

327.3

**ARTICLE 8**

327.4

**LICENSING**

327.5 Section 1. Minnesota Statutes 2022, section 119B.16, subdivision 1a, is amended to read:

327.6     Subd. 1a. **Fair hearing allowed for providers.** (a) This subdivision applies to providers  
327.7 caring for children receiving child care assistance.

327.8     (b) A provider may request a fair hearing according to sections 256.045 and 256.046  
327.9 only if a county agency or the commissioner:

327.10       (1) denies or revokes a provider's authorization, unless the action entitles the provider  
327.11 to:  
327.12         (i) an administrative review under section 119B.161; or  
327.13         (ii) a contested case hearing under section 245.095, subdivision 4;  
327.14       (2) assigns responsibility for an overpayment to a provider under section 119B.11,  
327.15 subdivision 2a;  
327.16       (3) establishes an overpayment for failure to comply with section 119B.125, subdivision  
327.17 6;  
327.18       (4) seeks monetary recovery or recoupment under section 245E.02, subdivision 4,  
327.19 paragraph (c), clause (2);  
327.20       (5) initiates an administrative fraud disqualification hearing; or  
327.21       (6) issues a payment and the provider disagrees with the amount of the payment.

327.22     (c) A provider may request a fair hearing by submitting a written request to the  
327.23 Department of Human Services, Appeals Division. A provider's request must be received  
327.24 by the Appeals Division no later than 30 days after the date a county or the commissioner  
327.25 mails the notice.

327.26     (d) The provider's appeal request must contain the following:

327.27       (1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the  
327.28 dollar amount involved for each disputed item;

327.29       (2) the computation the provider believes to be correct, if applicable;

327.30       (3) the statute or rule relied on for each disputed item; and

328.1       (4) the name, address, and telephone number of the person at the provider's place of  
328.2 business with whom contact may be made regarding the appeal.

497.6

**ARTICLE 12**

497.7

**LICENSING**

THE FOLLOWING SECTION WAS TAKEN OUT OF H0238-3 ARTICLE 1.  
H0238-3

15.1     Sec. 18. Minnesota Statutes 2022, section 119B.16, subdivision 1a, is amended to read:

15.2     Subd. 1a. **Fair hearing allowed for providers.** (a) This subdivision applies to providers  
15.3 caring for children receiving child care assistance.

15.4     (b) A provider may request a fair hearing according to sections 256.045 and 256.046  
15.5 only if a county agency or the commissioner:

15.6       (1) denies or revokes a provider's authorization, unless the action entitles the provider  
15.7 to:  
15.8         (i) an administrative review under section 119B.161; or  
15.9         (ii) a contested case hearing under section 245.095, subdivision 4;

15.10       (2) assigns responsibility for an overpayment to a provider under section 119B.11,  
15.11 subdivision 2a;

15.12       (3) establishes an overpayment for failure to comply with section 119B.125, subdivision  
15.13 6;

15.14       (4) seeks monetary recovery or recoupment under section 245E.02, subdivision 4,  
15.15 paragraph (c), clause (2);

15.16       (5) initiates an administrative fraud disqualification hearing; or

15.17       (6) issues a payment and the provider disagrees with the amount of the payment.

15.18     (c) A provider may request a fair hearing by submitting a written request to the  
15.19 Department of Human Services, Appeals Division. A provider's request must be received  
15.20 by the Appeals Division no later than 30 days after the date a county or the commissioner  
15.21 mails the notice.

15.22     (d) The provider's appeal request must contain the following:

15.23       (1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the  
15.24 dollar amount involved for each disputed item;

15.25       (2) the computation the provider believes to be correct, if applicable;

15.26       (3) the statute or rule relied on for each disputed item; and

15.27       (4) the name, address, and telephone number of the person at the provider's place of  
15.28 business with whom contact may be made regarding the appeal.

328.3 Sec. 2. Minnesota Statutes 2022, section 245.095, is amended to read:

328.4 **245.095 LIMITS ON RECEIVING PUBLIC FUNDS.**

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

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

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

328.14 (b) If a provider, vendor, or individual enrolled, licensed, receiving funds under a grant contract, or registered in any program administered by the commissioner, including under the commissioner's powers and authorities in section 256.01, is excluded from that program, the commissioner may:

328.18 (1) prohibit any associated entities or associated individuals from enrolling, becoming licensed, receiving grant funds, or registering in any other program administered by the commissioner; and

328.21 (2) disenroll, revoke or suspend a license of, disqualify, or debar any associated entities or associated individuals in any other program administered by the commissioner.

