health, safety, or rights of  
 88.10 persons served by the program.

88.11 (b) If a license holder appeals the suspension or revocation of a license and the license  
 88.12 holder continues to operate the program pending a final order on the appeal, the commissioner  
 88.13 shall issue the license holder a temporary provisional license. Unless otherwise specified  
 88.14 by the commissioner, variances in effect on the date of the license sanction under appeal  
 88.15 continue under the temporary provisional license. If a license holder fails to comply with  
 88.16 applicable law or rule while operating under a temporary provisional license, the  
 88.17 commissioner may impose additional sanctions under this section and section 245A.06, and  
 88.18 may terminate any prior variance. If a temporary provisional license is set to expire, a new  
 88.19 temporary provisional license shall be issued to the license holder upon payment of any fee  
 88.20 required under section 245A.10. The temporary provisional license shall expire on the date  
 88.21 the final order is issued. If the license holder prevails on the appeal, a new nonprovisional  
 88.22 license shall be issued for the remainder of the current license period.

88.23 (c) If a license holder is under investigation and the license issued under this chapter is  
 88.24 due to expire before completion of the investigation, the program shall be issued a new

91.2 Subdivision 1. **Verbal technical assistance.** The commissioner may provide verbal  
 91.3 technical assistance to a family child care license holder if, upon inspection, the commissioner  
 91.4 finds a Level 1 violation as provided in section 245A.055, subdivision 3.

91.5 Subd. 2. **Technical assistance notice.** (a) The commissioner may issue a written technical  
 91.6 assistance notice to a family child care license holder if, upon inspection, the commissioner  
 91.7 finds a Level 2 violation as provided in section 245A.055, subdivision 3.

91.8 (b) The technical assistance notice must state:

91.9 (1) the conditions that constitute a violation of the law or rule;

91.10 (2) the specific law or rule violated; and

91.11 (3) examples of how to correct the violation.

91.12 (c) The commissioner shall not publicly publish a written technical assistance notice on  
 91.13 the department's website, unless required by federal law.

91.14 **EFFECTIVE DATE.** This section is effective July 1, 2020.

88.25 license upon completion of the reapplication requirements and payment of any applicable  
88.26 license fee. Upon completion of the investigation, a licensing sanction may be imposed  
88.27 against the new license under this section, section 245A.06, or 245A.08.

88.28 (d) Failure to reapply or closure of a license issued under this chapter by the license  
88.29 holder prior to the completion of any investigation shall not preclude the commissioner  
88.30 from issuing a licensing sanction under this section; or section 245A.06, or 245A.08 at the  
88.31 conclusion of the investigation.

88.32 **EFFECTIVE DATE.** Paragraph (a) is effective March 1, 2020. Paragraphs (c) and (d)  
88.33 are effective January 1, 2020.

89.1 Sec. 34. Minnesota Statutes 2018, section 245A.07, subdivision 2, is amended to read:

89.2 Subd. 2. **Temporary immediate suspension.** (a) The commissioner shall act immediately  
89.3 to temporarily suspend a license issued under this chapter if:

89.4 (1) the license holder's actions or failure to comply with applicable law or rule, or the  
89.5 actions of other individuals or conditions in the program, pose an imminent risk of harm to  
89.6 the health, safety, or rights of persons served by the program; or

89.7 (2) while the program continues to operate pending an appeal of an order of revocation,  
89.8 the commissioner identifies one or more subsequent violations of law or rule which may  
89.9 adversely affect the health or safety of persons served by the program; or

89.10 (3) the license holder is criminally charged in state or federal court with an offense that  
89.11 involves fraud or theft against a program administered by the commissioner.

89.12 (b) No state funds shall be made available or be expended by any agency or department  
89.13 of state, county, or municipal government for use by a license holder regulated under this  
89.14 chapter while a license issued under this chapter is under immediate suspension. A notice  
89.15 stating the reasons for the immediate suspension and informing the license holder of the  
89.16 right to an expedited hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to  
89.17 1400.8612, must be delivered by personal service to the address shown on the application  
89.18 or the last known address of the license holder. The license holder may appeal an order  
89.19 immediately suspending a license. The appeal of an order immediately suspending a license  
89.20 must be made in writing by certified mail or personal service, or other means expressly set  
89.21 forth in the commissioner's order. If mailed, the appeal must be postmarked and sent to the  
89.22 commissioner within five calendar days after the license holder receives notice that the  
89.23 license has been immediately suspended. If a request is made by personal service, it must  
89.24 be received by the commissioner within five calendar days after the license holder received  
89.25 the order. A license holder and any controlling individual shall discontinue operation of the  
89.26 program upon receipt of the commissioner's order to immediately suspend the license.

89.27 **EFFECTIVE DATE.** This section is effective January 1, 2020.

89.28 Sec. 35. Minnesota Statutes 2018, section 245A.07, subdivision 2a, is amended to read:

89.29 Subd. 2a. **Immediate suspension expedited hearing.** (a) Within five working days of  
89.30 receipt of the license holder's timely appeal, the commissioner shall request assignment of  
89.31 an administrative law judge. The request must include a proposed date, time, and place of  
89.32 a hearing. A hearing must be conducted by an administrative law judge within 30 calendar  
89.33 days of the request for assignment, unless an extension is requested by either party and  
90.1 granted by the administrative law judge for good cause. The commissioner shall issue a  
90.2 notice of hearing by certified mail or personal service at least ten working days before the  
90.3 hearing. The scope of the hearing shall be limited solely to the issue of whether the temporary  
90.4 immediate suspension should remain in effect pending the commissioner's final order under  
90.5 section 245A.08, regarding a licensing sanction issued under subdivision 3 following the  
90.6 immediate suspension. For suspensions under subdivision 2, paragraph (a), clause (1), the  
90.7 burden of proof in expedited hearings under this subdivision shall be limited to the  
90.8 commissioner's demonstration that reasonable cause exists to believe that the license holder's  
90.9 actions or failure to comply with applicable law or rule poses, or the actions of other  
90.10 individuals or conditions in the program poses an imminent risk of harm to the health, safety,  
90.11 or rights of persons served by the program. "Reasonable cause" means there exist specific  
90.12 articulable facts or circumstances which provide the commissioner with a reasonable  
90.13 suspicion that there is an imminent risk of harm to the health, safety, or rights of persons  
90.14 served by the program. When the commissioner has determined there is reasonable cause  
90.15 to order the temporary immediate suspension of a license based on a violation of safe sleep  
90.16 requirements, as defined in section 245A.1435, the commissioner is not required to  
90.17 demonstrate that an infant died or was injured as a result of the safe sleep violations. For  
90.18 suspensions under subdivision 2, paragraph (a), clause (2), the burden of proof in expedited  
90.19 hearings under this subdivision shall be limited to the commissioner's demonstration by a  
90.20 preponderance of the evidence that, since the license was revoked, the license holder  
90.21 committed additional violations of law or rule which may adversely affect the health or  
90.22 safety of persons served by the program.

90.23 (b) The administrative law judge shall issue findings of fact, conclusions, and a  
90.24 recommendation within ten working days from the date of hearing. The parties shall have  
90.25 ten calendar days to submit exceptions to the administrative law judge's report. The record  
90.26 shall close at the end of the ten-day period for submission of exceptions. The commissioner's  
90.27 final order shall be issued within ten working days from the close of the record. When an  
90.28 appeal of a temporary immediate suspension is withdrawn or dismissed, the commissioner  
90.29 shall issue a final order affirming the temporary immediate suspension within ten calendar  
90.30 days of the commissioner's receipt of the withdrawal or dismissal. Within 90 calendar days  
90.31 after a final order affirming an immediate suspension, the commissioner shall make a  
90.32 determination regarding whether a final licensing sanction shall be issued under subdivision  
90.33 3. The license holder shall continue to be prohibited from operation of the program during  
90.34 this 90-day period.

91.1 (c) When the final order under paragraph (b) affirms an immediate suspension, and a  
91.2 final licensing sanction is issued under subdivision 3 and the license holder appeals that  
91.3 sanction, the license holder continues to be prohibited from operation of the program pending

- 91.4 a final commissioner's order under section 245A.08, subdivision 5, regarding the final  
91.5 licensing sanction.
- 91.6 (d) For suspensions under subdivision 2, paragraph (a), clause (3), the burden of proof  
91.7 in expedited hearings under this subdivision shall be limited to the commissioner's  
91.8 demonstration by a preponderance of the evidence that a criminal complaint and warrant  
91.9 or summons was issued for the license holder that was not dismissed, and that the criminal  
91.10 charge is an offense that involves fraud or theft against a program administered by the  
91.11 commissioner.
- 91.12 Sec. 36. Minnesota Statutes 2018, section 245A.07, subdivision 3, is amended to read:
- 91.13 Subd. 3. **License suspension, revocation, or fine.** (a) The commissioner may suspend  
91.14 or revoke a license, or impose a fine if:
- 91.15 (1) a license holder fails to comply fully with applicable laws or rules including but not  
91.16 limited to the requirements of this chapter and chapter 245C;
- 91.17 (2) a license holder, a controlling individual, or an individual living in the household  
91.18 where the licensed services are provided or is otherwise subject to a background study has  
91.19 a been disqualified and the disqualification which has was not been set aside under section  
91.20 245C.22 and no variance has been granted;
- 91.21 (3) a license holder knowingly withholds relevant information from or gives false or  
91.22 misleading information to the commissioner in connection with an application for a license,  
91.23 in connection with the background study status of an individual, during an investigation,  
91.24 or regarding compliance with applicable laws or rules; or
- 91.25 (4) after July 1, 2012, and upon request by the commissioner, a license holder fails to  
91.26 submit the information required of an applicant under section 245A.04, subdivision 1,  
91.27 paragraph (f) or (g); a license holder is excluded from any program administered by the  
91.28 commissioner under section 245.095; or
- 91.29 (5) revocation is required under section 245A.04, subdivision 7, paragraph (d).
- 91.30 A license holder who has had a license issued under this chapter suspended, revoked,  
91.31 or has been ordered to pay a fine must be given notice of the action by certified mail or  
91.32 personal service. If mailed, the notice must be mailed to the address shown on the application  
92.1 or the last known address of the license holder. The notice must state in plain language the  
92.2 reasons the license was suspended or revoked, or a fine was ordered.
- 92.3 (b) If the license was suspended or revoked, the notice must inform the license holder  
92.4 of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts  
92.5 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking  
92.6 a license. The appeal of an order suspending or revoking a license must be made in writing  
92.7 by certified mail or personal service. If mailed, the appeal must be postmarked and sent to  
92.8 the commissioner within ten calendar days after the license holder receives notice that the  
92.9 license has been suspended or revoked. If a request is made by personal service, it must be



92.10 received by the commissioner within ten calendar days after the license holder received the  
92.11 order. Except as provided in subdivision 2a, paragraph (c), if a license holder submits a  
92.12 timely appeal of an order suspending or revoking a license, the license holder may continue  
92.13 to operate the program as provided in section 245A.04, subdivision 7, paragraphs ~~(g)~~ (f)  
92.14 and ~~(h)~~ (g), until the commissioner issues a final order on the suspension or revocation.

92.15 (c)(1) If the license holder was ordered to pay a fine, the notice must inform the license  
92.16 holder of the responsibility for payment of fines and the right to a contested case hearing  
92.17 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an  
92.18 order to pay a fine must be made in writing by certified mail or personal service. If mailed,  
92.19 the appeal must be postmarked and sent to the commissioner within ten calendar days after  
92.20 the license holder receives notice that the fine has been ordered. If a request is made by  
92.21 personal service, it must be received by the commissioner within ten calendar days after  
92.22 the license holder received the order.

92.23 (2) The license holder shall pay the fines assessed on or before the payment date specified.  
92.24 If the license holder fails to fully comply with the order, the commissioner may issue a  
92.25 second fine or suspend the license until the license holder complies. If the license holder  
92.26 receives state funds, the state, county, or municipal agencies or departments responsible for  
92.27 administering the funds shall withhold payments and recover any payments made while the  
92.28 license is suspended for failure to pay a fine. A timely appeal shall stay payment of the fine  
92.29 until the commissioner issues a final order.

92.30 (3) A license holder shall promptly notify the commissioner of human services, in writing,  
92.31 when a violation specified in the order to forfeit a fine is corrected. If upon reinspection the  
92.32 commissioner determines that a violation has not been corrected as indicated by the order  
92.33 to forfeit a fine, the commissioner may issue a second fine. The commissioner shall notify  
92.34 the license holder by certified mail or personal service that a second fine has been assessed.  
92.35 The license holder may appeal the second fine as provided under this subdivision.

93.1 (4) Fines shall be assessed as follows:

93.2 (i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a  
93.3 child under section 626.556 or the maltreatment of a vulnerable adult under section 626.557  
93.4 for which the license holder is determined responsible for the maltreatment under section  
93.5 626.556, subdivision 10e, paragraph (i), or 626.557, subdivision 9c, paragraph (c);

93.6 (ii) if the commissioner determines that a determination of maltreatment for which the  
93.7 license holder is responsible is the result of maltreatment that meets the definition of serious  
93.8 maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit  
93.9 \$5,000;

93.10 (iii) for a program that operates out of the license holder's home and a program licensed  
93.11 under Minnesota Rules, parts 9502.0300 to ~~9502.0495~~ 9502.0445, the fine assessed against  
93.12 the license holder shall not exceed \$1,000 for each determination of maltreatment;



93.13 (iv) the license holder shall forfeit \$200 for each occurrence of a violation of law or rule  
 93.14 governing matters of health, safety, or supervision, including but not limited to the provision  
 93.15 of adequate staff-to-child or adult ratios, and failure to comply with background study  
 93.16 requirements under chapter 245C; and

93.17 (v) the license holder shall forfeit \$100 for each occurrence of a violation of law or rule  
 93.18 other than those subject to a \$5,000, \$1,000, or \$200 fine in items (i) to (iv).

93.19 For purposes of this section, "occurrence" means each violation identified in the  
 93.20 commissioner's fine order. Fines assessed against a license holder that holds a license to  
 93.21 provide home and community-based services, as identified in section 245D.03, subdivision  
 93.22 1, and a community residential setting or day services facility license under chapter 245D  
 93.23 where the services are provided, may be assessed against both licenses for the same  
 93.24 occurrence, but the combined amount of the fines shall not exceed the amount specified in  
 93.25 this clause for that occurrence.

93.26 (5) When a fine has been assessed, the license holder may not avoid payment by closing,  
 93.27 selling, or otherwise transferring the licensed program to a third party. In such an event, the  
 93.28 license holder will be personally liable for payment. In the case of a corporation, each  
 93.29 controlling individual is personally and jointly liable for payment.

93.30 (d) Except for background study violations involving the failure to comply with an order  
 93.31 to immediately remove an individual or an order to provide continuous, direct supervision,  
 93.32 the commissioner shall not issue a fine under paragraph (c) relating to a background study  
 93.33 violation to a license holder who self-corrects a background study violation before the  
 94.1 commissioner discovers the violation. A license holder who has previously exercised the  
 94.2 provisions of this paragraph to avoid a fine for a background study violation may not avoid  
 94.3 a fine for a subsequent background study violation unless at least 365 days have passed  
 94.4 since the license holder self-corrected the earlier background study violation.

94.5 **EFFECTIVE DATE.** This section is effective January 1, 2020.

94.6 Sec. 37. Minnesota Statutes 2018, section 245A.10, subdivision 4, is amended to read:

94.7 Subd. 4. **License or certification fee for certain programs.** (a) Child care centers shall  
 94.8 pay an annual nonrefundable license fee based on the following schedule:

Licensed Capacity	Child Care Center License Fee
1 to 24 persons	\$200
25 to 49 persons	\$300
50 to 74 persons	\$400
75 to 99 persons	\$500

94.15	100 to 124 persons	\$600
94.16	125 to 149 persons	\$700
94.17	150 to 174 persons	\$800
94.18	175 to 199 persons	\$900
94.19	200 to 224 persons	\$1,000
94.20	225 or more persons	\$1,100

94.21 (b)(1) A program licensed to provide one or more of the home and community-based  
 94.22 services and supports identified under chapter 245D to persons with disabilities or age 65  
 94.23 and older, shall pay an annual nonrefundable license fee based on revenues derived from  
 94.24 the provision of services that would require licensure under chapter 245D during the calendar  
 94.25 year immediately preceding the year in which the license fee is paid, according to the  
 94.26 following schedule:

94.27	License Holder Annual Revenue	License Fee
94.28	less than or equal to \$10,000	<del>\$200</del> <u>\$240</u>
94.29	greater than \$10,000 but less than or	
94.30	equal to \$25,000	<del>\$300</del> <u>\$360</u>
94.31	greater than \$25,000 but less than or	
94.32	equal to \$50,000	<del>\$400</del> <u>\$480</u>
94.33	greater than \$50,000 but less than or	
94.34	equal to \$100,000	<del>\$500</del> <u>\$600</u>
94.35	greater than \$100,000 but less than or	
94.36	equal to \$150,000	<del>\$600</del> <u>\$720</u>
95.1	greater than \$150,000 but less than or	
95.2	equal to \$200,000	<del>\$800</del> <u>\$960</u>
95.3	greater than \$200,000 but less than or	
95.4	equal to \$250,000	<del>\$1,000</del> <u>\$1,200</u>
95.5	greater than \$250,000 but less than or	
95.6	equal to \$300,000	<del>\$1,200</del> <u>\$1,440</u>
95.7	greater than \$300,000 but less than or	
95.8	equal to \$350,000	<del>\$1,400</del> <u>\$1,680</u>

95.9	greater than \$350,000 but less than or	
95.10	equal to \$400,000	<del>\$1,600</del> <u>\$1,920</u>
95.11	greater than \$400,000 but less than or	
95.12	equal to \$450,000	<del>\$1,800</del> <u>\$2,160</u>
95.13	greater than \$450,000 but less than or	
95.14	equal to \$500,000	<del>\$2,000</del> <u>\$2,400</u>
95.15	greater than \$500,000 but less than or	
95.16	equal to \$600,000	<del>\$2,250</del> <u>\$2,700</u>
95.17	greater than \$600,000 but less than or	
95.18	equal to \$700,000	<del>\$2,500</del> <u>\$3,000</u>
95.19	greater than \$700,000 but less than or	
95.20	equal to \$800,000	<del>\$2,750</del> <u>\$3,300</u>
95.21	greater than \$800,000 but less than or	
95.22	equal to \$900,000	<del>\$3,000</del> <u>\$3,600</u>
95.23	greater than \$900,000 but less than or	
95.24	equal to \$1,000,000	<del>\$3,250</del> <u>\$3,900</u>
95.25	greater than \$1,000,000 but less than or	
95.26	equal to \$1,250,000	<del>\$3,500</del> <u>\$4,200</u>
95.27	greater than \$1,250,000 but less than or	
95.28	equal to \$1,500,000	<del>\$3,750</del> <u>\$4,500</u>
95.29	greater than \$1,500,000 but less than or	
95.30	equal to \$1,750,000	<del>\$4,000</del> <u>\$4,800</u>
95.31	greater than \$1,750,000 but less than or	
95.32	equal to \$2,000,000	<del>\$4,250</del> <u>\$5,100</u>
95.33	greater than \$2,000,000 but less than or	
95.34	equal to \$2,500,000	<del>\$4,500</del> <u>\$5,400</u>
95.35	greater than \$2,500,000 but less than or	
95.36	equal to \$3,000,000	<del>\$4,750</del> <u>\$5,700</u>
95.37	greater than \$3,000,000 but less than or	
95.38	equal to \$3,500,000	<del>\$5,000</del> <u>\$6,000</u>

95.39	<u>greater than \$3,500,000 but less than or</u>	
95.40	<u>equal to \$4,000,000</u>	<del>\$5,500</del> <u>\$6,600</u>
95.41	<u>greater than \$4,000,000 but less than or</u>	
95.42	<u>equal to \$4,500,000</u>	<del>\$6,000</del> <u>\$7,200</u>
95.43	<u>greater than \$4,500,000 but less than or</u>	
95.44	<u>equal to \$5,000,000</u>	<del>\$6,500</del> <u>\$7,800</u>
95.45	<u>greater than \$5,000,000 but less than or</u>	
95.46	<u>equal to \$7,500,000</u>	<del>\$7,000</del> <u>\$9,000</u>
96.1	<u>greater than \$7,500,000 but less than or</u>	
96.2	<u>equal to \$10,000,000</u>	<del>\$8,500</del> <u>\$13,500</u>
96.3	<u>greater than \$10,000,000 but less than or</u>	
96.4	<u>equal to \$12,500,000</u>	<del>\$10,000</del> <u>\$18,000</u>
96.5	<u>greater than \$12,500,000 but less than or</u>	
96.6	<u>equal to \$15,000,000</u>	<del>\$14,000</del> <u>\$22,500</u>
96.7	<u>greater than \$15,000,000 but less than or</u>	
96.8	<u>equal to \$17,500,000</u>	<del>\$18,000</del> <u>\$27,000</u>
96.9	<u>greater than \$17,500,000 but less than or</u>	
96.10	<u>equal to \$20,000,000</u>	<u>\$31,500</u>
96.11	<u>greater than \$20,000,000 but less than or</u>	
96.12	<u>equal to \$25,000,000</u>	<u>\$36,000</u>
96.13	<u>greater than \$25,000,000 but less than or</u>	
96.14	<u>equal to \$30,000,000</u>	<u>\$45,000</u>
96.15	<u>greater than \$30,000,000 but less than or</u>	
96.16	<u>equal to \$35,000,000</u>	<u>\$54,000</u>
96.17	<u>greater than \$35,000,000 but less than or</u>	
96.18	<u>equal to \$40,000,000</u>	<u>\$63,000</u>
96.19	<u>greater than \$40,000,000</u>	<u>\$72,000</u>

96.20 (2) If requested, the license holder shall provide the commissioner information to verify  
96.21 the license holder's annual revenues or other information as needed, including copies of  
96.22 documents submitted to the Department of Revenue.

96.23 (3) At each annual renewal, a license holder may elect to pay the highest renewal fee,  
96.24 and not provide annual revenue information to the commissioner.

96.25 (4) A license holder that knowingly provides the commissioner incorrect revenue amounts  
96.26 for the purpose of paying a lower license fee shall be subject to a civil penalty in the amount  
96.27 of double the fee the provider should have paid.

96.28 ~~(5) Notwithstanding clause (1), a license holder providing services under one or more~~  
96.29 ~~licenses under chapter 245B that are in effect on May 15, 2013, shall pay an annual license~~  
96.30 ~~fee for calendar years 2014, 2015, and 2016, equal to the total license fees paid by the license~~  
96.31 ~~holder for all licenses held under chapter 245B for calendar year 2013. For calendar year~~  
96.32 ~~2017 and thereafter, the license holder shall pay an annual license fee according to clause~~  
96.33 ~~(1).~~

96.34 (c) A chemical dependency treatment program licensed under chapter 245G, to provide  
96.35 chemical dependency treatment shall pay an annual nonrefundable license fee based on the  
96.36 following schedule:

Licensed Capacity	License Fee
1 to 24 persons	\$600
25 to 49 persons	\$800
50 to 74 persons	\$1,000
75 to 99 persons	\$1,200
100 or more persons	\$1,400

97.5 (d) A chemical dependency program licensed under Minnesota Rules, parts 9530.6510  
97.6 to 9530.6590, to provide detoxification services shall pay an annual nonrefundable license  
97.7 fee based on the following schedule:

Licensed Capacity	License Fee
1 to 24 persons	\$760
25 to 49 persons	\$960
50 or more persons	\$1,160

97.12 (e) Except for child foster care, a residential facility licensed under Minnesota Rules,  
97.13 chapter 2960, to serve children shall pay an annual nonrefundable license fee based on the  
97.14 following schedule:

97.15	<b>Licensed Capacity</b>	<b>License Fee</b>
97.16	<b>1 to 24 persons</b>	<b>\$1,000</b>
97.17	<b>25 to 49 persons</b>	<b>\$1,100</b>
97.18	<b>50 to 74 persons</b>	<b>\$1,200</b>
97.19	<b>75 to 99 persons</b>	<b>\$1,300</b>
97.20	<b>100 or more persons</b>	<b>\$1,400</b>

97.21 (f) A residential facility licensed under Minnesota Rules, parts 9520.0500 to 9520.0670,  
 97.22 to serve persons with mental illness shall pay an annual nonrefundable license fee based on  
 97.23 the following schedule:

97.24	<b>Licensed Capacity</b>	<b>License Fee</b>
97.25	<b>1 to 24 persons</b>	<b>\$2,525</b>
97.26	<b>25 or more persons</b>	<b>\$2,725</b>

97.27 (g) A residential facility licensed under Minnesota Rules, parts 9570.2000 to 9570.3400,  
 97.28 to serve persons with physical disabilities shall pay an annual nonrefundable license fee  
 97.29 based on the following schedule:

97.30	<b>Licensed Capacity</b>	<b>License Fee</b>
97.31	<b>1 to 24 persons</b>	<b>\$450</b>
97.32	<b>25 to 49 persons</b>	<b>\$650</b>
97.33	<b>50 to 74 persons</b>	<b>\$850</b>
98.1	<b>75 to 99 persons</b>	<b>\$1,050</b>
98.2	<b>100 or more persons</b>	<b>\$1,250</b>

98.3 (h) A program licensed to provide independent living assistance for youth under section  
 98.4 245A.22 shall pay an annual nonrefundable license fee of \$1,500.

98.5 (i) A private agency licensed to provide foster care and adoption services under Minnesota  
 98.6 Rules, parts 9545.0755 to 9545.0845, shall pay an annual nonrefundable license fee of \$875.

98.7 (j) A program licensed as an adult day care center licensed under Minnesota Rules, parts  
 98.8 9555.9600 to 9555.9730, shall pay an annual nonrefundable license fee based on the  
 98.9 following schedule:

	Licensed Capacity	License Fee
98.10		
98.11	1 to 24 persons	\$500
98.12	25 to 49 persons	\$700
98.13	50 to 74 persons	\$900
98.14	75 to 99 persons	\$1,100
98.15	100 or more persons	\$1,300

98.16 (k) A program licensed to provide treatment services to persons with sexual psychopathic  
 98.17 personalities or sexually dangerous persons under Minnesota Rules, parts 9515.3000 to  
 98.18 9515.3110, shall pay an annual nonrefundable license fee of \$20,000.

98.19 (l) A mental health center or mental health clinic requesting certification for purposes  
 98.20 of insurance and subscriber contract reimbursement under Minnesota Rules, parts 9520.0750  
 98.21 to 9520.0870, shall pay a certification fee of \$1,550 per year. If the mental health center or  
 98.22 mental health clinic provides services at a primary location with satellite facilities, the  
 98.23 satellite facilities shall be certified with the primary location without an additional charge.

98.24 Sec. 38. Minnesota Statutes 2018, section 245A.14, subdivision 4, is amended to read:

98.25 Subd. 4. **Special family day care homes.** Nonresidential child care programs serving  
 98.26 14 or fewer children that are conducted at a location other than the license holder's own  
 98.27 residence shall be licensed under this section and the rules governing family day care or  
 98.28 group family day care if:

98.29 (a) ~~the~~ license holder is the primary provider of care and the nonresidential child care  
 98.30 program is conducted in a dwelling that is located on a residential lot;

98.31 (b) ~~the~~ license holder is an employer who may or may not be the primary provider of  
 98.32 care, and the purpose for the child care program is to provide child care services to children  
 98.33 of the license holder's employees;

99.1 (c) ~~the~~ license holder is a church or religious organization;

99.2 (d) ~~the~~ license holder is a community collaborative child care provider. For purposes of  
 99.3 this subdivision, a community collaborative child care provider is a provider participating  
 99.4 in a cooperative agreement with a community action agency as defined in section 256E.31;

99.5 (e) ~~the~~ license holder is a not-for-profit agency that provides child care in a dwelling  
 99.6 located on a residential lot and the license holder maintains two or more contracts with  
 99.7 community employers or other community organizations to provide child care services.  
 99.8 The county licensing agency may grant a capacity variance to a license holder licensed  
 99.9 under this paragraph to exceed the licensed capacity of 14 children by no more than five

91.15 Sec. 14. Minnesota Statutes 2018, section 245A.14, subdivision 4, is amended to read:

91.16 Subd. 4. **Special family day care homes.** Nonresidential child care programs serving  
 91.17 14 or fewer children that are conducted at a location other than the license holder's own  
 91.18 residence shall be licensed under this section and the rules governing family day care or  
 91.19 group family day care if:

91.20 (a) ~~The~~ license holder is the primary provider of care and the nonresidential child care  
 91.21 program is conducted in a dwelling that is located on a residential lot;

91.22 (b) ~~The~~ license holder is an employer who may or may not be the primary provider of  
 91.23 care, and the purpose for the child care program is to provide child care services to children  
 91.24 of the license holder's employees;

91.25 (c) ~~The~~ license holder is a church or religious organization;

91.26 (d) ~~The~~ license holder is a community collaborative child care provider. For purposes  
 91.27 of this subdivision, a community collaborative child care provider is a provider participating  
 91.28 in a cooperative agreement with a community action agency as defined in section 256E.31;

91.29 (e) ~~The~~ license holder is a not-for-profit agency that provides child care in a dwelling  
 91.30 located on a residential lot and the license holder maintains two or more contracts with  
 91.31 community employers or other community organizations to provide child care services.  
 92.1 The county licensing agency may grant a capacity variance to a license holder licensed  
 92.2 under this paragraph to exceed the licensed capacity of 14 children by no more than five

99.10 children during transition periods related to the work schedules of parents, if the license  
99.11 holder meets the following requirements:

99.12 (1) the program does not exceed a capacity of 14 children more than a cumulative total  
99.13 of four hours per day;

99.14 (2) the program meets a one to seven staff-to-child ratio during the variance period;

99.15 (3) all employees receive at least an extra four hours of training per year than required  
99.16 in the rules governing family child care each year;

99.17 (4) the facility has square footage required per child under Minnesota Rules, part  
99.18 9502.0425;

99.19 (5) the program is in compliance with local zoning regulations;

99.20 (6) the program is in compliance with the applicable fire code as follows:

99.21 (i) if the program serves more than five children older than 2-1/2 years of age, but no  
99.22 more than five children 2-1/2 years of age or less, the applicable fire code is educational  
99.23 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code ~~2003~~  
99.24 2015, Section 202; or

99.25 (ii) if the program serves more than five children 2-1/2 years of age or less, the applicable  
99.26 fire code is Group I-4 Occupancies, as provided in the Minnesota State Fire Code ~~2003~~  
99.27 2015, Section 202, unless the rooms in which the children are cared for are located on a  
99.28 level of exit discharge and each of these child care rooms has an exit door directly to the  
99.29 exterior, then the applicable fire code is Group E occupancies, as provided in the Minnesota  
99.30 State Fire Code 2015, Section 202; and

99.31 (7) any age and capacity limitations required by the fire code inspection and square  
99.32 footage determinations shall be printed on the license; ~~or~~

100.1 (f) ~~the~~ license holder is the primary provider of care and has located the licensed child  
100.2 care program in a commercial space, if the license holder meets the following requirements:

100.3 (1) the program is in compliance with local zoning regulations;

100.4 (2) the program is in compliance with the applicable fire code as follows:

100.5 (i) if the program serves more than five children older than 2-1/2 years of age, but no  
100.6 more than five children 2-1/2 years of age or less, the applicable fire code is educational  
100.7 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code ~~2003~~  
100.8 2015, Section 202; or

100.9 (ii) if the program serves more than five children 2-1/2 years of age or less, the applicable  
100.10 fire code is Group I-4 Occupancies, as provided under the Minnesota State Fire Code ~~2003~~  
100.11 2015, Section 202;

92.3 children during transition periods related to the work schedules of parents, if the license  
92.4 holder meets the following requirements:

92.5 (1) the program does not exceed a capacity of 14 children more than a cumulative total  
92.6 of four hours per day;

92.7 (2) the program meets a one to seven staff-to-child ratio during the variance period;

92.8 (3) all employees receive at least an extra four hours of training per year than required  
92.9 in the rules governing family child care each year;

92.10 (4) the facility has square footage required per child under Minnesota Rules, part  
92.11 9502.0425;

92.12 (5) the program is in compliance with local zoning regulations;

92.13 (6) the program is in compliance with the applicable fire code as follows:

92.14 (i) if the program serves more than five children older than 2-1/2 years of age, but no  
92.15 more than five children 2-1/2 years of age or less, the applicable fire code is educational  
92.16 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2003,  
92.17 Section 202; or

92.18 (ii) if the program serves more than five children 2-1/2 years of age or less, the applicable  
92.19 fire code is Group I-4 Occupancies, as provided in the Minnesota State Fire Code 2003,  
92.20 Section 202; and

92.21 (7) any age and capacity limitations required by the fire code inspection and square  
92.22 footage determinations shall be printed on the license; ~~or~~

92.23 (f) ~~The~~ license holder is the primary provider of care and has located the licensed child  
92.24 care program in a commercial space, if the license holder meets the following requirements:

92.25 (1) the program is in compliance with local zoning regulations;

92.26 (2) the program is in compliance with the applicable fire code as follows:

92.27 (i) if the program serves more than five children older than 2-1/2 years of age, but no  
92.28 more than five children 2-1/2 years of age or less, the applicable fire code is educational  
92.29 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2003,  
92.30 Section 202; or

93.1 (ii) if the program serves more than five children 2-1/2 years of age or less, the applicable  
93.2 fire code is Group I-4 Occupancies, as provided under the Minnesota State Fire Code 2003,  
93.3 Section 202;



100.12 (3) any age and capacity limitations required by the fire code inspection and square  
 100.13 footage determinations are printed on the license; and

100.14 (4) the license holder prominently displays the license issued by the commissioner which  
 100.15 contains the statement "This special family child care provider is not licensed as a child  
 100.16 care center."

100.17 (g) The commissioner may approve two or more licenses under paragraphs (a) to (f) to  
 100.18 be issued at the same location or under one contiguous roof, if each license holder is able  
 100.19 to demonstrate compliance with all applicable rules and laws. Each license holder must  
 100.20 operate the license holder's respective licensed program as a distinct program and within  
 100.21 the capacity, age, and ratio distributions of each license.

100.22 (h) The commissioner may grant variances to this section to allow a primary provider  
 100.23 of care, a not-for-profit organization, a church or religious organization, an employer, or a  
 100.24 community collaborative to be licensed to provide child care under paragraphs (e) and (f)  
 100.25 if the license holder meets the other requirements of the statute.

100.26 **EFFECTIVE DATE.** This section is effective September 30, 2019.

100.27 Sec. 39. Minnesota Statutes 2018, section 245A.14, subdivision 8, is amended to read:

100.28 Subd. 8. **Experienced aides; child care centers.** (a) An individual employed as an aide  
 100.29 at a child care center may work with children without being directly supervised for an  
 100.30 amount of time that does not exceed 25 percent of the child care center's daily hours if:

100.31 (1) a teacher is in the facility;

101.1 ~~(2) the individual has received within the last three years first aid training that meets the~~  
 101.2 ~~requirements under section 245A.40, subdivision 3, and CPR training that meets the~~  
 101.3 ~~requirements under section 245A.40, subdivision 4;~~

101.4 ~~(2)~~ (2) the individual is at least 20 years old; and

101.5 ~~(4)~~ (3) the individual has at least 4,160 hours of child care experience as a staff member  
 101.6 in a licensed child care center or as the license holder of a family day care home, 120 days  
 101.7 of which must be in the employment of the current company.

101.8 (b) A child care center that uses experienced aides under this subdivision must notify  
 101.9 parents or guardians by posting the notification in each classroom that uses experienced

93.4 (3) any age and capacity limitations required by the fire code inspection and square  
 93.5 footage determinations are printed on the license; and

93.6 (4) the license holder prominently displays the license issued by the commissioner which  
 93.7 contains the statement "This special family child care provider is not licensed as a child  
 93.8 care center"; or

93.9 (g) The license holder is the primary provider of care and has located the licensed child  
 93.10 care program in a portion of a building that is used exclusively for the purpose of providing  
 93.11 child care services, if the license holder meets the requirements in paragraph (f), clauses  
 93.12 (1) to (4), and if any available shared kitchen, bathroom, or other space that the provider  
 93.13 uses is separate from the indoor activity area used by the children.

101.10 aides, identifying which staff member is the experienced aide. Records of experienced aide  
 101.11 usage must be kept on site and given to the commissioner upon request.

101.12 (c) A child care center may not use the experienced aide provision for one year following  
 101.13 two determined experienced aide violations within a one-year period.

101.14 (d) A child care center may use one experienced aide per every four full-time child care  
 101.15 classroom staff.

101.16 **EFFECTIVE DATE.** This section is effective September 30, 2019.

101.17 Sec. 40. Minnesota Statutes 2018, section 245A.14, is amended by adding a subdivision  
 101.18 to read:

101.19 Subd. 16. **Valid driver's license.** Notwithstanding any law to the contrary, when a  
 101.20 licensed child care center provides transportation for children or contracts to provide  
 101.21 transportation for children, a person who has a current, valid driver's license appropriate to  
 101.22 the vehicle driven may transport the child.

101.23 **EFFECTIVE DATE.** This section is effective September 30, 2019.

101.24 Sec. 41. Minnesota Statutes 2018, section 245A.14, is amended by adding a subdivision  
 101.25 to read:

101.26 Subd. 17. **Reusable water bottles or cups.** Notwithstanding any law to the contrary, a  
 101.27 licensed child care center may provide drinking water to a child in a reusable water bottle  
 101.28 or reusable cup if the center develops and ensures implementation of a written policy that  
 101.29 at a minimum includes the following procedures:

102.1 (1) each day the water bottle or cup is used, the child care center cleans and sanitizes  
 102.2 the water bottle or cup using procedures that comply with the Food Code under Minnesota  
 102.3 Rules, chapter 4626;

102.4 (2) a water bottle or cup is assigned to a specific child and labeled with the child's first  
 102.5 and last name;

102.6 (3) water bottles and cups are stored in a manner that reduces the risk of a child using  
 102.7 the wrong water bottle or cup; and

102.8 (4) a water bottle or cup is used only for water.

102.9 **EFFECTIVE DATE.** This section is effective September 30, 2019.

102.10 Sec. 42. Minnesota Statutes 2018, section 245A.145, subdivision 1, is amended to read:

102.11 Subdivision 1. **Policies and procedures.** (a) ~~All licensed child care providers~~ The  
 102.12 Department of Human Services must develop policies and procedures for reporting suspected  
 102.13 child maltreatment that fulfill the requirements in section 626.556 and ~~must develop policies~~  
 102.14 ~~and procedures for reporting complaints about the operation of a child care program. The~~

93.14 Sec. 15. Minnesota Statutes 2018, section 245A.14, is amended by adding a subdivision  
 93.15 to read:

93.16 Subd. 16. **Water bottles in child care centers.** Notwithstanding Minnesota Rules, part  
 93.17 9503.0145, subpart 8, a child care center may provide drinking water for children in  
 93.18 individual covered water bottles, labeled with the child's name. Water bottles provided by  
 93.19 the child care center must be washed, rinsed, and sanitized daily after use and stored clean  
 93.20 and dry in a manner that protects them from contamination.

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

102.15 ~~policies and procedures must include the telephone numbers of the local county child~~  
102.16 ~~protection agency for reporting suspected maltreatment; the county licensing agency for~~  
102.17 ~~family and group family child care providers; and the state licensing agency for child care~~  
102.18 ~~centers. provide the policies and procedures to all licensed child care providers. The policies~~  
102.19 ~~and procedures must be written in plain language.~~

102.20 (b) The policies and procedures required in paragraph (a) must:

102.21 (1) be provided to the parents of all children at the time of enrollment in the child care  
102.22 program; and

102.23 (2) be made available upon request.

102.24 **EFFECTIVE DATE.** This section is effective September 30, 2019.

102.25 Sec. 43. Minnesota Statutes 2018, section 245A.145, subdivision 2, is amended to read:

102.26 Subd. 2. **Licensing agency phone number displayed.** ~~By July 1, 2002, A new or~~  
102.27 ~~renewed child care license must include the licensing agency's telephone number and a~~  
102.28 ~~statement that informs parents who have concerns questions about their child's care that~~  
102.29 ~~they may call the licensing agency. The commissioner shall print the telephone number for~~  
102.30 ~~the licensing agency in bold and large font on the license issued to child care providers.~~

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

103.1 Sec. 44. [245A.149] SUPERVISION OF FAMILY CHILD CARE LICENSE  
103.2 HOLDER'S OWN CHILD.

103.3 Notwithstanding Minnesota Rules, part 9502.0365, subpart 5, an individual may supervise  
103.4 the family child care license holder's own child both inside and outside of the licensed space,  
103.5 and is exempt from the requirements of this chapter and Minnesota Rules, chapter 9502, if  
103.6 the individual:

103.7 (1) is related to the license holder, as defined in section 245A.02, subdivision 13;

103.8 (2) is not a designated caregiver, helper, or substitute for the licensed program; and

103.9 (3) is involved only in the care of the license holder's own child.

103.10 **EFFECTIVE DATE.** This section is effective September 30, 2019.

103.11 Sec. 45. Minnesota Statutes 2018, section 245A.151, is amended to read:

103.12 245A.151 FIRE MARSHAL INSPECTION.

103.13 When licensure under this chapter or certification under chapter 245H requires an  
103.14 inspection by a fire marshal to determine compliance with the State Fire Code under section  
103.15 299F.011, a local fire code inspector approved by the state fire marshal may conduct the  
103.16 inspection. If a community does not have a local fire code inspector or if the local fire code  
103.17 inspector does not perform the inspection, the state fire marshal must conduct the inspection.  
103.18 A local fire code inspector or the state fire marshal may recover the cost of these inspections

103.19 through a fee of no more than \$50 per inspection charged to the applicant or license holder  
 103.20 or license-exempt child care center certification holder. The fees collected by the state fire  
 103.21 marshal under this section are appropriated to the commissioner of public safety for the  
 103.22 purpose of conducting the inspections.

103.23 **EFFECTIVE DATE.** This section is effective September 30, 2019.

103.24 Sec. 46. Minnesota Statutes 2018, section 245A.16, subdivision 1, is amended to read:

103.25 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies and private  
 103.26 agencies that have been designated or licensed by the commissioner to perform licensing  
 103.27 functions and activities under section 245A.04 and background studies for family child care  
 103.28 under chapter 245C; to recommend denial of applicants under section 245A.05; to issue  
 103.29 correction orders, to issue variances, and recommend a conditional license under section  
 103.30 245A.06; or to recommend suspending or revoking a license or issuing a fine under section  
 103.31 245A.07, shall comply with rules and directives of the commissioner governing those  
 104.1 functions and with this section. The following variances are excluded from the delegation  
 104.2 of variance authority and may be issued only by the commissioner:

104.3 (1) dual licensure of family child care and child foster care, dual licensure of child and  
 104.4 adult foster care, and adult foster care and family child care;

104.5 (2) adult foster care maximum capacity;

104.6 (3) adult foster care minimum age requirement;

104.7 (4) child foster care maximum age requirement;

104.8 (5) variances regarding disqualified individuals except that, before the implementation  
 104.9 of NETStudy 2.0, county agencies may issue variances under section 245C.30 regarding  
 104.10 disqualified individuals when the county is responsible for conducting a consolidated  
 104.11 reconsideration according to sections 245C.25 and 245C.27, subdivision 2, clauses (a) and  
 104.12 (b), of a county maltreatment determination and a disqualification based on serious or  
 104.13 recurring maltreatment;

104.14 (6) the required presence of a caregiver in the adult foster care residence during normal  
 104.15 sleeping hours; ~~and~~

104.16 (7) variances to requirements relating to chemical use problems of a license holder or a  
 104.17 household member of a license holder; ~~and~~

104.18 (8) variances to section 245A.53 for a time-limited period. If the commissioner grants  
 104.19 a variance under this clause, the license holder must provide notice of the variance to all  
 104.20 parents and guardians of the children in care.

104.21 Except as provided in section 245A.14, subdivision 4, paragraph (e), a county agency must  
 104.22 not grant a license holder a variance to exceed the maximum allowable family child care  
 104.23 license capacity of 14 children.

93.22 Sec. 16. Minnesota Statutes 2018, section 245A.16, subdivision 1, is amended to read:

93.23 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies and private  
 93.24 agencies that have been designated or licensed by the commissioner to perform licensing  
 93.25 functions and activities under section 245A.04 and background studies for family child care  
 93.26 under chapter 245C; to recommend denial of applicants under section 245A.05; to issue  
 93.27 correction orders, to issue variances, and recommend a conditional license under section  
 93.28 245A.06; or to recommend suspending or revoking a license or issuing a fine under section  
 93.29 245A.07, shall comply with rules and directives of the commissioner governing those  
 93.30 functions and with this section. The following variances are excluded from the delegation  
 93.31 of variance authority and may be issued only by the commissioner:

94.1 (1) dual licensure of family child care and child foster care, dual licensure of child and  
 94.2 adult foster care, and adult foster care and family child care;

94.3 (2) adult foster care maximum capacity;

94.4 (3) adult foster care minimum age requirement;

94.5 (4) child foster care maximum age requirement;

94.6 (5) variances regarding disqualified individuals except that, before the implementation  
 94.7 of NETStudy 2.0, county agencies may issue variances under section 245C.30 regarding  
 94.8 disqualified individuals when the county is responsible for conducting a consolidated  
 94.9 reconsideration according to sections 245C.25 and 245C.27, subdivision 2, clauses (a) and  
 94.10 (b), of a county maltreatment determination and a disqualification based on serious or  
 94.11 recurring maltreatment;

94.12 (6) the required presence of a caregiver in the adult foster care residence during normal  
 94.13 sleeping hours; ~~and~~

94.14 (7) variances to requirements relating to chemical use problems of a license holder or a  
 94.15 household member of a license holder;

94.16 Except as provided in section 245A.14, subdivision 4, paragraph (e), a county agency must  
 94.17 not grant a license holder a variance to exceed the maximum allowable family child care  
 94.18 license capacity of 14 children.

104.24 (b) Before the implementation of NETStudy 2.0, county agencies must report information  
 104.25 about disqualification reconsiderations under sections 245C.25 and 245C.27, subdivision  
 104.26 2, paragraphs (a) and (b), and variances granted under paragraph (a), clause (5), to the  
 104.27 commissioner at least monthly in a format prescribed by the commissioner.

104.28 (c) For family child care programs, the commissioner shall require a county agency to  
 104.29 conduct one unannounced licensing review at least annually.

104.30 (d) For family adult day services programs, the commissioner may authorize licensing  
 104.31 reviews every two years after a licensee has had at least one annual review.

104.32 (e) A license issued under this section may be issued for up to two years.

105.1 (f) During implementation of chapter 245D, the commissioner shall consider:  
 105.2 (1) the role of counties in quality assurance;  
 105.3 (2) the duties of county licensing staff; and  
 105.4 (3) the possible use of joint powers agreements, according to section 471.59, with counties  
 105.5 through which some licensing duties under chapter 245D may be delegated by the  
 105.6 commissioner to the counties.

105.7 Any consideration related to this paragraph must meet all of the requirements of the corrective  
 105.8 action plan ordered by the federal Centers for Medicare and Medicaid Services.

105.9 (g) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or  
 105.10 successor provisions; and section 245D.061 or successor provisions, for family child foster  
 105.11 care programs providing out-of-home respite, as identified in section 245D.03, subdivision  
 105.12 1, paragraph (b), clause (1), is excluded from the delegation of authority to county and  
 105.13 private agencies.

105.14 (h) A county agency shall report to the commissioner, in a manner prescribed by the  
 105.15 commissioner, the following information for a licensed family child care program:  
 105.16 (1) the results of each licensing review completed, including the date of the review, and  
 105.17 any licensing correction order issued; and  
 105.18 (2) any death, serious injury, or determination of substantiated maltreatment; and  
 105.19 (3) any fires that require the service of a fire department within 48 hours of the fire. The  
 105.20 information under this clause must also be reported to the State Fire Marshal within 48  
 105.21 hours of the fire.

105.22 **EFFECTIVE DATE.** This section is effective September 30, 2019.

105.23 Sec. 47. Minnesota Statutes 2018, section 245A.16, is amended by adding a subdivision  
 105.24 to read:

94.19 (b) Before the implementation of NETStudy 2.0, county agencies must report information  
 94.20 about disqualification reconsiderations under sections 245C.25 and 245C.27, subdivision  
 94.21 2, paragraphs (a) and (b), and variances granted under paragraph (a), clause (5), to the  
 94.22 commissioner at least monthly in a format prescribed by the commissioner.

94.23 (c) For family child care programs, the commissioner shall require a county agency to  
 94.24 conduct one unannounced licensing review inspection at least annually.

94.25 (d) For family adult day services programs, the commissioner may authorize licensing  
 94.26 reviews every two years after a licensee has had at least one annual review.

94.27 (e) A license issued under this section may be issued for up to two years.

94.28 (f) During implementation of chapter 245D, the commissioner shall consider:  
 94.29 (1) the role of counties in quality assurance;  
 94.30 (2) the duties of county licensing staff; and  
 95.1 (3) the possible use of joint powers agreements, according to section 471.59, with counties  
 95.2 through which some licensing duties under chapter 245D may be delegated by the  
 95.3 commissioner to the counties.

95.4 Any consideration related to this paragraph must meet all of the requirements of the corrective  
 95.5 action plan ordered by the federal Centers for Medicare and Medicaid Services.

95.6 (g) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or  
 95.7 successor provisions; and section 245D.061 or successor provisions, for family child foster  
 95.8 care programs providing out-of-home respite, as identified in section 245D.03, subdivision  
 95.9 1, paragraph (b), clause (1), is excluded from the delegation of authority to county and  
 95.10 private agencies.

95.11 (h) A county agency shall report to the commissioner, in a manner prescribed by the  
 95.12 commissioner, the following information for a licensed family child care program:  
 95.13 (1) the results of each licensing review inspection completed, including the date of the  
 95.14 review inspection, and any licensing correction order issued; and  
 95.15 (2) any death, serious injury, or determination of substantiated maltreatment.

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

105.25 Subd. 9. **Licensed family child foster care.** (a) Before recommending to deny a license  
105.26 under section 245A.05 or revoke a license under section 245A.07 for nondisqualifying  
105.27 background study information received under section 245C.05, subdivision 4, paragraph  
105.28 (a), clause (3), for licensed family child foster care a county agency or private agency that  
105.29 has been designated or licensed by the commissioner must review the following:

105.30 (1) the type of crime;

105.31 (2) the number of crimes;

106.1 (3) the nature of the offenses;

106.2 (4) the age of the individual at the time of conviction;

106.3 (5) the length of time that has elapsed since the last conviction;

106.4 (6) the relationship of the crime and the capacity to care for a child;

106.5 (7) evidence of rehabilitation;

106.6 (8) information or knowledge from community members regarding the individual's  
106.7 capacity to provide foster care;

106.8 (9) a statement from the study subject;

106.9 (10) a statement from the license holder; and

106.10 (11) other aggravating and mitigating factors.

106.11 (b) The county or private licensing agency must send a summary of the review completed  
106.12 according to paragraph (a), on a form developed by the commissioner, to the commissioner  
106.13 and include any recommendation for licensing action. The commissioner shall retain the  
106.14 final authority and responsibility for determining licensing actions.

106.15 **EFFECTIVE DATE.** This section is effective March 1, 2020.

106.16 Sec. 48. Minnesota Statutes 2018, section 245A.18, subdivision 2, is amended to read:

106.17 Subd. 2. **Child passenger restraint systems; training requirement.** (a) Programs  
106.18 licensed by the Department of Human Services under Minnesota Rules, chapter 2960, that  
106.19 serve a child or children under ~~nine~~ eight years of age must document training that fulfills  
106.20 the requirements in this subdivision.

106.21 (b) Before a license holder, staff person, or caregiver transports a child or children under  
106.22 age ~~nine~~ eight in a motor vehicle, the person transporting the child must satisfactorily  
106.23 complete training on the proper use and installation of child restraint systems in motor  
106.24 vehicles. Training completed under this section may be used to meet initial or ongoing  
106.25 training under Minnesota Rules, part 2960.3070, subparts 1 and 2.

106.26 ~~For all providers licensed prior to July 1, 2006, the training required in this subdivision~~  
 106.27 ~~must be obtained by December 31, 2007.~~

106.28 (c) Training required under this section must be ~~at least one hour in length~~, completed  
 106.29 at orientation or initial training; and repeated at least once every five years. At a minimum,  
 106.30 the training must address the proper use of child restraint systems based on the child's size,  
 107.1 weight, and age, and the proper installation of a car seat or booster seat in the motor vehicle  
 107.2 used by the license holder to transport the child or children.

107.3 (d) Training under paragraph (c) must be provided by individuals who are certified and  
 107.4 approved by the Department of Public Safety, Office of Traffic Safety. License holders may  
 107.5 obtain a list of certified and approved trainers through the Department of Public Safety  
 107.6 website or by contacting the agency.

107.7 ~~(e) Child care providers that only transport school age children as defined in section~~  
 107.8 ~~245A.02, subdivision 16, in school buses as defined in section 169.011, subdivision 71,~~  
 107.9 ~~paragraphs (e) to (f), are exempt from this subdivision.~~

107.10 (e) Notwithstanding paragraph (a), for an emergency relative placement under section  
 107.11 245A.035, the commissioner may grant a variance to the training required by this subdivision  
 107.12 for a relative who completes a child seat safety check up. The child seat safety check up  
 107.13 trainer must be approved by the Department of Public Safety, Office of Traffic Safety, and  
 107.14 must provide one-on-one instruction on placing a child of a specific age in the exact child  
 107.15 passenger restraint in the motor vehicle in which the child will be transported. Once granted  
 107.16 a variance, and if all other licensing requirements are met, the relative applicant may receive  
 107.17 a license and may transport a relative foster child younger than eight years of age. A child  
 107.18 seat safety check up must be completed each time a child requires a different size car seat  
 107.19 according to car seat and vehicle manufacturer guidelines. A relative license holder must  
 107.20 complete training that meets the other requirements of this subdivision prior to placement  
 107.21 of another foster child younger than eight years of age in the home or prior to the renewal  
 107.22 of the child foster care license.

107.23 **EFFECTIVE DATE.** This section is effective September 30, 2019.

107.24 Sec. 49. [245A.24] MANDATORY REPORTING.

107.25 All licensors whether employed by a county or the Department of Human Services must  
 107.26 immediately report any suspected fraud to the appropriate authorities.

107.27 Sec. 50. Minnesota Statutes 2018, section 245A.40, is amended to read:

107.28 245A.40 CHILD CARE CENTER TRAINING REQUIREMENTS.

#### ARTICLE 1:

14.3 Sec. 14. [245A.24] MANDATORY REPORTING.

14.4 All licensors employed by a county or the Department of Human Services must  
 14.5 immediately report any suspected fraud to county human services investigators or the  
 14.6 Department of Human Services Office of the Inspector General.



107.29 Subdivision 1. **Orientation.** (a) The child care center license holder must ensure that  
107.30 ~~every the director, staff person and volunteer is~~ persons, substitutes, and unsupervised  
107.31 ~~volunteers are~~ given orientation training and successfully ~~completes~~ complete the training  
107.32 before starting assigned duties. ~~The orientation training in this subdivision applies to~~  
108.1 ~~volunteers who will have direct contact with or access to children and who are not under~~  
108.2 ~~the direct supervision of a staff person. Completion of the orientation must be documented~~  
108.3 ~~in the individual's personnel record.~~ The orientation training must include information about:

108.4 (1) the center's philosophy, child care program, and procedures for maintaining health  
108.5 and safety according to section 245A.41 and Minnesota Rules, part 9503.0140, and handling  
108.6 emergencies and accidents according to Minnesota Rules, part 9503.0110;

108.7 (2) specific job responsibilities;

108.8 (3) the behavior guidance standards in Minnesota Rules, part 9503.0055; ~~and~~

108.9 (4) the reporting responsibilities in section 626.556, and Minnesota Rules, part

108.10 ~~9503.0130;~~

108.11 (5) the center's drug and alcohol policy under section 245A.04, subdivision 1, paragraph  
108.12 (c);

108.13 (6) the center's risk reduction plan as required under section 245A.66, subdivision 2;

108.14 (7) at least one-half hour of training on the standards under section 245A.1435 and on  
108.15 reducing the risk of sudden unexpected infant death as required in subdivision 5, if applicable;

108.16 (8) at least one-half hour of training on the risk of abusive head trauma as required for  
108.17 the director and staff under subdivision 5a, if applicable; and

108.18 (9) training required by a child's individual child care program plan as required under  
108.19 Minnesota Rules, part 9503.0065, subpart 3, if applicable.

108.20 (b) In addition to paragraph (a), before having unsupervised direct contact with a child,  
108.21 the director and staff persons within the first 90 days of employment, and substitutes and  
108.22 unsupervised volunteers within 90 days after the first date of direct contact with a child,  
108.23 must complete:

108.24 (1) pediatric first aid, in accordance with subdivision 3; and

108.25 (2) pediatric cardiopulmonary resuscitation, in accordance with subdivision 4.

108.26 (c) In addition to paragraph (b), the director and staff persons within the first 90 days  
108.27 of employment, and substitutes and unsupervised volunteers within 90 days from the first  
108.28 date of direct contact with a child, must complete training in child development, in accordance  
108.29 with subdivision 2.



- 109.1 (d) The license holder must ensure that documentation, as required in subdivision 10,  
109.2 identifies the number of hours completed for each topic with a minimum training time  
109.3 identified, if applicable, and that all required content is included.
- 109.4 (e) Training in this subdivision must not be used to meet in-service training requirements  
109.5 in subdivision 7.
- 109.6 (f) Training completed within the previous 12 months under paragraphs (a), clauses (7)  
109.7 and (8), and (c) are transferable to another child care center.
- 109.8 Subd. 1a. **Definitions.** (a) For the purposes of this section, the following terms have the  
109.9 meanings given.
- 109.10 (b) "Substitute" means an adult who is temporarily filling a position as a director, teacher,  
109.11 assistant teacher, or aide in a licensed child care center for less than 240 hours total in a  
109.12 calendar year due to the absence of a regularly employed staff person.
- 109.13 (c) "Staff person" means an employee of a child care center who provides direct contact  
109.14 services to children.
- 109.15 (d) "Unsupervised volunteer" means an individual who:  
109.16 (1) assists in the care of a child in care;  
109.17 (2) is not under the continuous direct supervision of a staff person; and  
109.18 (3) is not employed by the child care center.
- 109.19 Subd. 2. **Child development and learning training.** (a) ~~For purposes of child care~~  
109.20 ~~centers, The director and all staff hired after July 1, 2006, persons, substitutes, and~~  
109.21 ~~unsupervised volunteers shall complete and document at least two hours of child development~~  
109.22 ~~and learning training within the first 90 days of employment. The director and staff persons,~~  
109.23 ~~not including substitutes, must complete at least two hours of training on child development~~  
109.24 ~~and learning. The training for substitutes and unsupervised volunteers is not required to be~~  
109.25 ~~of a minimum length. For purposes of this subdivision, "child development and learning~~  
109.26 ~~training" means any training in Knowledge and Competency Area I: Child Development~~  
109.27 ~~and Learning, which is training in understanding how children develop physically,~~  
109.28 ~~cognitively, emotionally, and socially and learn as part of the children's family, culture, and~~  
109.29 ~~community. Training completed under this subdivision may be used to meet the in-service~~  
109.30 ~~training requirements under subdivision 7.~~
- 109.31 (b) Notwithstanding paragraph (a), individuals are exempt from this requirement if they:  
110.1 (1) have taken a three-credit college course on early childhood development within the  
110.2 past five years;
- 110.3 (2) have received a baccalaureate or master's degree in early childhood education or  
110.4 school-age child care within the past five years;

110.5 (3) are licensed in Minnesota as a prekindergarten teacher, an early childhood educator,  
110.6 a kindergarten to sixth grade teacher with a prekindergarten specialty, an early childhood  
110.7 special education teacher, or an elementary teacher with a kindergarten endorsement; or

110.8 (4) have received a baccalaureate degree with a Montessori certificate within the past  
110.9 five years.

110.10 (c) The director and staff persons, not including substitutes, must complete at least two  
110.11 hours of child development and learning training every second calendar year.

110.12 (d) Substitutes and unsupervised volunteers must complete child development and  
110.13 learning training every second calendar year. There is no minimum number of training hours  
110.14 required.

110.15 (e) Except for training required under paragraph (a), training completed under this  
110.16 subdivision may be used to meet the in-service training requirements under subdivision 7.

110.17 Subd. 3. **First aid.** (a) All teachers and assistant teachers in a child care center governed  
110.18 by Minnesota Rules, parts 9503.0005 to 9503.0170, and at least one staff person during  
110.19 field trips and when transporting children in care, must satisfactorily complete pediatric  
110.20 first aid training within 90 days of the start of work, unless the training has been completed  
110.21 within the previous two years. Unless training has been completed within the previous two  
110.22 years, the director, staff persons, substitutes, and unsupervised volunteers must satisfactorily  
110.23 complete pediatric first aid training prior to having unsupervised direct contact with a child,  
110.24 but not to exceed the first 90 days of employment.

110.25 (b) Notwithstanding paragraph (a), which allows 90 days to complete training, at least  
110.26 one staff person who has satisfactorily completed pediatric first aid training must be present  
110.27 at all times in the center, during field trips, and when transporting children in care. Pediatric  
110.28 first aid training must be repeated at least every second calendar year. First aid training  
110.29 under this subdivision must be provided by an individual approved as a first aid instructor  
110.30 and must not be used to meet in-service training requirements under subdivision 7.

110.31 (c) The pediatric first aid training must be repeated at least every two years, documented  
110.32 in the person's personnel record and indicated on the center's staffing chart, and provided  
110.33 by an individual approved as a first aid instructor. This training may be less than eight hours.

111.1 Subd. 4. **Cardiopulmonary resuscitation.** (a) All teachers and assistant teachers in a  
111.2 child care center governed by Minnesota Rules, parts 9503.0005 to 9503.0170, and at least  
111.3 one staff person during field trips and when transporting children in care, must satisfactorily  
111.4 complete training in cardiopulmonary resuscitation (CPR) that includes CPR techniques  
111.5 for infants and children and in the treatment of obstructed airways. The CPR training must  
111.6 be completed within 90 days of the start of work, unless the training has been completed  
111.7 within the previous two years. The CPR training must have been provided by an individual  
111.8 approved to provide CPR instruction, must be repeated at least once every two years, and  
111.9 must be documented in the staff person's records.

- 111.10 ~~(b) Notwithstanding paragraph (a), which allows 90 days to complete training, at least~~  
111.11 ~~one staff person who has satisfactorily completed cardiopulmonary resuscitation training~~  
111.12 ~~must be present at all times in the center, during field trips, and when transporting children~~  
111.13 ~~in care.~~
- 111.14 ~~(c) CPR training may be provided for less than four hours.~~
- 111.15 ~~(d) Persons providing CPR training must use CPR training that has been developed:~~  
111.16 ~~(1) by the American Heart Association or the American Red Cross and incorporates~~  
111.17 ~~psychomotor skills to support the instruction; or~~  
111.18 ~~(2) using nationally recognized, evidence-based guidelines for CPR and incorporates~~  
111.19 ~~psychomotor skills to support the instruction.~~
- 111.20 (a) Unless training has been completed within the previous two years, the director, staff  
111.21 persons, substitutes, and unsupervised volunteers must satisfactorily complete pediatric  
111.22 cardiopulmonary resuscitation (CPR) training that meets the requirements of this subdivision.  
111.23 Pediatric CPR training must be completed prior to having unsupervised direct contact with  
111.24 a child, but not to exceed the first 90 days of employment.
- 111.25 (b) Pediatric CPR training must be provided by an individual approved to provide  
111.26 pediatric CPR instruction.
- 111.27 (c) The Pediatric CPR training must:  
111.28 (1) cover CPR techniques for infants and children and the treatment of obstructed airways;  
111.29 (2) include instruction, hands-on practice, and an in-person, observed skills assessment  
111.30 under the direct supervision of a CPR instructor; and  
111.31 (3) be developed by the American Heart Association, the American Red Cross, or another  
111.32 organization that uses nationally recognized, evidence-based guidelines for CPR.
- 112.1 (d) Pediatric CPR training must be repeated at least once every second calendar year.
- 112.2 (e) Pediatric CPR training in this subdivision must not be used to meet in-service training  
112.3 requirements under subdivision 7.
- 112.4 Subd. 5. **Sudden unexpected infant death and abusive head trauma training.** (a)  
112.5 Before caring for infants, the director, staff persons, substitutes, and unsupervised volunteers  
112.6 must receive training on the standards under section 245A.1435 and on reducing the risk  
112.7 of sudden unexpected infant death during orientation and each calendar year thereafter.
- 112.8 (b) Sudden unexpected infant death reduction training required under this subdivision  
112.9 must be at least one-half hour in length. At a minimum, the training must address the risk  
112.10 factors related to sudden unexpected infant death, means of reducing the risk of sudden

112.11 ~~unexpected infant death in child care, and license holder communication with parents~~  
 112.12 ~~regarding reducing the risk of sudden unexpected infant death.~~

112.13 ~~(c) Except if completed during orientation, training taken under this subdivision may~~  
 112.14 ~~be used to meet the in-service training requirements under subdivision 7.~~

112.15 ~~Subd. 5a. **Abusive head trauma training.** (a) License holders must document that~~  
 112.16 ~~before staff persons and volunteers care for infants, they are instructed on the standards in~~  
 112.17 ~~section 245A.1435 and receive training on reducing the risk of sudden unexpected infant~~  
 112.18 ~~death. In addition, license holders must document that before staff persons care for infants~~  
 112.19 ~~or children under school age, they receive training on the risk of abusive head trauma from~~  
 112.20 ~~shaking infants and young children. The training in this subdivision may be provided as~~  
 112.21 ~~orientation training under subdivision 1 and in-service training under subdivision 7. (a)~~  
 112.22 ~~Before caring for children under school age, the director, staff persons, substitutes, and~~  
 112.23 ~~unsupervised volunteers must receive training on the risk of abusive head trauma during~~  
 112.24 ~~orientation and each calendar year thereafter.~~

112.25 ~~(b) Sudden unexpected infant death reduction training required under this subdivision~~  
 112.26 ~~must be at least one-half hour in length and must be completed at least once every year. At~~  
 112.27 ~~a minimum, the training must address the risk factors related to sudden unexpected infant~~  
 112.28 ~~death, means of reducing the risk of sudden unexpected infant death in child care, and license~~  
 112.29 ~~holder communication with parents regarding reducing the risk of sudden unexpected infant~~  
 112.30 ~~death.~~

112.31 ~~(e) (b) Abusive head trauma training under this subdivision must be at least one-half~~  
 112.32 ~~hour in length and must be completed at least once every year. At a minimum, the training~~  
 112.33 ~~must address the risk factors related to shaking infants and young children, means to reduce~~  
 113.1 ~~the risk of abusive head trauma in child care, and license holder communication with parents~~  
 113.2 ~~regarding reducing the risk of abusive head trauma.~~

113.3 ~~(c) Except if completed during orientation, training taken under this subdivision may~~  
 113.4 ~~be used to meet the in-service training requirements under subdivision 7.~~

113.5 ~~(d) The commissioner shall make available for viewing a video presentation on the~~  
 113.6 ~~dangers associated with shaking infants and young children, which may be used in~~  
 113.7 ~~conjunction with the annual training required under paragraph (e) (a).~~

113.8 ~~Subd. 6. **Child passenger restraint systems; training requirement.** (a) A license~~  
 113.9 ~~holder must comply with all seat belt and child passenger restraint system requirements~~  
 113.10 ~~under section 169.685. (b) Child care centers that serve a child or children under nine years~~  
 113.11 ~~of age must document training that fulfills the requirements in this subdivision.~~

113.12 ~~(H) (a) Before a license holder transports a child or children under age ~~nine~~ eight in a~~  
 113.13 ~~motor vehicle, the person placing the child or children in a passenger restraint must~~  
 113.14 ~~satisfactorily complete training on the proper use and installation of child restraint systems~~

113.15 ~~in motor vehicles. Training completed under this subdivision may be used to meet orientation~~  
113.16 ~~training under subdivision 1 and in-service training under subdivision 7.~~

113.17 ~~(2) (b) Training required under this subdivision must be at least one hour in length,~~  
113.18 ~~completed at orientation, and repeated at least once every five years. At a minimum, the~~  
113.19 ~~training must address the proper use of child restraint systems based on the child's size,~~  
113.20 ~~weight, and age, and the proper installation of a car seat or booster seat in the motor vehicle~~  
113.21 ~~used by the license holder to transport the child or children.~~

113.22 ~~(3) (c) Training required under this subdivision must be provided by individuals who~~  
113.23 ~~are certified and approved by the Department of Public Safety, Office of Traffic Safety.~~  
113.24 ~~License holders may obtain a list of certified and approved trainers through the Department~~  
113.25 ~~of Public Safety website or by contacting the agency.~~

113.26 ~~(4) (d) Child care providers that only transport school-age children as defined in section~~  
113.27 ~~245A.02, subdivision 16, in child care buses as defined in section 169.448, subdivision 1,~~  
113.28 ~~paragraph (e), are exempt from this subdivision.~~

113.29 ~~(e) Training completed under this subdivision may be used to meet in-service training~~  
113.30 ~~requirements under subdivision 7. Training completed within the previous five years is~~  
113.31 ~~transferable upon a staff person's change in employment to another child care center.~~

113.32 ~~Subd. 7. **In-service.** (a) A license holder must ensure that the center director and all staff~~  
113.33 ~~who have direct contact with a child complete annual in-service training. In-service training~~  
114.1 ~~requirements must be met by a staff person's participation in the following training areas:~~  
114.2 ~~staff persons, substitutes, and unsupervised volunteers complete in-service training each~~  
114.3 ~~calendar year.~~

114.4 ~~(b) The center director and staff persons who work more than 20 hours per week must~~  
114.5 ~~complete 24 hours of in-service training each calendar year. Staff persons who work 20~~  
114.6 ~~hours or less per week must complete 12 hours of in-service training each calendar year.~~  
114.7 ~~Substitutes and unsupervised volunteers must complete the requirements of paragraphs (e)~~  
114.8 ~~to (h) and do not otherwise have a minimum number of hours of training to complete.~~

114.9 ~~(c) The number of in-service training hours may be prorated for individuals not employed~~  
114.10 ~~for an entire year.~~

114.11 ~~(d) Each year, in-service training must include:~~

114.12 ~~(1) the center's procedures for maintaining health and safety according to section 245A.41~~  
114.13 ~~and Minnesota Rules, part 9503.0140, and handling emergencies and accidents according~~  
114.14 ~~to Minnesota Rules, part 9503.0110;~~

114.15 ~~(2) the reporting responsibilities under section 626.556 and Minnesota Rules, part~~  
114.16 ~~9503.0130;~~

- 114.17 (3) at least one-half hour of training on the standards under section 245A.1435 and on  
 114.18 reducing the risk of sudden unexpected infant death as required under subdivision 5, if  
 114.19 applicable; and
- 114.20 (4) at least one-half hour of training on the risk of abusive head trauma from shaking  
 114.21 infants and young children as required under subdivision 5a, if applicable.
- 114.22 (e) Each year, or when a change is made, whichever is more frequent, in-service training  
 114.23 must be provided on: (1) the center's risk reduction plan under section 245A.66, subdivision  
 114.24 2; and (2) a child's individual child care program plan as required under Minnesota Rules,  
 114.25 part 9503.0065, subpart 3.
- 114.26 (f) At least once every two calendar years, the in-service training must include:
- 114.27 (1) child development and learning training under subdivision 2;
- 114.28 (2) pediatric first aid that meets the requirements of subdivision 3;
- 114.29 (3) pediatric cardiopulmonary resuscitation training that meets the requirements of  
 114.30 subdivision 4;
- 114.31 (4) cultural dynamics training to increase awareness of cultural differences; and
- 115.1 (5) disabilities training to increase awareness of differing abilities of children.
- 115.2 (g) At least once every five years, in-service training must include child passenger  
 115.3 restraint training that meets the requirements of subdivision 6, if applicable.
- 115.4 (h) The remaining hours of the in-service training requirement must be met by completing  
 115.5 training in the following content areas of the Minnesota Knowledge and Competency  
 115.6 Framework:
- 115.7 (1) Content area I: child development and learning;
- 115.8 (2) Content area II: developmentally appropriate learning experiences;
- 115.9 (3) Content area III: relationships with families;
- 115.10 (4) Content area IV: assessment, evaluation, and individualization;
- 115.11 (5) Content area V: historical and contemporary development of early childhood  
 115.12 education;
- 115.13 (6) Content area VI: professionalism; ~~and~~
- 115.14 (7) Content area VII: health, safety, and nutrition; and
- 115.15 (8) Content area VIII: application through clinical experiences.
- 115.16 ~~(b)~~ (i) For purposes of this subdivision, the following terms have the meanings given  
 115.17 them.

- 115.18 (1) "Child development and learning training" ~~has the meaning given it in subdivision~~  
 115.19 ~~2, paragraph (a); means training in understanding how children develop physically,~~  
 115.20 ~~cognitively, emotionally, and socially and learn as part of the children's family, culture, and~~  
 115.21 ~~community.~~
- 115.22 (2) "Developmentally appropriate learning experiences" means creating positive learning  
 115.23 experiences, promoting cognitive development, promoting social and emotional development,  
 115.24 promoting physical development, and promoting creative development.
- 115.25 (3) "Relationships with families" means training on building a positive, respectful  
 115.26 relationship with the child's family.
- 115.27 (4) "Assessment, evaluation, and individualization" means training in observing,  
 115.28 recording, and assessing development; assessing and using information to plan; and assessing  
 115.29 and using information to enhance and maintain program quality.
- 116.1 (5) "Historical and contemporary development of early childhood education" means  
 116.2 training in past and current practices in early childhood education and how current events  
 116.3 and issues affect children, families, and programs.
- 116.4 (6) "Professionalism" means training in knowledge, skills, and abilities that promote  
 116.5 ongoing professional development.
- 116.6 (7) "Health, safety, and nutrition" means training in establishing health practices, ensuring  
 116.7 safety, and providing healthy nutrition.
- 116.8 (8) "Application through clinical experiences" means clinical experiences in which a  
 116.9 person applies effective teaching practices using a range of educational programming models.
- 116.10 ~~(e) The director and all program staff persons must annually complete a number of hours~~  
 116.11 ~~of in-service training equal to at least two percent of the hours for which the director or~~  
 116.12 ~~program staff person is annually paid, unless one of the following is applicable:~~
- 116.13 (1) ~~A teacher at a child care center must complete one percent of working hours of~~  
 116.14 ~~in-service training annually if the teacher:~~
- 116.15 ~~(i) possesses a baccalaureate or master's degree in early childhood education or school-age~~  
 116.16 ~~care;~~
- 116.17 ~~(ii) is licensed in Minnesota as a prekindergarten teacher, an early childhood educator,~~  
 116.18 ~~a kindergarten to sixth grade teacher with a prekindergarten specialty, an early childhood~~  
 116.19 ~~special education teacher, or an elementary teacher with a kindergarten endorsement; or~~
- 116.20 ~~(iii) possesses a baccalaureate degree with a Montessori certificate.~~
- 116.21 (2) ~~A teacher or assistant teacher at a child care center must complete one and one-half~~  
 116.22 ~~percent of working hours of in-service training annually if the individual is:~~

- 116.23 ~~(i) a registered nurse or licensed practical nurse with experience working with infants;~~
- 116.24 ~~(ii) possesses a Montessori certificate, a technical college certificate in early childhood~~
- 116.25 ~~development, or a child development associate certificate; or~~
- 116.26 ~~(iii) possesses an associate of arts degree in early childhood education, a baccalaureate~~
- 116.27 ~~degree in child development, or a technical college diploma in early childhood development.~~
- 116.28 ~~(d) The number of required training hours may be prorated for individuals not employed~~
- 116.29 ~~full time or for an entire year.~~
- 117.1 ~~(e) The annual in-service training must be completed within the calendar year for which~~
- 117.2 ~~it was required. In-service training completed by staff persons is transferable upon a staff~~
- 117.3 ~~person's change in employment to another child care program.~~
- 117.4 ~~(f) (j) The license holder must ensure that, when a staff person completes in-service~~
- 117.5 ~~training, the training is documented in the staff person's personnel record. The documentation~~
- 117.6 ~~must include the date training was completed, the goal of the training and topics covered,~~
- 117.7 ~~trainer's name and organizational affiliation, trainer's signed statement that training was~~
- 117.8 ~~successfully completed, documentation, as required in subdivision 10, includes the number~~
- 117.9 ~~of total training hours required to be completed, name of the training, the Minnesota~~
- 117.10 ~~Knowledge and Competency Framework content area, number of hours completed, and the~~
- 117.11 ~~director's approval of the training.~~
- 117.12 ~~(k) In-service training completed by a staff person that is not specific to that child care~~
- 117.13 ~~center is transferable upon a staff person's change in employment to another child care~~
- 117.14 ~~program.~~
- 117.15 **Subd. 8. Cultural dynamics and disabilities training for child care providers. (a)**
- 117.16 ~~The training required of licensed child care center staff must include training in the cultural~~
- 117.17 ~~dynamics of early childhood development and child care. The cultural dynamics and~~
- 117.18 ~~disabilities training and skills development of child care providers must be designed to~~
- 117.19 ~~achieve outcomes for providers of child care that include, but are not limited to:~~
- 117.20 ~~(1) an understanding and support of the importance of culture and differences in ability~~
- 117.21 ~~in children's identity development;~~
- 117.22 ~~(2) understanding the importance of awareness of cultural differences and similarities~~
- 117.23 ~~in working with children and their families;~~
- 117.24 ~~(3) understanding and support of the needs of families and children with differences in~~
- 117.25 ~~ability;~~
- 117.26 ~~(4) developing skills to help children develop unbiased attitudes about cultural differences~~
- 117.27 ~~and differences in ability;~~
- 117.28 ~~(5) developing skills in culturally appropriate caregiving; and~~



- 117.29 ~~(c) developing skills in appropriate caregiving for children of different abilities.~~
- 117.30 ~~(b) Curriculum for cultural dynamics and disability training shall be approved by the~~
- 117.31 ~~commissioner.~~
- 118.1 ~~(e) The commissioner shall amend current rules relating to the training of the licensed~~
- 118.2 ~~child care center staff to require cultural dynamics training. Timelines established in the~~
- 118.3 ~~rule amendments for complying with the cultural dynamics training requirements must be~~
- 118.4 ~~based on the commissioner's determination that curriculum materials and trainers are available~~
- 118.5 ~~statewide.~~
- 118.6 ~~(d) For programs caring for children with special needs, the license holder shall ensure~~
- 118.7 ~~that any additional staff training required by the child's individual child care program plan~~
- 118.8 ~~required under Minnesota Rules, part 9503.0065, subpart 3, is provided.~~
- 118.9 ~~Subd. 9. **Ongoing health and safety training.** A staff person's orientation training on~~
- 118.10 ~~maintaining health and safety and handling emergencies and accidents, as required in~~
- 118.11 ~~subdivision 1, must be repeated at least once each calendar year by each staff person. The~~
- 118.12 ~~completion of the annual training must be documented in the staff person's personnel record.~~
- 118.13 ~~Subd. 10. **Documentation.** All training must be documented and maintained on site in~~
- 118.14 ~~each personnel record. In addition to any requirements for each training provided in this~~
- 118.15 ~~section, documentation for each staff person must include the staff person's first date of~~
- 118.16 ~~direct contact and first date of unsupervised contact with a child in care.~~
- 118.17 ~~**EFFECTIVE DATE.** This section is effective September 30, 2019.~~
- 118.18 Sec. 51. Minnesota Statutes 2018, section 245A.41, is amended to read:
- 118.19 ~~245A.41 CHILD CARE CENTER HEALTH AND SAFETY REQUIREMENTS.~~
- 118.20 ~~Subdivision 1. **Allergy prevention and response.** (a) Before admitting a child for care,~~
- 118.21 ~~the license holder must obtain documentation of any known allergy from the child's parent~~
- 118.22 ~~or legal guardian or the child's source of medical care. If a child has a known allergy, the~~
- 118.23 ~~license holder must maintain current information about the allergy in the child's record and~~
- 118.24 ~~develop an individual child care program plan as specified in Minnesota Rules, part~~
- 118.25 ~~9503.0065, subpart 3. The individual child care program plan must include but not be limited~~
- 118.26 ~~to a description of the allergy, specific triggers, avoidance techniques, symptoms of an~~
- 118.27 ~~allergic reaction, and procedures for responding to an allergic reaction, including medication,~~
- 118.28 ~~dosages, and a doctor's contact information.~~
- 118.29 ~~(b) The license holder must ensure that each staff person who is responsible for carrying~~
- 118.30 ~~out the individual child care program plan review and follow the plan. Documentation of a~~
- 118.31 ~~staff person's review must be kept on site.~~
- 118.32 ~~(c) At least ~~annually~~ once each calendar year or following any changes made to~~
- 118.33 ~~allergy-related information in the child's record, the license holder must update the child's~~
- 119.1 ~~individual child care program plan and inform each staff person who is responsible for~~

- 119.2 carrying out the individual child care program plan of the change. The license holder must  
119.3 keep on site documentation that a staff person was informed of a change.
- 119.4 (d) A child's allergy information must be available at all times including on site, when  
119.5 on field trips, or during transportation. A child's food allergy information must be readily  
119.6 available to a staff person in the area where food is prepared and served to the child.
- 119.7 (e) The license holder must contact the child's parent or legal guardian as soon as possible  
119.8 in any instance of exposure or allergic reaction that requires medication or medical  
119.9 intervention. The license holder must call emergency medical services when epinephrine  
119.10 is administered to a child in the license holder's care.
- 119.11 Subd. 2. **Handling and disposal of bodily fluids.** The licensed child care center must  
119.12 comply with the following procedures for safely handling and disposing of bodily fluids:
- 119.13 (1) surfaces that come in contact with potentially infectious bodily fluids, including  
119.14 blood and vomit, must be cleaned and disinfected according to Minnesota Rules, part  
119.15 9503.0005, subpart 11;
- 119.16 (2) blood-contaminated material must be disposed of in a plastic bag with a secure tie;
- 119.17 (3) sharp items used for a child with special care needs must be disposed of in a "sharps  
119.18 container." The sharps container must be stored out of reach of a child;
- 119.19 (4) the license holder must have the following bodily fluid disposal supplies in the center:  
119.20 disposable gloves, disposal bags, and eye protection; and
- 119.21 (5) the license holder must ensure that each staff person ~~is trained on~~ follows universal  
119.22 precautions to reduce the risk of spreading infectious disease. ~~A staff person's completion~~  
119.23 ~~of the training must be documented in the staff person's personnel record.~~
- 119.24 Subd. 3. **Emergency preparedness.** (a) ~~No later than September 30, 2017,~~ A licensed  
119.25 child care center must have a written emergency plan for emergencies that require evacuation,  
119.26 sheltering, or other protection of a child, such as fire, natural disaster, intruder, or other  
119.27 threatening situation that may pose a health or safety hazard to a child. The plan must be  
119.28 written on a form developed by the commissioner and must include:
- 119.29 (1) procedures for an evacuation, relocation, shelter-in-place, or lockdown;
- 119.30 (2) a designated relocation site and evacuation route;
- 119.31 (3) procedures for notifying a child's parent or legal guardian of the evacuation, relocation,  
119.32 shelter-in-place, or lockdown, including procedures for reunification with families;
- 120.1 (4) accommodations for a child with a disability or a chronic medical condition;
- 120.2 (5) procedures for storing a child's medically necessary medicine that facilitates easy  
120.3 removal during an evacuation or relocation;

- 120.4 (6) procedures for continuing operations in the period during and after a crisis; ~~and~~
- 120.5 (7) procedures for communicating with local emergency management officials, law
- 120.6 enforcement officials, or other appropriate state or local authorities; and
- 120.7 (8) accommodations for infants and toddlers.
- 120.8 (b) The license holder must train staff persons on the emergency plan at orientation,
- 120.9 when changes are made to the plan, and at least once each calendar year. Training must be
- 120.10 documented in each staff person's personnel file.
- 120.11 (c) The license holder must conduct drills according to the requirements in Minnesota
- 120.12 Rules, part 9503.0110, subpart 3. The date and time of the drills must be documented.
- 120.13 (d) The license holder must review and update the emergency plan annually.
- 120.14 Documentation of the annual emergency plan review shall be maintained in the program's
- 120.15 administrative records.
- 120.16 (e) The license holder must include the emergency plan in the program's policies and
- 120.17 procedures as specified under section 245A.04, subdivision 14. The license holder must
- 120.18 provide a physical or electronic copy of the emergency plan to the child's parent or legal
- 120.19 guardian upon enrollment.
- 120.20 (f) The relocation site and evacuation route must be posted in a visible place as part of
- 120.21 the written procedures for emergencies and accidents in Minnesota Rules, part 9503.0140,
- 120.22 subpart 21.
- 120.23 Subd. 4. **Child passenger restraint requirements.** A license holder must comply with
- 120.24 all seat belt and child passenger restraint system requirements under section 169.685.
- 120.25 Subd. 5. **Telephone requirement in licensed child care centers.** (a) A working telephone
- 120.26 which is capable of making outgoing calls and receiving incoming calls must be located
- 120.27 within the licensed child care center at all times. Staff must have access to a working
- 120.28 telephone while providing care and supervision to children in care, even if the care occurs
- 120.29 outside of the child care facility. A license holder may use a cellular telephone to meet the
- 120.30 requirements of this subdivision.
- 121.1 (b) If a cellular telephone is used to satisfy the requirements of this subdivision, the
- 121.2 cellular telephone must be accessible to staff, be stored in a centrally located area when not
- 121.3 in use, and be sufficiently charged for use at all times.
- 121.4 **EFFECTIVE DATE.** This section is effective September 30, 2019.
- 121.5 Sec. 52. Minnesota Statutes 2018, section 245A.50, is amended to read:
- 121.6 **245A.50 FAMILY CHILD CARE TRAINING REQUIREMENTS.**

ARTICLE 2:

- 121.7 Subdivision 1. **Initial training.** (a) License holders, caregivers, ~~and substitutes, and~~  
 121.8 ~~helpers~~ must comply with the training requirements in this section.
- 121.9 (b) ~~Helpers who assist with care on a regular basis must complete six hours of training~~  
 121.10 ~~within one year after the date of initial employment.~~
- 121.11 (b) ~~The license holder, before initial licensure, and a caregiver, before caring for a child,~~  
 121.12 ~~must complete:~~
- 121.13 (1) ~~the six-hour Supervising for Safety for Family Child Care course developed by the~~  
 121.14 ~~commissioner;~~
- 121.15 (2) ~~a two-hour course in Knowledge and Competency Area I: Child Development and~~  
 121.16 ~~Learning, as required by subdivision 2;~~
- 121.17 (3) ~~a two-hour course in behavior guidance that may be fulfilled by completing any~~  
 121.18 ~~course in Knowledge and Competency Area II-C: Promoting Social and Emotional~~  
 121.19 ~~Development, as required by subdivision 2;~~
- 121.20 (4) ~~pediatric first aid, as required by subdivision 3;~~
- 121.21 (5) ~~pediatric cardiopulmonary resuscitation, as required by subdivision 4;~~
- 121.22 (6) ~~if applicable, training in reducing the risk of sudden unexpected infant death and~~  
 121.23 ~~abusive head trauma as required by subdivision 5; and~~
- 121.24 (7) ~~if applicable, training in child passenger restraint as required by subdivision 6.~~
- 121.25 ~~The license holder or caregiver may take one four-hour course that covers both clauses (2)~~  
 121.26 ~~and (3) to meet the requirements of this subdivision.~~
- 121.27 (c) ~~Before caring for a child, each substitute must complete:~~
- 121.28 (1) ~~the four-hour Basics of Licensed Family Child Care for Substitutes course developed~~  
 121.29 ~~by the commissioner;~~
- 121.30 (2) ~~pediatric first aid, as required by subdivision 3;~~
- 122.1 (3) ~~pediatric cardiopulmonary resuscitation, as required by subdivision 4;~~
- 122.2 (4) ~~if applicable, training in reducing the risk of sudden unexpected infant death and~~  
 122.3 ~~abusive head trauma as required by subdivision 5; and~~
- 122.4 (5) ~~if applicable, training in child passenger restraint as required by subdivision 6.~~
- 122.5 (d) ~~Each helper must complete:~~

95.17 Sec. 17. Minnesota Statutes 2018, section 245A.50, subdivision 1, is amended to read:

- 95.18 Subdivision 1. **Initial training.** (a) License holders, caregivers, and ~~substitutes~~ must  
 95.19 comply with the training requirements in this section.
- 95.20 (b) Helpers who assist with care on a regular basis must complete six hours of training  
 95.21 within one year after the date of initial employment.