328.23 (c) If a provider, vendor, or individual enrolled, licensed, or otherwise receiving funds under any contract or registered in any program administered by a Minnesota state or federal agency is excluded from that program, the commissioner of human services may:

328.26 (1) prohibit the excluded provider, vendor, individual, or any associated entities or associated individuals from enrolling, becoming licensed, receiving grant funds, or registering in any program administered by the commissioner; and

328.29 (2) disenroll, revoke or suspend a license of, disqualify, or debar the excluded provider, vendor, individual, or any associated entities or associated individuals in any program administered by the commissioner.

329.1 (d) The duration of this a prohibition, disenrollment, revocation, suspension, disqualification, or debarment under paragraph (a) must last for the longest applicable sanction or disqualifying period in effect for the provider, vendor, or individual permitted by state or federal law. The duration of a prohibition, disenrollment, revocation, suspension, disqualification, or debarment under paragraphs (b) and (c) may last until up to the longest

89.2

**ARTICLE 4**

89.3

**LICENSING**

89.4 Section 1. Minnesota Statutes 2022, section 245.095, is amended to read:

89.5 **245.095 LIMITS ON RECEIVING PUBLIC FUNDS.**

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

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

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

89.15 (b) If a provider, vendor, or individual enrolled, licensed, receiving funds under a grant contract, or registered in any program administered by the commissioner, including under the commissioner's powers and authorities in section 256.01, is excluded from that program, the commissioner may:

89.19 (1) prohibit any associated entities or associated individuals from enrolling, becoming licensed, receiving grant funds, or registering in any other program administered by the commissioner; and

89.22 (2) disenroll, revoke or suspend a license of, disqualify, or debar any associated entities or associated individuals in any other program administered by the commissioner.

89.24 (c) If a provider, vendor, or individual enrolled, licensed, or otherwise receiving funds under any contract or registered in any program administered by a Minnesota state or federal agency is excluded from that program, the commissioner of human services may:

89.27 (1) prohibit the excluded provider, vendor, individual, or any associated entities or associated individuals from enrolling, becoming licensed, receiving grant funds, or registering in any program administered by the commissioner; and

89.30 (2) disenroll, revoke or suspend a license of, disqualify, or debar the excluded provider, vendor, individual, or any associated entities or associated individuals in any program administered by the commissioner.

90.1 (d) The duration of this a prohibition, disenrollment, revocation, suspension, disqualification, or debarment under paragraph (a) must last for the longest applicable sanction or disqualifying period in effect for the provider, vendor, or individual permitted by state or federal law. The duration of a prohibition, disenrollment, revocation, suspension, disqualification, or debarment under paragraphs (b) and (c) may last until up to the longest

329.6 applicable sanction or disqualifying period in effect for the provider, vendor, individual,  
 329.7 associated entity, or associated individual as permitted by state or federal law.

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

329.10 (b) "Associated entity" means a provider or vendor owned or controlled by an excluded  
 329.11 individual.

329.12 (c) "Associated individual" means an individual or an entity that has a relationship with  
 329.13 an excluded provider or vendor, its owners, or controlling individuals, such that the individual  
 329.14 or entity would have knowledge of the excluded provider or vendor's business practices,  
 329.15 including but not limited to financial practices.

329.16 (d) "Excluded" means disenrolled, disqualified, having a license that has been revoked  
 329.17 or suspended under chapter 245A, or debarred or suspended under Minnesota Rules, part  
 329.18 1230.1150, or excluded pursuant to section 256B.064, subdivision 3 removed under other  
 329.19 authorities from a program administered by a Minnesota state or federal agency, including  
 329.20 a final determination to stop payments.

329.21 (e) "Individual" means a natural person providing products or services as a provider  
 329.22 or vendor.

329.23 (f) "Provider" includes any entity or individual receiving payment from a program  
 329.24 administered by the Department of Human Services, and an owner, controlling individual,  
 329.25 license holder, director, or managerial official of an entity receiving payment from a program  
 329.26 administered by the Department of Human Services means any entity, individual, owner,  
 329.27 controlling individual, license holder, director, or managerial official of an entity receiving  
 329.28 payment from a program administered by a Minnesota state or federal agency.

329.29 Subd. 3. **Notice.** Within five days of taking an action under subdivision (1), paragraph  
 329.30 (a), (b), or (c), against a provider, vendor, individual, associated individual, or associated  
 329.31 entity, the commissioner must send notice of the action to the provider, vendor, individual,  
 329.32 associated individual, or associated entity. The notice must state:

329.33 (1) the basis for the action;  
 330.1 (2) the effective date of the action;  
 330.2 (3) the right to appeal the action; and  
 330.3 (4) the requirements and procedures for reinstatement.

330.4 Subd. 4. **Appeal.** Upon receipt of a notice under subdivision 3, a provider, vendor,  
 330.5 individual, associated individual, or associated entity may request a contested case hearing,  
 330.6 as defined in section 14.02, subdivision 3, by filing with the commissioner a written request  
 330.7 of appeal. The scope of any contested case hearing is solely limited to action taken under  
 330.8 this section. The commissioner must receive the appeal request no later than 30 days after

90.6 applicable sanction or disqualifying period in effect for the provider, vendor, individual,  
 90.7 associated entity, or associated individual as permitted by state or federal law.

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

90.10 (b) "Associated entity" means a provider or vendor owned or controlled by an excluded  
 90.11 individual.

90.12 (c) "Associated individual" means an individual or entity that has a relationship with  
 90.13 the business or its owners or controlling individuals, such that the individual or entity would  
 90.14 have knowledge of the financial practices of the program in question.

90.15 (d) "Excluded" means disenrolled, disqualified, having a license that has been revoked  
 90.16 or suspended under chapter 245A, or debarred or suspended under Minnesota Rules, part  
 90.17 1230.1150, or excluded pursuant to section 256B.064, subdivision 3 removed under other  
 90.18 authorities from a program administered by a Minnesota state or federal agency, including  
 90.19 a final determination to stop payments.

90.20 (e) "Individual" means a natural person providing products or services as a provider  
 90.21 or vendor.

90.22 (f) "Provider" includes any entity or individual receiving payment from a program  
 90.23 administered by the Department of Human Services, and an owner, controlling individual,  
 90.24 license holder, director, or managerial official of an entity receiving payment from a program  
 90.25 administered by the Department of Human Services means any entity, individual, owner,  
 90.26 controlling individual, license holder, director, or managerial official of an entity receiving  
 90.27 payment from a program administered by a Minnesota state or federal agency.

90.28 Subd. 3. **Notice.** Within five days of taking an action under subdivision (1), paragraph  
 90.29 (a), (b), or (c), against a provider, vendor, individual, associated individual, or associated  
 90.30 entity, the commissioner must send notice of the action to the provider, vendor, individual,  
 90.31 associated individual, or associated entity. The notice must state:

90.32 (1) the basis for the action;  
 90.33 (2) the effective date of the action;  
 91.1 (3) the right to appeal the action; and  
 91.2 (4) the requirements and procedures for reinstatement.

91.3 Subd. 4. **Appeal.** Upon receipt of a notice under subdivision 3, a provider, vendor,  
 91.4 individual, associated individual, or associated entity may request a contested case hearing,  
 91.5 as defined in section 14.02, subdivision 3, by filing with the commissioner a written request  
 91.6 of appeal. The scope of any contested case hearing is solely limited to action taken under  
 91.7 this section. The commissioner must receive the appeal request no later than 30 days after

330.9 the date the notice was mailed to the provider, vendor, individual, associated individual, or  
 330.10 associated entity. The appeal request must specify:

330.11 (1) each disputed item and the reason for the dispute;

330.12 (2) the authority in statute or rule upon which the provider, vendor, individual, associated  
 330.13 individual, or associated entity relies for each disputed item;

330.14 (3) the name and address of the person or entity with whom contacts may be made  
 330.15 regarding the appeal; and

330.16 (4) any other information required by the commissioner.

330.17 Subd. 5. Withholding of payments. (a) Except as otherwise provided by state or federal  
 330.18 law, the commissioner may withhold payments to a provider, vendor, individual, associated  
 330.19 individual, or associated entity in any program administered by the commissioner, if the  
 330.20 commissioner determines there is a credible allegation of fraud for which an investigation  
 330.21 is pending for a program administered by a Minnesota state or federal agency.

330.22 (b) For purposes of this subdivision, "credible allegation of fraud" means an allegation  
 330.23 that has been verified by the commissioner from any source, including but not limited to:

330.24 (1) fraud hotline complaints;

330.25 (2) claims data mining;

330.26 (3) patterns identified through provider audits, civil false claims cases, and law  
 330.27 enforcement investigations; and

330.28 (4) court filings and other legal documents, including but not limited to police reports,  
 330.29 complaints, indictments, informations, affidavits, declarations, and search warrants.