- 122.6 (1) if applicable, before assisting with the care of a child under school age, training in  
 122.7 reducing the risk of sudden unexpected infant death and abusive head trauma, as required  
 122.8 by subdivision 5;
- 122.9 (2) within 90 days of the start of employment, the one-hour Child Development for  
 122.10 Helpers course developed by the commissioner; and
- 122.11 (3) if applicable, training in child passenger restraint as required by subdivision 6.
- 122.12 (e) Before caring for a child or assisting in the care of a child, the license holder must  
 122.13 train each caregiver and substitute on:
- 122.14 (1) the emergency plan required under section 245A.51, subdivision 3, paragraph (b);  
 122.15 (2) allergy prevention and response required under section 245A.51, subdivision 1,  
 122.16 paragraph (b); and
- 122.17 (3) the drug and alcohol policy required under section 245A.04, subdivision 1, paragraph  
 122.18 (c).
- 122.19 ~~(e)~~ (f) Training requirements established under this section that must be completed prior  
 122.20 to initial licensure must be satisfied only by a newly licensed child care provider or by a  
 122.21 child care provider who has not held an active child care license in Minnesota in the previous  
 122.22 12 months. A child care provider who relocates within the state or who voluntarily cancels  
 122.23 a license or allows the license to lapse for a period of less than 12 months and who seeks  
 122.24 reinstatement of the lapsed or canceled license within 12 months of the lapse or cancellation  
 122.25 must satisfy the annual, ongoing training requirements, and is not required to satisfy the  
 122.26 training requirements that must be completed prior to initial licensure.
- 122.27 Subd. 1a. **Definitions.** (a) For the purposes of this section, the following terms have the  
 122.28 meanings given them.
- 122.29 (b) "Basics of Family Child Care for Substitutes" means a class developed by the  
 122.30 commissioner that includes the following topics: prevention and control of infectious  
 122.31 diseases; administering medication; preventing and responding to allergies; ensuring building  
 123.1 and physical premise safety; handling and storing biological contaminants; preventing and  
 123.2 reporting abuse and child maltreatment; emergency preparedness; and child development.
- 123.3 (c) "Caregiver" means an adult other than the license holder who supervises children  
 123.4 for a cumulative total of 300 or more hours in any calendar year.
- 123.5 (d) "Helper" means a minor, ages 13 through 17, who assists in the care of the children.

- 95.22 (c) Training requirements established under this section that must be completed prior  
 95.23 to initial licensure must be satisfied only by a newly licensed child care provider or by a  
 95.24 child care provider who has not held an active child care license in Minnesota in the previous  
 95.25 12 months. A child care provider ~~who relocates within the state or~~ who voluntarily cancels  
 95.26 a license or allows the license to lapse for a period of less than 12 months and who seeks  
 95.27 reinstatement of the lapsed or canceled license within 12 months of the lapse or cancellation  
 95.28 must satisfy the annual, ongoing training requirements, and is not required to satisfy the  
 95.29 training requirements that must be completed prior to initial licensure. A child care provider  
 95.30 who relocates within the state must (1) satisfy the annual, ongoing training requirements  
 95.31 according to the schedules established in this section and (2) not be required to satisfy the  
 95.32 training requirements under this section that the child care provider completed prior to initial  
 96.1 licensure. If a licensed provider moves to a new county, the new county is prohibited from  
 96.2 requiring the provider to complete any orientation class or training for new providers.

123.6 (e) "Substitute" means an adult who assumes the responsibility of a provider for a  
 123.7 cumulative total of not more than 300 hours in any calendar year.

123.8 Subd. 2. **Child development and learning and behavior guidance training.** (a) ~~For~~  
 123.9 ~~purposes of family and group family child care, The license holder and each adult caregiver~~  
 123.10 ~~who provides care in the licensed setting for more than 30 days in any 12-month period~~  
 123.11 ~~shall complete and document at least four hours of child growth and learning and behavior~~  
 123.12 ~~guidance training prior to initial licensure, and before caring for children. For purposes of~~  
 123.13 ~~this subdivision, "child development and learning training" means training in understanding~~  
 123.14 ~~how children develop physically, cognitively, emotionally, and socially and learn as part~~  
 123.15 ~~of the children's family, culture, and community. "Behavior guidance training" means~~  
 123.16 ~~training in the understanding of the functions of child behavior and strategies for managing~~  
 123.17 ~~challenging situations. At least two hours of child development and learning or behavior~~  
 123.18 ~~guidance training must be repeated annually. Training curriculum shall be developed or~~  
 123.19 ~~approved by the commissioner of human services.~~

123.20 (b) Notwithstanding paragraph (a), individuals are exempt from this requirement if they:

123.21 (1) have taken a three-credit course on early childhood development within the past five  
 123.22 years;

123.23 (2) have received a baccalaureate or master's degree in early childhood education or  
 123.24 school-age child care within the past five years;

123.25 (3) are licensed in Minnesota as a prekindergarten teacher, an early childhood educator,  
 123.26 a kindergarten to grade 6 teacher with a prekindergarten specialty, an early childhood special  
 123.27 education teacher, or an elementary teacher with a kindergarten endorsement; or

123.28 (4) have received a baccalaureate degree with a Montessori certificate within the past  
 123.29 five years.

123.30 (c) The license holder and each caregiver must complete at least two hours of child  
 123.31 development training annually that may be fulfilled by completing any course in Knowledge  
 123.32 and Competency Area I: Child Development and Learning; or behavior guidance training  
 123.33 that may be fulfilled by completing any course in Knowledge and Competency Area II-C:  
 124.1 Promoting Social and Emotional Development. The commissioner shall develop or approve  
 124.2 training curriculum.

96.3 Sec. 18. Minnesota Statutes 2018, section 245A.50, subdivision 2, is amended to read:

96.4 Subd. 2. **Child development and learning and behavior guidance training.** (a) ~~For~~  
 96.5 ~~purposes of family and group family child care, the license holder and each adult caregiver~~  
 96.6 ~~who provides care in the licensed setting for more than 30 days in any 12-month period~~  
 96.7 ~~shall complete and document at least four hours of child growth and learning and behavior~~  
 96.8 ~~guidance training prior to initial licensure, and before caring for children. For purposes of~~  
 96.9 ~~this subdivision, "child development and learning training" means training in understanding~~  
 96.10 ~~how children develop physically, cognitively, emotionally, and socially and learn as part~~  
 96.11 ~~of the children's family, culture, and community. "Behavior guidance training" means~~  
 96.12 ~~training in the understanding of the functions of child behavior and strategies for managing~~  
 96.13 ~~challenging situations. At least two hours of child development and learning or behavior~~  
 96.14 ~~guidance training must be repeated annually. The training curriculum shall be developed~~  
 96.15 ~~or approved by the commissioner of human services.~~

96.16 (b) Notwithstanding paragraph (a), individuals are exempt from this requirement if they:

96.17 (1) have taken a three-credit course on early childhood development within the past five  
 96.18 years;

96.19 (2) have received a baccalaureate or master's degree in early childhood education or  
 96.20 school-age child care within the past five years;

96.21 (3) are licensed in Minnesota as a prekindergarten teacher, an early childhood educator,  
 96.22 a kindergarten to grade 6 teacher with a prekindergarten specialty, an early childhood special  
 96.23 education teacher, or an elementary teacher with a kindergarten endorsement; or

96.24 (4) have received a baccalaureate degree with a Montessori certificate within the past  
 96.25 five years.

96.26 **EFFECTIVE DATE.** This section is effective January 1, 2020.

96.27 Sec. 19. Minnesota Statutes 2018, section 245A.50, subdivision 3, is amended to read:

124.3 Subd. 3. **First aid.** (a) ~~When children are present in a family child care home governed~~  
 124.4 ~~by Minnesota Rules, parts 9502.0315 to 9502.0445, at least one staff person must be present~~  
 124.5 ~~in the home who has been trained in first aid. The license holder must complete pediatric~~  
 124.6 ~~first aid training before licensure and each caregiver and substitute must complete pediatric~~  
 124.7 ~~first aid training before caring for children. The first aid training must have been provided~~  
 124.8 ~~by an individual approved to provide first aid instruction. First aid training may be less than~~  
 124.9 ~~eight hours and persons qualified to provide first aid training include individuals approved~~  
 124.10 ~~as first aid instructors. First aid training must be repeated every two years.~~

124.11 (b) ~~A family child care provider is exempt from the first aid training requirements under~~  
 124.12 ~~this subdivision related to any substitute caregiver who provides less than 30 hours of care~~  
 124.13 ~~during any 12-month period. The license holder, each caregiver and each substitute must~~  
 124.14 ~~complete additional pediatric first aid training every two years.~~

124.15 (c) Video training reviewed and approved by the county licensing agency satisfies the  
 124.16 training requirement of this subdivision.

124.17 Subd. 4. **Cardiopulmonary resuscitation.** (a) ~~When children are present in a family~~  
 124.18 ~~child care home governed by Minnesota Rules, parts 9502.0315 to 9502.0445, at least one~~  
 124.19 ~~caregiver must be present in the home who has been trained in cardiopulmonary resuscitation~~  
 124.20 ~~(CPR), including CPR techniques for infants and children, and in the treatment of obstructed~~  
 124.21 ~~airways. The CPR training must have been provided by an individual approved to provide~~  
 124.22 ~~CPR instruction, must be repeated at least once every two years, and must be documented~~  
 124.23 ~~in the caregiver's records. The family child care license holder must complete pediatric~~  
 124.24 ~~cardiopulmonary resuscitation (CPR) training prior to licensure. Caregivers and substitutes~~  
 124.25 ~~must complete pediatric CPR training prior to caring for children. Training that has been~~  
 124.26 ~~completed in the previous two years fulfills this requirement.~~

124.27 (b) ~~A family child care provider is exempt from the CPR training requirement in this~~  
 124.28 ~~subdivision related to any substitute caregiver who provides less than 30 hours of care during~~  
 124.29 ~~any 12-month period. The CPR training must be provided by an individual approved to~~  
 124.30 ~~provide CPR instruction.~~

124.31 (c) ~~Persons providing CPR training must use CPR training that has been developed. The~~  
 124.32 ~~Pediatric CPR training must:~~

124.33 (1) ~~by the American Heart Association or the American Red Cross and incorporates~~  
 124.34 ~~psychomotor skills to support the instruction; or~~

125.1 (2) ~~using nationally recognized, evidence-based guidelines for CPR training and~~  
 125.2 ~~incorporates psychomotor skills to support the instruction.~~

125.3 (1) ~~cover CPR techniques for infants and children and the treatment of obstructed airways;~~

96.28 Subd. 3. **First aid.** (a) ~~When children are present in a family child care home governed~~  
 96.29 ~~by Minnesota Rules, parts 9502.0315 to 9502.0445, at least one staff person must be present~~  
 96.30 ~~in the home who has been trained in first aid. The first aid training must have been provided~~  
 96.31 ~~by an individual approved to provide first aid instruction. First aid training may be less than~~  
 96.32 ~~eight hours and persons qualified to provide first aid training include individuals approved~~  
 97.1 ~~as first aid instructors. First aid training must be repeated every two years before the license~~  
 97.2 ~~holder's license expires in the second year after the prior first aid training.~~

97.3 (b) ~~A family child care provider is exempt from the first aid training requirements under~~  
 97.4 ~~this subdivision related to any substitute caregiver who provides less than 30 hours of care~~  
 97.5 ~~during any 12-month period.~~

97.6 (c) Video training reviewed and approved by the county licensing agency satisfies the  
 97.7 training requirement of this subdivision.

97.8 Sec. 20. ~~Minnesota Statutes 2018, section 245A.50, subdivision 4, is amended to read:~~

97.9 Subd. 4. **Cardiopulmonary resuscitation.** (a) ~~When children are present in a family~~  
 97.10 ~~child care home governed by Minnesota Rules, parts 9502.0315 to 9502.0445, at least one~~  
 97.11 ~~caregiver must be present in the home who has been trained in cardiopulmonary resuscitation~~  
 97.12 ~~(CPR), including CPR techniques for infants and children, and in the treatment of obstructed~~  
 97.13 ~~airways. The CPR training must have been provided by an individual approved to provide~~  
 97.14 ~~CPR instruction, must be repeated at least once every two years before the license holder's~~  
 97.15 ~~license expires in the second year after the prior CPR training, and must be documented in~~  
 97.16 ~~the caregiver's records.~~

97.17 (b) ~~A family child care provider is exempt from the CPR training requirement in this~~  
 97.18 ~~subdivision related to any substitute caregiver who provides less than 30 hours of care during~~  
 97.19 ~~any 12-month period.~~

97.20 (c) ~~Persons providing CPR training must use CPR training that has been developed:~~

97.21 (1) ~~by the American Heart Association or the American Red Cross and incorporates~~  
 97.22 ~~psychomotor skills to support the instruction; or~~

97.23 (2) ~~using nationally recognized, evidence-based guidelines for CPR training and~~  
 97.24 ~~incorporates psychomotor skills to support the instruction.~~



125.4 (2) include instruction, hands-on practice, and an in-person observed skills assessment  
 125.5 under the direct supervision of a CPR instructor; and

125.6 (3) be developed by the American Heart Association, the American Red Cross, or another  
 125.7 organization that uses nationally recognized, evidence-based guidelines for CPR.

125.8 (d) License holders, caregivers, and substitutes must complete pediatric CPR training  
 125.9 at least once every two years.

125.10 Subd. 5. **Sudden unexpected infant death and abusive head trauma training.** (a)  
 125.11 The license holder must complete training on reducing the risk of sudden unexpected infant  
 125.12 death prior to caring for infants. License holders must ~~document~~ ensure that before ~~staff~~  
 125.13 ~~persons, caregivers, substitutes,~~ and helpers assist in the care of infants, they are instructed  
 125.14 on the standards in section 245A.1435 and receive training on reducing the risk of sudden  
 125.15 unexpected infant death.

125.16 (b) The license holder must complete training on reducing the risk of abusive head  
 125.17 trauma, prior to caring for infants and children under school age. In addition, license holders  
 125.18 must ~~document~~ ensure that before ~~staff persons, caregivers, substitutes,~~ and helpers assist  
 125.19 in the care of infants and children under school age, they receive training on reducing the  
 125.20 risk of abusive head trauma ~~from shaking infants and young children.~~ The training in this  
 125.21 subdivision may be provided as initial training under subdivision 1 or ongoing annual  
 125.22 training under subdivision 7.

125.23 ~~(b)~~ (c) Sudden unexpected infant death reduction training required under this subdivision  
 125.24 must, at a minimum, address the risk factors related to sudden unexpected infant death,  
 125.25 means of reducing the risk of sudden unexpected infant death in child care, and license  
 125.26 holder communication with parents regarding reducing the risk of sudden unexpected infant  
 125.27 death.

125.28 ~~(d)~~ (d) Abusive head trauma training required under this subdivision must, at a minimum,  
 125.29 address the risk factors related to shaking infants and young children, means of reducing  
 125.30 the risk of abusive head trauma in child care, and license holder communication with parents  
 125.31 regarding reducing the risk of abusive head trauma.

125.32 ~~(e)~~ (e) Training for family and group family child care providers must be developed by  
 125.33 the commissioner ~~in conjunction with the Minnesota Sudden Infant Death Center and~~  
 126.1 ~~approved by the Minnesota Center for Professional Development Achieve - The MN Center~~  
 126.2 ~~for Professional Development.~~ Sudden unexpected infant death reduction training and  
 126.3 abusive head trauma training may be provided in a single course of no more than two hours  
 126.4 in length.

97.25 Sec. 21. Minnesota Statutes 2018, section 245A.50, subdivision 5, is amended to read:

97.26 Subd. 5. **Sudden unexpected infant death and abusive head trauma training.** (a)  
 97.27 License holders must ~~document~~ that before ~~staff persons, caregivers,~~ and helpers assist in  
 97.28 the care of infants, they are instructed on the standards in section 245A.1435 and receive  
 97.29 training on reducing the risk of sudden unexpected infant death. In addition, license holders  
 97.30 must ~~document~~ that before ~~staff persons, caregivers,~~ and helpers assist in the care of infants  
 97.31 and children under school age, they receive training on reducing the risk of abusive head  
 97.32 trauma ~~from shaking infants and young children.~~ The training in this subdivision may be  
 98.1 provided as initial training under subdivision 1 or ongoing annual training under subdivision  
 98.2 7.

98.3 ~~(b)~~ (b) Sudden unexpected infant death reduction training required under this subdivision  
 98.4 must, at a minimum, address the risk factors related to sudden unexpected infant death,  
 98.5 means of reducing the risk of sudden unexpected infant death in child care, and license  
 98.6 holder communication with parents regarding reducing the risk of sudden unexpected infant  
 98.7 death.

98.8 ~~(c)~~ (c) Abusive head trauma training required under this subdivision must, at a minimum,  
 98.9 address the risk factors related to shaking infants and young children, means of reducing  
 98.10 the risk of abusive head trauma in child care, and license holder communication with parents  
 98.11 regarding reducing the risk of abusive head trauma.

98.12 ~~(d)~~ (d) Training for family and group family child care providers must be developed by the  
 98.13 commissioner ~~in conjunction with the Minnesota Sudden Infant Death Center and approved~~  
 98.14 ~~by the Minnesota~~ Center for Professional Development. Sudden unexpected infant death  
 98.15 reduction training and abusive head trauma training may be provided in a single course of  
 98.16 no more than two hours in length.



126.5 ~~(f)~~ (f) Sudden unexpected infant death reduction training and abusive head trauma  
 126.6 training required under this subdivision must be completed in person or as allowed under  
 126.7 subdivision 10, clause (1) or (2), at least once every two years. On the years when the license  
 126.8 holder is, caregiver, substitute, and helper are not receiving training in person or as allowed  
 126.9 under subdivision 10, clause (1) or (2), the license holder, caregiver, substitute, and helper  
 126.10 must receive sudden unexpected infant death reduction training and abusive head trauma  
 126.11 training through a video of no more than one hour in length. The video must be developed  
 126.12 or approved by the commissioner.

126.13 ~~(g)~~ (g) An individual who is related to the license holder as defined in section 245A.02,  
 126.14 subdivision 13, and who is involved only in the care of the license holder's own infant or  
 126.15 child under school age and who is not designated to be a caregiver, helper, or substitute, as  
 126.16 defined in Minnesota Rules, part 9502.0315, for the licensed program, is exempt from the  
 126.17 sudden unexpected infant death and abusive head trauma training.

126.18 Subd. 6. **Child passenger restraint systems; training requirement.** (a) A license  
 126.19 holder must comply with all seat belt and child passenger restraint system requirements  
 126.20 under section 169.685.

126.21 (b) Family and group family child care programs licensed by the Department of Human  
 126.22 Services that serve a child or children under nine years of age must document training that  
 126.23 fulfills the requirements in this subdivision.

126.24 (a) (1) Before A license holder, ~~staff person, caregiver, or helper~~ caregiver, or substitute  
 126.25 transports may transport a child or children under age ~~nine~~ eight in a motor vehicle, the  
 126.26 person Before placing the child or children in a passenger restraint, the person must  
 126.27 satisfactorily complete training on the proper use and installation of child restraint systems  
 126.28 in motor vehicles. Training completed under this subdivision may be used to meet initial  
 126.29 training under subdivision 1 or ongoing training under subdivision 7.

126.30 (2) Training required under this subdivision must be ~~at least one hour in length, completed~~  
 126.31 ~~at initial training, and~~ repeated at least once every five years.

126.32 (3) At a minimum, the training must address the proper use of child restraint systems  
 126.33 based on the child's size, weight, and age, and the proper installation of a car seat or booster  
 126.34 seat in the motor vehicle used by the license holder to transport the child or children.

127.1 ~~(4)~~ (4) Training under this subdivision must be provided by individuals who are certified  
 127.2 and approved by the Department of Public Safety, Office of Traffic Safety. License holders  
 127.3 may obtain a list of certified and approved trainers through the Department of Public Safety  
 127.4 website or by contacting the agency.

127.5 ~~(b)~~ (b) Child care providers that only transport school-age children as defined in section  
 127.6 245A.02, subdivision 19, paragraph (f), in child care buses as defined in section 169.448,  
 127.7 subdivision 1, paragraph (e), are exempt from this subdivision.

98.17 (e) Sudden unexpected infant death reduction training and abusive head trauma training  
 98.18 required under this subdivision must be completed in person or as allowed under subdivision  
 98.19 10, clause (1) or (2), at least once every two years. On the years when the license holder is  
 98.20 not receiving training in person or as allowed under subdivision 10, clause (1) or (2), the  
 98.21 license holder must receive sudden unexpected infant death reduction training and abusive  
 98.22 head trauma training through a video of no more than one hour in length. The video must  
 98.23 be developed or approved by the commissioner as part of the annual refresher training course  
 98.24 under subdivision 12.

98.25 (f) An individual who is related to the license holder as defined in section 245A.02,  
 98.26 subdivision 13, and who is involved only in the care of the license holder's own infant or  
 98.27 child under school age and who is not designated to be a caregiver, helper, or substitute, as  
 98.28 defined in Minnesota Rules, part 9502.0315, for the licensed program, is exempt from the  
 98.29 sudden unexpected infant death and abusive head trauma training.

98.30 Sec. 22. Minnesota Statutes 2018, section 245A.50, subdivision 6, is amended to read:

98.31 Subd. 6. **Child passenger restraint systems; training requirement.** (a) A license  
 98.32 holder must comply with all seat belt and child passenger restraint system requirements  
 98.33 under section 169.685.

99.1 (b) Family and group family child care programs licensed by the Department of Human  
 99.2 Services that serve a child or children under ~~nine~~ eight years of age must document training  
 99.3 that fulfills the requirements in this subdivision.

99.4 (1) Before a license holder, ~~staff person, caregiver, or helper~~ transports a child or children  
 99.5 under age ~~nine~~ eight in a motor vehicle, the person placing the child or children in a passenger  
 99.6 restraint must satisfactorily complete training on the proper use and installation of child  
 99.7 restraint systems in motor vehicles. Training completed under this subdivision may be used  
 99.8 to meet initial training under subdivision 1 or ongoing training under subdivision 7.

99.9 (2) Training required under this subdivision must be ~~at least one hour in length, completed~~  
 99.10 ~~at initial training, and~~ repeated at least once every five years before the license holder's  
 99.11 license expires in the fifth year after the prior child passenger restraint system training. At  
 99.12 a minimum, the training must address the proper use of child restraint systems based on the  
 99.13 child's size, weight, and age, and the proper installation of a car seat or booster seat in the  
 99.14 motor vehicle used by the license holder to transport the child or children.

99.15 (3) Training under this subdivision must be provided by individuals who are certified  
 99.16 and approved by the Department of Public Safety, Office of Traffic Safety. License holders  
 99.17 may obtain a list of certified and approved trainers through the Department of Public Safety  
 99.18 website or by contacting the agency.

99.19 (c) Child care providers that only transport school-age children as defined in section  
 99.20 245A.02, subdivision 19, paragraph (f), in child care buses as defined in section 169.448,  
 99.21 subdivision 1, paragraph (e), are exempt from this subdivision.

127.8 Subd. 7. **Ongoing training requirements for family and group family child care**  
 127.9 **license holders and caregivers.** For purposes of family and group family child care, (a)  
 127.10 The license holder and each primary caregiver must complete 16 hours of ongoing training  
 127.11 each year. For purposes of this subdivision, a primary caregiver is an adult caregiver who  
 127.12 provides services in the licensed setting for more than 30 days in any 12-month period.  
 127.13 Repeat of topical training requirements in subdivisions 2 to 8 shall count toward the annual  
 127.14 16-hour training requirement.

127.15 (b) The license holder and caregiver must annually complete ongoing training as follows:

127.16 (1) as required by subdivision 2, a two-hour course in: child development that may be  
 127.17 fulfilled by any course in Knowledge and Competency Area I: Child Development and  
 127.18 Learning; or behavior guidance that may be fulfilled by any course in Knowledge and  
 127.19 Competency Area II-C: Promoting Social and Emotional Development;

127.20 (2) a two-hour course in active supervision that may be fulfilled by any course in:  
 127.21 Knowledge and Competency Area VII-A: Establishing Healthy Practices; or Knowledge  
 127.22 and Competency Area VII-B: Ensuring Safety; and

127.23 (3) if applicable, ongoing training in reducing the risk of sudden unexpected infant death  
 127.24 and abusive head trauma, as required under subdivision 5.

127.25 (c) At least once every two years, the license holder and caregiver must complete ongoing  
 127.26 training as follows:

127.27 (1) training in pediatric first aid as required under subdivision 3;

127.28 (2) training in pediatric CPR as required under subdivision 4; and

127.29 (3) a two-hour course on accommodating children with disabilities or on cultural  
 127.30 dynamics that may be fulfilled by completing any course in Knowledge and Competency  
 127.31 Area III: Relationships with Families.

128.1 (d) At least once every five years, the license holder and caregiver must complete ongoing  
 128.2 training as follows:

128.3 (1) the two-hour courses Health and Safety I and Health and Safety II; and

128.4 (2) if applicable, ongoing training in child passenger restraint, as required under  
 128.5 subdivision 6.

128.6 (e) Additional ongoing training subjects to meet the annual 16-hour training requirement  
 128.7 must be selected from the following areas training in the following content areas of the  
 128.8 Minnesota Knowledge and Competency Framework:

99.22 Sec. 23. Minnesota Statutes 2018, section 245A.50, subdivision 7, is amended to read:

99.23 Subd. 7. **Training requirements for family and group family child care.** For purposes  
 99.24 of family and group family child care, the license holder and each primary caregiver must  
 99.25 complete 16 ten hours of ongoing training each year. For purposes of this subdivision, a  
 99.26 primary caregiver is an adult caregiver who provides services in the licensed setting for  
 99.27 more than 30 days in any 12-month period. Repeat of topical training requirements in  
 99.28 subdivisions 2 to 8, and the annual refresher training course in subdivision 12, shall count  
 99.29 toward the annual 16-hour ten-hour training requirement. Additional ongoing training  
 99.30 subjects to meet the annual 16-hour ten-hour training requirement must be selected from  
 99.31 the following areas:

- 128.9 (1) Content area I: child development and learning, including training ~~under subdivision~~  
 128.10 ~~2, paragraph (a) in understanding how children develop physically, cognitively, emotionally,~~  
 128.11 ~~and socially; and learn as part of the childrens' family, culture, and community;~~
- 128.12 (2) Content area II: developmentally appropriate learning experiences, including training  
 128.13 in creating positive learning experiences, promoting cognitive development, promoting  
 128.14 social and emotional development, promoting physical development, promoting creative  
 128.15 development; and behavior guidance;
- 128.16 (3) Content area III: relationships with families, including training in building a positive,  
 128.17 respectful relationship with the child's family;
- 128.18 (4) Content area IV: assessment, evaluation, and individualization, including training  
 128.19 in observing, recording, and assessing development; assessing and using information to  
 128.20 plan; and assessing and using information to enhance and maintain program quality;
- 128.21 (5) Content area V: historical and contemporary development of early childhood  
 128.22 education, including training in past and current practices in early childhood education and  
 128.23 how current events and issues affect children, families, and programs;
- 128.24 (6) Content area VI: professionalism, including training in knowledge, skills, and abilities  
 128.25 that promote ongoing professional development; and
- 128.26 (7) Content area VII: health, safety, and nutrition, including training in establishing  
 128.27 healthy practices; ensuring safety; and providing healthy nutrition.
- 128.28 Subd. 8. **Other required training requirements Ongoing training requirements for**  
 128.29 **substitutes and helpers. (a) The training required of family and group family child care**  
 128.30 **providers and staff must include training in the cultural dynamics of early childhood**  
 128.31 **development and child care. The cultural dynamics and disabilities training and skills**  
 129.1 **development of child care providers must be designed to achieve outcomes for providers**  
 129.2 **of child care that include, but are not limited to:**
- 129.3 (1) ~~an understanding and support of the importance of culture and differences in ability~~  
 129.4 ~~in children's identity development;~~
- 129.5 (2) ~~understanding the importance of awareness of cultural differences and similarities~~  
 129.6 ~~in working with children and their families;~~
- 129.7 (3) ~~understanding and support of the needs of families and children with differences in~~  
 129.8 ~~ability;~~
- 129.9 (4) ~~developing skills to help children develop unbiased attitudes about cultural differences~~  
 129.10 ~~and differences in ability;~~
- 129.11 (5) ~~developing skills in culturally appropriate caregiving; and~~

- 99.32 (1) child development and learning training under subdivision 2, paragraph (a);
- 100.1 (2) developmentally appropriate learning experiences, including training in creating  
 100.2 positive learning experiences, promoting cognitive development, promoting social and  
 100.3 emotional development, promoting physical development, promoting creative development;  
 100.4 and behavior guidance;
- 100.5 (3) relationships with families, including training in building a positive, respectful  
 100.6 relationship with the child's family;
- 100.7 (4) assessment, evaluation, and individualization, including training in observing,  
 100.8 recording, and assessing development; assessing and using information to plan; and assessing  
 100.9 and using information to enhance and maintain program quality;
- 100.10 (5) historical and contemporary development of early childhood education, including  
 100.11 training in past and current practices in early childhood education and how current events  
 100.12 and issues affect children, families, and programs;
- 100.13 (6) professionalism, including training in knowledge, skills, and abilities that promote  
 100.14 ongoing professional development; and
- 100.15 (7) health, safety, and nutrition, including training in establishing healthy practices;  
 100.16 ensuring safety; and providing healthy nutrition.
- 100.17 **EFFECTIVE DATE. This section is effective January 1, 2020.**

129.12 ~~(6) developing skills in appropriate caregiving for children of different abilities.~~

129.13 ~~The commissioner shall approve the curriculum for cultural dynamics and disability~~  
129.14 ~~training.~~

129.15 ~~(b) The provider must meet the training requirement in section 245A.14, subdivision~~  
129.16 ~~H, paragraph (a), clause (4), to be eligible to allow a child cared for at the family child care~~  
129.17 ~~or group family child care home to use the swimming pool located at the home.~~

129.18 ~~(a) Each substitute must complete ongoing training on the following schedule:~~

129.19 ~~(1) annually, if applicable, training in reducing the risk of sudden unexpected infant~~  
129.20 ~~death and abusive head trauma as required under subdivision 5;~~

129.21 ~~(2) at least once every two years: (i) training in pediatric first aid as required under~~  
129.22 ~~subdivision 3; (ii) training in pediatric CPR as required under subdivision 4; and (iii) the~~  
129.23 ~~four-hour Basics of Licensed Family Child Care for Substitutes course; and~~

129.24 ~~(3) at least once every five years, if applicable, training in child passenger restraints, as~~  
129.25 ~~required under subdivision 6.~~

129.26 ~~(b) Each helper must complete training on the following schedule:~~

129.27 ~~(1) annually, if applicable, training in reducing the risk of sudden unexpected infant~~  
129.28 ~~death and abusive head trauma as required under subdivision 5; and~~

129.29 ~~(2) at least once every two years: (i) the one-hour course Basics of Child Development~~  
129.30 ~~for Helpers; or (ii) any course in Knowledge and Competency Area I: Child Development~~  
129.31 ~~and Learning.~~

130.1 ~~Subd. 9. **Supervising for safety; training requirement.** (a) Before initial licensure and~~  
130.2 ~~before caring for a child, all family child care license holders and each adult caregiver who~~  
130.3 ~~provides care in the licensed family child care home for more than 30 days in any 12-month~~  
130.4 ~~period shall complete and document the completion of the six-hour Supervising for Safety~~  
130.5 ~~for Family Child Care course developed by the commissioner.~~

130.6 ~~(b) The family child care license holder and each adult caregiver who provides care in~~  
130.7 ~~the licensed family child care home for more than 30 days in any 12-month period shall~~  
130.8 ~~complete and document:~~

130.9 ~~(1) the annual completion of a two-hour active supervision course developed by the~~  
130.10 ~~commissioner; and~~

100.18 Sec. 24. Minnesota Statutes 2018, section 245A.50, subdivision 9, is amended to read:

100.19 Subd. 9. **Supervising for safety; training requirement.** (a) Before initial licensure and  
100.20 before caring for a child, all family child care license holders and each adult caregiver who  
100.21 provides care in the licensed family child care home for more than 30 days in any 12-month  
100.22 period shall complete and document the completion of the six-hour Supervising for Safety  
100.23 for Family Child Care course developed by the commissioner.

100.24 (b) The family child care license holder and each adult caregiver who provides care in  
100.25 the licensed family child care home for more than 30 days in any 12-month period shall  
100.26 complete and document: the completion of the two-hour courses Health and Safety I and  
100.27 Health and Safety II at least once before the license holder's license expires in the fifth year  
100.28 after the prior supervising for safety training.

100.29 (1) the annual completion of a two-hour active supervision course developed by the  
100.30 commissioner; and

130.11 ~~(2) the completion at least once every five years of the two-hour courses Health and~~  
 130.12 ~~Safety I and Health and Safety II. A license holder's or adult caregiver's completion of either~~  
 130.13 ~~training in a given year meets the annual active supervision training requirement in clause~~  
 130.14 ~~(1).~~

130.15 Subd. 10. **Approved training.** County licensing staff must accept training approved by  
 130.16 the Minnesota Center for Professional Development Achieve - the MN Center for  
 130.17 Professional Development, including:

130.18 (1) face-to-face or classroom training;

130.19 (2) online training; and

130.20 (3) relationship-based professional development, such as mentoring, coaching, and  
 130.21 consulting.

130.22 Subd. 11. **Provider training.** New and increased training requirements under this section  
 130.23 must not be imposed on providers until the commissioner establishes statewide accessibility  
 130.24 to the required provider training.

130.25 Subd. 12. **Documentation.** The license holder must document the date of a completed  
 130.26 training required by this section for the license holder, each caregiver, substitute, and helper.

130.27 Subd. 13. **Training exemption.** An individual who is related to the license holder, as  
 130.28 defined in section 245A.02, subdivision 13, who is involved only in the care of the family  
 130.29 child care license holder's own child and who is not a designated caregiver, helper, or  
 130.30 substitute for the licensed program is exempt from the training requirements in this section.

130.31 **EFFECTIVE DATE.** This section is effective September 30, 2019.

100.31 ~~(2) the completion at least once every five years of the two-hour courses Health and~~  
 100.32 ~~Safety I and Health and Safety II. A license holder's or adult caregiver's completion of either~~  
 101.1 ~~training in a given year meets the annual active supervision training requirement in clause~~  
 101.2 ~~(1).~~

101.3 **EFFECTIVE DATE.** This section is effective January 1, 2020.

101.15 Sec. 26. Minnesota Statutes 2018, section 245A.50, is amended by adding a subdivision  
 101.16 to read:

101.17 Subd. 13. **Related individual training exemption.** An individual who is related to a  
 101.18 child in a child care program may care for or have contact with that child at the child care  
 101.19 site without completing the training requirements under this chapter, unless the individual  
 101.20 is designated to be a caregiver, helper, or substitute in the child care program.

101.4 Sec. 25. Minnesota Statutes 2018, section 245A.50, is amended by adding a subdivision  
 101.5 to read:

101.6 Subd. 12. **Annual refresher training course.** Beginning January 1, 2020, license holders,  
 101.7 staff persons, caregivers, substitutes, and helpers must complete an annual refresher training  
 101.8 course, as developed by the commissioner of human services. The annual refresher training  
 101.9 course must incorporate training on: (1) active supervision; (2) child development and  
 101.10 learning, and behavior guidance; (3) sudden unexpected infant death and abusive head  
 101.11 trauma; and (4) any training required by the child care development block grant. The annual  
 101.12 refresher training course shall not exceed two hours. Providers may complete the annual

131.1 Sec. 53. Minnesota Statutes 2018, section 245A.51, subdivision 3, is amended to read:

- 131.2 Subd. 3. **Emergency preparedness plan.** (a) ~~No later than September 30, 2017, a~~  
 131.3 licensed family child care provider must have a written emergency preparedness plan for  
 131.4 emergencies that require evacuation, sheltering, or other protection of children, such as fire,  
 131.5 natural disaster, intruder, or other threatening situation that may pose a health or safety  
 131.6 hazard to children. The plan must be written on a form developed by the commissioner and  
 131.7 updated at least annually. The plan must include:
- 131.8 (1) procedures for an evacuation, relocation, shelter-in-place, or lockdown;
- 131.9 (2) a designated relocation site and evacuation route;
- 131.10 (3) procedures for notifying a child's parent or legal guardian of the evacuation,  
 131.11 shelter-in-place, or lockdown, including procedures for reunification with families;
- 131.12 (4) accommodations for a child with a disability or a chronic medical condition;
- 131.13 (5) procedures for storing a child's medically necessary medicine that facilitate easy  
 131.14 removal during an evacuation or relocation;
- 131.15 (6) procedures for continuing operations in the period during and after a crisis; ~~and~~
- 131.16 (7) procedures for communicating with local emergency management officials, law  
 131.17 enforcement officials, or other appropriate state or local authorities; ~~and~~
- 131.18 (8) accommodations for infants and toddlers.
- 131.19 (b) The license holder must train caregivers before the caregiver provides care and at  
 131.20 least annually on the emergency preparedness plan and document completion of this training.
- 131.21 (c) The license holder must conduct drills according to the requirements in Minnesota  
 131.22 Rules, part 9502.0435, subpart 8. The date and time of the drills must be documented.
- 131.23 (d) The license holder must have the emergency preparedness plan available for review  
 131.24 ~~and posted in a prominent location. The license holder must provide a physical or electronic~~  
 131.25 ~~copy of the plan to the child's parent or legal guardian upon enrollment.~~
- 131.26 **EFFECTIVE DATE.** This section is effective September 30, 2019.

101.13 ~~refresher training course online through self-study. Providers must document completion~~  
 101.14 ~~of the annual refresher training course.~~

101.21 Sec. 27. Minnesota Statutes 2018, section 245A.50, is amended by adding a subdivision  
 101.22 to read:

101.23 Subd. 14. **Emergency substitute caregiver training exemption.** ~~During an emergency,~~  
 101.24 ~~substitute caregivers are exempt from training requirements under this section, and~~  
 101.25 ~~background study requirements under this chapter.~~

101.26 Sec. 28. Minnesota Statutes 2018, section 245A.51, subdivision 3, is amended to read:

- 101.27 Subd. 3. **Emergency preparedness plan.** (a) ~~No later than September 30, 2017, a~~  
 101.28 licensed family child care provider must have a written emergency preparedness plan for  
 101.29 emergencies that require evacuation, sheltering, or other protection of children, such as fire,  
 101.30 natural disaster, intruder, or other threatening situation that may pose a health or safety  
 102.1 hazard to children. The plan must be written on a form developed by the commissioner and  
 102.2 updated at least annually. The plan must include:
- 102.3 (1) procedures for an evacuation, relocation, shelter-in-place, or lockdown;
- 102.4 (2) a designated relocation site and evacuation route;
- 102.5 (3) procedures for notifying a child's parent or legal guardian of the evacuation,  
 102.6 shelter-in-place, or lockdown, including procedures for reunification with families;
- 102.7 (4) accommodations for a child with a disability or a chronic medical condition;
- 102.8 (5) procedures for storing a child's medically necessary medicine that facilitate easy  
 102.9 removal during an evacuation or relocation;
- 102.10 (6) procedures for continuing operations in the period during and after a crisis; ~~and~~
- 102.11 (7) procedures for communicating with local emergency management officials, law  
 102.12 enforcement officials, or other appropriate state or local authorities.
- 102.13 (b) The license holder must train caregivers before the caregiver provides care and at  
 102.14 least annually on the emergency preparedness plan and document completion of this training.
- 102.15 (c) The license holder must conduct drills according to the requirements in Minnesota  
 102.16 Rules, part 9502.0435, subpart 8. The date and time of the drills must be documented.
- 102.17 (d) The license holder must have the emergency preparedness plan available for review  
 102.18 ~~and posted in a prominent location. The license holder must provide a physical or electronic~~  
 102.19 ~~copy of the plan to the child's parent or legal guardian upon enrollment.~~

- 131.27 Sec. 54. Minnesota Statutes 2018, section 245A.51, is amended by adding a subdivision  
131.28 to read:
- 131.29 Subd. 4. **Transporting children.** A license holder must ensure compliance with all seat  
131.30 belt and child passenger restraint system requirements under section 169.685.
- 132.1 **EFFECTIVE DATE.** This section is effective September 30, 2019.
- 132.2 Sec. 55. Minnesota Statutes 2018, section 245A.51, is amended by adding a subdivision  
132.3 to read:
- 132.4 Subd. 5. **Telephone requirement.** Notwithstanding Minnesota Rules, part 9502.0435,  
132.5 subpart 8, item B, a license holder is not required to post a list of emergency numbers. A  
132.6 license holder may use a cellular telephone to meet the requirements of Minnesota Rules,  
132.7 part 9502.0435, subpart 8, if the cellular telephone is sufficiently charged for use at all times.
- 132.8 **EFFECTIVE DATE.** This section is effective September 30, 2019.
- 132.9 Sec. 56. [245A.52] FAMILY CHILD CARE PHYSICAL SPACE REQUIREMENTS.
- 132.10 Subdivision 1. **Means of escape.** (a) (1) At least one emergency escape route separate  
132.11 from the main exit from the space must be available in each room used for sleeping by  
132.12 anyone receiving licensed care, and (2) a basement used for child care. One means of escape  
132.13 must be a stairway or door leading to the floor of exit discharge. The other must be a door  
132.14 or window leading directly outside. A window used as an emergency escape route must be  
132.15 openable without special knowledge.
- 132.16 (b) In homes with construction that began before May 2, 2016, the interior of the window  
132.17 leading directly outside must have a net clear opening area of not less than 4.5 square feet  
132.18 or 648 square inches and have minimum clear opening dimensions of 20 inches wide and  
132.19 20 inches high. The opening must be no higher than 48 inches from the floor. The height  
132.20 to the window may be measured from a platform if a platform is located below the window.
- 132.21 (c) In homes with construction that began on or after May 2, 2016, the interior of the  
132.22 window leading directly outside must have minimum clear opening dimensions of 20 inches  
132.23 wide and 24 inches high. The net clear opening dimensions shall be the result of normal  
132.24 operation of the opening. The opening must be no higher than 44 inches from the floor.
- 132.25 (d) Additional requirements are dependent on the distance of the openings from the  
132.26 ground outside the window: (1) windows or other openings with a sill height not more than  
132.27 44 inches above or below the finished ground level adjacent to the opening (grade-floor  
132.28 emergency escape and rescue openings) must have a minimum opening of five square feet;  
132.29 and (2) non-grade floor emergency escape and rescue openings must have a minimum  
132.30 opening of 5.7 square feet.
- 132.31 Subd. 2. **Door to attached garage.** Notwithstanding Minnesota Rules, part 9502.0425,  
132.32 subpart 5, day care residences with an attached garage are not required to have a self-closing



133.1 door to the residence. The door to the residence may be a steel insulated door if the door is  
 133.2 at least 1-3/8 inches thick.

133.3 Subd. 3. **Heating and venting systems.** Notwithstanding Minnesota Rules, part  
 133.4 9502.0425, subpart 7, items that can be ignited and support combustion, including but not  
 133.5 limited to plastic, fabric, and wood products must not be located within 18 inches of a gas  
 133.6 or fuel-oil heater or furnace. If a license holder produces manufacturer instructions listing  
 133.7 a smaller distance, then the manufacturer instructions control the distance combustible items  
 133.8 must be from gas, fuel-oil, or solid-fuel burning heaters or furnaces.

133.9 Subd. 4. **Fire extinguisher.** A portable, operational, multipurpose, dry chemical fire  
 133.10 extinguisher with a minimum 2 A 10 BC rating must be located in or near the kitchen and  
 133.11 cooking areas of the residence at all times. The fire extinguisher must be serviced annually  
 133.12 by a qualified inspector. All caregivers must know how to properly use the fire extinguisher.

133.13 Subd. 5. **Carbon monoxide and smoke alarms.** (a) All homes must have an approved  
 133.14 and operational carbon monoxide alarm installed within ten feet of each room used for  
 133.15 sleeping children in care.

133.16 (b) Smoke alarms that have been listed by the Underwriter Laboratory must be properly  
 133.17 installed and maintained on all levels including basements, but not including crawl spaces  
 133.18 and uninhabitable attics, and in hallways outside rooms used for sleeping children in care.

133.19 (c) In homes with construction that began on or after May 2, 2016, smoke alarms must  
 133.20 be installed and maintained in each room used for sleeping children in care.

133.21 Subd. 6. **Updates.** After readoption of the Minnesota State Fire Code, the fire marshal  
 133.22 must notify the commissioner of any changes that conflict with this section and Minnesota  
 133.23 Rules, chapter 9502. The state fire marshal must identify necessary statutory changes to  
 133.24 align statutes with the revised code. The commissioner must recommend updates to sections  
 133.25 of chapter 245A that are derived from the Minnesota State Fire Code in the legislative  
 133.26 session following readoption of the code.

133.27 **EFFECTIVE DATE.** This section is effective September 30, 2019.

133.28 Sec. 57. [245A.53] **SUBSTITUTE CAREGIVERS AND REPLACEMENTS IN**  
 133.29 **FAMILY CHILD CARE.**

133.30 Subdivision 1. **Total hours allowed.** Notwithstanding Minnesota Rules, part 9502.0365,  
 133.31 subpart 5, the use of a substitute caregiver in a licensed family child care program must be  
 133.32 limited to a cumulative total of not more than 400 hours in a calendar year. The license  
 134.1 holder must document the name, dates, and number of hours of the substitute who provided  
 134.2 care.