330.30 (c) The commissioner must send notice of the withholding of payments within five days  
 330.31 of taking such action. The notice must:

331.1 (1) state that payments are being withheld according to this subdivision;

331.2 (2) set forth the general allegations related to the withholding action, except the notice  
 331.3 need not disclose specific information concerning an ongoing investigation;

331.4 (3) state that the withholding is for a temporary period and cite the circumstances under  
 331.5 which the withholding will be terminated; and

331.6 (4) inform the provider, vendor, individual, associated individual, or associated entity  
 331.7 of the right to submit written evidence to contest the withholding action for consideration  
 331.8 by the commissioner.

331.9 (d) If the commissioner withholds payments under this subdivision, the provider, vendor,  
 331.10 individual, associated individual, or associated entity has a right to request administrative  
 331.11 reconsideration. A request for administrative reconsideration must be made in writing, must

91.8 the date the notice was mailed to the provider, vendor, individual, associated individual, or  
 91.9 associated entity. The appeal request must specify:

91.10 (1) each disputed item and the reason for the dispute;

91.11 (2) the authority in statute or rule upon which the provider, vendor, individual, associated  
 91.12 individual, or associated entity relies for each disputed item;

91.13 (3) the name and address of the person or entity with whom contacts may be made  
 91.14 regarding the appeal; and

91.15 (4) any other information required by the commissioner.

91.16 Subd. 5. Withholding of payments. (a) Except as otherwise provided by state or federal  
 91.17 law, the commissioner may withhold payments to a provider, vendor, individual, associated  
 91.18 individual, or associated entity in any program administered by the commissioner, if the  
 91.19 commissioner determines there is a credible allegation of fraud for which an investigation  
 91.20 is pending for a program administered by a Minnesota state or federal agency.

91.21 (b) For purposes of this subdivision, "credible allegation of fraud" means an allegation  
 91.22 that has been verified by the commissioner from any source, including but not limited to:

91.23 (1) fraud hotline complaints;

91.24 (2) claims data mining;

91.25 (3) patterns identified through provider audits, civil false claims cases, and law  
 91.26 enforcement investigations; and

91.27 (4) court filings and other legal documents, including but not limited to police reports,  
 91.28 complaints, indictments, informations, affidavits, declarations, and search warrants.

91.29 (c) The commissioner must send notice of the withholding of payments within five days  
 91.30 of taking such action. The notice must:

91.31 (1) state that payments are being withheld according to this subdivision;

92.1 (2) set forth the general allegations related to the withholding action, except the notice  
 92.2 need not disclose specific information concerning an ongoing investigation;

92.3 (3) state that the withholding is for a temporary period and cite the circumstances under  
 92.4 which the withholding will be terminated; and

92.5 (4) inform the provider, vendor, individual, associated individual, or associated entity  
 92.6 of the right to submit written evidence to contest the withholding action for consideration  
 92.7 by the commissioner.

92.8 (d) If the commissioner withholds payments under this subdivision, the provider, vendor,  
 92.9 individual, associated individual, or associated entity has a right to request administrative  
 92.10 reconsideration. A request for administrative reconsideration must be made in writing, state

331.12 state with specificity the reasons the payment withhold is in error, and must include  
 331.13 documentation to support the request. Within 60 days from receipt of the request, the  
 331.14 commissioner must judiciously review allegations, facts, evidence available to the  
 331.15 commissioner as well as information submitted by the provider, vendor, individual, associated  
 331.16 individual, or associated entity to determine whether the payment withhold should remain  
 331.17 in place. The commissioner's decision on reconsideration regarding the payment withhold  
 331.18 is a final decision.

331.19 (e) The commissioner shall stop withholding payments if the commissioner determines  
 331.20 there is insufficient evidence of fraud by the provider, vendor, individual, associated  
 331.21 individual, or associated entity or when legal proceedings relating to the alleged fraud are  
 331.22 completed, unless the commissioner has sent notice under subdivision 3 to the provider,  
 331.23 vendor, individual, associated individual, or associated entity.

331.24 (f) The withholding of payments is a temporary action and is not subject to appeal under  
 331.25 section 256.045 or chapter 14.

331.26 Sec. 3. **[245.7351] PURPOSE AND ESTABLISHMENT.**

331.27 The certified community behavioral health clinic model is an integrated payment and  
 331.28 service delivery model that uses evidence-based behavioral health practices to achieve better  
 331.29 outcomes for individuals experiencing behavioral health concerns while achieving sustainable  
 331.30 rates for providers and economic efficiencies for payors.