134.3 Subd. 2. **Emergency replacement supervision.** (a) A license holder may allow an adult  
 134.4 who has not completed the training requirements under this chapter or the background study

102.20 Sec. 29. [245A.52] **FAMILY CHILD CARE SUBSTITUTE CAREGIVERS.**

102.21 The use of a substitute caregiver must be limited to a cumulative total of 720 hours in  
 102.22 any 12-month period.



- 134.5 requirements under chapter 245C to supervise children in a family child care program in  
 134.6 an emergency. For purposes of this subdivision, an emergency is a situation in which:
- 134.7 (1) the license holder has begun operating the family child care program for the day and  
 134.8 for reasons beyond the license holder's control, including, but not limited to a serious illness  
 134.9 or injury, accident, or situation requiring the license holder's immediate attention, the license  
 134.10 holder needs to leave the licensed space and close the program for the day; and
- 134.11 (2) the parents or guardians of the children attending the program are contacted to pick  
 134.12 up their children as soon as is practicable.
- 134.13 (b) The license holder must make reasonable efforts to minimize the time the emergency  
 134.14 replacement has unsupervised contact with the children in care, not to exceed 24 hours per  
 134.15 emergency incident.
- 134.16 (c) The license holder shall not knowingly use a person as an emergency replacement  
 134.17 who has committed an action or has been convicted of a crime that would cause the person  
 134.18 to be disqualified from providing care to children, if a background study was conducted  
 134.19 under chapter 245C.
- 134.20 (d) To the extent practicable, the license holder must attempt to arrange for emergency  
 134.21 care by a substitute caregiver before using an emergency replacement.
- 134.22 (e) To the extent practicable, the license holder must notify the county licensing agency  
 134.23 within seven days that an emergency replacement was used, and specify the circumstances  
 134.24 that led to the use of the emergency replacement. The county licensing agency must notify  
 134.25 the commissioner within three business days after receiving the license holder's notice that  
 134.26 an emergency replacement was used, and specify the circumstances that led to the use of  
 134.27 the emergency replacement.
- 134.28 (f) Notwithstanding the requirements in Minnesota Rules, part 9502.0405, a license  
 134.29 holder is not required to provide the names of persons who may be used as substitutes or  
 134.30 replacements in emergencies to parents or the county licensing agency.
- 134.31 **EFFECTIVE DATE.** This section is effective September 30, 2019.

102.23 Sec. 30. [245A.60] OMBUDSPERSON FOR CHILD CARE PROVIDERS.

- 102.24 Subdivision 1. **Appointment.** The governor shall appoint an ombudsperson in the  
 102.25 classified service to assist family child care providers and legal nonlicensed child care  
 102.26 providers, with licensing, compliance, and other issues facing child care providers. The  
 102.27 ombudsperson shall meet the qualifications in subdivision 7, and shall be selected without  
 102.28 regard to the person's political affiliation. The ombudsperson shall serve a term of six years  
 102.29 and may be removed prior to the end of the term for just cause.

- 102.30 Subd. 2. **Duties.** (a) The ombudsperson's duties shall include:
- 103.1 (1) addressing all areas of concern to child care providers related to the provision of
- 103.2 child care services, including licensing, correction orders, penalty assessments, complaint
- 103.3 investigations, and other interactions with agency staff;
- 103.4 (2) assisting providers with interactions with county licensors and with appealing
- 103.5 correction orders;
- 103.6 (3) providing recommendations for child care improvement or child care provider
- 103.7 education;
- 103.8 (4) operating a telephone line to answer questions and provide guidance to child care
- 103.9 providers; and
- 103.10 (5) assisting child care license applicants.
- 103.11 (b) The ombudsperson must report annually by December 31 to the commissioner and
- 103.12 the chairs and ranking minority members of the legislative committees with jurisdiction
- 103.13 over child care on the services provided by the ombudsperson to child care providers,
- 103.14 including the number, types, and locations of child care providers served, and the activities
- 103.15 of the ombudsperson to carry out the duties under this section. The commissioner shall
- 103.16 determine the form of the report and may specify additional reporting requirements.
- 103.17 Subd. 3. **Staff.** The ombudsperson may appoint and compensate out of available funds
- 103.18 a deputy, confidential secretary, and other employees in the unclassified service as authorized
- 103.19 by law. The ombudsperson and the full-time staff are members of the Minnesota State
- 103.20 Retirement Association. The ombudsperson may delegate to members of the staff any
- 103.21 authority or duties of the office except the duty to formally make recommendations to a
- 103.22 child care provider or reports to the commissioner or the legislature.
- 103.23 Subd. 4. **Access to records.** (a) The ombudsperson or designee, excluding volunteers,
- 103.24 has access to data of a state agency necessary for the discharge of the ombudsperson's duties,
- 103.25 including records classified as confidential data on individuals or private data on individuals
- 103.26 under chapter 13 or any other law. The ombudsperson's data request must relate to a specific
- 103.27 case and is subject to section 13.03, subdivision 4. If the data concerns an individual, the
- 103.28 ombudsperson or designee shall first obtain the individual's consent. If the individual cannot
- 103.29 consent and has no legal guardian, then access to the data is authorized by this section.
- 103.30 (b) On a quarterly basis, each state agency responsible for licensing, regulating, and
- 103.31 enforcing state and federal laws and regulations concerning child care providers must provide
- 103.32 the ombudsperson copies of all correction orders, penalty assessments, and complaint
- 103.33 investigation reports for all child care providers.
- 104.1 Subd. 5. **Independence of action.** In carrying out the duties under this section, the
- 104.2 ombudsperson shall operate independently of the department and may provide testimony

135.1 Sec. 58. Minnesota Statutes 2018, section 245A.66, subdivision 2, is amended to read:

135.2 Subd. 2. **Child care centers; risk reduction plan.** (a) Child care centers licensed under

135.3 this chapter and Minnesota Rules, chapter 9503, must develop a risk reduction plan that

135.4 identifies the general risks to children served by the child care center. The license holder

135.5 must establish procedures to minimize identified risks, train staff on the procedures, and

135.6 annually review the procedures.

135.7 (b) The risk reduction plan must include an assessment of risk to children the center

135.8 serves or intends to serve and identify specific risks based on the outcome of the assessment.

135.9 The assessment of risk must be based on the following:

135.10 (1) an assessment of the risks presented by the physical plant where the licensed services

135.11 are provided, including an evaluation of the following factors: the condition and design of

135.12 the facility and its outdoor space, bathrooms, storage areas, and accessibility of medications

135.13 and cleaning products that are harmful to children when children are not supervised and the

135.14 existence of areas that are difficult to supervise; and

135.15 (2) an assessment of the risks presented by the environment for each facility and for

135.16 each site, including an evaluation of the following factors: the type of grounds and terrain

104.3 or make periodic reports to the legislature to address areas of concern and advocate for child

104.4 care providers.

104.5 Subd. 6. **Civil actions.** The ombudsperson or designee is not civilly liable for any action

104.6 taken under this section if the action was taken in good faith, was within the scope of the

104.7 ombudsperson's authority, and did not constitute willful or reckless misconduct.

104.8 Subd. 7. **Qualifications.** The ombudsperson must be a person who has at least five years

104.9 of experience providing child care as a family child care provider. The ombudsperson must

104.10 be experienced in dealing with governmental entities, interpretation of laws and regulations,

104.11 investigations, record keeping, report writing, public speaking, and management. A person

104.12 is not eligible to serve as the ombudsperson while holding public office and must not have

104.13 been previously employed by the child care licensing division of the Department of Human

104.14 Services or as a county licenser.

104.15 Subd. 8. **Office support.** The commissioner shall provide the ombudsperson with the

104.16 necessary office space, supplies, equipment, and clerical support to effectively perform the

104.17 duties under this section.

104.18 Subd. 9. **Posting.** (a) The commissioner shall post on the department's website the address

104.19 and telephone number for the office of the ombudsperson. The commissioner shall provide

104.20 all child care providers with the address and telephone number of the office. Counties must

104.21 provide child care providers with the name, address, and telephone number of the office.

104.22 (b) The ombudsperson must approve all posting and notice required by the department

104.23 and counties under this subdivision.

- 135.17 surrounding the building and the proximity to hazards, busy roads, and publicly accessed  
135.18 businesses.
- 135.19 (c) The risk reduction plan must include a statement of measures that will be taken to  
135.20 minimize the risk of harm presented to children for each risk identified in the assessment  
135.21 required under paragraph (b) related to the physical plant and environment. At a minimum,  
135.22 the stated measures must include the development and implementation of specific policies  
135.23 and procedures or reference to existing policies and procedures that minimize the risks  
135.24 identified.
- 135.25 (d) In addition to any program-specific risks identified in paragraph (b), the plan must  
135.26 include development and implementation of specific policies and procedures or refer to  
135.27 existing policies and procedures that minimize the risk of harm or injury to children,  
135.28 including:
- 135.29 (1) closing children's fingers in doors, including cabinet doors;
- 135.30 (2) leaving children in the community without supervision;
- 135.31 (3) children leaving the facility without supervision;
- 135.32 (4) caregiver dislocation of children's elbows;
- 136.1 (5) burns from hot food or beverages, whether served to children or being consumed by  
136.2 caregivers, and the devices used to warm food and beverages;
- 136.3 (6) injuries from equipment, such as scissors and glue guns;
- 136.4 (7) sunburn;
- 136.5 (8) feeding children foods to which they are allergic;
- 136.6 (9) children falling from changing tables; and
- 136.7 (10) children accessing dangerous items or chemicals or coming into contact with residue  
136.8 from harmful cleaning products.
- 136.9 (e) The plan shall prohibit the accessibility of hazardous items to children.
- 136.10 (f) The plan must include specific policies and procedures to ensure adequate supervision  
136.11 of children at all times as defined under section 245A.02, subdivision 18, with particular  
136.12 emphasis on:
- 136.13 (1) times when children are transitioned from one area within the facility to another;
- 136.14 (2) nap-time supervision, including infant crib rooms as specified under section 245A.02,  
136.15 subdivision 18, which requires that when an infant is placed in a crib to sleep, supervision  
136.16 occurs when a staff person is within sight or hearing of the infant. When supervision of a  
136.17 crib room is provided by sight or hearing, the center must have a plan to address the other  
136.18 supervision components;

- 136.19 (3) child drop-off and pick-up times;
- 136.20 (4) supervision during outdoor play and on community activities, including but not
- 136.21 limited to field trips and neighborhood walks; and
- 136.22 (5) supervision of children in hallways; and
- 136.23 (6) supervision of school-age children when using the restroom and visiting the child's
- 136.24 personal storage space.
- 136.25 **EFFECTIVE DATE.** This section is effective September 30, 2019.
- 136.26 Sec. 59. Minnesota Statutes 2018, section 245A.66, subdivision 3, is amended to read:
- 136.27 Subd. 3. **Orientation to Yearly review of risk reduction plan and annual review of**
- 136.28 **plan.** ~~(a) The license holder shall ensure that all mandated reporters, as defined in section~~
- 136.29 ~~626.556, subdivision 3, who are under the control of the license holder, receive an orientation~~
- 136.30 ~~to the risk reduction plan prior to first providing unsupervised direct contact services, as~~
- 137.1 ~~defined in section 245C.02, subdivision 11, to children, not to exceed 14 days from the first~~
- 137.2 ~~supervised direct contact, and annually thereafter. The license holder must document the~~
- 137.3 ~~orientation to the risk reduction plan in the mandated reporter's personnel records.~~
- 137.4 ~~(b) The license holder must review the risk reduction plan annually each calendar year~~
- 137.5 ~~and document the annual review. When conducting the review, the license holder must~~
- 137.6 ~~consider incidents that have occurred in the center since the last review, including:~~
- 137.7 (1) the assessment factors in the plan;
- 137.8 (2) the internal reviews conducted under this section, if any;
- 137.9 (3) substantiated maltreatment findings, if any; and
- 137.10 (4) incidents that caused injury or harm to a child, if any, that occurred since the last
- 137.11 review.
- 137.12 Following any change to the risk reduction plan, the license holder must inform ~~mandated~~
- 137.13 ~~reporters~~ staff persons, under the control of the license holder, of the changes in the risk
- 137.14 reduction plan, and document that the ~~mandated reporters~~ staff were informed of the changes.
- 137.15 **EFFECTIVE DATE.** This section is effective September 30, 2019.
- 137.16 Sec. 60. Minnesota Statutes 2018, section 245C.02, is amended by adding a subdivision
- 137.17 to read:
- 137.18 Subd. 5a. **License-exempt child care center certification holder.** "License-exempt
- 137.19 child care center certification holder" has the meaning given for "certification holder" in
- 137.20 section 245H.01, subdivision 4.
- 137.21 **EFFECTIVE DATE.** This section is effective September 30, 2019.
- 137.22 Sec. 61. Minnesota Statutes 2018, section 245C.02, subdivision 6a, is amended to read:

- 137.23 Subd. 6a. **Child care background study subject.** (a) "Child care background study  
137.24 subject" means an individual who is affiliated with a licensed child care center, certified  
137.25 license exempt child care center, licensed family child care program, or legal nonlicensed  
137.26 child care provider authorized under chapter 119B, and who is:
- 137.27 (1) ~~who is employed by a child care provider for compensation;~~  
137.28 (2) ~~whose activities involve assisting in the supervision care of a child for a child care~~  
137.29 ~~provider; or~~
- 137.30 (3) ~~who is required to have a background study under section 245C.03, subdivision 1;~~
- 138.1 (3) a person applying for licensure, certification, or enrollment;  
138.2 (4) a controlling individual as defined in section 245A.02, subdivision 5a;  
138.3 (5) an individual 13 years of age or older who lives in the household where the licensed  
138.4 program will be provided and who is not receiving licensed services from the program;  
138.5 (6) an individual ten to 12 years of age who lives in the household where the licensed  
138.6 services will be provided when the commissioner has reasonable cause as defined in section  
138.7 245C.02, subdivision 15;
- 138.8 (7) an individual who, without providing direct contact services at a licensed program,  
138.9 certified program, or program authorized under chapter 119B, may have unsupervised access  
138.10 to a child receiving services from a program when the commissioner has reasonable cause  
138.11 as defined in section 245C.02, subdivision 15; or
- 138.12 (8) a volunteer, contractor, prospective employee, or other individual who has  
138.13 unsupervised physical access to a child served by a program and who is not under direct,  
138.14 continuous supervision by an individual listed in clause (1) or (5), regardless of whether  
138.15 the individual provides program services.
- 138.16 (b) Notwithstanding paragraph (a), an individual who is providing services that are not  
138.17 part of the child care program is not required to have a background study if:
- 138.18 (1) the child receiving services is signed out of the child care program for the duration  
138.19 that the services are provided;
- 138.20 (2) the licensed child care center, certified license exempt child care center, licensed  
138.21 family child care program, or legal nonlicensed child care provider authorized under chapter  
138.22 119B has obtained advanced written permission from the parent authorizing the child to  
138.23 receive the services, which is maintained in the child's record;
- 138.24 (3) the licensed child care center, certified license exempt child care center, licensed  
138.25 family child care program, or legal nonlicensed child care provider authorized under chapter  
138.26 119B maintains documentation on-site that identifies the individual service provider and  
138.27 the services being provided; and

138.28 (4) the licensed child care center, certified license exempt child care center, licensed  
 138.29 family child care program, or legal nonlicensed child care provider authorized under chapter  
 138.30 119B ensures that the service provider does not have unsupervised access to a child not  
 138.31 receiving the provider's services.

139.1 Sec. 62. Minnesota Statutes 2018, section 245C.02, is amended by adding a subdivision  
 139.2 to read:

139.3 Subd. 6b. **Children's residential facility.** "Children's residential facility" means a  
 139.4 children's residential facility licensed by the commissioner of corrections or the commissioner  
 139.5 of human services under Minnesota Rules, chapter 2960.

139.6 **EFFECTIVE DATE.** This section is effective July 1, 2019, for background studies  
 139.7 initiated on or after that date.

139.8 Sec. 63. Minnesota Statutes 2018, section 245C.02, is amended by adding a subdivision  
 139.9 to read:

139.10 Subd. 12a. **Licensed family child foster care.** "Licensed family child foster care"  
 139.11 includes providers who have submitted an application for family child foster care licensure  
 139.12 under section 245A.04, subdivision 1. Licensed family child foster care does not include  
 139.13 foster residence settings that meet the licensing requirements of Minnesota Rules, parts  
 139.14 2960.3200 to 2960.3230.

139.15 **EFFECTIVE DATE.** This section is effective March 1, 2020.

139.16 Sec. 64. Minnesota Statutes 2018, section 245C.02, is amended by adding a subdivision  
 139.17 to read:

139.18 Subd. 20. **Substance use disorder treatment field.** "Substance use disorder treatment  
 139.19 field" means a program exclusively serving individuals 18 years of age and older and that  
 139.20 is required to be:

139.21 (1) licensed under chapter 245G; or

139.22 (2) registered under section 157.17 as a board and lodge establishment that predominantly  
 139.23 serves individuals being treated for or recovering from a substance use disorder.

139.24 Sec. 65. Minnesota Statutes 2018, section 245C.03, subdivision 1, is amended to read:

139.25 Subdivision 1. **Licensed programs.** (a) The commissioner shall conduct a background  
 139.26 study on:

139.27 (1) the person or persons applying for a license;

#### ARTICLE 7:

249.26 Sec. 5. Minnesota Statutes 2018, section 245C.02, is amended by adding a subdivision to  
 249.27 read:

249.28 Subd. 20. **Substance use disorder treatment field.** "Substance use disorder treatment  
 249.29 field" means a program exclusively serving individuals 18 years of age and older and that  
 249.30 is required to be:

249.31 (1) licensed under chapter 245G; or

250.1 (2) registered under section 157.17 as a board and lodge establishment that predominantly  
 250.2 serves individuals being treated for or recovering from a substance use disorder.

- 139.28 (2) an individual age 13 and over living in the household where the licensed program  
139.29 will be provided who is not receiving licensed services from the program;
- 140.1 (3) current or prospective employees or contractors of the applicant who will have direct  
140.2 contact with persons served by the facility, agency, or program;
- 140.3 (4) volunteers or student volunteers who will have direct contact with persons served  
140.4 by the program to provide program services if the contact is not under the continuous, direct  
140.5 supervision by an individual listed in clause (1) or (3);
- 140.6 (5) an individual age ten to 12 living in the household where the licensed services will  
140.7 be provided when the commissioner has reasonable cause as defined in section 245C.02,  
140.8 subdivision 15;
- 140.9 (6) an individual who, without providing direct contact services at a licensed program,  
140.10 may have unsupervised access to children or vulnerable adults receiving services from a  
140.11 program, when the commissioner has reasonable cause as defined in section 245C.02,  
140.12 subdivision 15;
- 140.13 (7) all controlling individuals as defined in section 245A.02, subdivision 5a; and
- 140.14 (8) notwithstanding the other requirements in this subdivision, child care background  
140.15 study subjects as defined in section 245C.02, subdivision 6a.
- 140.16 ~~(b) Paragraph (a), clauses (2), (5), and (6), apply to legal nonlicensed child care and~~  
140.17 ~~certified license exempt child care programs.~~
- 140.18 ~~(b)~~ (b) For child foster care when the license holder resides in the home where foster  
140.19 care services are provided, a short-term substitute caregiver providing direct contact services  
140.20 for a child for less than 72 hours of continuous care is not required to receive a background  
140.21 study under this chapter.
- 140.22 Sec. 66. Minnesota Statutes 2018, section 245C.05, subdivision 2c, is amended to read:
- 140.23 Subd. 2c. **Privacy notice to background study subject.** (a) Prior to initiating each  
140.24 background study, the entity initiating the study must provide the commissioner's privacy  
140.25 notice to the background study subject required under section 13.04, subdivision 2. The  
140.26 notice must be available through the commissioner's electronic NETStudy and NETStudy  
140.27 2.0 systems and shall include the information in paragraphs (b) and (c).
- 140.28 (b) The background study subject shall be informed that any previous background studies  
140.29 that received a set-aside will be reviewed, and without further contact with the background  
140.30 study subject, the commissioner may notify the agency that initiated the subsequent  
140.31 background study;
- 141.1 (1) that the individual has a disqualification that has been set aside for the program or  
141.2 agency that initiated the study;
- 141.3 (2) the reason for the disqualification; and



141.4 (3) that information about the decision to set aside the disqualification will be available  
141.5 to the license holder upon request without the consent of the background study subject.

141.6 (c) The background study subject must also be informed that:

141.7 (1) the subject's fingerprints collected for purposes of completing the background study  
141.8 under this chapter must not be retained by the Department of Public Safety, Bureau of  
141.9 Criminal Apprehension, or by the commissioner. The Federal Bureau of Investigation will  
141.10 only retain fingerprints of subjects with a criminal history not retain background study  
141.11 subjects' fingerprints;

141.12 (2) effective upon implementation of NETStudy 2.0, the subject's photographic image  
141.13 will be retained by the commissioner, and if the subject has provided the subject's Social  
141.14 Security number for purposes of the background study, the photographic image will be  
141.15 available to prospective employers and agencies initiating background studies under this  
141.16 chapter to verify the identity of the subject of the background study;

141.17 (3) the commissioner's authorized fingerprint collection vendor shall, for purposes of  
141.18 verifying the identity of the background study subject, be able to view the identifying  
141.19 information entered into NETStudy 2.0 by the entity that initiated the background study,  
141.20 but shall not retain the subject's fingerprints, photograph, or information from NETStudy  
141.21 2.0. The authorized fingerprint collection vendor shall retain no more than the subject's  
141.22 name and the date and time the subject's fingerprints were recorded and sent, only as  
141.23 necessary for auditing and billing activities;

141.24 (4) the commissioner shall provide the subject notice, as required in section 245C.17,  
141.25 subdivision 1, paragraph (a), when an entity initiates a background study on the individual;

141.26 (5) the subject may request in writing a report listing the entities that initiated a  
141.27 background study on the individual as provided in section 245C.17, subdivision 1, paragraph  
141.28 (b);

141.29 (6) the subject may request in writing that information used to complete the individual's  
141.30 background study in NETStudy 2.0 be destroyed if the requirements of section 245C.051,  
141.31 paragraph (a), are met; and

141.32 (7) notwithstanding clause (6), the commissioner shall destroy:

142.1 (i) the subject's photograph after a period of two years when the requirements of section  
142.2 245C.051, paragraph (c), are met; and

142.3 (ii) any data collected on a subject under this chapter after a period of two years following  
142.4 the individual's death as provided in section 245C.051, paragraph (d).

142.5 Sec. 67. Minnesota Statutes 2018, section 245C.05, subdivision 2d, is amended to read:

142.6 Subd. 2d. **Fingerprint data notification.** The commissioner of human services shall  
142.7 notify all background study subjects under this chapter that the Department of Human

- 142.8 Services, Department of Public Safety, and the Bureau of Criminal Apprehension do not  
142.9 retain fingerprint data after a background study is completed, and that the Federal Bureau  
142.10 of Investigation only retains the fingerprints of subjects who have a criminal history of  
142.11 Investigation will not retain background study subjects' fingerprints.
- 142.12 Sec. 68. Minnesota Statutes 2018, section 245C.05, subdivision 4, is amended to read:
- 142.13 Subd. 4. **Electronic transmission.** (a) For background studies conducted by the  
142.14 Department of Human Services, the commissioner shall implement a secure system for the  
142.15 electronic transmission of:
- 142.16 (1) background study information to the commissioner;
- 142.17 (2) background study results to the license holder;
- 142.18 (3) background study results and relevant underlying investigative information to county  
142.19 and private agencies for background studies conducted by the commissioner for child foster  
142.20 care, including a summary of nondisqualifying results, except as prohibited by law; and
- 142.21 (4) background study results to county agencies for background studies conducted by  
142.22 the commissioner for adult foster care and family adult day services and, upon  
142.23 implementation of NETStudy 2.0, family child care and legal nonlicensed child care  
142.24 authorized under chapter 119B.
- 142.25 (b) Unless the commissioner has granted a hardship variance under paragraph (c), a  
142.26 license holder or an applicant must use the electronic transmission system known as  
142.27 NETStudy or NETStudy 2.0 to submit all requests for background studies to the  
142.28 commissioner as required by this chapter.
- 142.29 (c) A license holder or applicant whose program is located in an area in which high-speed  
142.30 Internet is inaccessible may request the commissioner to grant a variance to the electronic  
142.31 transmission requirement.
- 143.1 (d) Section 245C.08, subdivision 3, paragraph (c), applies to results transmitted under  
143.2 this subdivision.
- 143.3 **EFFECTIVE DATE.** This section is effective March 1, 2020.
- 143.4 Sec. 69. Minnesota Statutes 2018, section 245C.05, subdivision 5, is amended to read:
- 143.5 Subd. 5. **Fingerprints and photograph.** (a) Notwithstanding paragraph (b), for  
143.6 background studies conducted by the commissioner for child foster care, children's residential  
143.7 facilities, adoptions, or a transfer of permanent legal and physical custody of a child, the  
143.8 subject of the background study, who is 18 years of age or older, shall provide the  
143.9 commissioner with a set of classifiable fingerprints obtained from an authorized agency for  
143.10 a national criminal history record check.
- 143.11 (b) For background studies initiated on or after the implementation of NETStudy 2.0,  
143.12 except as provided under subdivision 5a, every subject of a background study must provide

- 143.13 the commissioner with a set of the background study subject's classifiable fingerprints and  
143.14 photograph. The photograph and fingerprints must be recorded at the same time by the  
143.15 commissioner's authorized fingerprint collection vendor and sent to the commissioner  
143.16 through the commissioner's secure data system described in section 245C.32, subdivision  
143.17 1a, paragraph (b).
- 143.18 (c) The fingerprints shall be submitted by the commissioner to the Bureau of Criminal  
143.19 Apprehension and, when specifically required by law, submitted to the Federal Bureau of  
143.20 Investigation for a national criminal history record check.
- 143.21 (d) The fingerprints must not be retained by the Department of Public Safety, Bureau  
143.22 of Criminal Apprehension, or the commissioner. The Federal Bureau of Investigation will  
143.23 only retain fingerprints of subjects with a criminal history not retain background study  
143.24 subjects' fingerprints.
- 143.25 (e) The commissioner's authorized fingerprint collection vendor shall, for purposes of  
143.26 verifying the identity of the background study subject, be able to view the identifying  
143.27 information entered into NETStudy 2.0 by the entity that initiated the background study,  
143.28 but shall not retain the subject's fingerprints, photograph, or information from NETStudy  
143.29 2.0. The authorized fingerprint collection vendor shall retain no more than the name and  
143.30 date and time the subject's fingerprints were recorded and sent, only as necessary for auditing  
143.31 and billing activities.
- 143.32 (f) For any background study conducted under this chapter, the subject shall provide the  
143.33 commissioner with a set of classifiable fingerprints when the commissioner has reasonable  
144.1 cause to require a national criminal history record check as defined in section 245C.02,  
144.2 subdivision 15a.
- 144.3 **EFFECTIVE DATE.** Paragraph (a) is effective July 1, 2019, for background studies  
144.4 initiated on or after that date.
- 144.5 Sec. 70. Minnesota Statutes 2018, section 245C.05, subdivision 5a, is amended to read:
- 144.6 Subd. 5a. **Background study requirements for minors.** (a) A background study  
144.7 completed under this chapter on a subject who is required to be studied under section  
144.8 245C.03, subdivision 1, and is 17 years of age or younger shall be completed by the  
144.9 commissioner for:
- 144.10 (1) a legal nonlicensed child care provider authorized under chapter 119B;  
144.11 (2) a licensed family child care program; or  
144.12 (3) a licensed foster care home.
- 144.13 (b) The subject shall submit to the commissioner only the information under subdivision  
144.14 1, paragraph (a).

- 144.15 (c) A subject who is 17 years of age or younger is required to submit fingerprints and a  
144.16 photograph, and the commissioner shall conduct a national criminal history record check,  
144.17 if:
- 144.18 (1) the commissioner has reasonable cause to require a national criminal history record  
144.19 check defined in section 245C.02, subdivision 15a; or
- 144.20 (2) under paragraph (a), clauses (1) and (2), the subject is employed by the provider or  
144.21 supervises children served by the program.
- 144.22 (d) A subject who is 17 years of age or younger is required to submit  
144.23 non-fingerprint-based data according to section 245C.08, subdivision 1, paragraph (a),  
144.24 clause (6), item (iii), and the commissioner shall conduct the check if:
- 144.25 (1) the commissioner has reasonable cause to require a national criminal history record  
144.26 check defined in section 245C.02, subdivision 15a; or
- 144.27 (2) the subject is employed by the provider or supervises children served by the program  
144.28 under paragraph (a), clauses (1) and (2).
- 145.1 Sec. 71. Minnesota Statutes 2018, section 245C.08, subdivision 1, is amended to read:
- 145.2 Subdivision 1. **Background studies conducted by Department of Human Services.** (a)  
145.3 For a background study conducted by the Department of Human Services, the commissioner  
145.4 shall review:
- 145.5 (1) information related to names of substantiated perpetrators of maltreatment of  
145.6 vulnerable adults that has been received by the commissioner as required under section  
145.7 626.557, subdivision 9c, paragraph (j);
- 145.8 (2) the commissioner's records relating to the maltreatment of minors in licensed  
145.9 programs, and from findings of maltreatment of minors as indicated through the social  
145.10 service information system;
- 145.11 (3) information from juvenile courts as required in subdivision 4 for individuals listed  
145.12 in section 245C.03, subdivision 1, paragraph (a), when there is reasonable cause;
- 145.13 (4) information from the Bureau of Criminal Apprehension, including information  
145.14 regarding a background study subject's registration in Minnesota as a predatory offender  
145.15 under section 243.166;
- 145.16 (5) except as provided in clause (6), information received as a result of submission of  
145.17 fingerprints for a national criminal history record check, as defined in section 245C.02,  
145.18 subdivision 13c, when the commissioner has reasonable cause for a national criminal history  
145.19 record check as defined under section 245C.02, subdivision 15a, or as required under section  
145.20 144.057, subdivision 1, clause (2);
- 145.21 (6) for a background study related to a child foster care application for licensure, children's  
145.22 residential facilities, a transfer of permanent legal and physical custody of a child under

145.23 sections 260C.503 to 260C.515, or adoptions, and for a background study required for  
145.24 family child care, certified license-exempt child care, child care centers, and legal nonlicensed  
145.25 child care authorized under chapter 119B, the commissioner shall also review:

145.26 (i) information from the child abuse and neglect registry for any state in which the  
145.27 background study subject has resided for the past five years; ~~and~~

145.28 (ii) when the background study subject is 18 years of age or older, or a minor under  
145.29 section 245C.05, subdivision 5a, paragraph (c), information received following submission  
145.30 of fingerprints for a national criminal history record check; and

145.31 (iii) when the background study subject is 18 years of age or older or a minor under  
145.32 section 245C.05, subdivision 5a, paragraph (d), for licensed family child care, certified  
145.33 license-exempt child care, licensed child care centers, and legal nonlicensed child care  
146.1 authorized under chapter 119B, information obtained using non-fingerprint-based data  
146.2 including information from the criminal and sex offender registries for any state in which  
146.3 the background study subject resided for the past five years and information from the national  
146.4 crime information database and the national sex offender registry; and

146.5 (7) for a background study required for family child care, certified license-exempt child  
146.6 care centers, licensed child care centers, and legal nonlicensed child care authorized under  
146.7 chapter 119B, the background study shall also include, to the extent practicable, a name  
146.8 and date-of-birth search of the National Sex Offender Public website.

146.9 (b) Notwithstanding expungement by a court, the commissioner may consider information  
146.10 obtained under paragraph (a), clauses (3) and (4), unless the commissioner received notice  
146.11 of the petition for expungement and the court order for expungement is directed specifically  
146.12 to the commissioner.

146.13 (c) The commissioner shall also review criminal case information received according  
146.14 to section 245C.04, subdivision 4a, from the Minnesota court information system that relates  
146.15 to individuals who have already been studied under this chapter and who remain affiliated  
146.16 with the agency that initiated the background study.

146.17 (d) When the commissioner has reasonable cause to believe that the identity of a  
146.18 background study subject is uncertain, the commissioner may require the subject to provide  
146.19 a set of classifiable fingerprints for purposes of completing a fingerprint-based record check  
146.20 with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph  
146.21 shall not be saved by the commissioner after they have been used to verify the identity of  
146.22 the background study subject against the particular criminal record in question.

146.23 (e) The commissioner may inform the entity that initiated a background study under  
146.24 NETStudy 2.0 of the status of processing of the subject's fingerprints.

146.25 **EFFECTIVE DATE.** Paragraph (a) is effective July 1, 2019, for background studies  
146.26 initiated on or after that date.

146.27 Sec. 72. Minnesota Statutes 2018, section 245C.08, subdivision 3, is amended to read:

146.28 Subd. 3. **Arrest and investigative information.** (a) For any background study completed  
 146.29 under this section, if the commissioner has reasonable cause to believe the information is  
 146.30 pertinent to the disqualification of an individual, the commissioner also may review arrest  
 146.31 and investigative information from:

146.32 (1) the Bureau of Criminal Apprehension;

147.1 (2) the ~~commissioner~~ commissioners of health and human services;

147.2 (3) a county attorney;

147.3 (4) a county sheriff;

147.4 (5) a county agency;

147.5 (6) a local chief of police;

147.6 (7) other states;

147.7 (8) the courts;

147.8 (9) the Federal Bureau of Investigation;

147.9 (10) the National Criminal Records Repository; and

147.10 (11) criminal records from other states.

147.11 (b) Except when specifically required by law, the commissioner is not required to conduct  
 147.12 more than one review of a subject's records from the Federal Bureau of Investigation if a  
 147.13 review of the subject's criminal history with the Federal Bureau of Investigation has already  
 147.14 been completed by the commissioner and there has been no break in the subject's affiliation  
 147.15 with the ~~license holder who~~ entity that initiated the background study.

147.16 (c) If the commissioner conducts a national criminal history record check when required  
 147.17 by law and uses the information from the national criminal history record check to make a  
 147.18 disqualification determination, the data obtained is private data and cannot be shared with  
 147.19 county agencies, private agencies, or prospective employers of the background study subject.

147.20 (d) If the commissioner conducts a national criminal history record check when required  
 147.21 by law and uses the information from the national criminal history record check to make a  
 147.22 disqualification determination, the license holder or entity that submitted the study is not  
 147.23 required to obtain a copy of the background study subject's disqualification letter under  
 147.24 section 245C.17, subdivision 3.

147.25 **EFFECTIVE DATE.** This section is effective for background studies requested on or  
 147.26 after October 1, 2019.

147.27 Sec. 73. Minnesota Statutes 2018, section 245C.10, is amended by adding a subdivision  
 147.28 to read:

250.3 Sec. 6. Minnesota Statutes 2018, section 245C.10, is amended by adding a subdivision to  
 250.4 read:

147.29 Subd. 14. **Children's residential facilities.** The commissioner shall recover the cost of  
 147.30 background studies initiated by a licensed children's residential facility through a fee of no  
 148.1 more than \$51 per study. Fees collected under this subdivision are appropriated to the  
 148.2 commissioner for purposes of conducting background studies.

148.3 **EFFECTIVE DATE.** This section is effective July 1, 2019, for background studies  
 148.4 initiated on or after that date.

148.5 Sec. 74. Minnesota Statutes 2018, section 245C.13, subdivision 2, is amended to read:

148.6 Subd. 2. **Direct contact pending completion of background study.** The subject of a  
 148.7 background study may not perform any activity requiring a background study under  
 148.8 paragraph (b) until the commissioner has issued one of the notices under paragraph (a).

148.9 (a) Notices from the commissioner required prior to activity under paragraph (b) include:

148.10 (1) a notice of the study results under section 245C.17 stating that:

148.11 (i) the individual is not disqualified; or

148.12 (ii) more time is needed to complete the study but the individual is not required to be  
 148.13 removed from direct contact or access to people receiving services prior to completion of  
 148.14 the study as provided under section 245C.17, subdivision 1, paragraph (b) or (c). The notice  
 148.15 that more time is needed to complete the study must also indicate whether the individual is  
 148.16 required to be under continuous direct supervision prior to completion of the background  
 148.17 study;

148.18 (2) a notice that a disqualification has been set aside under section 245C.23; or

148.19 (3) a notice that a variance has been granted related to the individual under section  
 148.20 245C.30.

148.21 (b) For a background study affiliated with a licensed child care center or certified license  
 148.22 exempt child care center, the notice sent under paragraph (a), clause (1), item (ii), must  
 148.23 require the individual to be under continuous direct supervision prior to completion of the  
 148.24 background study except as permitted in subdivision 3.

148.25 (c) Activities prohibited prior to receipt of notice under paragraph (a) include:

148.26 (1) being issued a license;

148.27 (2) living in the household where the licensed program will be provided;

148.28 (3) providing direct contact services to persons served by a program unless the subject  
 148.29 is under continuous direct supervision; ~~or~~

149.1 (4) having access to persons receiving services if the background study was completed  
 149.2 under section 144.057, subdivision 1, or 245C.03, subdivision 1, paragraph (a), clause (2),  
 149.3 (5), or (6), unless the subject is under continuous direct supervision; ~~or~~

250.5 Subd. 14. **Guardians and conservators.** The commissioner shall recover the cost of  
 250.6 conducting background studies for guardians and conservators under section 524.5-118  
 250.7 through a fee of no more than \$110 per study. The fees collected under this subdivision are  
 250.8 appropriated to the commissioner for the purpose of conducting background studies.

250.9 **EFFECTIVE DATE.** This section is effective January 1, 2020.



- 149.4 (5) for licensed child care center and certified license exempt child care centers, providing  
149.5 direct contact services to persons served by the program.
- 149.6 Sec. 75. Minnesota Statutes 2018, section 245C.13, is amended by adding a subdivision  
149.7 to read:
- 149.8 Subd. 3. **Other state information.** If the commissioner has not received criminal, sex  
149.9 offender, or maltreatment information from another state that is required to be reviewed  
149.10 under this chapter within ten days of requesting the information, and the lack of the  
149.11 information is the only reason that a notice is issued under subdivision 2, paragraph (a),  
149.12 clause (1), item (ii), the commissioner may issue a notice under subdivision 2, paragraph  
149.13 (a), clause (1), item (i). The commissioner may take action on information received from  
149.14 other states after issuing a notice under subdivision 2, paragraph (a), clause (1), item (ii).
- 149.15 Sec. 76. Minnesota Statutes 2018, section 245C.14, subdivision 1, is amended to read:
- 149.16 Subdivision 1. **Disqualification from direct contact.** (a) The commissioner shall  
149.17 disqualify an individual who is the subject of a background study from any position allowing  
149.18 direct contact with persons receiving services from the license holder or entity identified in  
149.19 section 245C.03, upon receipt of information showing, or when a background study  
149.20 completed under this chapter shows any of the following:
- 149.21 (1) a conviction of, admission to, or Alford plea to one or more crimes listed in section  
149.22 245C.15, regardless of whether the conviction or admission is a felony, gross misdemeanor,  
149.23 or misdemeanor level crime;
- 149.24 (2) a preponderance of the evidence indicates the individual has committed an act or  
149.25 acts that meet the definition of any of the crimes listed in section 245C.15, regardless of  
149.26 whether the preponderance of the evidence is for a felony, gross misdemeanor, or  
149.27 misdemeanor level crime; or
- 149.28 (3) an investigation results in an administrative determination listed under section  
149.29 245C.15, subdivision 4, paragraph (b).
- 149.30 (b) No individual who is disqualified following a background study under section  
149.31 245C.03, subdivisions 1 and 2, may be retained in a position involving direct contact with  
150.1 persons served by a program or entity identified in section 245C.03, unless the commissioner  
150.2 has provided written notice under section 245C.17 stating that:
- 150.3 (1) the individual may remain in direct contact during the period in which the individual  
150.4 may request reconsideration as provided in section 245C.21, subdivision 2;
- 150.5 (2) the commissioner has set aside the individual's disqualification for that program or  
150.6 entity identified in section 245C.03, as provided in section 245C.22, subdivision 4; or
- 150.7 (3) the license holder has been granted a variance for the disqualified individual under  
150.8 section 245C.30.



150.9 (c) Notwithstanding paragraph (a), for the purposes of a background study affiliated  
 150.10 with a licensed family child foster care provider, the commissioner shall disqualify an  
 150.11 individual who is the subject of a background study from any position allowing direct contact  
 150.12 with persons receiving services from the license holder or entity identified in section 245C.03,  
 150.13 upon receipt of information showing, or when a background study completed under this  
 150.14 chapter is disqualifying under section 245C.15, subdivision 6.

150.15 **EFFECTIVE DATE.** This section is effective March 1, 2020.

150.16 Sec. 77. Minnesota Statutes 2018, section 245C.15, subdivision 2, is amended to read:

150.17 Subd. 2. **15-year disqualification.** (a) An individual is disqualified under section 245C.14  
 150.18 if: (1) less than 15 years have passed since the discharge of the sentence imposed, if any,  
 150.19 for the offense; and (2) the individual has committed a felony-level violation of any of the  
 150.20 following offenses: sections 256.98 (wrongfully obtaining assistance); 268.182 (fraud);  
 150.21 393.07, subdivision 10, paragraph (c) (federal Food Stamp Program fraud); 609.165 (felon  
 150.22 ineligible to possess firearm); 609.2112, 609.2113, or 609.2114 (criminal vehicular homicide  
 150.23 or injury); 609.215 (suicide); 609.223 or 609.2231 (assault in the third or fourth degree);  
 150.24 repeat offenses under 609.224 (assault in the fifth degree); 609.229 (crimes committed for  
 150.25 benefit of a gang); 609.2325 (criminal abuse of a vulnerable adult); 609.2335 (financial  
 150.26 exploitation of a vulnerable adult); 609.235 (use of drugs to injure or facilitate crime);  
 150.27 609.24 (simple robbery); 609.255 (false imprisonment); 609.2664 (manslaughter of an  
 150.28 unborn child in the first degree); 609.2665 (manslaughter of an unborn child in the second  
 150.29 degree); 609.267 (assault of an unborn child in the first degree); 609.2671 (assault of an  
 150.30 unborn child in the second degree); 609.268 (injury or death of an unborn child in the  
 150.31 commission of a crime); 609.27 (coercion); 609.275 (attempt to coerce); 609.466 (medical  
 150.32 assistance fraud); 609.495 (aiding an offender); 609.498, subdivision 1 or 1b (aggravated  
 150.33 first-degree or first-degree tampering with a witness); 609.52 (theft); 609.521 (possession  
 151.1 of shoplifting gear); 609.525 (bringing stolen goods into Minnesota); 609.527 (identity  
 151.2 theft); 609.53 (receiving stolen property); 609.535 (issuance of dishonored checks); 609.562  
 151.3 (arson in the second degree); 609.563 (arson in the third degree); 609.582 (burglary); 609.59  
 151.4 (possession of burglary tools); 609.611 (insurance fraud); 609.625 (aggravated forgery);  
 151.5 609.63 (forgery); 609.631 (check forgery; offering a forged check); 609.635 (obtaining  
 151.6 signature by false pretense); 609.66 (dangerous weapons); 609.67 (machine guns and  
 151.7 short-barreled shotguns); 609.687 (adulteration); 609.71 (riot); 609.713 (terroristic threats);  
 151.8 609.817 (criminal penalties for acts involving human services programs); 609.82 (fraud in  
 151.9 obtaining credit); 609.821 (financial transaction card fraud); 617.23 (indecent exposure),  
 151.10 not involving a minor; repeat offenses under 617.241 (obscene materials and performances;  
 151.11 distribution and exhibition prohibited; penalty); 624.713 (certain persons not to possess  
 151.12 firearms); chapter 152 (drugs; controlled substance); or Minnesota Statutes 2012, section  
 151.13 609.21; or a felony-level conviction involving alcohol or drug use.

151.14 (b) An individual is disqualified under section 245C.14 if less than 15 years has passed  
 151.15 since the individual's aiding and abetting, attempt, or conspiracy to commit any of the  
 151.16 offenses listed in paragraph (a), as each of these offenses is defined in Minnesota Statutes.

151.17 (c) An individual is disqualified under section 245C.14 if less than 15 years has passed  
 151.18 since the termination of the individual's parental rights under section 260C.301, subdivision  
 151.19 1, paragraph (b), or subdivision 3.

151.20 (d) An individual is disqualified under section 245C.14 if less than 15 years has passed  
 151.21 since the discharge of the sentence imposed for an offense in any other state or country, the  
 151.22 elements of which are substantially similar to the elements of the offenses listed in paragraph  
 151.23 (a).

151.24 (e) If the individual studied commits one of the offenses listed in paragraph (a), but the  
 151.25 sentence or level of offense is a gross misdemeanor or misdemeanor, the individual is  
 151.26 disqualified but the disqualification look-back period for the offense is the period applicable  
 151.27 to the gross misdemeanor or misdemeanor disposition.

151.28 (f) When a disqualification is based on a judicial determination other than a conviction,  
 151.29 the disqualification period begins from the date of the court order. When a disqualification  
 151.30 is based on an admission, the disqualification period begins from the date of an admission  
 151.31 in court. When a disqualification is based on an Alford Plea, the disqualification period  
 151.32 begins from the date the Alford Plea is entered in court. When a disqualification is based  
 151.33 on a preponderance of evidence of a disqualifying act, the disqualification date begins from  
 152.1 the date of the dismissal, the date of discharge of the sentence imposed for a conviction for  
 152.2 a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.

152.3 Sec. 78. Minnesota Statutes 2018, section 245C.15, subdivision 3, is amended to read:

152.4 Subd. 3. **Ten-year disqualification.** (a) An individual is disqualified under section  
 152.5 245C.14 if: (1) less than ten years have passed since the discharge of the sentence imposed,  
 152.6 if any, for the offense; and (2) the individual has committed a gross misdemeanor-level  
 152.7 violation of any of the following offenses: sections 256.98 (wrongfully obtaining assistance);  
 152.8 268.182 (fraud); 393.07, subdivision 10, paragraph (c) (federal Food Stamp Program fraud);  
 152.9 609.2112, 609.2113, or 609.2114 (criminal vehicular homicide or injury); 609.221 or 609.222  
 152.10 (assault in the first or second degree); 609.223 or 609.2231 (assault in the third or fourth  
 152.11 degree); 609.224 (assault in the fifth degree); 609.224, subdivision 2, paragraph (c) (assault  
 152.12 in the fifth degree by a caregiver against a vulnerable adult); 609.2242 and 609.2243  
 152.13 (domestic assault); 609.23 (mistreatment of persons confined); 609.231 (mistreatment of  
 152.14 residents or patients); 609.2325 (criminal abuse of a vulnerable adult); 609.233 (criminal  
 152.15 neglect of a vulnerable adult); 609.2335 (financial exploitation of a vulnerable adult);  
 152.16 609.234 (failure to report maltreatment of a vulnerable adult); 609.265 (abduction); 609.275  
 152.17 (attempt to coerce); 609.324, subdivision 1a (other prohibited acts; minor engaged in  
 152.18 prostitution); 609.33 (disorderly house); 609.377 (malicious punishment of a child); 609.378  
 152.19 (neglect or endangerment of a child); 609.466 (medical assistance fraud); 609.52 (theft);  
 152.20 609.525 (bringing stolen goods into Minnesota); 609.527 (identity theft); 609.53 (receiving  
 152.21 stolen property); 609.535 (issuance of dishonored checks); 609.582 (burglary); 609.59  
 152.22 (possession of burglary tools); 609.611 (insurance fraud); 609.631 (check forgery; offering  
 152.23 a forged check); 609.66 (dangerous weapons); 609.71 (riot); 609.72, subdivision 3 (disorderly  
 152.24 conduct against a vulnerable adult); repeat offenses under 609.746 (interference with privacy);

152.25 609.749, subdivision 2 (stalking); 609.817 (criminal penalties for acts involving human  
152.26 services programs); 609.82 (fraud in obtaining credit); 609.821 (financial transaction card  
152.27 fraud); 617.23 (indecent exposure), not involving a minor; 617.241 (obscene materials and  
152.28 performances); 617.243 (indecent literature, distribution); 617.293 (harmful materials;  
152.29 dissemination and display to minors prohibited); or Minnesota Statutes 2012, section 609.21;  
152.30 or violation of an order for protection under section 518B.01, subdivision 14.

152.31 (b) An individual is disqualified under section 245C.14 if less than ten years has passed  
152.32 since the individual's aiding and abetting, attempt, or conspiracy to commit any of the  
152.33 offenses listed in paragraph (a), as each of these offenses is defined in Minnesota Statutes.

153.1 (c) An individual is disqualified under section 245C.14 if less than ten years has passed  
153.2 since the discharge of the sentence imposed for an offense in any other state or country, the  
153.3 elements of which are substantially similar to the elements of any of the offenses listed in  
153.4 paragraph (a).

153.5 (d) If the individual studied commits one of the offenses listed in paragraph (a), but the  
153.6 sentence or level of offense is a misdemeanor disposition, the individual is disqualified but  
153.7 the disqualification lookback period for the offense is the period applicable to misdemeanors.

153.8 (e) When a disqualification is based on a judicial determination other than a conviction,  
153.9 the disqualification period begins from the date of the court order. When a disqualification  
153.10 is based on an admission, the disqualification period begins from the date of an admission  
153.11 in court. When a disqualification is based on an Alford Plea, the disqualification period  
153.12 begins from the date the Alford Plea is entered in court. When a disqualification is based  
153.13 on a preponderance of evidence of a disqualifying act, the disqualification date begins from  
153.14 the date of the dismissal, the date of discharge of the sentence imposed for a conviction for  
153.15 a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.

153.16 Sec. 79. Minnesota Statutes 2018, section 245C.15, subdivision 4, is amended to read:

153.17 Subd. 4. **Seven-year disqualification.** (a) An individual is disqualified under section  
153.18 245C.14 if: (1) less than seven years has passed since the discharge of the sentence imposed,  
153.19 if any, for the offense; and (2) the individual has committed a misdemeanor-level violation  
153.20 of any of the following offenses: sections 256.98 (wrongfully obtaining assistance); 268.182  
153.21 (fraud); 393.07, subdivision 10, paragraph (c) (federal Food Stamp Program fraud); 609.2112,  
153.22 609.2113, or 609.2114 (criminal vehicular homicide or injury); 609.221 (assault in the first  
153.23 degree); 609.222 (assault in the second degree); 609.223 (assault in the third degree);  
153.24 609.2231 (assault in the fourth degree); 609.224 (assault in the fifth degree); 609.2242  
153.25 (domestic assault); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure  
153.26 to report maltreatment of a vulnerable adult); 609.2672 (assault of an unborn child in the  
153.27 third degree); 609.27 (coercion); violation of an order for protection under 609.3232  
153.28 (protective order authorized; procedures; penalties); 609.466 (medical assistance fraud);  
153.29 609.52 (theft); 609.525 (bringing stolen goods into Minnesota); 609.527 (identity theft);  
153.30 609.53 (receiving stolen property); 609.535 (issuance of dishonored checks); 609.611  
153.31 (insurance fraud); 609.66 (dangerous weapons); 609.665 (spring guns); 609.746 (interference

- 153.32 with privacy); 609.79 (obscene or harassing telephone calls); 609.795 (letter, telegram, or  
153.33 package; opening; harassment); 609.817 (criminal penalties for acts involving human services  
153.34 programs); 609.82 (fraud in obtaining credit); 609.821 (financial transaction card fraud);  
154.1 617.23 (indecent exposure), not involving a minor; 617.293 (harmful materials; dissemination  
154.2 and display to minors prohibited); or Minnesota Statutes 2012, section 609.21; or violation  
154.3 of an order for protection under section 518B.01 (Domestic Abuse Act).
- 154.4 (b) An individual is disqualified under section 245C.14 if less than seven years has  
154.5 passed since a determination or disposition of the individual's:
- 154.6 (1) failure to make required reports under section 626.556, subdivision 3, or 626.557,  
154.7 subdivision 3, for incidents in which: (i) the final disposition under section 626.556 or  
154.8 626.557 was substantiated maltreatment, and (ii) the maltreatment was recurring or serious;  
154.9 or
- 154.10 (2) substantiated serious or recurring maltreatment of a minor under section 626.556, a  
154.11 vulnerable adult under section 626.557, or serious or recurring maltreatment in any other  
154.12 state, the elements of which are substantially similar to the elements of maltreatment under  
154.13 section 626.556 or 626.557 for which: (i) there is a preponderance of evidence that the  
154.14 maltreatment occurred, and (ii) the subject was responsible for the maltreatment.
- 154.15 (c) An individual is disqualified under section 245C.14 if less than seven years has  
154.16 passed since the individual's aiding and abetting, attempt, or conspiracy to commit any of  
154.17 the offenses listed in paragraphs (a) and (b), as each of these offenses is defined in Minnesota  
154.18 Statutes.
- 154.19 (d) An individual is disqualified under section 245C.14 if less than seven years has  
154.20 passed since the discharge of the sentence imposed for an offense in any other state or  
154.21 country, the elements of which are substantially similar to the elements of any of the offenses  
154.22 listed in paragraphs (a) and (b).
- 154.23 (e) When a disqualification is based on a judicial determination other than a conviction,  
154.24 the disqualification period begins from the date of the court order. When a disqualification  
154.25 is based on an admission, the disqualification period begins from the date of an admission  
154.26 in court. When a disqualification is based on an Alford Plea, the disqualification period  
154.27 begins from the date the Alford Plea is entered in court. When a disqualification is based  
154.28 on a preponderance of evidence of a disqualifying act, the disqualification date begins from  
154.29 the date of the dismissal, the date of discharge of the sentence imposed for a conviction for  
154.30 a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.
- 154.31 (f) An individual is disqualified under section 245C.14 if less than seven years has passed  
154.32 since the individual was disqualified under section 256.98, subdivision 8.
- 155.1 Sec. 80. Minnesota Statutes 2018, section 245C.15, is amended by adding a subdivision  
155.2 to read:

155.3 Subd. 6. **Licensed family child foster care disqualifications.** (a) Notwithstanding  
155.4 subdivisions 1 to 5, for a background study affiliated with a licensed family child foster  
155.5 care, an individual is disqualified under section 245C.14, regardless of how much time has  
155.6 passed, if the individual committed an act that resulted in a felony-level conviction for:  
155.7 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder  
155.8 in the third degree); 609.20 (manslaughter in the first degree); 609.205 (manslaughter in  
155.9 the second degree); 609.2112 (criminal vehicular homicide); 609.223, subdivision 2 (assault  
155.10 in the third degree, past pattern of child abuse); 609.223, subdivision 3 (assault in the third  
155.11 degree, victim under four); a felony offense under sections 609.2242 and 609.2243 (domestic  
155.12 assault), spousal abuse, child abuse or neglect, or a crime against children; 609.2247  
155.13 (domestic assault by strangulation); 609.25 (kidnapping); 609.255 (false imprisonment);  
155.14 609.265 (abduction); 609.2661 (murder of an unborn child in the first degree); 609.2662  
155.15 (murder of an unborn child in the second degree); 609.2663 (murder of an unborn child in  
155.16 the third degree); 609.2664 (manslaughter of an unborn child in the first degree); 609.2665  
155.17 (manslaughter of an unborn child in the second degree); 609.267 (assault of an unborn child  
155.18 in the first degree); 609.2671 (assault of an unborn child in the second degree); 609.268  
155.19 (injury or death of an unborn child in the commission of a crime); 609.324, subdivision 1  
155.20 (other prohibited acts; engaging in, hiring, or agreeing to hire minor to engage in prostitution);  
155.21 609.342 (criminal sexual conduct in the first degree); 609.343 (criminal sexual conduct in  
155.22 the second degree); 609.344 (criminal sexual conduct in the third degree); 609.345 (criminal  
155.23 sexual conduct in the fourth degree); 609.3451 (criminal sexual conduct in the fifth degree);  
155.24 609.3453 (criminal sexual predatory conduct); 609.352 (solicitation of children to engage  
155.25 in sexual conduct); 609.377 (malicious punishment of a child); 609.378 (neglect or  
155.26 endangerment of a child); 617.246 (use of minors in sexual performance prohibited); or  
155.27 617.247 (possession of pictorial representations of minors).

155.28 (b) Notwithstanding subdivisions 1 to 5, for the purposes of a background study affiliated  
155.29 with a licensed family foster care license, an individual is disqualified under section 245C.14,  
155.30 regardless of how much time has passed, if the individual:

155.31 (1) committed an action under paragraph (d) that resulted in death or involved sexual  
155.32 abuse;

155.33 (2) committed an act that resulted in a felony-level conviction for section 609.746  
155.34 (interference with privacy);

156.1 (3) committed an act that resulted in a gross misdemeanor-level conviction for section  
156.2 609.3451 (criminal sexual conduct in the fifth degree); or

156.3 (4) committed an act against or involving a minor that resulted in a felony-level conviction  
156.4 for: section 609.221 (assault in the first degree); 609.222 (assault in the second degree);  
156.5 609.223, subdivision 1 (assault in the third degree); 609.2231 (assault in the fourth degree);  
156.6 or 609.224, subdivision 4 (assault in the fifth degree).

156.7 (c) Notwithstanding subdivisions 1 to 5, for a background study affiliated with a licensed  
156.8 family child foster care license, an individual is disqualified under section 245C.14 if:

156.9 (1) less than five years have passed since the termination of parental rights under section  
156.10 260C.301, subdivision 1, paragraph (b);

156.11 (2) less than five years have passed since a felony-level conviction for: 152.021  
156.12 (controlled substance crime in the first degree); 152.022 (controlled substance crime in the  
156.13 second degree); 152.023 (controlled substance crime in the third degree); 152.024 (controlled  
156.14 substance crime in the fourth degree); 152.025 (controlled substance crime in the fifth  
156.15 degree); 152.0261 (importing controlled substances across state borders); 152.0262,  
156.16 subdivision 1, paragraph (b) (possession of substance with intent to manufacture  
156.17 methamphetamine); 152.027, subdivision 6, paragraph (c) (sale or possession of synthetic  
156.18 cannabinoids); 152.096 (conspiracies prohibited); 152.097 (simulated controlled substances);  
156.19 152.136 (anhydrous ammonia; prohibited conduct; criminal penalties; civil liabilities);  
156.20 152.137 (methamphetamine-related crimes involving children or vulnerable adults); 169A.24  
156.21 (felony first-degree driving while impaired); 609.2113 (criminal vehicular operation; bodily  
156.22 harm); 609.2114 (criminal vehicular operation; unborn child); 609.228 (great bodily harm  
156.23 caused by distribution of drugs); 609.2325 (criminal abuse of a vulnerable adult); 609.235  
156.24 (use of drugs to injure or facilitate a crime); 609.66, subdivision 1e (felony drive-by  
156.25 shooting); 609.687 (adulteration); or 609.855, subdivision 5 (shooting at or in a public  
156.26 transit vehicle or facility); or

156.27 (3) less than five years have passed since a felony-level conviction for an act not against  
156.28 or involving a minor under: section 609.221 (assault in the first degree); 609.222 (assault  
156.29 in the second degree); 609.223, subdivision 1 (assault in the third degree); 609.2231 (assault  
156.30 in the fourth degree); or 609.224, subdivision 4 (assault in the fifth degree).

156.31 (d) Notwithstanding subdivisions 1 to 5, except as provided in paragraph (a), for a  
156.32 background study affiliated with a licensed family child foster care license, an individual  
156.33 is disqualified under section 245C.14 if less than five years have passed since:

157.1 (1) a determination or disposition of the individual's failure to make required reports  
157.2 under section 626.556, subdivision 3, or 626.557, subdivision 3, for incidents in which the  
157.3 final disposition under section 626.556 or 626.557 was substantiated maltreatment and the  
157.4 maltreatment was recurring or serious;

157.5 (2) a determination or disposition of the individual's substantiated serious or recurring  
157.6 maltreatment of a minor under section 626.556, a vulnerable adult under section 626.557,  
157.7 or serious or recurring maltreatment in any other state, the elements of which are substantially  
157.8 similar to the elements of maltreatment under section 626.556 or 626.557 and meet the  
157.9 definition of serious maltreatment or recurring maltreatment;

157.10 (3) the termination of the individual's parental rights under section 260C.301, subdivision  
157.11 1, paragraph (a); or



157.12 (4) a gross misdemeanor-level conviction for: section 609.746 (interference with privacy);  
 157.13 609.2242 and 609.2243 (domestic assault); 609.377 (malicious punishment of a child); or  
 157.14 609.378 (neglect or endangerment of a child).

157.15 (e) An individual is disqualified under this subdivision if the individual is convicted of  
 157.16 an offense in any other state or country and the elements of the offense are substantially  
 157.17 similar to any of the offenses listed in this subdivision.

157.18 **EFFECTIVE DATE.** This section is effective March 1, 2020.

157.19 Sec. 81. Minnesota Statutes 2018, section 245C.22, subdivision 4, is amended to read:

157.20 Subd. 4. **Risk of harm; set aside.** (a) The commissioner may set aside the disqualification  
 157.21 if the commissioner finds that the individual has submitted sufficient information to  
 157.22 demonstrate that the individual does not pose a risk of harm to any person served by the  
 157.23 applicant, license holder, or other entities as provided in this chapter.

157.24 (b) In determining whether the individual has met the burden of proof by demonstrating  
 157.25 the individual does not pose a risk of harm, the commissioner shall consider:

157.26 (1) the nature, severity, and consequences of the event or events that led to the  
 157.27 disqualification;

157.28 (2) whether there is more than one disqualifying event;

157.29 (3) the age and vulnerability of the victim at the time of the event;

157.30 (4) the harm suffered by the victim;

157.31 (5) vulnerability of persons served by the program;

158.1 (6) the similarity between the victim and persons served by the program;

158.2 (7) the time elapsed without a repeat of the same or similar event;

158.3 (8) documentation of successful completion by the individual studied of training or  
 158.4 rehabilitation pertinent to the event; and

158.5 (9) any other information relevant to reconsideration.

158.6 (c) If the individual requested reconsideration on the basis that the information relied  
 158.7 upon to disqualify the individual was incorrect or inaccurate and the commissioner determines  
 158.8 that the information relied upon to disqualify the individual is correct, the commissioner  
 158.9 must also determine if the individual poses a risk of harm to persons receiving services in  
 158.10 accordance with paragraph (b).

158.11 (d) For an individual seeking employment in the substance use disorder treatment field,  
 158.12 the commissioner shall set aside the disqualification if the following criteria are met:

250.10 Sec. 7. Minnesota Statutes 2018, section 245C.22, subdivision 4, is amended to read:

250.11 Subd. 4. **Risk of harm; set aside.** (a) The commissioner may set aside the disqualification  
 250.12 if the commissioner finds that the individual has submitted sufficient information to  
 250.13 demonstrate that the individual does not pose a risk of harm to any person served by the  
 250.14 applicant, license holder, or other entities as provided in this chapter.

250.15 (b) In determining whether the individual has met the burden of proof by demonstrating  
 250.16 the individual does not pose a risk of harm, the commissioner shall consider:

250.17 (1) the nature, severity, and consequences of the event or events that led to the  
 250.18 disqualification;

250.19 (2) whether there is more than one disqualifying event;

250.20 (3) the age and vulnerability of the victim at the time of the event;

250.21 (4) the harm suffered by the victim;

250.22 (5) vulnerability of persons served by the program;

250.23 (6) the similarity between the victim and persons served by the program;

250.24 (7) the time elapsed without a repeat of the same or similar event;

250.25 (8) documentation of successful completion by the individual studied of training or  
 250.26 rehabilitation pertinent to the event; and

250.27 (9) any other information relevant to reconsideration.

250.28 (c) If the individual requested reconsideration on the basis that the information relied  
 250.29 upon to disqualify the individual was incorrect or inaccurate and the commissioner determines  
 250.30 that the information relied upon to disqualify the individual is correct, the commissioner  
 251.1 must also determine if the individual poses a risk of harm to persons receiving services in  
 251.2 accordance with paragraph (b).

251.3 (d) For an individual seeking employment in the substance use disorder treatment field,  
 251.4 the commissioner shall set aside the disqualification if the following criteria are met:

158.13 (1) the individual is not disqualified for a crime of violence as listed under section  
 158.14 624.712, subdivision 5, except for the following crimes: crimes listed under section 152.021,  
 158.15 subdivision 2 or 2a; 152.022, subdivision 2; 152.023, subdivision 2; 152.024; or 152.025;

158.16 (2) the individual is not disqualified under section 245C.15, subdivision 1;

158.17 (3) the individual is not disqualified under section 245C.15, subdivision 4, paragraph  
 158.18 (b);

158.19 (4) the individual provided documentation of successful completion of treatment, at least  
 158.20 one year prior to the date of the request for reconsideration, at a program licensed under  
 158.21 chapter 245G, and has had no disqualifying crimes or conduct under section 245C.15 after  
 158.22 the successful completion of treatment;

158.23 (5) the individual provided documentation demonstrating abstinence from controlled  
 158.24 substances, as defined in section 152.01, subdivision 4, for the period of one year prior to  
 158.25 the date of the request for reconsideration; and

158.26 (6) the individual is seeking employment in the substance use disorder treatment field.

158.27 Sec. 82. Minnesota Statutes 2018, section 245C.22, subdivision 5, is amended to read:

158.28 Subd. 5. **Scope of set-aside.** (a) If the commissioner sets aside a disqualification under  
 158.29 this section, the disqualified individual remains disqualified, but may hold a license and  
 158.30 have direct contact with or access to persons receiving services. Except as provided in  
 158.31 paragraph (b), the commissioner's set-aside of a disqualification is limited solely to the  
 159.1 licensed program, applicant, or agency specified in the set aside notice under section 245C.23.  
 159.2 For personal care provider organizations, the commissioner's set-aside may further be limited  
 159.3 to a specific individual who is receiving services. For new background studies required  
 159.4 under section 245C.04, subdivision 1, paragraph (h), if an individual's disqualification was  
 159.5 previously set aside for the license holder's program and the new background study results  
 159.6 in no new information that indicates the individual may pose a risk of harm to persons  
 159.7 receiving services from the license holder, the previous set-aside shall remain in effect.

159.8 (b) If the commissioner has previously set aside an individual's disqualification for one  
 159.9 or more programs or agencies, and the individual is the subject of a subsequent background  
 159.10 study for a different program or agency, the commissioner shall determine whether the  
 159.11 disqualification is set aside for the program or agency that initiated the subsequent  
 159.12 background study. A notice of a set-aside under paragraph (c) shall be issued within 15  
 159.13 working days if all of the following criteria are met:

159.14 (1) the subsequent background study was initiated in connection with a program licensed  
 159.15 or regulated under the same provisions of law and rule for at least one program for which  
 159.16 the individual's disqualification was previously set aside by the commissioner;

159.17 (2) the individual is not disqualified for an offense specified in section 245C.15,  
 159.18 subdivision 1 or 2;

251.5 (1) the individual is not disqualified for a crime of violence as listed under section  
 251.6 624.712, subdivision 5, except that the following crimes are prohibitory offenses: crimes  
 251.7 listed under section 152.021, subdivision 2 or 2a; 152.022, subdivision 2; 152.023,  
 251.8 subdivision 2; 152.024; or 152.025;

251.9 (2) the individual is not disqualified under section 245C.15, subdivision 1;

251.10 (3) the individual is not disqualified under section 245C.15, subdivision 4, paragraph  
 251.11 (b);

251.12 (4) the individual provided documentation of successful completion of treatment, at least  
 251.13 one year prior to the date of the request for reconsideration, at a program licensed under  
 251.14 chapter 245G, and has had no disqualifying crimes or conduct under section 245C.15 after  
 251.15 the successful completion of treatment;

251.16 (5) the individual provided documentation demonstrating abstinence from controlled  
 251.17 substances, as defined in section 152.01, subdivision 4, for the period of one year prior to  
 251.18 the date of the request for reconsideration; and

251.19 (6) the individual is seeking employment in the substance use disorder treatment field.

251.20 Sec. 8. Minnesota Statutes 2018, section 245C.22, subdivision 5, is amended to read:

251.21 Subd. 5. **Scope of set-aside.** (a) If the commissioner sets aside a disqualification under  
 251.22 this section, the disqualified individual remains disqualified, but may hold a license and  
 251.23 have direct contact with or access to persons receiving services. Except as provided in  
 251.24 paragraph (b), the commissioner's set-aside of a disqualification is limited solely to the  
 251.25 licensed program, applicant, or agency specified in the set aside notice under section 245C.23.  
 251.26 For personal care provider organizations, the commissioner's set-aside may further be limited  
 251.27 to a specific individual who is receiving services. For new background studies required  
 251.28 under section 245C.04, subdivision 1, paragraph (h), if an individual's disqualification was  
 251.29 previously set aside for the license holder's program and the new background study results  
 251.30 in no new information that indicates the individual may pose a risk of harm to persons  
 251.31 receiving services from the license holder, the previous set-aside shall remain in effect.

252.1 (b) If the commissioner has previously set aside an individual's disqualification for one  
 252.2 or more programs or agencies, and the individual is the subject of a subsequent background  
 252.3 study for a different program or agency, the commissioner shall determine whether the  
 252.4 disqualification is set aside for the program or agency that initiated the subsequent  
 252.5 background study. A notice of a set-aside under paragraph (c) shall be issued within 15  
 252.6 working days if all of the following criteria are met:

252.7 (1) the subsequent background study was initiated in connection with a program licensed  
 252.8 or regulated under the same provisions of law and rule for at least one program for which  
 252.9 the individual's disqualification was previously set aside by the commissioner;

252.10 (2) the individual is not disqualified for an offense specified in section 245C.15,  
 252.11 subdivision 1 or 2;



159.19 (3) the commissioner has received no new information to indicate that the individual  
159.20 may pose a risk of harm to any person served by the program; and

159.21 (4) the previous set-aside was not limited to a specific person receiving services.

159.22 (c) Notwithstanding paragraph (b), clause (2), for an individual who is employed in the  
159.23 substance use disorder field, if the commissioner has previously set aside an individual's  
159.24 disqualification for one or more programs or agencies in the substance use disorder treatment  
159.25 field, and the individual is the subject of a subsequent background study for a different  
159.26 program or agency in the substance use disorder treatment field, the commissioner shall set  
159.27 aside the disqualification for the program or agency in the substance use disorder treatment  
159.28 field that initiated the subsequent background study when the criteria under paragraph (b),  
159.29 clauses (1), (3), and (4), are met and the individual is not disqualified for an offense specified  
159.30 in section 254C.15, subdivision 1. A notice of a set-aside under paragraph (d) shall be issued  
159.31 within 15 working days.

159.32 (d) When a disqualification is set aside under paragraph (b), the notice of background  
159.33 study results issued under section 245C.17, in addition to the requirements under section  
159.34 245C.17, shall state that the disqualification is set aside for the program or agency that  
160.1 initiated the subsequent background study. The notice must inform the individual that the  
160.2 individual may request reconsideration of the disqualification under section 245C.21 on the  
160.3 basis that the information used to disqualify the individual is incorrect.

160.4 Sec. 83. Minnesota Statutes 2018, section 245C.24, is amended to read:  
160.5 **245C.24 DISQUALIFICATION; BAR TO SET ASIDE A DISQUALIFICATION;**  
160.6 **REQUEST FOR VARIANCE.**

160.7 Subdivision 1. **Minimum disqualification periods.** The disqualification periods under  
160.8 subdivisions 3 and 4 to 6 are the minimum applicable disqualification periods. The  
160.9 commissioner may determine that an individual should continue to be disqualified from  
160.10 licensure because the individual continues to pose a risk of harm to persons served by that  
160.11 individual, even after the minimum disqualification period has passed.

160.12 Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as provided in  
160.13 paragraph paragraphs (b); to (d), the commissioner may not set aside the disqualification  
160.14 of any individual disqualified pursuant to this chapter, regardless of how much time has  
160.15 passed, if the individual was disqualified for a crime or conduct listed in section 245C.15,  
160.16 subdivision 1.

160.17 (b) For an individual in the chemical dependency or corrections field who was disqualified  
160.18 for a crime or conduct listed under section 245C.15, subdivision 1, and whose disqualification  
160.19 was set aside prior to July 1, 2005 more than 20 years have passed since the discharge of  
160.20 the sentence imposed or, if the disqualification is not based on a conviction, more than 20  
160.21 years have passed since the individual committed the act upon which the disqualification  
160.22 was based, the commissioner must consider granting a set aside or variance pursuant to  
160.23 section 245C.22 or 245C.30 for the license holder for a program dealing primarily with

252.12 (3) the commissioner has received no new information to indicate that the individual  
252.13 may pose a risk of harm to any person served by the program; and

252.14 (4) the previous set-aside was not limited to a specific person receiving services.

252.15 (c) Notwithstanding paragraph (b), clause (2), for an individual who is employed in the  
252.16 substance use disorder field, if the commissioner has previously set aside an individual's  
252.17 disqualification for one or more programs or agencies in the substance use disorder treatment  
252.18 field, and the individual is the subject of a subsequent background study for a different  
252.19 program or agency in the substance use disorder treatment field, the commissioner shall set  
252.20 aside the disqualification for the program or agency in the substance use disorder treatment  
252.21 field that initiated the subsequent background study when the criteria under paragraph (b),  
252.22 clauses (1), (3), and (4), are met and the individual is not disqualified for an offense specified  
252.23 in section 254C.15, subdivision 1. A notice of a set-aside under paragraph (d) shall be issued  
252.24 within 15 working days.

252.25 (d) When a disqualification is set aside under paragraph (b), the notice of background  
252.26 study results issued under section 245C.17, in addition to the requirements under section  
252.27 245C.17, shall state that the disqualification is set aside for the program or agency that  
252.28 initiated the subsequent background study. The notice must inform the individual that the  
252.29 individual may request reconsideration of the disqualification under section 245C.21 on the  
252.30 basis that the information used to disqualify the individual is incorrect.

160.24 adults. ~~A request for reconsideration evaluated under this paragraph must include a letter~~  
160.25 ~~of recommendation from the license holder that was subject to the prior set-aside decision~~  
160.26 ~~addressing the individual's quality of care to children or vulnerable adults and the~~  
160.27 ~~circumstances of the individual's departure from that service. This paragraph does not apply~~  
160.28 ~~to a person disqualified based on a violation of sections 609.342 to 609.345; 617.23,~~  
160.29 ~~subdivision 2, clause (1), or subdivision 3, clause (1); 617.246; or 617.247.~~

160.30 (c) When a licensed foster care provider adopts an individual who had received foster  
160.31 care services from the provider for over six months, and the adopted individual is required  
160.32 to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause  
160.33 (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30  
160.34 to permit the adopted individual with a permanent disqualification to remain affiliated with  
161.1 the license holder under the conditions of the variance when the variance is recommended  
161.2 by the county of responsibility for each of the remaining individuals in placement in the  
161.3 home and the licensing agency for the home.

161.4 (d) For an individual 18 years of age or older affiliated with a licensed family child foster  
161.5 care program, the commissioner must not set aside the disqualification of any individual  
161.6 disqualified pursuant to this chapter, regardless of how much time has passed, if the individual  
161.7 was disqualified for a crime or conduct listed in section 245C.15, subdivision 6, paragraph  
161.8 (a). This paragraph does not apply to an individual younger than 18 years of age at the time  
161.9 the background study is submitted.

161.10 Subd. 3. **Ten-year bar to set aside disqualification.** (a) The commissioner may not set  
161.11 aside the disqualification of an individual in connection with a license to provide family  
161.12 child care for children, ~~foster care for children in the provider's home~~, or foster care or day  
161.13 care services for adults in the provider's home if: (1) less than ten years has passed since  
161.14 the discharge of the sentence imposed, if any, for the offense; or (2) when disqualified based  
161.15 on a preponderance of the evidence determination under section 245C.14, subdivision 1,  
161.16 paragraph (a), clause (2), or an admission under section 245C.14, subdivision 1, paragraph  
161.17 (a), clause (1), and less than ten years has passed since the individual committed the act or  
161.18 admitted to committing the act, whichever is later; and (3) the individual has committed a  
161.19 violation of any of the following offenses: sections 609.165 (felon ineligible to possess  
161.20 firearm); criminal vehicular homicide or criminal vehicular operation causing death under  
161.21 609.2112, 609.2113, or 609.2114 (criminal vehicular homicide or injury); 609.215 (aiding  
161.22 suicide or aiding attempted suicide); felony violations under 609.223 or 609.2231 (assault  
161.23 in the third or fourth degree); 609.229 (crimes committed for benefit of a gang); 609.713  
161.24 (terroristic threats); 609.235 (use of drugs to injure or to facilitate crime); 609.24 (simple  
161.25 robbery); 609.255 (false imprisonment); 609.562 (arson in the second degree); 609.71 (riot);  
161.26 609.498, subdivision 1 or 1b (aggravated first-degree or first-degree tampering with a  
161.27 witness); burglary in the first or second degree under 609.582 (burglary); 609.66 (dangerous  
161.28 weapon); 609.665 (spring guns); 609.67 (machine guns and short-barreled shotguns);  
161.29 609.749, subdivision 2 (gross misdemeanor stalking); 152.021 or 152.022 (controlled  
161.30 substance crime in the first or second degree); 152.023, subdivision 1, clause (3) or (4) or  
161.31 subdivision 2, clause (4) (controlled substance crime in the third degree); 152.024,

161.32 subdivision 1, clause (2), (3), or (4) (controlled substance crime in the fourth degree);  
161.33 609.224, subdivision 2, paragraph (c) (fifth-degree assault by a caregiver against a vulnerable  
161.34 adult); 609.23 (mistreatment of persons confined); 609.231 (mistreatment of residents or  
161.35 patients); 609.2325 (criminal abuse of a vulnerable adult); 609.233 (criminal neglect of a  
162.1 vulnerable adult); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure  
162.2 to report); 609.265 (abduction); 609.2664 to 609.2665 (manslaughter of an unborn child in  
162.3 the first or second degree); 609.267 to 609.2672 (assault of an unborn child in the first,  
162.4 second, or third degree); 609.268 (injury or death of an unborn child in the commission of  
162.5 a crime); repeat offenses under 617.23 (indecent exposure); 617.293 (disseminating or  
162.6 displaying harmful material to minors); a felony-level conviction involving alcohol or drug  
162.7 use, a gross misdemeanor offense under 609.324, subdivision 1 (other prohibited acts); a  
162.8 gross misdemeanor offense under 609.378 (neglect or endangerment of a child); a gross  
162.9 misdemeanor offense under 609.377 (malicious punishment of a child); 609.72, subdivision  
162.10 3 (disorderly conduct against a vulnerable adult); or 624.713 (certain persons not to possess  
162.11 firearms); or Minnesota Statutes 2012, section 609.21.

162.12 (b) The commissioner may not set aside the disqualification of an individual if less than  
162.13 ten years have passed since the individual's aiding and abetting, attempt, or conspiracy to  
162.14 commit any of the offenses listed in paragraph (a) as each of these offenses is defined in  
162.15 Minnesota Statutes.

162.16 (c) The commissioner may not set aside the disqualification of an individual if less than  
162.17 ten years have passed since the discharge of the sentence imposed for an offense in any  
162.18 other state or country, the elements of which are substantially similar to the elements of any  
162.19 of the offenses listed in paragraph (a).

162.20 Subd. 4. **Seven-year bar to set aside disqualification.** The commissioner may not set  
162.21 aside the disqualification of an individual in connection with a license to provide family  
162.22 child care for children, ~~foster care for children in the provider's home~~, or foster care or day  
162.23 care services for adults in the provider's home if within seven years preceding the study:

162.24 (1) the individual committed an act that constitutes maltreatment of a child under section  
162.25 626.556, subdivision 10e, and the maltreatment resulted in substantial bodily harm as defined  
162.26 in section 609.02, subdivision 7a, or substantial mental or emotional harm as supported by  
162.27 competent psychological or psychiatric evidence; or

162.28 (2) the individual was determined under section 626.557 to be the perpetrator of a  
162.29 substantiated incident of maltreatment of a vulnerable adult that resulted in substantial  
162.30 bodily harm as defined in section 609.02, subdivision 7a, or substantial mental or emotional  
162.31 harm as supported by competent psychological or psychiatric evidence.

162.32 Subd. 5. **Five-year bar to set aside disqualification.** The commissioner must not set  
162.33 aside the disqualification of an individual 18 years of age or older in connection with a  
162.34 family child foster care license if the individual is disqualified under section 245C.15.

163.1 subdivision 6, paragraph (c). This paragraph does not apply to an individual younger than  
163.2 18 years of age at the time the background study is submitted.

163.3 Subd. 6. **Five-year bar to set aside disqualification; children's residential**  
163.4 **facilities.** The commissioner shall not set aside the disqualification of an individual in  
163.5 connection with a license for a children's residential facility who was convicted of a felony  
163.6 within the past five years for: (1) physical assault or battery; or (2) a drug-related offense.

163.7 **EFFECTIVE DATE.** This section is effective March 1, 2020, except subdivision 6 is  
163.8 effective for background studies initiated on or after July 1, 2019.

163.9 Sec. 84. Minnesota Statutes 2018, section 245C.30, subdivision 1, is amended to read:

163.10 Subdivision 1. **License holder and license-exempt child care center certification**  
163.11 **holder variance.** (a) Except for any disqualification under section 245C.15, subdivision 1,  
163.12 when the commissioner has not set aside a background study subject's disqualification, and  
163.13 there are conditions under which the disqualified individual may provide direct contact  
163.14 services or have access to people receiving services that minimize the risk of harm to people  
163.15 receiving services, the commissioner may grant a time-limited variance to a license holder  
163.16 or license-exempt child care center certification holder.

163.17 (b) The variance shall state the reason for the disqualification, the services that may be  
163.18 provided by the disqualified individual, and the conditions with which the license holder,  
163.19 license-exempt child care center certification holder, or applicant must comply for the  
163.20 variance to remain in effect.

163.21 (c) Except for programs licensed to provide family child care, foster care for children  
163.22 in the provider's own home, or foster care or day care services for adults in the provider's  
163.23 own home, the variance must be requested by the license holder or license-exempt child  
163.24 care center certification holder.

163.25 **EFFECTIVE DATE.** This section is effective September 30, 2019.

163.26 Sec. 85. Minnesota Statutes 2018, section 245C.30, subdivision 2, is amended to read:

163.27 Subd. 2. **Disclosure of reason for disqualification.** (a) The commissioner may not grant  
163.28 a variance for a disqualified individual unless the applicant, license-exempt child care center  
163.29 certification holder, or license holder requests the variance and the disqualified individual  
163.30 provides written consent for the commissioner to disclose to the applicant, license-exempt  
163.31 child care center certification holder, or license holder the reason for the disqualification.

164.1 (b) This subdivision does not apply to programs licensed to provide family child care  
164.2 for children, foster care for children in the provider's own home, or foster care or day care  
164.3 services for adults in the provider's own home. When the commissioner grants a variance  
164.4 for a disqualified individual in connection with a license to provide the services specified  
164.5 in this paragraph, the disqualified individual's consent is not required to disclose the reason  
164.6 for the disqualification to the license holder in the variance issued under subdivision 1,  
164.7 provided that the commissioner may not disclose the reason for the disqualification if the

164.8 disqualification is based on a felony-level conviction for a drug-related offense within the  
 164.9 past five years.

164.10 **EFFECTIVE DATE.** This section is effective September 30, 2019.

164.11 Sec. 86. Minnesota Statutes 2018, section 245C.30, subdivision 3, is amended to read:

164.12 Subd. 3. **Consequences for failing to comply with conditions of variance.** When a  
 164.13 license holder or license-exempt child care center certification holder permits a disqualified  
 164.14 individual to provide any services for which the subject is disqualified without complying  
 164.15 with the conditions of the variance, the commissioner may terminate the variance effective  
 164.16 immediately and subject the license holder to a licensing action under sections 245A.06  
 164.17 and 245A.07 or a license-exempt child care center certification holder to an action under  
 164.18 sections 245H.06 and 245H.07.

164.19 **EFFECTIVE DATE.** This section is effective September 30, 2019.

252.31 Sec. 9. Minnesota Statutes 2018, section 245C.32, subdivision 2, is amended to read:

252.32 Subd. 2. **Use.** (a) The commissioner may also use these systems and records to obtain  
 252.33 and provide criminal history data from the Bureau of Criminal Apprehension, criminal  
 253.1 history data held by the commissioner, and data about substantiated maltreatment under  
 253.2 section 626.556 or 626.557, for other purposes, provided that:

253.3 (1) the background study is specifically authorized in statute; or

253.4 (2) the request is made with the informed consent of the subject of the study as provided  
 253.5 in section 13.05, subdivision 4.

253.6 (b) An individual making a request under paragraph (a), clause (2), must agree in writing  
 253.7 not to disclose the data to any other individual without the consent of the subject of the data.

253.8 (c) The commissioner may recover the cost of obtaining and providing background study  
 253.9 data by charging the individual or entity requesting the study a fee of no more than \$20 per  
 253.10 study. The fees collected under this paragraph are appropriated to the commissioner for the  
 253.11 purpose of conducting background studies.

253.12 ~~(d) The commissioner shall recover the cost of obtaining background study data required~~  
 253.13 ~~under section 524.5-118 through a fee of \$50 per study for an individual who has not lived~~  
 253.14 ~~outside Minnesota for the past ten years, and a fee of \$100 for an individual who has resided~~  
 253.15 ~~outside of Minnesota for any period during the ten years preceding the background study.~~  
 253.16 ~~The commissioner shall recover, from the individual, any additional fees charged by other~~  
 253.17 ~~states' licensing agencies that are associated with these data requests. Fees under subdivision~~  
 253.18 ~~3 also apply when criminal history data from the National Criminal Records Repository is~~  
 253.19 ~~required.~~

- 164.20 Sec. 87. Minnesota Statutes 2018, section 245E.01, subdivision 8, is amended to read:
- 164.21 Subd. 8. **Financial misconduct or misconduct.** "Financial misconduct" or "misconduct"
- 164.22 means an entity's or individual's acts or omissions that result in fraud and abuse or error
- 164.23 against the Department of Human Services. Financial misconduct includes: (1) acting as a
- 164.24 recruiter offering conditional employment on behalf of a provider that has received funds
- 164.25 from the child care assistance program; and (2) committing an act or acts that meet the
- 164.26 definition of offenses listed in sections 609.816 and 609.817.
- 164.27 Sec. 88. Minnesota Statutes 2018, section 245E.02, is amended by adding a subdivision
- 164.28 to read:
- 164.29 Subd. 1a. **Provider definitions.** For the purposes of this section, "provider" includes:
- 164.30 (1) individuals or entities meeting the definition of provider in section 245E.01,
- 164.31 subdivision 12; and
- 165.1 (2) owners and controlling individuals of entities identified in clause (1).
- 165.2 Sec. 89. Minnesota Statutes 2018, section 245H.01, is amended by adding a subdivision
- 165.3 to read:
- 165.4 Subd. 7. **Substitute.** "Substitute" means an adult who is temporarily filling a position
- 165.5 as a staff person for less than 240 hours total in a calendar year due to the absence of a
- 165.6 regularly employed staff person who provides direct contact services to a child.
- 165.7 **EFFECTIVE DATE.** This section is effective September 30, 2019.
- 165.8 Sec. 90. Minnesota Statutes 2018, section 245H.01, is amended by adding a subdivision
- 165.9 to read:
- 165.10 Subd. 8. **Staff person.** "Staff person" means an employee of a certified center who
- 165.11 provides direct contact services to children.
- 165.12 **EFFECTIVE DATE.** This section is effective September 30, 2019.
- 165.13 Sec. 91. Minnesota Statutes 2018, section 245H.01, is amended by adding a subdivision
- 165.14 to read:
- 165.15 Subd. 9. **Unsupervised volunteer.** "Unsupervised volunteer" means an individual who:
- 165.16 (1) assists in the care of a child in care; (2) is not under the continuous direct supervision
- 165.17 of a staff person; and (3) is not employed by the certified center.
- 165.18 **EFFECTIVE DATE.** This section is effective September 30, 2019.

253.20 **EFFECTIVE DATE.** This section is effective January 1, 2020.

#### ARTICLE 1:

- 14.7 Sec. 15. Minnesota Statutes 2018, section 245E.02, is amended by adding a subdivision
- 14.8 to read:
- 14.9 Subd. 1a. **Provider definitions.** For the purposes of this section, "provider" includes:
- 14.10 (1) individuals or entities meeting the definition of provider in section 245E.01,
- 14.11 subdivision 12; and
- 14.12 (2) owners and controlling individuals of entities identified in clause (1).

165.19 Sec. 92. Minnesota Statutes 2018, section 245H.03, is amended by adding a subdivision  
165.20 to read:

165.21 Subd. 4. **Reconsideration of certification denial.** (a) The applicant may request  
165.22 reconsideration of the denial by notifying the commissioner by certified mail or personal  
165.23 service. The request must be made in writing. If sent by certified mail, the request must be  
165.24 postmarked and sent to the commissioner within ten calendar days after the applicant received  
165.25 the order. If a request is made by personal service, it must be received by the commissioner  
165.26 within ten calendar days after the applicant received the order. The applicant may submit  
165.27 with the request for reconsideration a written argument or evidence in support of the request  
165.28 for reconsideration.

165.29 (b) The commissioner's disposition of a request for reconsideration is final and not  
165.30 subject to appeal under chapter 14.

166.1 **EFFECTIVE DATE.** This section is effective September 30, 2019.

166.2 Sec. 93. Minnesota Statutes 2018, section 245H.07, is amended to read:  
166.3 245H.07 DECERTIFICATION.

166.4 Subdivision 1. **Generally.** (a) The commissioner may decertify a center if a certification  
166.5 holder:

166.6 (1) failed to comply with an applicable law or rule; ~~or~~

166.7 (2) knowingly withheld relevant information from or gave false or misleading information  
166.8 to the commissioner in connection with an application for certification, in connection with  
166.9 the background study status of an individual, during an investigation, or regarding compliance  
166.10 with applicable laws or rules; ~~or~~

166.11 (3) has authorization to receive child care assistance payments revoked pursuant to  
166.12 chapter 119B.