331.31 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
 331.32 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 331.33 when federal approval is obtained.

332.1 Sec. 4. **[245.7352] DEFINITIONS.**

332.2 Subdivision 1. **Scope.** The definitions in this section apply to sections 245.7351 to  
 332.3 245.7357.

332.4 Subd. 2. **Care coordination.** "Care coordination" means the activities required to  
 332.5 coordinate care across settings and providers for the people served to ensure seamless  
 332.6 transitions across the full spectrum of health services. Care coordination includes outreach  
 332.7 and engagement; documenting a plan of care for medical, behavioral health, and social

92.11 with specificity the reasons the payment withholding decision is in error, and include  
 92.12 documents to support the request. Within 60 days from receipt of the request, the  
 92.13 commissioner shall judiciously review allegations, facts, evidence available to the  
 92.14 commissioner, and information submitted by the provider, vendor, individual, associated  
 92.15 individual, or associated entity to determine whether the payment withholding should remain  
 92.16 in place.

92.17 (e) The commissioner shall stop withholding payments if the commissioner determines  
 92.18 there is insufficient evidence of fraud by the provider, vendor, individual, associated  
 92.19 individual, or associated entity or when legal proceedings relating to the alleged fraud are  
 92.20 completed, unless the commissioner has sent notice under subdivision 3 to the provider,  
 92.21 vendor, individual, associated individual, or associated entity.

92.22 (f) The withholding of payments is a temporary action and is not subject to appeal under  
 92.23 section 256.045 or chapter 14.

THE FOLLOWING 15 SECTIONS ON CCBHCS ARE FROM UES2995-2  
 ARTICLE 7.

UES2995-2

363.12 Sec. 5. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision to  
 363.13 read:

363.14 Subd. 1a. **Definitions.** (a) For the purposes of this section, the terms in this subdivision  
 363.15 have the meanings given.

363.16 (b) "Alcohol and drug counselor" has the meaning given in section 245G.11, subdivision  
 363.17 5.

363.18 (c) "Care coordination" means the activities required to coordinate care across settings  
 363.19 and providers for a person served to ensure seamless transitions across the full spectrum of  
 363.20 health services. Care coordination includes outreach and engagement; documenting a plan  
 363.21 of care for medical, behavioral health, and social services and supports in the integrated

332.8 services and supports in the integrated treatment plan; assisting with obtaining appointments;  
 332.9 confirming appointments are kept; developing a crisis plan; tracking medication; and  
 332.10 implementing care coordination agreements with external providers. Care coordination may  
 332.11 include psychiatric consultation to primary care practitioners and mental health clinical care  
 332.12 consultation.

332.13 Subd. 3. **Certified community behavioral health clinic or CCBHC.** "Certified  
 332.14 community behavioral health clinic" or "CCBHC" means a program or provider governed  
 332.15 under sections 245.7351 to 245.7357.

332.16 Subd. 4. **Clinical responsibility.** "Clinical responsibility" means ensuring a designated  
 332.17 collaborating organization meets all clinical parameters required of the CCBHC.

332.18 Subd. 5. **Commissioner.** "Commissioner" means the commissioner of human services.

332.19 Subd. 6. **Comprehensive evaluation.** "Comprehensive evaluation" means a  
 332.20 person-centered, family-centered, trauma-informed evaluation completed for the purposes  
 332.21 of diagnosis, treatment planning, and determination of client eligibility for services approved  
 332.22 by a mental health professional.

332.23 Subd. 7. **Designated collaborating organization.** "Designated collaborating  
 332.24 organization" means an entity with a formal agreement with a CCBHC to furnish CCBHC  
 332.25 services.

332.26 Subd. 8. **Designated collaborating organization agreement.** "Designated collaborating  
 332.27 organization agreement" means a purchase of services agreement between a CCBHC and  
 332.28 a designated collaborating organization as evidenced by a contract, memorandum of  
 332.29 agreement, memorandum of understanding, or other such formal arrangement that describes  
 332.30 specific CCBHC services to be purchased and provided by a designated collaborating  
 332.31 organization on behalf of a CCBHC in accordance with federal and state requirements.

333.1 Subd. 9. **Functional assessment.** "Functional assessment" means the assessment of a  
 333.2 client's current level of functioning relative to functioning that is appropriate for someone  
 333.3 the client's age.