166.13 (b) When considering decertification, the commissioner shall consider the nature,  
166.14 chronicity, or severity of the violation of law or rule.

166.15 (c) When a center is decertified, the center is ineligible to receive a child care assistance  
166.16 payment under chapter 119B.

166.17 Subd. 2. **Reconsideration of decertification.** (a) The certification holder may request  
166.18 reconsideration of the decertification by notifying the commissioner by certified mail or  
166.19 personal service. The request must be made in writing. If sent by certified mail, the request  
166.20 must be postmarked and sent to the commissioner within ten calendar days after the  
166.21 certification holder received the order. If a request is made by personal service, it must be  
166.22 received by the commissioner within ten calendar days after the certification holder received  
166.23 the order. With the request for reconsideration, the certification holder may submit a written  
166.24 argument or evidence in support of the request for reconsideration.



166.25 (b) The commissioner's disposition of a request for reconsideration is final and not  
166.26 subject to appeal under chapter 14.

166.27 Subd. 3. **Decertification due to maltreatment.** If the commissioner decertifies a center  
166.28 pursuant to subdivision 1, paragraph (a), clause (1), based on a determination that the center  
166.29 was responsible for maltreatment, and if the center requests reconsideration of the  
166.30 decertification according to subdivision 2, paragraph (a), and appeals the maltreatment  
166.31 determination under section 626.556, subdivision 10i, the final decertification determination  
166.32 is stayed until the commissioner issues a final decision regarding the maltreatment appeal.

167.1 Subd. 4. **Decertification due to revocation of child care assistance.** If the commissioner  
167.2 decertifies a center that had payments revoked pursuant to chapter 119B, and if the center  
167.3 appeals the revocation of the center's authorization to receive child care assistance payments,  
167.4 the final decertification determination is stayed until the appeal of the center's authorization  
167.5 under chapter 119B is resolved. If the center also requests reconsideration of the  
167.6 decertification, the center must do so according to subdivision 2, paragraph (a). The final  
167.7 decision on reconsideration is stayed until the appeal of the center's authorization under  
167.8 chapter 119B is resolved.

167.9 **EFFECTIVE DATE.** Subdivisions 1 to 3 are effective September 30, 2019. Subdivision  
167.10 4 is effective February 26, 2021.

167.11 Sec. 94. Minnesota Statutes 2018, section 245H.10, subdivision 1, is amended to read:

167.12 Subdivision 1. **Documentation Individuals to be studied.** (a) The applicant or  
167.13 certification holder must submit ~~and maintain~~ documentation of a completed background  
167.14 study for each child care background study subject as defined in section 245C.02, subdivision  
167.15 6a.

167.16 (1) each person applying for the certification;

167.17 (2) each person identified as a center operator or program operator as defined in section  
167.18 245H.01, subdivision 3;

167.19 (3) each current or prospective staff person or contractor of the certified center who will  
167.20 have direct contact with a child served by the center;

167.21 (4) each volunteer who has direct contact with a child served by the center if the contact  
167.22 is not under the continuous, direct supervision by an individual listed in clause (1), (2), or  
167.23 (3); and

167.24 (5) each managerial staff person of the certification holder with oversight and supervision  
167.25 of the certified center.

167.26 (b) To be accepted for certification, a background study on every individual in paragraph  
167.27 (a), clause (1), applying for certification must be completed under chapter 245C and result  
167.28 in a not disqualified determination under section 245C.14 or a disqualification that was set  
167.29 aside under section 245C.22.



168.1 Sec. 95. Minnesota Statutes 2018, section 245H.11, is amended to read:

168.2 245H.11 REPORTING.

168.3 (a) The certification holder must comply and must have written policies for staff to  
168.4 comply with the reporting requirements for abuse and neglect specified in section 626.556.  
168.5 A person mandated to report physical or sexual child abuse or neglect occurring within a  
168.6 certified center shall report the information to the commissioner.

168.7 (b) The certification holder must inform the commissioner within 24 hours of:

168.8 (1) the death of a child in the program; and

168.9 (2) any injury to a child in the program that required treatment by a physician.

168.10 **EFFECTIVE DATE.** This section is effective September 30, 2019.

168.11 Sec. 96. Minnesota Statutes 2018, section 245H.12, is amended to read:

168.12 245H.12 FEES.

168.13 ~~The commissioner shall consult with stakeholders to develop an administrative fee to~~  
168.14 ~~implement this chapter. By February 15, 2019, the commissioner shall provide~~  
168.15 ~~recommendations on the amount of an administrative fee to the legislative committees with~~  
168.16 ~~jurisdiction over health and human services policy and finance. A certified center must pay~~  
168.17 ~~an initial application fee of \$200. For calendar year 2020 and thereafter, a certified center~~  
168.18 ~~shall pay an annual nonrefundable certification fee of \$100.~~

168.19 **EFFECTIVE DATE.** This section is effective July 1, 2019.

168.20 Sec. 97. Minnesota Statutes 2018, section 245H.13, subdivision 5, is amended to read:

168.21 Subd. 5. **Building and physical premises; free of hazards.** ~~(a) The certified center~~  
168.22 ~~must document compliance with the State Fire Code by providing. To be accepted for~~  
168.23 ~~certification, the applicant must demonstrate compliance with the State Fire Code, section~~  
168.24 ~~299F.011, by either:~~

168.25 (1) providing documentation of a fire marshal inspection completed within the previous  
168.26 three years by a state fire marshal or a local fire code inspector trained by the state fire  
168.27 marshal; or

168.28 (2) complying with the fire marshal inspection requirements according to section  
168.29 245A.151.

169.1 (b) The certified center must designate a primary indoor and outdoor space used for  
169.2 child care on a facility site floor plan.

169.3 (c) The certified center must ensure the areas used by a child are clean and in good repair,  
169.4 with structurally sound and functional furniture and equipment that is appropriate to the  
169.5 age and size of a child who uses the area.

169.6 (d) The certified center must ensure hazardous items including but not limited to sharp  
169.7 objects, medicines, cleaning supplies, poisonous plants, and chemicals are out of reach of  
169.8 a child.

169.9 (e) The certified center must safely handle and dispose of bodily fluids and other  
169.10 potentially infectious fluids by using gloves, disinfecting surfaces that come in contact with  
169.11 potentially infectious bodily fluids, and disposing of bodily fluid in a securely sealed plastic  
169.12 bag.

169.13 **EFFECTIVE DATE.** This section is effective September 30, 2019.

169.14 Sec. 98. Minnesota Statutes 2018, section 245H.13, is amended by adding a subdivision  
169.15 to read:

169.16 Subd. 7. **Risk reduction plan.** (a) The certified center must develop a risk reduction  
169.17 plan that identifies risks to children served by the child care center. The assessment of risk  
169.18 must include risks presented by (1) the physical plant where the certified services are  
169.19 provided, including electrical hazards; and (2) the environment, including the proximity to  
169.20 busy roads and bodies of water.

169.21 (b) The certification holder must establish policies and procedures to minimize identified  
169.22 risks. After any change to the risk reduction plan, the certification holder must inform staff  
169.23 of the change in the risk reduction plan and document that staff were informed of the change.

169.24 **EFFECTIVE DATE.** This section is effective September 30, 2019.

169.25 Sec. 99. Minnesota Statutes 2018, section 245H.13, is amended by adding a subdivision  
169.26 to read:

169.27 Subd. 8. **Required policies.** A certified center must have written policies for health and  
169.28 safety items in subdivisions 1 to 6.

169.29 **EFFECTIVE DATE.** This section is effective September 30, 2019.

170.1 Sec. 100. Minnesota Statutes 2018, section 245H.13, is amended by adding a subdivision  
170.2 to read:

170.3 Subd. 9. **Behavior guidance.** The certified center must ensure that staff and volunteers  
170.4 use positive behavior guidance and do not subject children to:

170.5 (1) corporal punishment, including but not limited to rough handling, shoving, hair  
170.6 pulling, ear pulling, shaking, slapping, kicking, biting, pinching, hitting, and spanking;

170.7 (2) humiliation;

170.8 (3) abusive language;

170.9 (4) the use of mechanical restraints, including tying;

170.10 (5) the use of physical restraints other than to physically hold a child when containment  
170.11 is necessary to protect a child or others from harm; or

170.12 (6) the withholding or forcing of food and other basic needs.

170.13 **EFFECTIVE DATE.** This section is effective September 30, 2019.

170.14 Sec. 101. Minnesota Statutes 2018, section 245H.13, is amended by adding a subdivision  
170.15 to read:

170.16 Subd. 10. **Supervision.** Staff must supervise each child at all times. Staff are responsible  
170.17 for the ongoing activity of each child, appropriate visual or auditory awareness, physical  
170.18 proximity, and knowledge of activity requirements and each child's needs. Staff must  
170.19 intervene when necessary to ensure a child's safety. In determining the appropriate level of  
170.20 supervision of a child, staff must consider: (1) the age of a child; (2) individual differences  
170.21 and abilities; (3) indoor and outdoor layout of the child care program; and (4) environmental  
170.22 circumstances, hazards, and risks.

170.23 **EFFECTIVE DATE.** This section is effective September 30, 2019.

170.24 Sec. 102. Minnesota Statutes 2018, section 245H.14, subdivision 1, is amended to read:

170.25 Subdivision 1. **First aid and cardiopulmonary resuscitation.** ~~At least one designated~~  
170.26 ~~staff person who completed pediatric first aid training and pediatric cardiopulmonary~~  
170.27 ~~resuscitation (CPR) training must be present at all times at the program, during field trips,~~  
170.28 ~~and when transporting a child. The designated staff person must repeat pediatric first aid~~  
170.29 ~~training and pediatric CPR training at least once every two years.~~

171.1 (a) Before having unsupervised direct contact with a child, but within the first 90 days  
171.2 of employment for the director and all staff persons, and within 90 days after the first date  
171.3 of direct contact with a child for substitutes and unsupervised volunteers, each person must  
171.4 successfully complete pediatric first aid and pediatric cardiopulmonary resuscitation (CPR)  
171.5 training, unless the training has been completed within the previous two calendar years.  
171.6 Staff must complete the pediatric first aid and pediatric CPR training at least every other  
171.7 calendar year and the center must document the training in the staff person's personnel  
171.8 record.

171.9 (b) Training completed under this subdivision may be used to meet the in-service training  
171.10 requirements under subdivision 6.

171.11 **EFFECTIVE DATE.** This section is effective September 30, 2019.

171.12 Sec. 103. Minnesota Statutes 2018, section 245H.14, subdivision 3, is amended to read:

171.13 Subd. 3. **Abusive head trauma.** A certified center that cares for a child ~~through four~~  
171.14 ~~years of age~~ under school age must ensure that the director and all staff persons ~~and~~  
171.15 ~~volunteers, including substitutes and unsupervised volunteers,~~ receive training on abusive

171.16 ~~head trauma from shaking infants and young children before assisting in the care of a child~~  
171.17 ~~through four years of age under school age.~~

171.18 **EFFECTIVE DATE.** This section is effective September 30, 2019.

171.19 Sec. 104. Minnesota Statutes 2018, section 245H.14, subdivision 4, is amended to read:

171.20 Subd. 4. **Child development.** The certified center must ensure ~~each staff person completes~~  
171.21 ~~at least two hours of~~ that the director and all staff persons complete child development and  
171.22 learning training within ~~14 90~~ days of employment and ~~annually every second calendar year~~  
171.23 thereafter. ~~Substitutes and unsupervised volunteers must complete child development and~~  
171.24 ~~learning training within 90 days after the first date of direct contact with a child and every~~  
171.25 ~~second calendar year thereafter. The director and staff persons not including substitutes~~  
171.26 ~~must complete at least two hours of training on child development. The training for substitutes~~  
171.27 ~~and unsupervised volunteers is not required to be of a minimum length. For purposes of~~  
171.28 this subdivision, "child development and learning training" means how a child develops  
171.29 physically, cognitively, emotionally, and socially and learns as part of the child's family,  
171.30 culture, and community.

171.31 **EFFECTIVE DATE.** This section is effective September 30, 2019.

172.1 Sec. 105. Minnesota Statutes 2018, section 245H.14, subdivision 5, is amended to read:

172.2 Subd. 5. **Orientation.** The certified center must ensure ~~each staff person is the director~~  
172.3 ~~and all staff persons, substitutes, and unsupervised volunteers are trained at orientation on~~  
172.4 ~~health and safety requirements in sections 245H.11, 245H.13, 245H.14, and 245H.15. The~~  
172.5 ~~certified center must provide staff with an orientation within 14 days of employment after~~  
172.6 ~~the first date of direct contact with a child. Before the completion of orientation, a staff~~  
172.7 ~~person these individuals must be supervised while providing direct care to a child.~~

172.8 **EFFECTIVE DATE.** This section is effective September 30, 2019.

172.9 Sec. 106. Minnesota Statutes 2018, section 245H.14, subdivision 6, is amended to read:

172.10 Subd. 6. **In service.** (a) The certified center must ensure ~~each~~ that the director and all  
172.11 ~~staff person is~~ persons, including substitutes and unsupervised volunteers, are trained at  
172.12 least ~~annually~~ once each calendar year on health and safety requirements in sections 245H.11,  
172.13 245H.13, 245H.14, and 245H.15.

172.14 (b) The director and each staff person, not including substitutes, must ~~annually~~ complete  
172.15 at least six hours of training each calendar year. Training required under paragraph (a) may  
172.16 be used toward the hourly training requirements of this subdivision.

172.17 **EFFECTIVE DATE.** This section is effective September 30, 2019.

172.18 Sec. 107. Minnesota Statutes 2018, section 245H.15, subdivision 1, is amended to read:

172.19 Subdivision 1. **Written emergency plan.** (a) A certified center must have a written  
172.20 emergency plan for emergencies that require evacuation, sheltering, or other protection of

- 172.21 children, such as fire, natural disaster, intruder, or other threatening situation that may pose  
 172.22 a health or safety hazard to children. The plan must be written on a form developed by the  
 172.23 commissioner and reviewed and updated at least once each calendar year. The annual review  
 172.24 of the emergency plan must be documented.
- 172.25 (b) The plan must include:
- 172.26 (1) procedures for an evacuation, relocation, shelter-in-place, or lockdown;
- 172.27 (2) a designated relocation site and evacuation route;
- 172.28 (3) procedures for notifying a child's parent or legal guardian of the relocation and  
 172.29 reunification with families;
- 172.30 (4) accommodations for a child with a disability or a chronic medical condition;
- 173.1 (5) procedures for storing a child's medically necessary medicine that facilitates easy  
 173.2 removal during an evacuation or relocation;
- 173.3 (6) procedures for continuing operations in the period during and after a crisis; ~~and~~
- 173.4 (7) procedures for communicating with local emergency management officials, law  
 173.5 enforcement officials, or other appropriate state or local authorities; and
- 173.6 (8) accommodations for infants and toddlers.
- 173.7 (c) The certification holder must have an emergency plan available for review upon  
 173.8 request by the child's parent or legal guardian.
- 173.9 **EFFECTIVE DATE.** This section is effective September 30, 2019.

## ARTICLE 7:

- 253.21 Sec. 10. [245I.01] OFFICE OF INSPECTOR GENERAL.
- 253.22 Subdivision 1. **Creation.** A state Office of Inspector General is created.
- 253.23 Subd. 2. **Director.** (a) The office shall be under the direction of an inspector general  
 253.24 who shall be appointed by the governor, with the advice and consent of the senate, for a  
 253.25 term ending on June 30 of the sixth calendar year after appointment. Senate confirmation  
 253.26 of the inspector general shall be as provided by section 15.066. The inspector general shall  
 253.27 appoint deputies to serve in the office as necessary to fulfill the duties of the office. The  
 253.28 inspector general may delegate to a subordinate employee the exercise of a specified statutory  
 253.29 power or duty, subject to the control of the inspector general. Every delegation must be by  
 253.30 written order filed with the secretary of state.
- 253.31 (b) The inspector general shall be in the unclassified service, but may be removed only  
 253.32 for cause.

- 254.1 Subd. 3. **Duties.** The inspector general shall, in coordination with counties where  
 254.2 applicable:
- 254.3 (1) develop and maintain the licensing and regulatory functions related to hospitals,  
 254.4 boarding care homes, outpatient surgical centers, birthing centers, nursing homes, home  
 254.5 care agencies, supplemental nursing services agencies, hospice providers, housing with  
 254.6 services establishments, assisted living facilities, prescribed pediatric extended care centers,  
 254.7 and board and lodging establishments with special services consistent with chapters 144A,  
 254.8 144D, 144G, and 144H, and sections 144.50 to 144.58, 144.615, and 157.17;
- 254.9 (2) notwithstanding the requirement under section 144A.52, subdivision 1, that the  
 254.10 director of the Office of Health Facility Complaints be appointed by the commissioner of  
 254.11 health, assume the role of director of the Office of Health Facility Complaints;
- 254.12 (3) develop and maintain the licensing and regulatory functions related to adult day care,  
 254.13 child care and early education, children's residential facilities, foster care, home and  
 254.14 community-based services, independent living assistance for youth, outpatient mental health  
 254.15 clinics or centers, residential mental health treatment for adults, and substance use disorder  
 254.16 treatment consistent with chapters 245, 245A, 245D, 245F, 245G, 245H, 252, and 256;
- 254.17 (4) conduct background studies according to sections 144.057, 144A.476, 144A.62,  
 254.18 144A.754, and 157.17 and chapter 245C. For the purpose of completing background studies,  
 254.19 the inspector general shall have authority to access maltreatment data maintained by local  
 254.20 welfare agencies or agencies responsible for assessing or investigating reports under section  
 254.21 626.556, and names of substantiated perpetrators related to maltreatment of vulnerable  
 254.22 adults maintained by the commissioner of human services under section 626.557;
- 254.23 (5) develop and maintain the background study requirements consistent with chapter  
 254.24 245C;
- 254.25 (6) be responsible for ensuring the detection, prevention, investigation, and resolution  
 254.26 of fraudulent activities or behavior by applicants, recipients, providers, and other participants  
 254.27 in the human services programs administered by the Department of Human Services;
- 254.28 (7) require county agencies to identify overpayments, establish claims, and utilize all  
 254.29 available and cost-beneficial methodologies to collect and recover these overpayments in  
 254.30 the human services programs administered by the Department of Human Services; and
- 254.31 (8) develop, maintain, and administer the common entry point established on July 1,  
 254.32 2015, under section 626.557, subdivision 9.
- 254.33 **EFFECTIVE DATE.** This section is effective July 1, 2020.
- 255.1 Sec. 11. [245I.02] TRANSFER OF DUTIES.
- 255.2 Subdivision 1. **Transfer and reorganization orders.** (a) Section 15.039 applies to the  
 255.3 transfer of duties required by this chapter.

255.4 (b) For an employee affected by the transfer of duties required by this chapter, the  
 255.5 seniority accrued by the employee at the employee's former agency transfers to the employee's  
 255.6 new agency.

255.7 Subd. 2. **Transfer of duties from the commissioner of human services.** The  
 255.8 commissioner of administration, with approval of the governor, may issue reorganization  
 255.9 orders under section 16B.37 as necessary to carry out the transfer of duties of the  
 255.10 commissioner of human services required by this chapter. The provision of section 16B.37,  
 255.11 subdivision 1, stating that transfers under that section may be made only to an agency that  
 255.12 has been in existence for at least one year does not apply to transfers to an agency created  
 255.13 by this chapter.

255.14 Subd. 3. **Transfer of duties from the commissioner of health.** The commissioner of  
 255.15 administration, with approval of the governor, may issue reorganization orders under section  
 255.16 16B.37 as necessary to carry out the transfer of duties of the commissioner of health required  
 255.17 by this chapter. The provision of section 16B.37, subdivision 1, stating that transfers under  
 255.18 that section may be made only to an agency that has been in existence for at least one year  
 255.19 does not apply to transfers to an agency created by this chapter.

255.20 Subd. 4. **Aggregate cost limit.** The commissioner of management and budget must  
 255.21 ensure that the aggregate cost for the inspector general of the Office of Inspector General  
 255.22 is not more than the aggregate cost of the primary executives in the Office of Inspector  
 255.23 General at the Department of Human Services and the Health Regulation Division at the  
 255.24 Department of Health immediately before the effective date of subdivision 2.

255.25 **EFFECTIVE DATE.** Subdivisions 1, 2, and 4, are effective July 1, 2020. Subdivision  
 255.26 3 is effective July 1, 2022.

255.27 Sec. 12. **[256.0113] COUNTY HUMAN SERVICES STATE FUNDING**  
 255.28 **REALLOCATION.**

255.29 (a) Beginning October 1, 2019, counties and tribes or tribal agencies receiving human  
 255.30 services grants funded exclusively with state general fund dollars may allocate any  
 255.31 unexpended grant amounts to any county or tribal human services activity for the fourth  
 255.32 quarter of the county or tribe's fiscal year.

256.1 (b) Any proposed reallocation of unspent funds must be approved by majority vote of  
 256.2 the county board or the tribe or tribal agency's governing body.

256.3 (c) Each county, tribe, or tribal agency shall report any approved reallocation of unspent  
 256.4 grant funds to the commissioner of human services by March 31 of each year following a  
 256.5 reallocation under this section. The report shall describe the use of the reallocated human  
 256.6 services grant funds, compare how the funds were allocated prior to the reallocation, and  
 256.7 explain the advantages or disadvantages of the reallocation.

173.10 Sec. 108. Minnesota Statutes 2018, section 256.046, subdivision 1, is amended to read:



173.11 Subdivision 1. **Hearing authority.** A local agency must initiate an administrative fraud  
173.12 disqualification hearing for individuals, ~~including child care providers caring for children~~  
173.13 ~~receiving child care assistance~~, accused of wrongfully obtaining assistance or intentional  
173.14 program violations, in lieu of a criminal action when it has not been pursued, in the Minnesota  
173.15 family investment program and any affiliated program to include the diversionary work  
173.16 program and the work participation cash benefit program, child care assistance programs,  
173.17 general assistance, family general assistance program formerly codified in section 256D.05,  
173.18 subdivision 1, clause (15), Minnesota supplemental aid, food stamp programs, MinnesotaCare  
173.19 for adults without children, and upon federal approval, all categories of medical assistance  
173.20 and remaining categories of MinnesotaCare except for children through age 18. The  
173.21 Department of Human Services, in lieu of a local agency, may initiate an administrative  
173.22 fraud disqualification hearing when the state agency is directly responsible for administration  
173.23 or investigation of the program for which benefits were wrongfully obtained. The hearing  
173.24 is subject to the requirements of ~~section~~ sections 256.045 and 256.0451 and the requirements  
173.25 in Code of Federal Regulations, title 7, section 273.16.

173.26 Sec. 109. Minnesota Statutes 2018, section 256.046, is amended by adding a subdivision  
173.27 to read:

173.28 Subd. 3. **Administrative disqualification of child care providers caring for children**  
173.29 **receiving child care assistance.** (a) The department or local agency shall pursue an  
173.30 administrative disqualification, if the child care provider is accused of committing an  
173.31 intentional program violation, in lieu of a criminal action when it has not been pursued.  
173.32 Intentional program violations include intentionally making false or misleading statements;  
174.1 intentionally misrepresenting, concealing, or withholding facts; and repeatedly and  
174.2 intentionally violating program regulations under chapters 119B and 245E. Intent may be  
174.3 proven by demonstrating a pattern of conduct that violates program rules under chapters  
174.4 119B and 245E.

174.5 (b) To initiate an administrative disqualification, a local agency or the commissioner  
174.6 must mail written notice to the provider against whom the action is being taken. Unless  
174.7 otherwise specified under chapter 119B or 245E or Minnesota Rules, chapter 3400, a local  
174.8 agency or the commissioner must mail the written notice at least 15 calendar days before  
174.9 the adverse action's effective date. The notice shall state (1) the factual basis for the agency's  
174.10 determination, (2) the action the agency intends to take, (3) the dollar amount of the monetary  
174.11 recovery or recoupment, if known, and (4) the provider's right to appeal the agency's proposed  
174.12 action.

174.13 (c) The provider may appeal an administrative disqualification by submitting a written  
174.14 request to the Department of Human Services, Appeals Division. A provider's request must  
174.15 be received by the Appeals Division no later than 30 days after the date a local agency or  
174.16 the commissioner mails the notice.

174.17 (d) The provider's appeal request must contain the following:



- 174.18 (1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the  
 174.19 dollar amount involved for each disputed item;
- 174.20 (2) the computation the provider believes to be correct, if applicable;
- 174.21 (3) the statute or rule relied on for each disputed item; and
- 174.22 (4) the name, address, and telephone number of the person at the provider's place of  
 174.23 business with whom contact may be made regarding the appeal.
- 174.24 (e) On appeal, the issuing agency bears the burden of proof to demonstrate by a  
 174.25 preponderance of the evidence that the provider committed an intentional program violation.
- 174.26 (f) The hearing is subject to the requirements of sections 256.045 and 256.0451. The  
 174.27 human services judge may combine a fair hearing and administrative disqualification hearing  
 174.28 into a single hearing if the factual issues arise out of the same or related circumstances and  
 174.29 the provider receives prior notice that the hearings will be combined.
- 174.30 (g) A provider found to have committed an intentional program violation and is  
 174.31 administratively disqualified shall be disqualified, for a period of three years for the first  
 174.32 offense and permanently for any subsequent offense, from receiving any payments from  
 174.33 any child care program under chapter 119B.
- 175.1 (h) Unless a timely and proper appeal made under this section is received by the  
 175.2 department, the administrative determination of the department is final and binding.

## ARTICLE 1:

- 14.13 Sec. 16. Minnesota Statutes 2018, section 256.98, subdivision 1, is amended to read:
- 14.14 Subdivision 1. **Wrongfully obtaining assistance.** A person who commits any of the  
 14.15 following acts or omissions with intent to defeat the purposes of sections 145.891 to 145.897,  
 14.16 the MFIP program formerly codified in sections 256.031 to 256.0361, the AFDC program  
 14.17 formerly codified in sections 256.72 to 256.871, chapter 256B, 256D, 256I, 256J, 256K, or  
 14.18 256L, child care assistance programs, and emergency assistance programs under section  
 14.19 256D.06, is guilty of theft and shall be sentenced under section 609.52, subdivision 3, clauses  
 14.20 (1) to (5):
- 14.21 (1) obtains or attempts to obtain, or aids or abets any person to obtain by means of a  
 14.22 willfully false statement or representation, by intentional concealment of any material fact,  
 14.23 or by impersonation or other fraudulent device, assistance or the continued receipt of  
 14.24 assistance, to include child care assistance or vouchers produced according to sections  
 14.25 145.891 to 145.897 and MinnesotaCare services according to sections 256.9365, 256.94,  
 14.26 and 256L.01 to 256L.15, to which the person is not entitled or assistance greater than that  
 14.27 to which the person is entitled;

175.3 Sec. 110. Minnesota Statutes 2018, section 256.98, subdivision 8, is amended to read:

175.4 Subd. 8. **Disqualification from program.** (a) Any person found to be guilty of  
175.5 wrongfully obtaining assistance by a federal or state court or by an administrative hearing  
175.6 determination, or waiver thereof, through a disqualification consent agreement, or as part  
175.7 of any approved diversion plan under section 401.065, or any court-ordered stay which  
175.8 carries with it any probationary or other conditions, in the Minnesota family investment  
175.9 program and any affiliated program to include the diversionary work program and the work  
175.10 participation cash benefit program, the food stamp or food support program, the general  
175.11 assistance program, housing support under chapter 256I, or the Minnesota supplemental  
175.12 aid program shall be disqualified from that program. In addition, any person disqualified  
175.13 from the Minnesota family investment program shall also be disqualified from the food  
175.14 stamp or food support program. The needs of that individual shall not be taken into  
175.15 consideration in determining the grant level for that assistance unit:

175.16 (1) for one year after the first offense;

175.17 (2) for two years after the second offense; and

175.18 (3) permanently after the third or subsequent offense.

175.19 The period of program disqualification shall begin on the date stipulated on the advance  
175.20 notice of disqualification without possibility of postponement for administrative stay or  
175.21 administrative hearing and shall continue through completion unless and until the findings  
175.22 upon which the sanctions were imposed are reversed by a court of competent jurisdiction.  
175.23 The period for which sanctions are imposed is not subject to review. The sanctions provided  
175.24 under this subdivision are in addition to, and not in substitution for, any other sanctions that  
175.25 may be provided for by law for the offense involved. A disqualification established through  
175.26 hearing or waiver shall result in the disqualification period beginning immediately unless

14.28 (2) knowingly aids or abets in buying or in any way disposing of the property of a  
14.29 recipient or applicant of assistance without the consent of the county agency; or

15.1 (3) obtains or attempts to obtain, alone or in collusion with others, the receipt of payments  
15.2 to which the individual is not entitled as a provider of subsidized child care, or by furnishing  
15.3 or concurring in a willfully false claim for child care assistance.

15.4 The continued receipt of assistance to which the person is not entitled or greater than  
15.5 that to which the person is entitled as a result of any of the acts, failure to act, or concealment  
15.6 described in this subdivision shall be deemed to be continuing offenses from the date that  
15.7 the first act or failure to act occurred.

15.8 Sec. 17. Minnesota Statutes 2018, section 256.98, subdivision 8, is amended to read:

15.9 Subd. 8. **Disqualification from program.** (a) Any person found to be guilty of  
15.10 wrongfully obtaining assistance by a federal or state court or by an administrative hearing  
15.11 determination, or waiver thereof, through a disqualification consent agreement, or as part  
15.12 of any approved diversion plan under section 401.065, or any court-ordered stay which  
15.13 carries with it any probationary or other conditions, in the Minnesota family investment  
15.14 program and any affiliated program to include the diversionary work program and the work  
15.15 participation cash benefit program, the food stamp or food support program, the general  
15.16 assistance program, housing support under chapter 256I, or the Minnesota supplemental  
15.17 aid program shall be disqualified from that program. The disqualification based on a finding  
15.18 or action by a federal or state court is a permanent disqualification. The disqualification  
15.19 based on an administrative hearing, or waiver thereof, through a disqualification consent  
15.20 agreement, or as part of any approved diversion plan under section 401.065, or any  
15.21 court-ordered stay which carries with it any probationary or other conditions must be for a  
15.22 period of two years for the first offense and a permanent disqualification for the second  
15.23 offense. In addition, any person disqualified from the Minnesota family investment program  
15.24 shall also be disqualified from the food stamp or food support program. The needs of that  
15.25 individual shall not be taken into consideration in determining the grant level for that  
15.26 assistance unit:

15.27 (1) for one year after the first offense;

15.28 (2) for two years after the second offense; and

15.29 (3) permanently after the third or subsequent offense.

15.30 The period of program disqualification shall begin on the date stipulated on the advance  
15.31 notice of disqualification without possibility of postponement for administrative stay or  
15.32 administrative hearing and shall continue through completion unless and until the findings  
15.33 upon which the sanctions were imposed are reversed by a court of competent jurisdiction.  
16.1 The period for which sanctions are imposed is not subject to review. The sanctions provided  
16.2 under this subdivision are in addition to, and not in substitution for, any other sanctions that  
16.3 may be provided for by law for the offense involved. A disqualification established through  
16.4 hearing or waiver shall result in the disqualification period beginning immediately unless

175.27 the person has become otherwise ineligible for assistance. If the person is ineligible for  
 175.28 assistance, the disqualification period begins when the person again meets the eligibility  
 175.29 criteria of the program from which they were disqualified and makes application for that  
 175.30 program.

175.31 (b) A family receiving assistance through child care assistance programs under chapter  
 175.32 119B with a family member who is found to be guilty of wrongfully obtaining child care  
 175.33 assistance by a federal court, state court, or an administrative hearing determination or  
 176.1 waiver, through a disqualification consent agreement, as part of an approved diversion plan  
 176.2 under section 401.065, or a court-ordered stay with probationary or other conditions, is  
 176.3 disqualified from child care assistance programs. The disqualifications must be for periods  
 176.4 of one year and two years for the first and second offenses, respectively. Subsequent  
 176.5 violations must result in permanent disqualification. During the disqualification period,  
 176.6 disqualification from any child care program must extend to all child care programs and  
 176.7 must be immediately applied.

176.8 (c) A provider caring for children receiving assistance through child care assistance  
 176.9 programs under chapter 119B is disqualified from receiving payment for child care services  
 176.10 from the child care assistance program under chapter 119B when the provider is found to  
 176.11 have wrongfully obtained child care assistance by a federal court, state court, or an  
 176.12 administrative hearing determination or waiver under section 256.046, through a  
 176.13 disqualification consent agreement, as part of an approved diversion plan under section  
 176.14 401.065, or a court-ordered stay with probationary or other conditions. The disqualification  
 176.15 must be for a period of one year three years for the first offense and two years for the second  
 176.16 offense. Any subsequent violation must result in permanent disqualification. The  
 176.17 disqualification period must be imposed immediately after a determination is made under  
 176.18 this paragraph. During the disqualification period, the provider is disqualified from receiving  
 176.19 payment from any child care program under chapter 119B.

176.20 (d) Any person found to be guilty of wrongfully obtaining MinnesotaCare for adults  
 176.21 without children and upon federal approval, all categories of medical assistance and  
 176.22 remaining categories of MinnesotaCare, except for children through age 18, by a federal or  
 176.23 state court or by an administrative hearing determination, or waiver thereof, through a  
 176.24 disqualification consent agreement, or as part of any approved diversion plan under section  
 176.25 401.065, or any court-ordered stay which carries with it any probationary or other conditions,  
 176.26 is disqualified from that program. The period of disqualification is one year after the first  
 176.27 offense, two years after the second offense, and permanently after the third or subsequent

16.5 the person has become otherwise ineligible for assistance. If the person is ineligible for  
 16.6 assistance, the disqualification period begins when the person again meets the eligibility  
 16.7 criteria of the program from which they were disqualified and makes application for that  
 16.8 program.

16.9 (b) A family receiving assistance through child care assistance programs under chapter  
 16.10 119B with a family member who is found to be guilty of wrongfully obtaining child care  
 16.11 assistance by a federal court, state court, or an administrative hearing determination or  
 16.12 waiver, through a disqualification consent agreement, as part of an approved diversion plan  
 16.13 under section 401.065, or a court-ordered stay with probationary or other conditions, is  
 16.14 disqualified from child care assistance programs. The disqualifications must be for periods  
 16.15 of one year and two years for the first and second offenses, respectively. Subsequent  
 16.16 violations must result in based on a finding or action by a federal or state court is a permanent  
 16.17 disqualification. The disqualification based on an administrative hearing determination or  
 16.18 waiver, through a disqualification consent agreement, as part of an approved diversion plan  
 16.19 under section 401.065, or a court-ordered stay with probationary or other conditions must  
 16.20 be for a period of two years for the first offense and a permanent disqualification for the  
 16.21 second offense. During the disqualification period, disqualification from any child care  
 16.22 program must extend to all child care programs and must be immediately applied.

16.23 (c) A provider caring for children receiving assistance through child care assistance  
 16.24 programs under chapter 119B is disqualified from receiving payment for child care services  
 16.25 from the child care assistance program under chapter 119B when the provider is found to  
 16.26 have wrongfully obtained child care assistance by a federal court, state court, or an  
 16.27 administrative hearing determination or waiver under section 256.046, through a  
 16.28 disqualification consent agreement, as part of an approved diversion plan under section  
 16.29 401.065, or a court-ordered stay with probationary or other conditions. The disqualification  
 16.30 must be for a period of one year for the first offense and two years for the second offense.  
 16.31 Any subsequent violation must result in based on a finding or action by a federal or state  
 16.32 court is a permanent disqualification. The disqualification based on an administrative hearing  
 16.33 determination or waiver under section 256.045, as part of an approved diversion plan under  
 16.34 section 401.065, or a court-ordered stay with probationary or other conditions must be for  
 16.35 a period of two years for the first offense and a permanent disqualification for the second  
 17.1 offense. The disqualification period must be imposed immediately after a determination is  
 17.2 made under this paragraph. During the disqualification period, the provider is disqualified  
 17.3 from receiving payment from any child care program under chapter 119B.

17.4 (d) Any person found to be guilty of wrongfully obtaining MinnesotaCare for adults  
 17.5 without children and upon federal approval, all categories of medical assistance and  
 17.6 remaining categories of MinnesotaCare, except for children through age 18, by a federal or  
 17.7 state court or by an administrative hearing determination, or waiver thereof, through a  
 17.8 disqualification consent agreement, or as part of any approved diversion plan under section  
 17.9 401.065, or any court-ordered stay which carries with it any probationary or other conditions,  
 17.10 is disqualified from that program. The period of disqualification is one year after the first  
 17.11 offense, two years after the second offense, and permanently after the third or subsequent

176.28 offense. The period of program disqualification shall begin on the date stipulated on the  
 176.29 advance notice of disqualification without possibility of postponement for administrative  
 176.30 stay or administrative hearing and shall continue through completion unless and until the  
 176.31 findings upon which the sanctions were imposed are reversed by a court of competent  
 176.32 jurisdiction. The period for which sanctions are imposed is not subject to review. The  
 176.33 sanctions provided under this subdivision are in addition to, and not in substitution for, any  
 176.34 other sanctions that may be provided for by law for the offense involved.

17.12 offense. The period of program disqualification shall begin on the date stipulated on the  
 17.13 advance notice of disqualification without possibility of postponement for administrative  
 17.14 stay or administrative hearing and shall continue through completion unless and until the  
 17.15 findings upon which the sanctions were imposed are reversed by a court of competent  
 17.16 jurisdiction. The period for which sanctions are imposed is not subject to review. The  
 17.17 sanctions provided under this subdivision are in addition to, and not in substitution for, any  
 17.18 other sanctions that may be provided for by law for the offense involved.

17.19 Sec. 18. Minnesota Statutes 2018, section 256.983, is amended by adding a subdivision  
 17.20 to read:

17.21 Subd. 5. **Financial misconduct.** (a) County agencies may conduct investigations of  
 17.22 financial misconduct by a license holder as defined in section 245A.02, subdivision 9, only  
 17.23 after receiving verification that the department is not investigating the license holder.

17.24 (b) If, upon investigation, a preponderance of evidence shows financial misconduct by  
 17.25 a license holder, the county may immediately suspend the license holder's authorization to  
 17.26 receive any available assistance payments prior to pursuing other available remedies.

17.27 (c) The county shall give immediate notice in writing to a license holder and any affected  
 17.28 families of any suspension of the license holder's assistance authorization under paragraph  
 17.29 (b). The notice shall state:

17.30 (1) the factual basis for the county's determination;

17.31 (2) the date of the suspension;

17.32 (3) the length of the suspension;

17.33 (4) the requirements and procedures for reinstatement;

18.1 (5) the right to dispute the county's determination and to provide evidence; and

18.2 (6) the right to appeal the county's determination.

18.3 (d) The county's determination under paragraph (b) is subject to the fair hearing  
 18.4 requirements under section 119B.16. A license holder that requests a fair hearing is entitled  
 18.5 to a hearing within ten days of the request.

18.6 Sec. 19. Minnesota Statutes 2018, section 256.987, subdivision 1, is amended to read:

18.7 Subdivision 1. **Electronic benefit transfer (EBT) card.** Cash benefits for the general  
 18.8 assistance and Minnesota supplemental aid programs under chapter 256D and programs  
 18.9 under chapter 256J must be issued on an EBT card with. The name and photograph of the  
 18.10 head of household and a list of family members authorized to use the EBT card must be  
 18.11 printed on the card. The cardholder must show identification before making a purchase.  
 18.12 The card must include the following statement: "It is unlawful to use this card to purchase  
 18.13 tobacco products or alcoholic beverages." This card must be issued within 30 calendar days  
 18.14 of an eligibility determination. During the initial 30 calendar days of eligibility, a recipient

177.1 Sec. 111. Minnesota Statutes 2018, section 256B.02, subdivision 7, is amended to read:

177.2 Subd. 7. **Vendor of medical care.** (a) "Vendor of medical care" means any person or  
177.3 persons furnishing, within the scope of the vendor's respective license, any or all of the  
177.4 following goods or services: medical, surgical, hospital, ambulatory surgical center services,  
177.5 optical, visual, dental and nursing services; drugs and medical supplies; appliances;  
177.6 laboratory, diagnostic, and therapeutic services; nursing home and convalescent care;  
177.7 screening and health assessment services provided by public health nurses as defined in  
177.8 section 145A.02, subdivision 18; health care services provided at the residence of the patient  
177.9 if the services are performed by a public health nurse and the nurse indicates in a statement  
177.10 submitted under oath that the services were actually provided; and such other ~~medical~~  
177.11 services or supplies provided or prescribed by persons authorized by state law to give such  
177.12 services and supplies. The term includes, but is not limited to, directors and officers of  
177.13 corporations or members of partnerships who, either individually or jointly with another or  
177.14 others, have the legal control, supervision, or responsibility of submitting claims for  
177.15 reimbursement to the medical assistance program. The term only includes directors and  
177.16 officers of corporations who personally receive a portion of the distributed assets upon  
177.17 liquidation or dissolution, and their liability is limited to the portion of the claim that bears  
177.18 the same proportion to the total claim as their share of the distributed assets bears to the  
177.19 total distributed assets.

177.20 (b) "Vendor of medical care" also includes any person who is credentialed as a health  
177.21 professional under standards set by the governing body of a federally recognized Indian  
177.22 tribe authorized under an agreement with the federal government according to United States  
177.23 Code, title 25, section 450f, to provide health services to its members, and who through a

18.15 may have cash benefits issued on an EBT card without a name printed on the card. This  
18.16 card may be the same card on which food support benefits are issued and does not need to  
18.17 meet the requirements of this section.

18.18 Sec. 20. Minnesota Statutes 2018, section 256.987, subdivision 2, is amended to read:

18.19 Subd. 2. **Prohibited purchases and returns.** (a) An individual with an EBT card issued  
18.20 for one of the programs listed under subdivision 1 is prohibited from using the EBT debit  
18.21 card to purchase tobacco products and alcoholic beverages, as defined in section 340A.101,  
18.22 subdivision 2. Any prohibited purchases made under this subdivision shall constitute unlawful  
18.23 use and result in disqualification of the cardholder from the program as provided in  
18.24 subdivision 4.

18.25 (b) An item purchased with an EBT card that is returned must be credited back to the  
18.26 EBT card. It is prohibited to give the EBT cardholder cash for returned items purchased  
18.27 with an EBT card.

18.28 Sec. 21. Minnesota Statutes 2018, section 256B.02, subdivision 7, is amended to read:

18.29 Subd. 7. **Vendor of medical care.** (a) "Vendor of medical care" means any person or  
18.30 persons furnishing, within the scope of the vendor's respective license, any or all of the  
18.31 following goods or services: medical, surgical, hospital, ambulatory surgical center services,  
18.32 optical, visual, dental and nursing services; drugs and medical supplies; appliances;  
19.1 laboratory, diagnostic, and therapeutic services; nursing home and convalescent care;  
19.2 screening and health assessment services provided by public health nurses as defined in  
19.3 section 145A.02, subdivision 18; health care services provided at the residence of the patient  
19.4 if the services are performed by a public health nurse and the nurse indicates in a statement  
19.5 submitted under oath that the services were actually provided; and such other ~~medical~~  
19.6 services or supplies provided or prescribed by persons authorized by state law to give such  
19.7 services and supplies, including services under section 256B.4912. For purposes of this  
19.8 chapter, the term includes a person or entity that furnishes a good or service eligible for  
19.9 medical assistance or federally approved waiver plan payments under this chapter. The term  
19.10 includes, but is not limited to, directors and officers of corporations or members of  
19.11 partnerships who, either individually or jointly with another or others, have the legal control,  
19.12 supervision, or responsibility of submitting claims for reimbursement to the medical  
19.13 assistance program. The term only includes directors and officers of corporations who  
19.14 personally receive a portion of the distributed assets upon liquidation or dissolution, and  
19.15 their liability is limited to the portion of the claim that bears the same proportion to the total  
19.16 claim as their share of the distributed assets bears to the total distributed assets.

19.17 (b) "Vendor of medical care" also includes any person who is credentialed as a health  
19.18 professional under standards set by the governing body of a federally recognized Indian  
19.19 tribe authorized under an agreement with the federal government according to United States  
19.20 Code, title 25, section 450f, to provide health services to its members, and who through a

177.24 tribal facility provides covered services to American Indian people within a contract health  
 177.25 service delivery area of a Minnesota reservation, as defined under Code of Federal  
 177.26 Regulations, title 42, section 36.22.

177.27 (c) A federally recognized Indian tribe that intends to implement standards for  
 177.28 credentialing health professionals must submit the standards to the commissioner of human  
 177.29 services, along with evidence of meeting, exceeding, or being exempt from corresponding  
 177.30 state standards. The commissioner shall maintain a copy of the standards and supporting  
 177.31 evidence, and shall use those standards to enroll tribal-approved health professionals as  
 177.32 medical assistance providers. For purposes of this section, "Indian" and "Indian tribe" mean  
 177.33 persons or entities that meet the definition in United States Code, title 25, section 450b.

19.21 tribal facility provides covered services to American Indian people within a contract health  
 19.22 service delivery area of a Minnesota reservation, as defined under Code of Federal  
 19.23 Regulations, title 42, section 36.22.

19.24 (c) A federally recognized Indian tribe that intends to implement standards for  
 19.25 credentialing health professionals must submit the standards to the commissioner of human  
 19.26 services, along with evidence of meeting, exceeding, or being exempt from corresponding  
 19.27 state standards. The commissioner shall maintain a copy of the standards and supporting  
 19.28 evidence, and shall use those standards to enroll tribal-approved health professionals as  
 19.29 medical assistance providers. For purposes of this section, "Indian" and "Indian tribe" mean  
 19.30 persons or entities that meet the definition in United States Code, title 25, section 450b.

#### ARTICLE 7:

256.8 Sec. 13. Minnesota Statutes 2018, section 256B.04, subdivision 21, is amended to read:

256.9 Subd. 21. **Provider enrollment.** (a) If the commissioner or the Centers for Medicare  
 256.10 and Medicaid Services determines that a provider is designated "high-risk," the commissioner  
 256.11 may withhold payment from providers within that category upon initial enrollment for a  
 256.12 90-day period. The withholding for each provider must begin on the date of the first  
 256.13 submission of a claim.

256.14 (b) An enrolled provider that is also licensed by the commissioner under chapter 245A,  
 256.15 or is licensed as a home care provider by the Department of Health under chapter 144A and  
 256.16 has a home and community-based services designation on the home care license under  
 256.17 section 144A.484, must designate an individual as the entity's compliance officer. The  
 256.18 compliance officer must:

256.19 (1) develop policies and procedures to assure adherence to medical assistance laws and  
 256.20 regulations and to prevent inappropriate claims submissions;

256.21 (2) train the employees of the provider entity, and any agents or subcontractors of the  
 256.22 provider entity including billers, on the policies and procedures under clause (1);

256.23 (3) respond to allegations of improper conduct related to the provision or billing of  
 256.24 medical assistance services, and implement action to remediate any resulting problems;

256.25 (4) use evaluation techniques to monitor compliance with medical assistance laws and  
 256.26 regulations;

256.27 (5) promptly report to the commissioner any identified violations of medical assistance  
 256.28 laws or regulations; and

256.29 (6) within 60 days of discovery by the provider of a medical assistance reimbursement  
 256.30 overpayment, report the overpayment to the commissioner and make arrangements with  
 256.31 the commissioner for the commissioner's recovery of the overpayment.



- 257.1 The commissioner may require, as a condition of enrollment in medical assistance, that a  
257.2 provider within a particular industry sector or category establish a compliance program that  
257.3 contains the core elements established by the Centers for Medicare and Medicaid Services.
- 257.4 (c) The commissioner may revoke the enrollment of an ordering or rendering provider  
257.5 for a period of not more than one year, if the provider fails to maintain and, upon request  
257.6 from the commissioner, provide access to documentation relating to written orders or requests  
257.7 for payment for durable medical equipment, certifications for home health services, or  
257.8 referrals for other items or services written or ordered by such provider, when the  
257.9 commissioner has identified a pattern of a lack of documentation. A pattern means a failure  
257.10 to maintain documentation or provide access to documentation on more than one occasion.  
257.11 Nothing in this paragraph limits the authority of the commissioner to sanction a provider  
257.12 under the provisions of section 256B.064.
- 257.13 (d) The commissioner shall terminate or deny the enrollment of any individual or entity  
257.14 if the individual or entity has been terminated from participation in Medicare or under the  
257.15 Medicaid program or Children's Health Insurance Program of any other state. The  
257.16 commissioner may exempt a rehabilitation agency from termination or denial that would  
257.17 otherwise be required under this paragraph, if the agency:
- 257.18 (1) is unable to retain Medicare certification and enrollment solely due to a lack of billing  
257.19 to the Medicare program;
- 257.20 (2) meets all other applicable Medicare certification requirements based on an on-site  
257.21 review completed by the commissioner of health; and
- 257.22 (3) serves primarily a pediatric population.
- 257.23 (e) As a condition of enrollment in medical assistance, the commissioner shall require  
257.24 that a provider designated "moderate" or "high-risk" by the Centers for Medicare and  
257.25 Medicaid Services or the commissioner permit the Centers for Medicare and Medicaid  
257.26 Services, its agents, or its designated contractors and the state agency, its agents, or its  
257.27 designated contractors to conduct unannounced on-site inspections of any provider location.  
257.28 The commissioner shall publish in the Minnesota Health Care Program Provider Manual a  
257.29 list of provider types designated "limited," "moderate," or "high-risk," based on the criteria  
257.30 and standards used to designate Medicare providers in Code of Federal Regulations, title  
257.31 42, section 424.518. The list and criteria are not subject to the requirements of chapter 14.  
257.32 The commissioner's designations are not subject to administrative appeal.
- 257.33 (f) As a condition of enrollment in medical assistance, the commissioner shall require  
257.34 that a high-risk provider, or a person with a direct or indirect ownership interest in the  
258.1 provider of five percent or higher, consent to criminal background checks, including  
258.2 fingerprinting, when required to do so under state law or by a determination by the  
258.3 commissioner or the Centers for Medicare and Medicaid Services that a provider is designated  
258.4 high-risk for fraud, waste, or abuse.



258.5 (g)(1) Upon initial enrollment, reenrollment, and notification of revalidation, all durable  
 258.6 medical equipment, prosthetics, orthotics, and supplies (DMEPOS) medical suppliers  
 258.7 meeting the durable medical equipment provider and supplier definition in clause (3),  
 258.8 operating in Minnesota and receiving Medicaid funds must purchase a surety bond that is  
 258.9 annually renewed and designates the Minnesota Department of Human Services as the  
 258.10 obligee, and must be submitted in a form approved by the commissioner. For purposes of  
 258.11 this clause, the following medical suppliers are not required to obtain a surety bond: a  
 258.12 federally qualified health center, a home health agency, the Indian Health Service, a  
 258.13 pharmacy, and a rural health clinic.

258.14 (2) At the time of initial enrollment or reenrollment, durable medical equipment providers  
 258.15 and suppliers defined in clause (3) must purchase a surety bond of \$50,000. If a revalidating  
 258.16 provider's Medicaid revenue in the previous calendar year is up to and including \$300,000,  
 258.17 the provider agency must purchase a surety bond of \$50,000. If a revalidating provider's  
 258.18 Medicaid revenue in the previous calendar year is over \$300,000, the provider agency must  
 258.19 purchase a surety bond of \$100,000. The surety bond must allow for recovery of costs and  
 258.20 fees in pursuing a claim on the bond.

258.21 (3) "Durable medical equipment provider or supplier" means a medical supplier that can  
 258.22 purchase medical equipment or supplies for sale or rental to the general public and is able  
 258.23 to perform or arrange for necessary repairs to and maintenance of equipment offered for  
 258.24 sale or rental.

258.25 (h) The Department of Human Services may require a provider to purchase a surety  
 258.26 bond as a condition of initial enrollment, reenrollment, reinstatement, or continued enrollment  
 258.27 if: (1) the provider fails to demonstrate financial viability, (2) the department determines  
 258.28 there is significant evidence of or potential for fraud and abuse by the provider, or (3) the  
 258.29 provider or category of providers is designated high-risk pursuant to paragraph (a) and as  
 258.30 per Code of Federal Regulations, title 42, section 455.450. The surety bond must be in an  
 258.31 amount of \$100,000 or ten percent of the provider's payments from Medicaid during the  
 258.32 immediately preceding 12 months, whichever is greater. The surety bond must name the  
 258.33 Department of Human Services as an obligee and must allow for recovery of costs and fees  
 258.34 in pursuing a claim on the bond. This paragraph does not apply if the provider currently  
 258.35 maintains a surety bond under the requirements in section 256B.0659 or 256B.85.

178.1 Sec. 112. Minnesota Statutes 2018, section 256B.064, subdivision 1a, is amended to read:

178.2 Subd. 1a. **Grounds for sanctions against vendors.** The commissioner may impose  
 178.3 sanctions against a vendor of medical care for any of the following: (1) fraud, theft, or abuse  
 178.4 in connection with the provision of medical care to recipients of public assistance; (2) a  
 178.5 pattern of presentment of false or duplicate claims or claims for services not medically  
 178.6 necessary; (3) a pattern of making false statements of material facts for the purpose of  
 178.7 obtaining greater compensation than that to which the vendor is legally entitled; (4)  
 178.8 suspension or termination as a Medicare vendor; (5) refusal to grant the state agency access  
 178.9 during regular business hours to examine all records necessary to disclose the extent of  
 178.10 services provided to program recipients and appropriateness of claims for payment; (6)

178.11 failure to repay an overpayment or a fine finally established under this section; (7) failure  
 178.12 to correct errors in the maintenance of health service or financial records for which a fine  
 178.13 was imposed or after issuance of a warning by the commissioner; ~~and~~ (8) any reason for  
 178.14 which a vendor could be excluded from participation in the Medicare program under section  
 178.15 1128, 1128A, or 1866(b)(2) of the Social Security Act; and (9) there is a preponderance of  
 178.16 the evidence that the vendor committed an act or acts that meet the definition of offenses  
 178.17 listed in section 609.817.

178.18 Sec. 113. Minnesota Statutes 2018, section 256B.064, subdivision 1b, is amended to read:

178.19 Subd. 1b. **Sanctions available.** The commissioner may impose the following sanctions  
 178.20 for the conduct described in subdivision 1a: suspension or withholding of payments to a  
 178.21 vendor and suspending or terminating participation in the program, or imposition of a fine  
 178.22 under subdivision 2, paragraph (f). When imposing sanctions under this section, the  
 178.23 commissioner shall consider the nature, chronicity, or severity of the conduct and the effect  
 178.24 of the conduct on the health and safety of persons served by the vendor. The commissioner  
 178.25 shall suspend a vendor's participation in the program for a minimum of five years if, for an  
 178.26 offense related to a provision of a health service under medical assistance or health care  
 178.27 fraud, the vendor is convicted of a crime, received a stay of adjudication, or entered a  
 178.28 court-ordered diversion program. Regardless of imposition of sanctions, the commissioner  
 178.29 may make a referral to the appropriate state licensing board.

178.30 Sec. 114. Minnesota Statutes 2018, section 256B.064, subdivision 2, is amended to read:

178.31 Subd. 2. **Imposition of monetary recovery and sanctions.** (a) The commissioner shall  
 178.32 determine any monetary amounts to be recovered and sanctions to be imposed upon a vendor  
 178.33 of medical care under this section. Except as provided in paragraphs (b) and (d), neither a  
 179.1 monetary recovery nor a sanction will be imposed by the commissioner without prior notice  
 179.2 and an opportunity for a hearing, according to chapter 14, on the commissioner's proposed  
 179.3 action, provided that the commissioner may suspend or reduce payment to a vendor of  
 179.4 medical care, except a nursing home or convalescent care facility, after notice and prior to  
 179.5 the hearing if in the commissioner's opinion that action is necessary to protect the public  
 179.6 welfare and the interests of the program.

179.7 (b) Except when the commissioner finds good cause not to suspend payments under  
 179.8 Code of Federal Regulations, title 42, section 455.23 (e) or (f), the commissioner shall  
 179.9 withhold or reduce payments to a vendor of medical care without providing advance notice  
 179.10 of such withholding or reduction if either of the following occurs:

179.11 (1) the vendor is convicted of a crime involving the conduct described in subdivision  
 179.12 1a; or

## ARTICLE 1:

33.23 Sec. 33. Minnesota Statutes 2018, section 256B.064, subdivision 1b, is amended to read:

33.24 Subd. 1b. **Sanctions available.** The commissioner may impose the following sanctions  
 33.25 for the conduct described in subdivision 1a: suspension or withholding of payments to a  
 33.26 vendor and suspending or terminating participation in the program, or imposition of a fine  
 33.27 under subdivision 2, paragraph (f). When imposing sanctions under this section, the  
 33.28 commissioner shall consider the nature, chronicity, or severity of the conduct and the effect  
 33.29 of the conduct on the health and safety of persons served by the vendor. The commissioner  
 33.30 shall suspend a vendor's participation in the program for a minimum of five years if the  
 33.31 vendor is convicted of a crime, received a stay of adjudication, or entered a court-ordered  
 33.32 diversion program for an offense related to a provision of a health service under medical  
 34.1 assistance or health care fraud. Regardless of imposition of sanctions, the commissioner  
 34.2 may make a referral to the appropriate state licensing board.

34.3 Sec. 34. Minnesota Statutes 2018, section 256B.064, subdivision 2, is amended to read:

34.4 Subd. 2. **Imposition of monetary recovery and sanctions.** (a) The commissioner shall  
 34.5 determine any monetary amounts to be recovered and sanctions to be imposed upon a vendor  
 34.6 of medical care under this section. Except as provided in paragraphs (b) and (d), neither a  
 34.7 monetary recovery nor a sanction will be imposed by the commissioner without prior notice  
 34.8 and an opportunity for a hearing, according to chapter 14, on the commissioner's proposed  
 34.9 action, provided that the commissioner may suspend or reduce payment to a vendor of  
 34.10 medical care, except a nursing home or convalescent care facility, after notice and prior to  
 34.11 the hearing if in the commissioner's opinion that action is necessary to protect the public  
 34.12 welfare and the interests of the program.

34.13 (b) Except when the commissioner finds good cause not to suspend payments under  
 34.14 Code of Federal Regulations, title 42, section 455.23 (e) or (f), the commissioner shall  
 34.15 withhold or reduce payments to a vendor of medical care without providing advance notice  
 34.16 of such withholding or reduction if either of the following occurs:

34.17 (1) the vendor is convicted of a crime involving the conduct described in subdivision  
 34.18 1a; or

179.13 (2) the commissioner determines there is a credible allegation of fraud for which an  
 179.14 investigation is pending under the program. A credible allegation of fraud is an allegation  
 179.15 which has been verified by the state, from any source, including but not limited to:

179.16 (i) fraud hotline complaints;

179.17 (ii) claims data mining; and

179.18 (iii) patterns identified through provider audits, civil false claims cases, and law  
 179.19 enforcement investigations.

179.20 Allegations are considered to be credible when they have an indicia of reliability and  
 179.21 the state agency has reviewed all allegations, facts, and evidence carefully and acts  
 179.22 judiciously on a case-by-case basis.

179.23 (c) The commissioner must send notice of the withholding or reduction of payments  
 179.24 under paragraph (b) within five days of taking such action unless requested in writing by a  
 179.25 law enforcement agency to temporarily withhold the notice. The notice must:

179.26 (1) state that payments are being withheld according to paragraph (b);

179.27 (2) set forth the general allegations as to the nature of the withholding action, but need  
 179.28 not disclose any specific information concerning an ongoing investigation;

179.29 (3) except in the case of a conviction for conduct described in subdivision 1a, state that  
 179.30 the withholding is for a temporary period and cite the circumstances under which withholding  
 179.31 will be terminated;

179.32 (4) identify the types of claims to which the withholding applies; and

180.1 (5) inform the vendor of the right to submit written evidence for consideration by the  
 180.2 commissioner.

180.3 The withholding or reduction of payments will not continue after the commissioner  
 180.4 determines there is insufficient evidence of fraud by the vendor, or after legal proceedings  
 180.5 relating to the alleged fraud are completed, unless the commissioner has sent notice of  
 180.6 intention to impose monetary recovery or sanctions under paragraph (a). Upon conviction  
 180.7 for a crime related to the provision, management, or administration of a health service under  
 180.8 medical assistance, a payment held pursuant to this section by the commissioner or a managed  
 180.9 care organization that contracts with the commissioner under section 256B.035 is forfeited  
 180.10 by the commissioner or managed care organization, regardless of the amount charged in  
 180.11 the criminal complaint or the amount of criminal restitution ordered.

180.12 (d) The commissioner shall suspend or terminate a vendor's participation in the program  
 180.13 without providing advance notice and an opportunity for a hearing when the suspension or  
 180.14 termination is required because of the vendor's exclusion from participation in Medicare.  
 180.15 Within five days of taking such action, the commissioner must send notice of the suspension  
 180.16 or termination. The notice must:

34.19 (2) the commissioner determines there is a credible allegation of fraud for which an  
 34.20 investigation is pending under the program. A credible allegation of fraud is an allegation  
 34.21 which has been verified by the state, from any source, including but not limited to:

34.22 (i) fraud hotline complaints;

34.23 (ii) claims data mining; and

34.24 (iii) patterns identified through provider audits, civil false claims cases, and law  
 34.25 enforcement investigations.

34.26 Allegations are considered to be credible when they have an indicia of reliability and  
 34.27 the state agency has reviewed all allegations, facts, and evidence carefully and acts  
 34.28 judiciously on a case-by-case basis.

34.29 (c) The commissioner must send notice of the withholding or reduction of payments  
 34.30 under paragraph (b) within five days of taking such action unless requested in writing by a  
 34.31 law enforcement agency to temporarily withhold the notice. The notice must:

34.32 (1) state that payments are being withheld according to paragraph (b);

35.1 (2) set forth the general allegations as to the nature of the withholding action, but need  
 35.2 not disclose any specific information concerning an ongoing investigation;

35.3 (3) except in the case of a conviction for conduct described in subdivision 1a, state that  
 35.4 the withholding is for a temporary period and cite the circumstances under which withholding  
 35.5 will be terminated;

35.6 (4) identify the types of claims to which the withholding applies; and

35.7 (5) inform the vendor of the right to submit written evidence for consideration by the  
 35.8 commissioner.

35.9 The withholding or reduction of payments will not continue after the commissioner  
 35.10 determines there is insufficient evidence of fraud by the vendor, or after legal proceedings  
 35.11 relating to the alleged fraud are completed, unless the commissioner has sent notice of  
 35.12 intention to impose monetary recovery or sanctions under paragraph (a). Upon conviction  
 35.13 for a crime related to the provision, management, or administration of a health service under  
 35.14 medical assistance, a payment held pursuant to this section by the commissioner or a managed  
 35.15 care organization that contracts with the commissioner under section 256B.035 is forfeited  
 35.16 to the commissioner or managed care organization, regardless of the amount charged in the  
 35.17 criminal complaint or the amount of criminal restitution ordered.

35.18 (d) The commissioner shall suspend or terminate a vendor's participation in the program  
 35.19 without providing advance notice and an opportunity for a hearing when the suspension or  
 35.20 termination is required because of the vendor's exclusion from participation in Medicare.  
 35.21 Within five days of taking such action, the commissioner must send notice of the suspension  
 35.22 or termination. The notice must:

180.17 (1) state that suspension or termination is the result of the vendor's exclusion from  
 180.18 Medicare;

180.19 (2) identify the effective date of the suspension or termination; and

180.20 (3) inform the vendor of the need to be reinstated to Medicare before reapplying for  
 180.21 participation in the program.

180.22 (e) Upon receipt of a notice under paragraph (a) that a monetary recovery or sanction is  
 180.23 to be imposed, a vendor may request a contested case, as defined in section 14.02, subdivision  
 180.24 3, by filing with the commissioner a written request of appeal. The appeal request must be  
 180.25 received by the commissioner no later than 30 days after the date the notification of monetary  
 180.26 recovery or sanction was mailed to the vendor. The appeal request must specify:

180.27 (1) each disputed item, the reason for the dispute, and an estimate of the dollar amount  
 180.28 involved for each disputed item;

180.29 (2) the computation that the vendor believes is correct;

180.30 (3) the authority in statute or rule upon which the vendor relies for each disputed item;

180.31 (4) the name and address of the person or entity with whom contacts may be made  
 180.32 regarding the appeal; and

181.1 (5) other information required by the commissioner.

181.2 (f) The commissioner may order a vendor to forfeit a fine for failure to fully document  
 181.3 services according to standards in this chapter and Minnesota Rules, chapter 9505. The  
 181.4 commissioner may assess fines if specific required components of documentation are  
 181.5 missing. The fine for incomplete documentation shall equal 20 percent of the amount paid  
 181.6 on the claims for reimbursement submitted by the vendor, or up to \$5,000, whichever is  
 181.7 less. If the commissioner determines that a vendor repeatedly violated this chapter or  
 181.8 Minnesota Rules, chapter 9505, related to the provision of services to program recipients  
 181.9 and the submission of claims for payment, the commissioner may order a vendor to forfeit  
 181.10 a fine based on the nature, severity, and chronicity of the violations in an amount of up to  
 181.11 \$5,000 or 20 percent of the value of the claims, whichever is greater.

181.12 (g) The vendor shall pay the fine assessed on or before the payment date specified. If  
 181.13 the vendor fails to pay the fine, the commissioner may withhold or reduce payments and  
 181.14 recover the amount of the fine. A timely appeal shall stay payment of the fine until the  
 181.15 commissioner issues a final order.

181.16 Sec. 115. Minnesota Statutes 2018, section 256B.064, is amended by adding a subdivision  
 181.17 to read:

181.18 **Subd. 3. Vendor mandates on prohibited payments.** (a) The commissioner shall  
 181.19 maintain and publish a list of each excluded individual and entity that was convicted of a  
 181.20 crime related to the provision, management, or administration of a medical assistance health

35.23 (1) state that suspension or termination is the result of the vendor's exclusion from  
 35.24 Medicare;

35.25 (2) identify the effective date of the suspension or termination; and

35.26 (3) inform the vendor of the need to be reinstated to Medicare before reapplying for  
 35.27 participation in the program.

35.28 (e) Upon receipt of a notice under paragraph (a) that a monetary recovery or sanction is  
 35.29 to be imposed, a vendor may request a contested case, as defined in section 14.02, subdivision  
 35.30 3, by filing with the commissioner a written request of appeal. The appeal request must be  
 35.31 received by the commissioner no later than 30 days after the date the notification of monetary  
 35.32 recovery or sanction was mailed to the vendor. The appeal request must specify:

36.1 (1) each disputed item, the reason for the dispute, and an estimate of the dollar amount  
 36.2 involved for each disputed item;

36.3 (2) the computation that the vendor believes is correct;

36.4 (3) the authority in statute or rule upon which the vendor relies for each disputed item;

36.5 (4) the name and address of the person or entity with whom contacts may be made  
 36.6 regarding the appeal; and

36.7 (5) other information required by the commissioner.

36.8 (f) The commissioner may order a vendor to forfeit a fine for failure to fully document  
 36.9 services according to standards in this chapter and Minnesota Rules, chapter 9505. The  
 36.10 commissioner may assess fines if specific required components of documentation are  
 36.11 missing. The fine for incomplete documentation shall equal 20 percent of the amount paid  
 36.12 on the claims for reimbursement submitted by the vendor, or up to \$5,000, whichever is  
 36.13 less. If the commissioner determines that a vendor repeatedly violated this chapter or  
 36.14 Minnesota Rules, chapter 9505, related to the provision of services to program recipients  
 36.15 and the submission of claims for payment, the commissioner may order a vendor to forfeit  
 36.16 a fine based on the nature, severity, and chronicity of the violations in an amount of up to  
 36.17 \$5,000 or 20 percent of the value of the claims, whichever is greater.

36.18 (g) The vendor shall pay the fine assessed on or before the payment date specified. If  
 36.19 the vendor fails to pay the fine, the commissioner may withhold or reduce payments and  
 36.20 recover the amount of the fine. A timely appeal shall stay payment of the fine until the  
 36.21 commissioner issues a final order.

36.22 Sec. 35. Minnesota Statutes 2018, section 256B.064, is amended by adding a subdivision  
 36.23 to read:

36.24 **Subd. 3. Vendor mandates on prohibited hiring.** (a) The commissioner shall maintain  
 36.25 and publish a list of each excluded individual and entity that was convicted of a crime related  
 36.26 to the provision, management, or administration of a medical assistance health service, or

181.21 service, or suspended or terminated under subdivision 2. Medical assistance payments cannot  
 181.22 be made by a vendor for items or services furnished either directly or indirectly by an  
 181.23 excluded individual or entity, or at the direction of excluded individuals or entities.

181.24 (b) The vendor must check the exclusion list on a monthly basis and document the date  
 181.25 and time the exclusion list was checked and the name and title of the person who checked  
 181.26 the exclusion list. The vendor must immediately terminate payments to an individual or  
 181.27 entity on the exclusion list.

181.28 (c) A vendor's requirement to check the exclusion list and to terminate payments to  
 181.29 individuals or entities on the exclusion list applies to each individual or entity on the  
 181.30 exclusion list, even if the named individual or entity is not responsible for direct patient  
 181.31 care or direct submission of a claim to medical assistance.

181.32 (d) A vendor that pays medical assistance program funds to an individual or entity on  
 181.33 the exclusion list must refund any payment related to either items or services rendered by  
 182.1 an individual or entity on the exclusion list from the date the individual or entity is first paid  
 182.2 or the date the individual or entity is placed on the exclusion list, whichever is later, and a  
 182.3 vendor may be subject to:

182.4 (1) sanctions under subdivision 2;

182.5 (2) a civil monetary penalty of up to \$25,000 for each determination by the department  
 182.6 that the vendor employed or contracted with an individual or entity on the exclusion list;  
 182.7 and

182.8 (3) other fines or penalties allowed by law.

182.9 Sec. 116. Minnesota Statutes 2018, section 256B.064, is amended by adding a subdivision  
 182.10 to read:

182.11 Subd. 4. Notice. (a) The notice required under subdivision 2 shall be served by first class  
 182.12 mail at the address submitted to the department by the vendor. Service is complete upon  
 182.13 mailing. The commissioner shall place an affidavit of the first class mailing in the vendor's  
 182.14 file as an indication of the address and the date of mailing.

182.15 (b) The department shall give notice in writing to a recipient placed in the Minnesota  
 182.16 restricted recipient program under section 256B.0646 and Minnesota Rules, part 9505.2200.  
 182.17 The notice shall be sent by first class mail to the recipient's current address on file with the  
 182.18 department. A recipient placed in the Minnesota restricted recipient program may contest

36.27 where participation in the program was suspended or terminated under subdivision 2. A  
 36.28 vendor that receives funding from medical assistance shall not: (1) employ an individual  
 36.29 or entity who is on the exclusion list; or (2) enter into or maintain a business relationship  
 36.30 with an individual or entity that is on the exclusion list.

36.31 (b) Before hiring or entering into a business transaction, a vendor shall check the  
 36.32 exclusion list. The vendor shall check the exclusion list on a monthly basis and document  
 36.33 the date and time with a.m. and p.m. designations that the exclusion list was checked and  
 37.1 the name and title of the person who checked the exclusion list. The vendor shall: (1)  
 37.2 immediately terminate a current employee on the exclusion list; and (2) immediately  
 37.3 terminate a business relationship with an individual or entity on the exclusion list.

37.4 (c) A vendor's requirement to check the exclusion list and to terminate an employee on  
 37.5 the exclusion list applies to each employee, even if the named employee is not responsible  
 37.6 for direct patient care or direct submission of a claim to medical assistance. A vendor's  
 37.7 requirement to check the exclusion list and terminate a business relationship with an  
 37.8 individual or entity on the exclusion list applies to each business relationship, even if the  
 37.9 named individual or entity is not responsible for direct patient care or direct submission of  
 37.10 a claim to medical assistance.

37.11 (d) A vendor that employs or enters into or maintains a business relationship with an  
 37.12 individual or entity on the exclusion list shall refund any payment related to a service  
 37.13 rendered by an individual or entity on the exclusion list from the date the individual is  
 37.14 employed or the date the individual is placed on the exclusion list, whichever is later, and  
 37.15 a vendor may be subject to:

37.16 (1) sanctions under subdivision 2;

37.17 (2) a civil monetary penalty of up to \$25,000 for each determination by the department  
 37.18 that the vendor employed or contracted with an individual or entity on the exclusion list;  
 37.19 and

37.20 (3) other fines or penalties allowed by law.

182.19 the placement by submitting a written request for a hearing to the department within 90  
 182.20 days of the notice being mailed.

182.21 Sec. 117. Minnesota Statutes 2018, section 256B.064, is amended by adding a subdivision  
 182.22 to read:

182.23 Subd. 5. **Immunity; good faith reporters.** (a) A person who makes a good faith report  
 182.24 is immune from any civil or criminal liability that might otherwise arise from reporting or  
 182.25 participating in the investigation. Nothing in this subdivision affects a vendor's responsibility  
 182.26 for an overpayment established under this subdivision.

182.27 (b) A person employed by a lead investigative agency who is conducting or supervising  
 182.28 an investigation or enforcing the law according to the applicable law or rule is immune from  
 182.29 any civil or criminal liability that might otherwise arise from the person's actions, if the  
 182.30 person is acting in good faith and exercising due care.

182.31 (c) For purposes of this subdivision, "person" includes a natural person or any form of  
 182.32 a business or legal entity.

183.1 (d) After an investigation is complete, the reporter's name must be kept confidential.  
 183.2 The subject of the report may compel disclosure of the reporter's name only with the consent  
 183.3 of the reporter or upon a written finding by a district court that the report was false and there  
 183.4 is evidence that the report was made in bad faith. This subdivision does not alter disclosure  
 183.5 responsibilities or obligations under the Rules of Criminal Procedure, except that when the  
 183.6 identity of the reporter is relevant to a criminal prosecution the district court shall conduct  
 183.7 an in-camera review before determining whether to order disclosure of the reporter's identity.

183.8 Sec. 118. [256B.0646] MINNESOTA RESTRICTED RECIPIENT PROGRAM;  
 183.9 PERSONAL CARE ASSISTANCE SERVICES.

183.10 (a) When a recipient's use of personal care assistance services or community first services  
 183.11 and supports under section 256B.85 results in abusive or fraudulent billing, the commissioner  
 183.12 may place a recipient in the Minnesota restricted recipient program under Minnesota Rules,  
 183.13 part 9505.2165. A recipient placed in the Minnesota restricted recipient program under this  
 183.14 section must: (1) use a designated traditional personal care assistance provider agency; and  
 183.15 (2) obtain a new assessment under section 256B.0911, including consultation with a registered  
 183.16 or public health nurse on the long-term care consultation team pursuant to section 256B.0911,  
 183.17 subdivision 3, paragraph (b), clause (2).

183.18 (b) A recipient must comply with additional conditions for the use of personal care  
 183.19 assistance services or community first services and supports if the commissioner determines  
 183.20 it is necessary to prevent future misuse of personal care assistance services or abusive or

37.21 Sec. 36. [256B.0646] CORRECTIVE ACTIONS FOR PEOPLE USING PERSONAL  
 37.22 CARE ASSISTANCE SERVICES; MINNESOTA RESTRICTED RECIPIENT  
 37.23 PROGRAM.

37.24 (a) When there is abusive or fraudulent billing of personal care assistance services or  
 37.25 community first services and supports under section 256B.85, the commissioner may place  
 37.26 a recipient in the Minnesota restricted recipient program as defined in Minnesota Rules,  
 37.27 part 9505.2165. A recipient placed in the Minnesota restricted recipient program under this  
 37.28 section must:

37.29 (1) use a designated traditional personal care assistance provider agency;

37.30 (2) obtain a new assessment as described in section 256B.0911, including consultation  
 37.31 with a registered or public health nurse on the long-term care consultation team under  
 37.32 section 256B.0911, subdivision 3, paragraph (b), clause (2); and

38.1 (3) comply with additional conditions for the use of personal care assistance services or  
 38.2 community first services and supports if the commissioner determines it is necessary to  
 38.3 prevent future misuse of personal care assistance services or abusive or fraudulent billing



183.21 fraudulent billing. Additional conditions may include but are not limited to restricting service  
 183.22 authorizations for a duration of no more than one month and requiring a qualified professional  
 183.23 to monitor and report services on a monthly basis.

183.24 (c) A recipient placed in the Minnesota restricted recipient program under this section  
 183.25 may appeal the placement according to section 256.045.

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

183.27 Sec. 119. Minnesota Statutes 2018, section 256B.0651, subdivision 17, is amended to  
 183.28 read:

183.29 Subd. 17. **Recipient protection.** (a) Providers of home care services must provide each  
 183.30 recipient with a copy of the home care bill of rights under section 144A.44 at least 30 days  
 183.31 prior to terminating services to a recipient, if the termination results from provider sanctions  
 183.32 under section 256B.064, such as a payment withhold, a suspension of participation, or a  
 183.33 termination of participation. If a home care provider determines it is unable to continue  
 184.1 providing services to a recipient, the provider must notify the recipient, the recipient's  
 184.2 responsible party, and the commissioner 30 days prior to terminating services to the recipient  
 184.3 because of an action under section 256B.064, and must assist the commissioner and lead  
 184.4 agency in supporting the recipient in transitioning to another home care provider of the  
 184.5 recipient's choice.

184.6 (b) In the event of a payment withhold from a home care provider, a suspension of  
 184.7 participation, or a termination of participation of a home care provider under section  
 184.8 256B.064, the commissioner may inform the Office of Ombudsman for Long-Term Care  
 184.9 and the lead agencies for all recipients with active service agreements with the provider. At  
 184.10 the commissioner's request, the lead agencies must contact recipients to ensure that the  
 184.11 recipients are continuing to receive needed care, and that the recipients have been given  
 184.12 free choice of provider if they transfer to another home care provider. In addition, the  
 184.13 commissioner or the commissioner's delegate may directly notify recipients who receive  
 184.14 care from the provider that payments have been or will be withheld or that the provider's  
 184.15 participation in medical assistance has been or will be suspended or terminated, if the  
 184.16 commissioner determines that notification is necessary to protect the welfare of the recipients.  
 184.17 For purposes of this subdivision, "lead agencies" means counties, tribes, and managed care  
 184.18 organizations.

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

184.20 Sec. 120. Minnesota Statutes 2018, section 256B.0659, subdivision 12, is amended to  
 184.21 read:

184.22 Subd. 12. **Documentation of personal care assistance services provided.** (a) Personal  
 184.23 care assistance services for a recipient must be documented daily by each personal care

38.4 related to personal care assistance services. These additional conditions may include, but  
 38.5 are not limited to:

38.6 (i) the restriction of service authorizations to a duration of no more than one month, and

38.7 (ii) requiring a qualified professional to monitor and report services on a monthly basis.

38.8 (b) Placement in the Minnesota restricted recipient program under this section is subject  
 38.9 to appeal according to section 256B.045.

38.10 Sec. 37. Minnesota Statutes 2018, section 256B.0651, subdivision 17, is amended to read:

38.11 Subd. 17. **Recipient protection.** (a) Providers of home care services must provide each  
 38.12 recipient with a copy of the home care bill of rights under section 144A.44 at least 30 days  
 38.13 prior to terminating services to a recipient, if the termination results from provider sanctions  
 38.14 under section 256B.064, such as a payment withhold, a suspension of participation, or a  
 38.15 termination of participation. If a home care provider determines it is unable to continue  
 38.16 providing services to a recipient, the provider must notify the recipient, the recipient's  
 38.17 responsible party, and the commissioner 30 days prior to terminating services to the recipient  
 38.18 because of an action under section 256B.064, and must assist the commissioner and lead  
 38.19 agency in supporting the recipient in transitioning to another home care provider of the  
 38.20 recipient's choice.

38.21 (b) In the event of a payment withhold from a home care provider, a suspension of  
 38.22 participation, or a termination of participation of a home care provider under section  
 38.23 256B.064, the commissioner may inform the Office of Ombudsman for Long-Term Care  
 38.24 and the lead agencies for all recipients with active service agreements with the provider. At  
 38.25 the commissioner's request, the lead agencies must contact recipients to ensure that the  
 38.26 recipients are continuing to receive needed care, and that the recipients have been given  
 38.27 free choice of provider if they transfer to another home care provider. In addition, the  
 38.28 commissioner or the commissioner's delegate may directly notify recipients who receive  
 38.29 care from the provider that payments have been or will be withheld or that the provider's  
 38.30 participation in medical assistance has been or will be suspended or terminated, if the  
 38.31 commissioner determines that notification is necessary to protect the welfare of the recipients.  
 38.32 For purposes of this subdivision, "lead agencies" means counties, tribes, and managed care  
 38.33 organizations.

40.3 Sec. 39. Minnesota Statutes 2018, section 256B.0659, subdivision 12, is amended to read:

40.4 Subd. 12. **Documentation of personal care assistance services provided.** (a) Personal  
 40.5 care assistance services for a recipient must be documented daily by each personal care



184.24 assistant, on a time sheet form approved by the commissioner. All documentation may be  
 184.25 web-based, electronic, or paper documentation. The completed form must be submitted on  
 184.26 a monthly basis to the provider and kept in the recipient's health record.

184.27 (b) The activity documentation must correspond to the personal care assistance care plan  
 184.28 and be reviewed by the qualified professional.

184.29 (c) The personal care assistant time sheet must be on a form approved by the  
 184.30 commissioner documenting time the personal care assistant provides services in the home.  
 184.31 The following criteria must be included in the time sheet:

184.32 (1) full name of personal care assistant and individual provider number;  
 184.33 (2) provider name and telephone numbers;

185.1 (3) full name of recipient and either the recipient's medical assistance identification  
 185.2 number or date of birth;

185.3 (4) consecutive dates, including month, day, and year, and arrival and departure times  
 185.4 with a.m. or p.m. notations;

185.5 (5) signatures of recipient or the responsible party;  
 185.6 (6) personal signature of the personal care assistant;  
 185.7 (7) any shared care provided, if applicable;

185.8 (8) a statement that it is a federal crime to provide false information on personal care  
 185.9 service billings for medical assistance payments; and

185.10 (9) dates and location of recipient stays in a hospital, care facility, or incarceration.

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

185.12 Sec. 121. Minnesota Statutes 2018, section 256B.27, subdivision 3, is amended to read:

185.13 Subd. 3. **Access to medical records.** The commissioner of human services, with the  
 185.14 written consent of the recipient, on file with the local welfare agency, shall be allowed  
 185.15 access to all personal medical records of medical assistance recipients solely for the purposes  
 185.16 of investigating whether or not: (a) a vendor of medical care has submitted a claim for  
 185.17 reimbursement, a cost report or a rate application which is duplicative, erroneous, or false  
 185.18 in whole or in part, or which results in the vendor obtaining greater compensation than the  
 185.19 vendor is legally entitled to; or (b) the medical care was medically necessary. ~~The vendor~~  
 185.20 ~~of medical care shall receive notification from the commissioner at least 24 hours before~~  
 185.21 ~~the commissioner gains access to such records. When the commissioner is investigating a~~  
 185.22 possible overpayment of Medicaid funds, the commissioner must be given immediate access  
 185.23 without prior notice to the vendor's office during regular business hours and to documentation  
 185.24 and records related to services provided and submission of claims for services provided.  
 185.25 Denying the commissioner access to records is cause for the vendor's immediate suspension

40.6 assistant, on a time sheet form approved by the commissioner. All documentation may be  
 40.7 web-based, electronic, or paper documentation. The completed form must be submitted on  
 40.8 a monthly basis to the provider and kept in the recipient's health record.

40.9 (b) The activity documentation must correspond to the personal care assistance care plan  
 40.10 and be reviewed by the qualified professional.

40.11 (c) The personal care assistant time sheet must be on a form approved by the  
 40.12 commissioner documenting time the personal care assistant provides services in the home.  
 40.13 The following criteria must be included in the time sheet:

40.14 (1) full name of personal care assistant and individual provider number;  
 40.15 (2) provider name and telephone numbers;

40.16 (3) full name of recipient and either the recipient's medical assistance identification  
 40.17 number or date of birth;

40.18 (4) consecutive dates, including month, day, and year, and arrival and departure times  
 40.19 with a.m. or p.m. notations;

40.20 (5) signatures of recipient or the responsible party;  
 40.21 (6) personal signature of the personal care assistant;  
 40.22 (7) any shared care provided, if applicable;

40.23 (8) a statement that it is a federal crime to provide false information on personal care  
 40.24 service billings for medical assistance payments; and

40.25 (9) dates and location of recipient stays in a hospital, care facility, or incarceration.

50.3 Sec. 45. Minnesota Statutes 2018, section 256B.27, subdivision 3, is amended to read:

50.4 Subd. 3. **Access to medical records.** The commissioner of human services, with the  
 50.5 written consent of the recipient, on file with the local welfare agency, shall be allowed  
 50.6 access to all personal medical records of medical assistance recipients solely for the purposes  
 50.7 of investigating whether or not: (a) a vendor of medical care has submitted a claim for  
 50.8 reimbursement, a cost report or a rate application which is duplicative, erroneous, or false  
 50.9 in whole or in part, or which results in the vendor obtaining greater compensation than the  
 50.10 vendor is legally entitled to; or (b) the medical care was medically necessary. ~~The vendor~~  
 50.11 ~~of medical care shall receive notification from the commissioner at least 24 hours before~~  
 50.12 ~~the commissioner gains access to such records. When the commissioner is investigating a~~  
 50.13 suspected overpayment of Medicaid funds, only after first conferring with the department's  
 50.14 Office of Inspector General, and documenting the evidentiary basis for any decision to  
 50.15 demand immediate access to medical records, the commissioner must be given immediate  
 50.16 access without prior notice to the vendor's office during regular business hours and to

185.26 of payment or termination according to section 256B.064. The determination of provision  
 185.27 of services not medically necessary shall be made by the commissioner. Notwithstanding  
 185.28 any other law to the contrary, a vendor of medical care shall not be subject to any civil or  
 185.29 criminal liability for providing access to medical records to the commissioner of human  
 185.30 services pursuant to this section.

186.1 Sec. 122. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
 186.2 to read:

186.3 Subd. 11. Home and community-based service billing requirements. (a) A home and  
 186.4 community-based service is eligible for reimbursement if:

186.5 (1) the service is provided according to a federally approved waiver plan as authorized  
 186.6 under sections 256B.0913, 256B.0915, 256B.092, and 256B.49;

186.7 (2) if applicable, the service is provided on days and times during the days and hours of  
 186.8 operation specified on any license required under chapter 245A or 245D; and

186.9 (3) the provider complies with subdivisions 12 to 15, if applicable.

186.10 (b) The provider must maintain documentation that, upon employment and annually  
 186.11 thereafter, staff providing a service have attested to reviewing and understanding the  
 186.12 following statement: "It is a federal crime to provide materially false information on service  
 186.13 billings for medical assistance or services provided under a federally approved waiver plan  
 186.14 as authorized under Minnesota Statutes, sections 256B.0913, 256B.0915, 256B.092, and  
 186.15 256B.49."

186.16 (c) The department may recover payment according to section 256B.064 and Minnesota  
 186.17 Rules, parts 9505.2160 to 9505.2245, for a service that does not satisfy this subdivision.

186.18 Sec. 123. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
 186.19 to read:

186.20 Subd. 12. Home and community-based service documentation requirements. (a)  
 186.21 Documentation may be collected and maintained electronically or in paper form by providers  
 186.22 and must be produced upon request by the commissioner.

50.17 documentation and records related to services provided and submission of claims for services  
 50.18 provided. Denying the commissioner access to records is cause for the vendor's immediate  
 50.19 suspension of payment or termination according to section 256B.064. The determination  
 50.20 of provision of services not medically necessary shall be made by the commissioner.  
 50.21 Notwithstanding any other law to the contrary, a vendor of medical care shall not be subject  
 50.22 to any civil or criminal liability for providing access to medical records to the commissioner  
 50.23 of human services pursuant to this section.

52.13 Sec. 47. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
 52.14 to read:

52.15 Subd. 11. Home and community-based service billing requirements. (a) A home and  
 52.16 community-based service is eligible for reimbursement if:

52.17 (1) it is a service provided as specified in a federally approved waiver plan, as authorized  
 52.18 under sections 256B.0913, 256B.0915, 256B.092, and 256B.49;

52.19 (2) if applicable, it is provided on days and times during the days and hours of operation  
 52.20 specified on any license that is required under chapter 245A or 245D; or

52.21 (3) the home and community-based service provider has met the documentation  
 52.22 requirements under subdivision 12, 13, 14, or 15.

52.23 A service that does not meet the criteria in this subdivision may be recovered by the  
 52.24 department according to section 256B.064 and Minnesota Rules, parts 9505.2160 to  
 52.25 9505.2245.

52.26 (b) The provider must maintain documentation that all individuals providing service  
 52.27 have attested to reviewing and understanding the following statement upon employment  
 52.28 and annually thereafter.

52.29 "It is a federal crime to provide materially false information on service billings for  
 52.30 medical assistance or services provided under a federally approved waiver plan, as authorized  
 52.31 under Minnesota Statutes, sections 256B.0913, 256B.0915, 256B.092, and 256B.49."