333.4 Subd. 10. **Financial responsibility.** "Financial responsibility" means the responsibility  
 333.5 for billing CCBHC services rendered under contract by a designated collaborating  
 333.6 organization.

363.22 treatment plan; assisting with obtaining appointments; confirming appointments are kept;  
 363.23 developing a crisis plan; tracking medication; and implementing care coordination agreements  
 363.24 with external providers. Care coordination may include psychiatric consultation with primary  
 363.25 care practitioners and with mental health clinical care practitioners.

363.26 (d) "Community needs assessment" means an assessment to identify community needs  
 363.27 and determine the community behavioral health clinic's capacity to address the needs of the  
 363.28 population being served.

363.29 (e) "Comprehensive evaluation" means a person-centered, family-centered, and  
 363.30 trauma-informed evaluation meeting the requirements of subdivision 4b completed for the  
 363.31 purposes of diagnosis and treatment planning.

364.1 (f) "Designated collaborating organization" means an entity meeting the requirements  
 364.2 of subdivision 3a with a formal agreement with a CCBHC to furnish CCBHC services.

364.3 (g) "Functional assessment" means an assessment of a client's current level of functioning  
 364.4 relative to functioning that is appropriate for someone the client's age and that meets the  
 364.5 requirements of subdivision 4a.

333.7        **Subd. 11. Initial evaluation.** "Initial evaluation" means an evaluation that is designed  
 333.8        to gather and document initial components of the comprehensive evaluation, allowing the  
 333.9        assessor to formulate a preliminary diagnosis and the client to begin services.

333.10        **Subd. 12. Initial evaluation equivalents.** "Initial evaluation equivalents" means using  
 333.11        a process that is approved by the commissioner as an alternative to the initial evaluation.

333.12        **Subd. 13. Integrated treatment plan.** "Integrated treatment plan" means a documented  
 333.13        plan of care that is person- and family-centered and formulated to respond to a client's needs  
 333.14        and goals. The integrated treatment plan must integrate prevention, medical needs, and  
 333.15        behavioral health needs and service delivery. The CCBHC must develop the integrated  
 333.16        treatment plan in collaboration with and receive endorsement from the client, the adult  
 333.17        client's family to the extent the client wishes and a child or youth client's family or caregivers,  
 333.18        and coordinate with staff or programs necessary to carry out the plan.

333.19        **Subd. 14. Outpatient withdrawal management.** "Outpatient withdrawal management"  
 333.20        means a time-limited service delivered in an office setting, an outpatient behavioral health  
 333.21        clinic, or a person's home by staff providing medically supervised evaluation and  
 333.22        detoxification services to achieve safe and comfortable withdrawal from substances and  
 333.23        facilitate transition into ongoing treatment and recovery. Outpatient withdrawal management  
 333.24        services include assessment, withdrawal management, planning, medication prescribing  
 333.25        and management, trained observation of withdrawal symptoms, and supportive services.

333.26        **Subd. 15. Preliminary screening and risk assessment.** "Preliminary screening and risk  
 333.27        assessment" means a screening and risk assessment that is completed at the first contact  
 333.28        with the prospective CCBHC service recipient and determines the acuity of recipient need.

333.29        **Subd. 16. Preliminary treatment plan.** "Preliminary treatment plan" means an initial  
 333.30        plan of care that is written as a part of all initial evaluations, initial evaluation equivalents,  
 333.31        or comprehensive evaluations.

334.1        **Subd. 17. Needs assessment.** "Needs assessment" means a systematic approach to  
 334.2        identifying community needs and determining program capacity to address the needs of the  
 334.3        population being served.

334.4        **Subd. 18. State-sanctioned crisis services.** "State-sanctioned crisis services" means  
 334.5        adult and children's crisis response services conducted by an entity enrolled to provide crisis  
 334.6        services under section 256B.0624.

364.6        **(h) "Initial evaluation"** means an evaluation completed by a mental health professional  
 364.7        that gathers and documents information necessary to formulate a preliminary diagnosis and  
 364.8        begin client services.

364.9        **(i) "Integrated treatment plan"** means a documented plan of care meeting the requirements  
 364.10        of subdivision 4d that guides treatment and interventions addressing all services required,  
 364.11        including but not limited to recovery supports, with provisions for monitoring progress  
 364.12        toward the client's goals.

364.13        **(j) "Medical director"** means a physician who is responsible for overseeing the medical  
 364.14        components of the CCBHC services.

364.15        **(k) "Mental health professional"** has the meaning given in section 245I.04, subdivision  
 364.16        2.

364.17        **(l) "Mobile crisis services"** has the meaning given in section 256B.0624, subdivision 2.

364.18        **(m) "Preliminary screening and risk assessment"** means a mandatory screening and risk  
 364.19        assessment that is completed at the first contact with the prospective CCBHC service  
 364.20        recipient and determines the acuity of client need.

334.7 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
 334.8 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 334.9 when federal approval is obtained.

334.10 Sec. 5. **[245.7353] APPLICABILITY.**

334.11 Subdivision 1. **Certification process.** (a) The commissioner must establish state  
 334.12 certification and recertification processes for certified community behavioral health clinics  
 334.13 that satisfy all federal and state requirements necessary for CCBHCs certified under sections  
 334.14 245.7351 to 245.7357 to be eligible for reimbursement under medical assistance, without  
 334.15 service area limits based on geographic area or region. The commissioner must consult with  
 334.16 CCBHC stakeholders before establishing and implementing changes in the certification or  
 334.17 recertification process and requirements.

334.18 (b) The commissioner shall recertify a CCBHC provider entity every 36 months using  
 334.19 the provider entity's certification anniversary or December 31. The commissioner may  
 334.20 approve a recertification extension in the interest of sustaining services when a specific date  
 334.21 for recertification is identified.

334.22 (c) The commissioner shall establish a process for decertification of a CCBHC provider  
 334.23 entity and shall require corrective action, medical assistance repayment, or decertification  
 334.24 of a provider entity that no longer meets the requirements in sections 245.7351 to 245.7357  
 334.25 or that fails to meet the clinical quality standards or administrative standards provided by  
 334.26 the commissioner in the application and certification processes.

334.27 (d) The commissioner shall provide the following to CCBHC provider entities for the  
 334.28 certification, recertification, and decertification processes:

- 334.29 (1) a structured listing of required provider entity certification criteria;
- 334.30 (2) a formal written letter with a determination of certification, recertification, or  
 334.31 decertification, signed by the commissioner or the appropriate division director; and
- 335.1 (3) a formal written communication outlining the process for necessary corrective action  
 335.2 and follow-up by the commissioner, if applicable, signed by the commissioner or the  
 335.3 appropriate division director.

364.21 Sec. 6. **Minnesota Statutes 2022, section 245.735, subdivision 3, is amended to read:**

364.22 Subd. 3. **Certified community behavioral health clinics.** (a) The commissioner shall  
 364.23 establish a state certification process and recertification processes for certified community  
 364.24 behavioral health clinics (CCBHCs) that satisfy all federal requirements necessary for  
 364.25 CCBHCs certified under this section to be eligible for reimbursement under medical  
 364.26 assistance, without service area limits based on geographic area or region. The commissioner  
 364.27 shall consult with CCBHC stakeholders before establishing and implementing changes in  
 364.28 the certification or recertification process and requirements. Entities that choose to be  
 364.29 CCBHCs must: Any changes to the certification or recertification process or requirements  
 364.30 must be consistent with the most recently issued Certified Community Behavioral Health  
 364.31 Clinic Certification Criteria published by the Substance Abuse and Mental Health Services  
 364.32 Administration. The commissioner must allow a transition period for CCBHCs to meet the  
 365.1 revised criteria prior to July 1, 2024. The commissioner is authorized to amend the state's  
 365.2 Medicaid state plan or the terms of the demonstration to comply with federal requirements.

365.3 (b) As part of the state CCBHC certification and recertification processes, the  
 365.4 commissioner shall provide to entities applying for certification or requesting recertification  
 365.5 the standard requirements of the community needs assessment and the staffing plan that are  
 365.6 consistent with the most recently issued Certified Community Behavioral Health Clinic  
 365.7 Certification Criteria published by the Substance Abuse and Mental Health Services  
 365.8 Administration.

335.4      **Subd. 2. Certifications and licensures required.** In addition to all other requirements  
335.5      contained in sections 245.7351 to 245.7357, a CCBHC must:

365.9      **(c)** The commissioner shall schedule a certification review that includes a site visit within  
365.10      90 calendar days of receipt of an application for certification or recertification.