53.1 Sec. 48. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
 53.2 to read:

53.3 Subd. 12. Home and community-based service documentation requirements. (a)  
 53.4 Documentation may be collected and maintained electronically or in paper form by providers,  
 53.5 but must be made available and produced upon the request of the commissioner.  
 53.6 Documentation of delivered services that comply with the electronic visit verification  
 53.7 requirements under Laws 2017, First Special Session chapter 6, article 3, section 49, satisfy  
 53.8 the requirements of this subdivision.

186.23 (b) Documentation of a delivered service must be in English and must be legible according  
186.24 to the standard of a reasonable person.

186.25 (c) If the service is reimbursed at an hourly or specified minute-based rate, each  
186.26 documentation of the provision of a service, unless otherwise specified, must include:

186.27 (1) the date the documentation occurred;

186.28 (2) the day, month, and year when the service was provided;

186.29 (3) the start and stop times with a.m. and p.m. designations, except for case management  
186.30 services as defined under sections 256B.0913, subdivision 7; 256B.0915, subdivision 1a;  
186.31 256B.092, subdivision 1a; and 256B.49, subdivision 13;

187.1 (4) the service name or description of the service provided; and

187.2 (5) the name, signature, and title, if any, of the provider of service. If the service is  
187.3 provided by multiple staff members, the provider may designate a staff member responsible  
187.4 for verifying services and completing the documentation required by this paragraph.

187.5 (d) If the service is reimbursed at a daily rate or does not meet the requirements in  
187.6 paragraph (c), each documentation of the provision of a service, unless otherwise specified,  
187.7 must include:

187.8 (1) the date the documentation occurred;

187.9 (2) the day, month, and year when the service was provided;

187.10 (3) the service name or description of the service provided; and

187.11 (4) the name, signature, and title, if any, of the person providing the service. If the service  
187.12 is provided by multiple staff, the provider may designate a staff member responsible for  
187.13 verifying services and completing the documentation required by this paragraph.

187.14 Sec. 124. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
187.15 to read:

187.16 Subd. 13. **Waiver transportation documentation and billing requirements.** (a) A  
187.17 waiver transportation service must be a waiver transportation service that: (1) is not covered  
187.18 by medical transportation under the Medicaid state plan; and (2) is not included as a  
187.19 component of another waiver service.

187.20 (b) In addition to the documentation requirements in subdivision 12, a waiver  
187.21 transportation service provider must maintain:

53.9 (b) Documentation of a delivered service must be in English and must be legible according  
53.10 to the standard of a reasonable person.

53.11 (c) If the service is reimbursed at an hourly or specified minute-based rate, each  
53.12 documentation of the provision of a service, unless otherwise specified, must include:

53.13 (1) the date the documentation occurred;

53.14 (2) the day, month, and year when the service was provided;

53.15 (3) the start and stop times with a.m. and p.m. designations, except for case management  
53.16 services as defined under sections 256B.0913, subdivision 7; 256B.0915, subdivision 1a;  
53.17 256B.092, subdivision 1a; and 256B.49, subdivision 13;

53.18 (4) the service name or description of the service provided; and

53.19 (5) the name, signature, and title, if any, of the provider of service. If the service is  
53.20 provided by multiple staff members, the provider may designate a staff member responsible  
53.21 for verifying services and completing the documentation required by this paragraph.

53.22 (d) If the service is reimbursed at a daily rate or does not meet the requirements of  
53.23 paragraph (c), each documentation of the provision of a service, unless otherwise specified,  
53.24 must include:

53.25 (1) the date the documentation occurred;

53.26 (2) the day, month, and year when the service was provided;

53.27 (3) the service name or description of the service provided; and

53.28 (4) the name, signature, and title, if any, of the person providing the service. If the service  
53.29 is provided by multiple staff, the provider may designate a staff person responsible for  
53.30 verifying services and completing the documentation required by this paragraph.

54.1 Sec. 49. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
54.2 to read:

54.3 Subd. 13. **Waiver transportation documentation and billing requirements.** (a) A  
54.4 waiver transportation service must meet the billing requirements under section 256B.4912,  
54.5 subdivision 11, to be eligible for reimbursement and must:

54.6 (1) be a waiver transportation service that is not covered by medical transportation under  
54.7 the Medicaid state plan; and

54.8 (2) be a waiver transportation service that is not included as a component of another  
54.9 waiver service.

54.10 (b) A waiver transportation service provider must meet the documentation requirements  
54.11 under subdivision 12 and must maintain:

187.22 (1) odometer and other records pursuant to section 256B.0625, subdivision 17b, paragraph  
 187.23 (b), clause (3), sufficient to distinguish an individual trip with a specific vehicle and driver  
 187.24 for a waiver transportation service that is billed directly by the mile. A common carrier as  
 187.25 defined by Minnesota Rules, part 9505.0315, subpart 1, item B, or a publicly operated transit  
 187.26 system provider are exempt from this clause; and

187.27 (2) documentation demonstrating that a vehicle and a driver meet the standards determined  
 187.28 by the Department of Human Services on vehicle and driver qualifications in section  
 187.29 256B.0625, subdivision 17, paragraph (c).

188.1 Sec. 125. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
 188.2 to read:

188.3 Subd. 14. **Equipment and supply documentation requirements.** (a) In addition to the  
 188.4 requirements in subdivision 12, an equipment and supply services provider must for each  
 188.5 documentation of the provision of a service include:

188.6 (1) the recipient's assessed need for the equipment or supply;

188.7 (2) the reason the equipment or supply is not covered by the Medicaid state plan;

188.8 (3) the type and brand name of the equipment or supply delivered to or purchased by  
 188.9 the recipient, including whether the equipment or supply was rented or purchased;

188.10 (4) the quantity of the equipment or supply delivered or purchased; and

188.11 (5) the cost of the equipment or supply if the amount paid for the service depends on  
 188.12 the cost.

188.13 (b) A provider must maintain a copy of the shipping invoice or a delivery service tracking  
 188.14 log or other documentation showing the date of delivery that proves the equipment or supply  
 188.15 was delivered to the recipient or a receipt if the equipment or supply was purchased by the  
 188.16 recipient.

188.17 Sec. 126. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
 188.18 to read:

188.19 Subd. 15. **Adult day service documentation and billing requirements.** (a) In addition  
 188.20 to the requirements in subdivision 12, a provider of adult day services as defined in section  
 188.21 245A.02, subdivision 2a, and licensed under Minnesota Rules, parts 9555.9600 to 9555.9730,  
 188.22 must maintain documentation of:

188.23 (1) a needs assessment and current plan of care according to section 245A.143,  
 188.24 subdivisions 4 to 7, or Minnesota Rules, part 9555.9700, for each recipient, if applicable;

188.25 (2) attendance records as specified under section 245A.14, subdivision 14, paragraph  
 188.26 (c), including the date of attendance with the day, month, and year; and the pickup and  
 188.27 drop-off time in hours and minutes with a.m. and p.m. designations;

54.12 (1) odometer and other records as provided in section 256B.0625, subdivision 17b,  
 54.13 paragraph (b), clause (3), sufficient to distinguish an individual trip with a specific vehicle  
 54.14 and driver for a waiver transportation service that is billed directly by the mile, except if  
 54.15 the provider is a common carrier as defined by Minnesota Rules, part 9505.0315, subpart  
 54.16 1, item B, or a publicly operated transit system; and

54.17 (2) documentation demonstrating that a vehicle and a driver meets the standards  
 54.18 determined by the Department of Human Services on vehicle and driver qualifications as  
 54.19 described in section 256B.0625, subdivision 17, paragraph (c).

54.20 Sec. 50. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
 54.21 to read:

54.22 Subd. 14. **Equipment and supply documentation requirements.** (a) An equipment  
 54.23 and supply services provider must meet the documentation requirements under subdivision  
 54.24 12 and must, for each documentation of the provision of a service, include:

54.25 (1) the recipient's assessed need for the equipment or supply and the reason the equipment  
 54.26 or supply is not covered by the Medicaid state plan;

54.27 (2) the type and brand name of the equipment or supply delivered to or purchased by  
 54.28 the recipient, including whether the equipment or supply was rented or purchased;

54.29 (3) the quantity of the equipment or supplies delivered or purchased; and

54.30 (4) the cost of equipment or supplies if the amount paid for the service depends on the  
 54.31 cost.

55.1 (b) A provider must maintain a copy of the shipping invoice or a delivery service tracking  
 55.2 log or other documentation showing the date of delivery that proves the equipment or supply  
 55.3 was delivered to the recipient or a receipt if the equipment or supply was purchased by the  
 55.4 recipient.

55.5 Sec. 51. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision  
 55.6 to read:

55.7 Subd. 15. **Adult day service documentation and billing requirements.** (a) A service  
 55.8 defined as "adult day care" under section 245A.02, subdivision 2a, and licensed under  
 55.9 Minnesota Rules, parts 9555.9600 to 9555.9730, must meet the documentation requirements  
 55.10 under subdivision 12 and must maintain documentation of:

55.11 (1) a needs assessment and current plan of care according to section 245A.143,  
 55.12 subdivisions 4 to 7, or Minnesota Rules, part 9555.9700, if applicable, for each recipient;

55.13 (2) attendance records as specified under section 245A.14, subdivision 14, paragraph  
 55.14 (c); the date of attendance must be documented on the attendance record with the day,

188.28 (3) the monthly and quarterly program requirements in Minnesota Rules, part 9555.9710,  
188.29 subparts 1, items E and H, 3, 4, and 6, if applicable;

189.1 (4) the name and qualification of each registered physical therapist, registered nurse,  
189.2 and registered dietitian who provides services to the adult day services or nonresidential  
189.3 program; and

189.4 (5) the location where the service was provided. If the location is an alternate location  
189.5 from the usual place of service, the documentation must include the address, or a description  
189.6 if the address is not available, of both the origin site and destination site; the length of time  
189.7 at the alternate location with a.m. and p.m. designations; and a list of participants who went  
189.8 to the alternate location.

189.9 (b) A provider must not exceed the provider's licensed capacity. If a provider exceeds  
189.10 the provider's licensed capacity, the department must recover all Minnesota health care  
189.11 programs payments from the date the provider exceeded licensed capacity.

189.12 **EFFECTIVE DATE.** This section is effective August 1, 2019.

55.15 month, and year; and the pickup and drop-off time must be noted on the attendance record  
55.16 in hours and minutes with a.m. and p.m. designations;

55.17 (3) the monthly and quarterly program requirements in Minnesota Rules, part 9555.9710,  
55.18 subparts 1, items E and H, 3, 4, and 6, if applicable;

55.19 (4) the names and qualifications of the registered physical therapists, registered nurses,  
55.20 and registered dietitians who provide services to the adult day care or nonresidential program;  
55.21 and

55.22 (5) the location where the service was provided and, if the location is an alternate location  
55.23 from the primary place of service, the address, or if an address is not available, a description  
55.24 of both the origin and destination location, the length of time at the alternate location with  
55.25 a.m. and p.m. designations, and a list of participants who went to the alternate location.

55.26 (b) A provider cannot exceed its licensed capacity; if licensed capacity is exceeded, all  
55.27 Minnesota health care program payments for that date shall be recovered by the department.

55.28 **EFFECTIVE DATE.** This section is effective August 1, 2019.

#### ARTICLE 7:

259.1 Sec. 14. Minnesota Statutes 2018, section 524.5-118, is amended to read:  
259.2 524.5-118 BACKGROUND STUDY.

259.3 Subdivision 1. **When required; exception.** (a) The court shall require a background  
259.4 study under this section:

259.5 (1) before the appointment of a guardian or conservator, unless a background study has  
259.6 been done on the person under this section within the previous two five years; and

259.7 (2) once every two five years after the appointment, if the person continues to serve as  
259.8 a guardian or conservator.

259.9 (b) The background study must include:

259.10 (1) criminal history data from the Bureau of Criminal Apprehension, other criminal  
259.11 history data held by the commissioner of human services, and data regarding whether the  
259.12 person has been a perpetrator of substantiated maltreatment of a vulnerable adult or minor;

259.13 (2) criminal history data from the National Criminal Records Repository if the proposed  
259.14 guardian or conservator has not resided in Minnesota for the previous ten years or if the  
259.15 Bureau of Criminal Apprehension information received from the commissioner of human  
259.16 services under subdivision 2, paragraph (b), indicates that the subject is a multistate offender  
259.17 or that the individual's multistate offender status is undetermined a national criminal history  
259.18 record check as defined in section 245C.02, subdivision 13c; and

259.19 (3) state licensing agency data if a search of the database or databases of the agencies  
 259.20 listed in subdivision 2a shows that the proposed guardian or conservator has ever held a  
 259.21 professional license directly related to the responsibilities of a professional fiduciary from  
 259.22 an agency listed in subdivision 2a that was conditioned, suspended, revoked, or canceled.

259.23 (c) If the guardian or conservator is not an individual, the background study must be  
 259.24 done on all individuals currently employed by the proposed guardian or conservator who  
 259.25 will be responsible for exercising powers and duties under the guardianship or  
 259.26 conservatorship.

259.27 (d) If the court determines that it would be in the best interests of the ward or protected  
 259.28 person to appoint a guardian or conservator before the background study can be completed,  
 259.29 the court may make the appointment pending the results of the study, however, the  
 259.30 background study must then be completed as soon as reasonably possible after appointment,  
 259.31 no later than 30 days after appointment.

260.1 (e) The fee for background studies conducted under this section is specified in section  
 260.2 245C.10, subdivision 14. The fee for conducting a background study for appointment of a  
 260.3 professional guardian or conservator must be paid by the guardian or conservator. In other  
 260.4 cases, the fee must be paid as follows:

260.5 (1) if the matter is proceeding in forma pauperis, the fee is an expense for purposes of  
 260.6 section 524.5-502, paragraph (a);

260.7 (2) if there is an estate of the ward or protected person, the fee must be paid from the  
 260.8 estate; or

260.9 (3) in the case of a guardianship or conservatorship of the person that is not proceeding  
 260.10 in forma pauperis, the court may order that the fee be paid by the guardian or conservator  
 260.11 or by the court.

260.12 (f) The requirements of this subdivision do not apply if the guardian or conservator is:

260.13 (1) a state agency or county;

260.14 (2) a parent or guardian of a proposed ward or protected person who has a developmental  
 260.15 disability, if the parent or guardian has raised the proposed ward or protected person in the  
 260.16 family home until the time the petition is filed, unless counsel appointed for the proposed  
 260.17 ward or protected person under section 524.5-205, paragraph (d); 524.5-304, paragraph (b);  
 260.18 524.5-405, paragraph (a); or 524.5-406, paragraph (b), recommends a background study;  
 260.19 or

260.20 (3) a bank with trust powers, bank and trust company, or trust company, organized under  
 260.21 the laws of any state or of the United States and which is regulated by the commissioner of  
 260.22 commerce or a federal regulator.

260.23 Subd. 2. **Procedure; criminal history and maltreatment records background**  
 260.24 **check.** (a) The court shall request the commissioner of human services to complete a



260.25 background study under section 245C.32. The request must be accompanied by the applicable  
260.26 fee and the signed consent of the subject of the study authorizing the release of the data  
260.27 obtained to the court. If the court is requesting a search of the National Criminal Records  
260.28 Repository, the request must be accompanied by acknowledgment that the study subject  
260.29 received a privacy notice required under subdivision 3. The commissioner of human services  
260.30 shall conduct a national criminal history record check. The study subject shall submit a set  
260.31 of classifiable fingerprints of the subject of the study. The fingerprints must be recorded on  
260.32 a fingerprint card provided by the commissioner of human services.

261.1 (b) The commissioner of human services shall provide the court with criminal history  
261.2 data as defined in section 13.87 from the Bureau of Criminal Apprehension in the Department  
261.3 of Public Safety, other criminal history data held by the commissioner of human services,  
261.4 and data regarding substantiated maltreatment of vulnerable adults under section 626.557  
261.5 and substantiated maltreatment of minors under section 626.556, and criminal history  
261.6 information from other states or jurisdictions as indicated from a national criminal history  
261.7 record check within ~~15~~ 20 working days of receipt of a request. If the subject of the study  
261.8 has been the perpetrator of substantiated maltreatment of a vulnerable adult or minor, the  
261.9 response must include a copy of the public portion of the investigation memorandum under  
261.10 section 626.557, subdivision 12b, or the public portion of the investigation memorandum  
261.11 under section 626.556, subdivision 10f. If the court did not request a search of the National  
261.12 Criminal Records Repository and information from the Bureau of Criminal Apprehension  
261.13 indicates that the subject is a multistate offender or that multistate offender status is  
261.14 undetermined, the response must include this information. The commissioner shall provide  
261.15 the court with information from the National Criminal Records Repository within three  
261.16 working days of the commissioner's receipt of the data. The commissioner shall provide the  
261.17 court with information from a review of information according to subdivision 2a if the study  
261.18 subject provided information indicating current or prior affiliation with a state licensing  
261.19 agency.

261.20 (c) Notwithstanding section 626.557, subdivision 12b, or 626.556, subdivision 10f, if  
261.21 the commissioner of human services or a county lead agency or lead investigative agency  
261.22 has information that a person on whom a background study was previously done under this  
261.23 section has been determined to be a perpetrator of maltreatment of a vulnerable adult or  
261.24 minor, the commissioner or the county may provide this information to the court that  
261.25 requested the background study. The commissioner may also provide the court with additional  
261.26 criminal history or substantiated maltreatment information that becomes available after the  
261.27 background study is done.

261.28 Subd. 2a. **Procedure; state licensing agency data.** (a) The court shall request the  
261.29 commissioner of human services to provide the court within 25 working days of receipt of  
261.30 the request with licensing agency data for licenses directly related to the responsibilities of  
261.31 a professional fiduciary if the study subject indicates current or prior affiliation from the  
261.32 following agencies in Minnesota:

261.33 (1) Lawyers Responsibility Board;



- 261.34 (2) State Board of Accountancy;
- 262.1 (3) Board of Social Work;
- 262.2 (4) Board of Psychology;
- 262.3 (5) Board of Nursing;
- 262.4 (6) Board of Medical Practice;
- 262.5 (7) Department of Education;
- 262.6 (8) Department of Commerce;
- 262.7 (9) Board of Chiropractic Examiners;
- 262.8 (10) Board of Dentistry;
- 262.9 (11) Board of Marriage and Family Therapy;
- 262.10 (12) Department of Human Services; ~~and~~
- 262.11 (13) Peace Officer Standards and Training (POST) Board; ~~and~~
- 262.12 (14) Professional Educator Licensing and Standards Board.
- 262.13 (b) The commissioner shall enter into agreements with these agencies to provide ~~for the~~
- 262.14 ~~commissioner with~~ electronic access to the relevant licensing data ~~by the commissioner;~~
- 262.15 ~~and to provide the commissioner with a quarterly list of new sanctions issued by the agency.~~
- 262.16 (c) The commissioner shall provide to the court the electronically available data
- 262.17 maintained in the agency's database, including whether the proposed guardian or conservator
- 262.18 is or has been licensed by the agency, and if the licensing agency database indicates a
- 262.19 disciplinary action or a sanction against the individual's license, including a condition,
- 262.20 suspension, revocation, or cancellation.
- 262.21 (d) If the proposed guardian or conservator has resided in a state other than Minnesota
- 262.22 in the previous ten years, licensing agency data under this section shall also include the
- 262.23 licensing agency data from any other state where the proposed guardian or conservator
- 262.24 reported to have resided during the previous ten years ~~if the study subject indicates current~~
- 262.25 ~~or prior affiliation.~~ If the proposed guardian or conservator has or has had a professional
- 262.26 license in another state that is directly related to the responsibilities of a professional fiduciary
- 262.27 from one of the agencies listed under paragraph (a), state licensing agency data shall also
- 262.28 include data from the relevant licensing agency of that state.
- 262.29 (e) The commissioner is not required to repeat a search for Minnesota or out-of-state
- 262.30 licensing data on an individual if the commissioner has provided this information to the
- 262.31 court within the prior ~~two~~ five years.

- 263.1 (f) If an individual has continuously resided in Minnesota since a previous background  
 263.2 study under this section was completed, the commissioner is not required to repeat a search  
 263.3 for records in another state.
- 263.4 (g) The commissioner shall review the information in paragraph (c) at least once every  
 263.5 four months to determine if an individual who has been studied within the previous five  
 263.6 years:
- 263.7 (1) has new disciplinary action or sanction against the individual's license; or  
 263.8 (2) did not disclose a prior or current affiliation with a Minnesota licensing agency.
- 263.9 (h) If the commissioner's review in paragraph (g) identifies new information, the  
 263.10 commissioner shall provide any new information to the court.
- 263.11 Subd. 3. **Form Forms and systems.** The court must provide the study subject with a  
 263.12 privacy notice that complies with section 245C.05, subdivision 2c. The commissioner of  
 263.13 human services shall develop a form to be used for requesting use the NETStudy 2.0 system  
 263.14 to conduct a background study under this section, which must include:
- 263.15 (1) a notification to the subject of the study that the court will request the commissioner  
 263.16 to perform a background study under this section;
- 263.17 (2) a notification to the subject of the rights in subdivision 4; and  
 263.18 (3) a signed consent to conduct the background study.
- 263.19 Subd. 4. **Rights.** The court shall notify the subject of a background study that the subject  
 263.20 has the following rights:
- 263.21 (1) the right to be informed that the court will request a background study on the subject  
 263.22 for the purpose of determining whether the person's appointment or continued appointment  
 263.23 is in the best interests of the ward or protected person;
- 263.24 (2) the right to be informed of the results of the study and to obtain from the court a  
 263.25 copy of the results; and
- 263.26 (3) the right to challenge the accuracy and completeness of information contained in the  
 263.27 results under section 13.04, subdivision 4, except to the extent precluded by section 256.045,  
 263.28 subdivision 3.
- 263.29 **EFFECTIVE DATE.** This section is effective January 1, 2020.

189.13 Sec. 127. [609.817] CRIMINAL PENALTIES FOR ACTS INVOLVING HUMAN  
 189.14 SERVICES PROGRAMS.

189.15 Subdivision 1. Prohibited payments made relating to human services programs. A  
 189.16 person is in violation of this section if the person knowingly and willfully offers or pays

- 189.17 any remuneration, including any kickback, bribe, or rebate, directly or indirectly, overtly  
189.18 or covertly, in cash or in kind, to another person:
- 189.19 (1) to induce that person to apply for, receive, or induce another person to apply for or  
189.20 receive an item or service for which payment may be made in whole or in part by a local  
189.21 social services agency as defined in chapter 393 or by the Department of Human Services,  
189.22 or administered by the commissioner of human services; or
- 189.23 (2) in return for purchasing, leasing, ordering, or arranging for or inducing the purchasing,  
189.24 leasing, or ordering of any good, facility, service, or item for which payment may be made  
189.25 in whole or in part, or which is administered in whole or in part by a local social services  
189.26 agency as defined in chapter 393, the Department of Human Services, or the United States  
189.27 Department of Health and Human Services.
- 189.28 **Subd. 2. Receipt of prohibited payments relating to human services programs. A**  
189.29 person is in violation of this section if the person knowingly and willfully solicits or receives  
189.30 any remuneration, including any kickback, bribe, or rebate, directly or indirectly, overtly  
189.31 or covertly, in cash or in kind:
- 189.32 (1) in return for applying for or receiving a human services benefit, service, or grant for  
189.33 which payment may be made in whole or in part by a local services agency as defined in  
190.1 chapter 393 or the Department of Human Services, or is administered by the commissioner  
190.2 of human services; or
- 190.3 (2) in return for purchasing, leasing, ordering, or arranging for or inducing the purchasing,  
190.4 leasing, or ordering of any good, facility, service, or item for which payment may be made  
190.5 in whole or in part, or which is administered in whole or in part, by the Department of  
190.6 Human Services, a local social services agency as defined in chapter 393, or the United  
190.7 States Department of Health and Human Services.
- 190.8 **Subd. 3. Payments exempt. This section does not apply to remuneration exempted from**  
190.9 the Anti-Kickback Statute under United States Code, title 42, section 1320a-7b(b)(3), or  
190.10 remuneration excepted from liability by Code of Federal Regulations, title 42, section  
190.11 1001.952.
- 190.12 **Subd. 4. Penalties. (a) A person who violates subdivision 1 or 2 may be sentenced**  
190.13 according to section 609.52, subdivision 3.
- 190.14 (1) For a violation of subdivision 1, for the purposes of sentencing under section 609.52,  
190.15 subdivision 3, the calculated value is equal to the value of the good, facility, service, or item  
190.16 that was obtained as a direct or indirect result of the prohibited payment.
- 190.17 (2) For a violation of subdivision 2, for the purposes of sentencing under section 609.52,  
190.18 subdivision 3, the calculated value is equal to the value of the prohibited payment solicited  
190.19 or received in violation of subdivision 2.

190.20 (b) A claim for any good, facility, service, or item rendered or claimed to have been  
190.21 rendered in violation of this section is noncompensable and unenforceable at the time the  
190.22 claim is made.

190.23 Subd. 5. **Aggregation.** In any prosecution under this section, the value of the money or  
190.24 property or services received by the defendant within any six-month period may be  
190.25 aggregated and the defendant charged accordingly in applying the provisions of subdivision  
190.26 6.

190.27 Subd. 6. **Venue.** Notwithstanding section 627.01, an offense committed under this section  
190.28 may be prosecuted in the county where any part of the offense occurred, provided that when  
190.29 two or more offenses are committed by the same person in two or more counties, the accused  
190.30 may be prosecuted in any county in which one of the offenses was committed for all of the  
190.31 offenses aggregated under this subdivision.

191.1 Subd. 7. **False claims.** In addition to the penalties provided for in this section, a claim  
191.2 that includes items or services resulting from a violation of this section constitutes a false  
191.3 or fraudulent claim for purposes of section 15C.02.

191.4 Subd. 8. **Actual knowledge or specific intent not required.** With respect to a violation  
191.5 of this section, a person need not have actual knowledge of this section or specific intent to  
191.6 commit a violation of this section.

191.7 Sec. 128. Minnesota Statutes 2018, section 628.26, is amended to read:  
191.8 628.26 LIMITATIONS:

191.9 (a) Indictments or complaints for any crime resulting in the death of the victim may be  
191.10 found or made at any time after the death of the person killed.

191.11 (b) Indictments or complaints for a violation of section 609.25 may be found or made  
191.12 at any time after the commission of the offense.

191.13 (c) Indictments or complaints for violation of section 609.282 may be found or made at  
191.14 any time after the commission of the offense if the victim was under the age of 18 at the  
191.15 time of the offense.

191.16 (d) Indictments or complaints for violation of section 609.282 where the victim was 18  
191.17 years of age or older at the time of the offense, or 609.42, subdivision 1, clause (1) or (2),  
191.18 shall be found or made and filed in the proper court within six years after the commission  
191.19 of the offense.

191.20 (e) Indictments or complaints for violation of sections 609.322 and 609.342 to 609.345,  
191.21 if the victim was under the age of 18 years at the time the offense was committed, shall be  
191.22 found or made and filed in the proper court within the later of nine years after the commission  
191.23 of the offense or three years after the offense was reported to law enforcement authorities.

191.24 (f) Notwithstanding the limitations in paragraph (e), indictments or complaints for  
191.25 violation of sections 609.322 and 609.342 to 609.344 may be found or made and filed in

191.26 the proper court at any time after commission of the offense, if physical evidence is collected  
 191.27 and preserved that is capable of being tested for its DNA characteristics. If this evidence is  
 191.28 not collected and preserved and the victim was 18 years old or older at the time of the  
 191.29 offense, the prosecution must be commenced within nine years after the commission of the  
 191.30 offense.

192.1 (g) Indictments or complaints for violation of sections 609.466 and 609.52, subdivision  
 192.2 2, paragraph (a), clause (3), item (iii), and 609.817, shall be found or made and filed in the  
 192.3 proper court within six years after the commission of the offense.

192.4 (h) Indictments or complaints for violation of section 609.2335, 609.52, subdivision 2,  
 192.5 clause (3), items (i) and (ii), (4), (15), or (16), 609.631, or 609.821, where the value of the  
 192.6 property or services stolen is more than \$35,000, or for violation of section 609.527 where  
 192.7 the offense involves eight or more direct victims or the total combined loss to the direct and  
 192.8 indirect victims is more than \$35,000, shall be found or made and filed in the proper court  
 192.9 within five years after the commission of the offense.

192.10 (i) Except for violations relating to false material statements, representations or omissions,  
 192.11 indictments or complaints for violations of section 609.671 shall be found or made and filed  
 192.12 in the proper court within five years after the commission of the offense.

192.13 (j) Indictments or complaints for violation of sections 609.561 to 609.563, shall be found  
 192.14 or made and filed in the proper court within five years after the commission of the offense.

192.15 (k) In all other cases, indictments or complaints shall be found or made and filed in the  
 192.16 proper court within three years after the commission of the offense.

192.17 (l) The limitations periods contained in this section shall exclude any period of time  
 192.18 during which the defendant was not an inhabitant of or usually resident within this state.

192.19 (m) The limitations periods contained in this section for an offense shall not include any  
 192.20 period during which the alleged offender participated under a written agreement in a pretrial  
 192.21 diversion program relating to that offense.

192.22 (n) The limitations periods contained in this section shall not include any period of time  
 192.23 during which physical evidence relating to the offense was undergoing DNA analysis, as  
 192.24 defined in section 299C.155, unless the defendant demonstrates that the prosecuting or law  
 192.25 enforcement agency purposefully delayed the DNA analysis process in order to gain an  
 192.26 unfair advantage.

264.1 Sec. 15. **INFORMATION TECHNOLOGY PROJECTS; PERFORMANCE**  
 264.2 **REQUIREMENT.**

264.3 The commissioner of human services shall incorporate measurable indicators of progress  
 264.4 toward completion into every information technology project contract. The indicators of  
 264.5 progress toward completion must be periodic and at least measure progress for every 25

264.6 percent increment toward completion of the project. Every contract must withhold at least  
 264.7 ten percent of the total contract amount until the project is complete. The contract must  
 264.8 specify that in every instance where an indicator of progress toward completion is not met,  
 264.9 a specified proportion of the contract shall be withheld. The minimum amount withheld  
 264.10 shall be ten percent of the cumulative amount of the contract up to the date of the failure to  
 264.11 meet the indicator of progress toward completion. If an information technology project is  
 264.12 not completed on time according to the original contract, the commissioner shall reduce the  
 264.13 amount of the contract by ten percent.

264.14 **Sec. 16. EVALUATION OF GRANT PROGRAMS; PROVEN-EFFECTIVE**  
 264.15 **PRACTICES.**

264.16 (a) The commissioner of management and budget shall consult with the commissioner  
 264.17 of human services to establish a plan to review the services delivered under grant programs  
 264.18 administered by the commissioner of human services to determine whether the grant programs  
 264.19 prioritize proven-effective or promising practices.

264.20 (b) In accordance with the plan established in paragraph (a), the commissioner of  
 264.21 management and budget, in consultation with the commissioner of human services, shall  
 264.22 identify services to evaluate using an experimental or quasi-experimental design to provide  
 264.23 information needed to modify or develop grant programs to promote proven-effective  
 264.24 practices to improve the intended outcomes of the grant program.

264.25 (c) The commissioner of management and budget, in consultation with the commissioner  
 264.26 of human services, shall develop reports for the legislature and other stakeholders to provide  
 264.27 information on incorporating proven-effective practices in program and budget decisions.  
 264.28 The commissioner of management and budget, under Minnesota Statutes, section 15.08,  
 264.29 may obtain additional relevant data to support the evaluation activities under this section.

264.30 (d) For purposes of this section, the following terms have the meanings given:

264.31 (1) "proven-effective practice" means a service or practice that offers a high level of  
 264.32 research on effectiveness for at least one outcome of interest, as determined through multiple  
 264.33 evaluations outside of Minnesota or one or more local evaluation in Minnesota. The research  
 265.1 on effectiveness used to determine whether a service is proven-effective must use rigorously  
 265.2 implemented experimental or quasi-experimental designs; and

265.3 (2) "promising practices" means a service or practice that is supported by research  
 265.4 demonstrating effectiveness for at least one outcome of interest, and includes a single  
 265.5 evaluation that is not contradicted by other studies, but does not meet the full criteria for  
 265.6 the proven-effective designation. The research on effectiveness used to determine whether  
 265.7 a service is a promising practice must use rigorously implemented experimental or  
 265.8 quasi-experimental designs.

ARTICLE 2:

119.16 Sec. 43. **DIRECTION TO COMMISSIONER; ABBREVIATED INSPECTION**  
 119.17 **MODEL.**

119.18 (a) By January 1, 2020, the commissioner of human services shall, following consultation  
 119.19 with family child care license holders, parents, and county agencies, develop the key  
 119.20 indicators for use in the abbreviated inspection process under Minnesota Statutes, section  
 119.21 245A.055, subdivision 2, paragraph (c), and report the results to the chairs and ranking  
 119.22 minority members of the legislative committees with jurisdiction over child care. In  
 119.23 developing the key indicators that predict full compliance with the statutes and rules  
 119.24 governing licensed child care providers, the commissioner shall utilize an empirically based  
 119.25 statistical methodology similar to the licensing key indicator systems as developed by the  
 119.26 National Association for Regulatory Administration and the Research Institute for Key  
 119.27 Indicators.

119.28 (b) By July 1, 2020, the commissioner of human services shall develop, distribute, and  
 119.29 provide training to implement abbreviated inspections as described in Minnesota Statutes,  
 119.30 section 245A.055, subdivision 2, paragraph (c).

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

120.1 Sec. 44. **DIRECTION TO COMMISSIONER; CHILD CARE TRAINING**  
 120.2 **REQUIREMENTS.**

120.3 (a) The commissioner of human services shall develop an annual refresher course as  
 120.4 described in Minnesota Statutes, section 245A.50, subdivision 12, for child care providers  
 120.5 who previously completed the training requirements under Minnesota Statutes, chapter  
 120.6 245A.

120.7 (b) The commissioner must propose any necessary legislative changes to develop and  
 120.8 implement the annual refresher training course in paragraph (a) and to eliminate duplicative  
 120.9 training requirements for the 2020 legislative session.

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

120.11 Sec. 45. **DIRECTION TO COMMISSIONER; CORRECTION ORDER**  
 120.12 **ENFORCEMENT REVIEW.**

120.13 By January 1, 2020, the commissioner of human services shall develop and implement  
 120.14 a process to review licensing inspection results provided under Minnesota Statutes, section  
 120.15 245A.16, subdivision 1, paragraph (h), clause (1), by county to identify trends in correction  
 120.16 order enforcement. The commissioner shall develop guidance and training as needed to  
 120.17 address any imbalance or inaccuracy in correction order enforcement. The commissioner  
 120.18 shall include the results in the annual report on child care under Minnesota Statutes, section  
 120.19 245A.153, provided that the results are limited to summary data as defined in Minnesota  
 120.20 Statutes, section 13.02, subdivision 19.

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



120.22 Sec. 46. **FAMILY CHILD CARE TASK FORCE.**

120.23 Subdivision 1. **Membership.** (a) The Family Child Care Task Force shall consist of 18  
120.24 members, appointed as follows:

120.25 (1) two members representing family child care providers from greater Minnesota,  
120.26 including one appointed by the speaker of the house of representatives and one appointed  
120.27 by the senate majority leader;

120.28 (2) two members representing family care providers from the metropolitan area as defined  
120.29 in Minnesota Statutes, section 473.121, subdivision 2, including one appointed by the speaker  
120.30 of the house of representatives and one appointed by the senate majority leader;

120.31 (3) two members appointed by the Minnesota Association of Child Care Professionals;

121.1 (4) two members appointed by the Minnesota Child Care Provider Information Network;

121.2 (5) two members from the house of representatives, including one appointed by the  
121.3 speaker of the house of representatives, and one appointed by the minority leader;

121.4 (6) two members from the senate, including one appointed by the senate majority leader,  
121.5 and one appointed by the senate minority leader;

121.6 (7) two members representing Department of Human Services-recognized family child  
121.7 care associations from greater Minnesota, including one appointed by the senate majority  
121.8 leader and one appointed by the senate minority leader;

121.9 (8) two members appointed by the Association of Minnesota Child Care Licensors,  
121.10 including one from greater Minnesota and one from the metropolitan area, as defined in  
121.11 Minnesota Statutes, section 473.121, subdivision 2;

121.12 (9) one member appointed by the Greater Minnesota Partnership; and

121.13 (10) one member appointed by the Minnesota Chamber of Commerce.

121.14 (b) Appointments to the task force must be made by June 15, 2019.

121.15 Subd. 2. **Compensation.** Public members of the task force may be compensated as  
121.16 provided by Minnesota Statutes, section 15.059, subdivision 3.

121.17 Subd. 3. **Duties.** The task force must:

121.18 (1) identify difficulties that providers face regarding licensing and inspection, including  
121.19 licensing requirements that have led to the closure of family child care programs; propose  
121.20 regulatory reforms to improve licensing efficiency, including a variance structure and  
121.21 updated child ratios; and recommend business development and technical assistance resources  
121.22 to promote provider recruitment and retention;

121.23 (2) identify alternative family child care business models, including permitting multiple  
121.24 family child care providers to operate in a building other than the providers' residences;

- 121.25 (3) review Parent Aware program participation and identify obstacles and suggested  
 121.26 improvements; and
- 121.27 (4) review proposed legislation from the revisor of statutes that would codify as statutes  
 121.28 Minnesota Rules, chapters 9502 and 9503, and recodify Minnesota Statutes, chapter 245A.
- 121.29 Subd. 4. **Officers; meetings.** (a) The task force must elect a chair and vice-chair from  
 121.30 among its members and may elect other officers as necessary.
- 122.1 (b) The task force must meet at least three times. The commissioner of human services  
 122.2 must convene the first meeting by August 1, 2019, at which the task force must at least  
 122.3 make introductions, identify concerns of the members and issues related to the duties under  
 122.4 subdivision 4, and assign tasks for each member to complete before the second meeting.  
 122.5 The chair must convene the second meeting by November 1, 2019, at which the task force  
 122.6 must at least review members' work on the tasks from the first meeting and develop a plan  
 122.7 for members to create proposals relating to the duties of the task force under subdivision 4.  
 122.8 The chair must convene the third meeting by February 1, 2020, at which the task force must  
 122.9 at least discuss which of the members' proposals to include in its final report.
- 122.10 (c) In accordance with paragraph (b), the agenda for each meeting must be determined  
 122.11 by the chair and vice-chair.
- 122.12 (d) Meetings of the task force are subject to the Minnesota Open Meeting Law under  
 122.13 Minnesota Statutes, chapter 13D.
- 122.14 Subd. 5. **Administrative support.** The division of child care licensing in the Department  
 122.15 of Human Services must provide administrative support and meeting space to support the  
 122.16 task force as needed.
- 122.17 Subd. 6. **Report required.** By March 1, 2020, the task force must submit a written report  
 122.18 to the chairs and ranking minority members of the committees in the house of representatives  
 122.19 and the senate with jurisdiction over child care. The report must include:
- 122.20 (1) a description of the difficulties that providers face regarding licensing and inspection  
 122.21 and recommendations for addressing those difficulties;
- 122.22 (2) a description of alternative family child care business models, and recommendations  
 122.23 for facilitating the delivery of child care through those alternative models;
- 122.24 (3) a description of obstacles to participation in the Parent Aware program and  
 122.25 recommendations for increasing participation;
- 122.26 (4) the task force's opinion of and any suggested revisions to the proposed legislation  
 122.27 from the revisor of statutes described in subdivision 3, clause (4); and
- 122.28 (5) any draft legislation necessary to implement the recommendations.

122.29 Subd. 7. **Expiration.** The task force expires upon submission of the report in subdivision  
122.30 6 or March 1, 2020, whichever is later.

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

123.1 Sec. 47. **INSTRUCTION TO COMMISSIONER; REVIEW OF CHILD CARE**  
123.2 **LICENSING AND BACKGROUND STUDY PROVISIONS.**

123.3 The commissioner of human services shall review existing statutes and rules relating to  
123.4 child care licensing and background study requirements and propose legislation for the 2020  
123.5 legislative session that eliminates unnecessary and duplicative record keeping or  
123.6 documentation requirements for child care providers. The commissioner shall also establish  
123.7 a process for child care providers to electronically submit requested information to the  
123.8 commissioner.

#### ARTICLE 1:

68.17 Sec. 67. **UNIVERSAL IDENTIFICATION NUMBER FOR CHILDREN IN EARLY**  
68.18 **CHILDHOOD PROGRAMS.**

68.19 By July 1, 2020, the commissioners of the Departments of Education, Health, and Human  
68.20 Services shall identify a process to establish and implement a universal identification number  
68.21 for children participating in early childhood programs to eliminate potential duplication in  
68.22 programs. The commissioners shall report the identified process and any associated fiscal  
68.23 cost to the chairs and ranking minority members of the legislative committees with  
68.24 jurisdiction over health, human services, and education. A universal identification number  
68.25 established and implemented under this section is private data on individuals, as defined in  
68.26 Minnesota Statutes, section 13.02, subdivision 12, except that the commissioners of  
68.27 education, health, and human services may share the universal identification number with  
68.28 each other pursuant to their data sharing authority under Minnesota Statutes, section 13.46,  
68.29 subdivision 2, clause (9), and Minnesota Statutes, section 145A.17, subdivision 3, paragraph  
68.30 (e).

#### ARTICLE 2:

123.21 Sec. 50. **REVISOR INSTRUCTION; MINNESOTA RULES, CHAPTER 9502.**

123.22 The revisor of statutes, in consultation with the House Research Department, Office of  
123.23 Senate Counsel, Research and Fiscal Analysis, and the Department of Human Services shall  
123.24 prepare legislation for the 2020 legislative session to repeal and enact as statutes Minnesota  
123.25 Rules, chapter 9502, and recodify Minnesota Statutes sections governing licensing of child  
123.26 care facilities. The revisor of statutes shall provide the proposed legislation to the chairs  
123.27 and ranking minority members of the legislative committees with jurisdiction over child  
123.28 care, the chief authors in the house of representatives and senate of this act, and the Family  
123.29 Child Care Task Force, by February 15, 2020.

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

124.1 Sec. 51. **REVISOR INSTRUCTION; MINNESOTA RULES, CHAPTER 9503.**

124.2 The revisor of statutes, in consultation with the House Research Department, Office of  
 124.3 Senate Counsel, Research and Fiscal Analysis, and the Department of Human Services shall  
 124.4 prepare legislation for the 2020 legislative session to repeal and enact as statutes Minnesota  
 124.5 Rules, chapter 9503, and recodify Minnesota Statutes sections governing licensing of child  
 124.6 care facilities. The revisor of statutes shall provide the proposed legislation to the chairs  
 124.7 and ranking minority members of the legislative committees with jurisdiction over child  
 124.8 care, the chief authors in the house of representatives and senate of this act, and the Family  
 124.9 Child Care Task Force, by February 15, 2020.

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

124.11 Sec. 52. **REVISOR INSTRUCTION; RECODIFY MINNESOTA STATUTES,**  
 124.12 **CHAPTER 245A; RECODIFY MINNESOTA RULES, CHAPTER 9502.**

124.13 The revisor of statutes, in consultation with the House Research Department, Office of  
 124.14 Senate Counsel, Research and Fiscal Analysis, and Department of Human Services, shall  
 124.15 prepare legislation for the 2020 legislative session to: (1) recodify Minnesota Statutes,  
 124.16 chapter 245A; and (2) repeal and enact as statutes the rules governing day care facility  
 124.17 licensing in Minnesota Rules, chapter 9502. The revisor of statutes shall provide the proposed  
 124.18 legislation to the chairs and ranking minority members of the legislative committees with  
 124.19 jurisdiction over child care, the chief authors in the house of representatives and senate of  
 124.20 this act, and the Family Child Care Task Force, by February 15, 2020.

#### ARTICLE 7:

265.9 Sec. 17. **REVISOR INSTRUCTION.**

265.10 The revisor of statutes, in consultation with staff from the House Research Department,  
 265.11 House Fiscal Analysis; the Office of Senate Counsel, Research and Fiscal Analysis; and  
 265.12 the respective departments shall prepare legislation for introduction in the 2020 legislative  
 265.13 session proposing the statutory changes needed to implement the transfers of duties required  
 265.14 by Minnesota Statutes, sections 245I.01 and 245I.02.

265.15 **EFFECTIVE DATE.** This section is effective July 1, 2019.

192.27 Sec. 129. **REPEALER.**

192.28 (a) Minnesota Rules, parts 9502.0425, subparts 4, 16, and 17; and 9503.0155, subpart  
 192.29 8, are repealed.

192.30 (b) Minnesota Statutes 2018, section 245H.10, subdivision 2, is repealed.

192.31 (c) Minnesota Statutes 2018, section 119B.125, subdivision 8, is repealed.

192.32 **EFFECTIVE DATE.** This section is effective September 30, 2019.

265.16 Sec. 18. **REPEALER.**

265.17 Minnesota Statutes 2018, section 245G.11, subdivisions 1, 4, and 7, are repealed.