365.11      **(d)** Entities that choose to be CCBHCs must:

365.12      **(1)** complete a community needs assessment and complete a staffing plan that is  
365.13      responsive to the needs identified in the community needs assessment and update both the  
365.14      community needs assessment and the staffing plan no less frequently than every 36 months;

365.15      **(+) (2)** comply with state licensing requirements and other requirements issued by the  
365.16      commissioner;

365.17      **(3)** employ or contract with a medical director. A medical director must be a physician  
365.18      licensed under chapter 147 and either certified by the American Board of Psychiatry and  
365.19      Neurology, certified by the American Osteopathic Board of Neurology and Psychiatry, or  
365.20      eligible for board certification in psychiatry. A registered nurse who is licensed under  
365.21      sections 148.171 to 148.285 and is certified as a nurse practitioner in adult or family  
365.22      psychiatric and mental health nursing by a national nurse certification organization may  
365.23      serve as the medical director when a CCBHC is unable to employ or contract a qualified  
365.24      physician;

365.25      **(2) (4)** employ or contract for clinic staff who have backgrounds in diverse disciplines,  
365.26      including licensed mental health professionals and licensed alcohol and drug counselors,  
365.27      and staff who are culturally and linguistically trained to meet the needs of the population  
365.28      the clinic serves;

365.29      **(3) (5)** ensure that clinic services are available and accessible to individuals and families  
365.30      of all ages and genders with access on evenings and weekends and that crisis management  
365.31      services are available 24 hours per day;

366.1      **(4) (6)** establish fees for clinic services for individuals who are not enrolled in medical  
366.2      assistance using a sliding fee scale that ensures that services to patients are not denied or  
366.3      limited due to an individual's inability to pay for services;

366.4      **(5) (7)** comply with quality assurance reporting requirements and other reporting  
366.5      requirements, including any required reporting of encounter data, clinical outcomes data,  
366.6      and quality data included in the most recently issued Certified Community Behavioral  
366.7      Health Clinic Certification Criteria published by the Substance Abuse and Mental Health  
366.8      Services Administration;

366.9      **(6) (8)** provide crisis mental health and substance use services, withdrawal management  
366.10      services, emergency crisis intervention services, and stabilization services through existing  
366.11      mobile crisis services; screening, assessment, and diagnosis services, including risk  
366.12      assessments and level of care determinations; person- and family-centered treatment planning;  
366.13      outpatient mental health and substance use services; targeted case management; psychiatric  
366.14      rehabilitation services; peer support and counselor services and family support services;

335.6 (1) comply with the standards issued by the commissioner relating to CCBHC screenings, assessments, and evaluations;

335.8 (2) be certified as a mental health clinic under section 245I.20;

335.9 (3) be licensed to provide substance use disorder treatment under chapter 245G;

335.10 (4) be certified to provide children's therapeutic services and supports under section 335.11 256B.0943;

335.12 (5) be certified to provide adult rehabilitative mental health services under section 335.13 256B.0623;

335.14 (6) be enrolled to provide mental health crisis response services under section 256B.0624;

335.15 (7) be enrolled to provide mental health targeted case management under section 335.16 256B.0625, subdivision 20;

335.17 (8) comply with standards relating to mental health case management in Minnesota Rules, parts 9520.0900 to 9520.0926;

335.19 (9) comply with standards relating to peer services under sections 256B.0615, 256B.0616, 335.20 and 245G.07, subdivision 2, clause (8), as applicable when peer services are provided; and

366.15 and intensive community-based mental health services, including mental health services for members of the armed forces and veterans. CCBHCs must directly provide the majority of these services to enrollees, but may coordinate some services with another entity through a collaboration or agreement, pursuant to paragraph (b) subdivision 3a;

366.19 (7) (9) provide coordination of care across settings and providers to ensure seamless transitions for individuals being served across the full spectrum of health services, including acute, chronic, and behavioral needs. Care coordination may be accomplished through partnerships or formal contracts with:

366.23 (i) counties, health plans, pharmacists, pharmacies, rural health clinics, federally qualified health centers, inpatient psychiatric facilities, substance use and detoxification facilities, or community-based mental health providers; and

366.26 (ii) other community services, supports, and providers, including schools, child welfare agencies, juvenile and criminal justice agencies, Indian health services clinics, tribally licensed health care and mental health facilities, urban Indian health clinics, Department of Veterans Affairs medical centers, outpatient clinics, drop-in centers, acute care hospitals, and hospital outpatient clinics;

366.32 (9) (11) comply with standards established by the commissioner relating to CCBHC screenings, assessments, and evaluations that are consistent with this section;

366.31 (8) (10) be certified as a mental health clinic under section 245I.20;

367.1 (10) (12) be licensed to provide substance use disorder treatment under chapter 245G;

367.2 (11) (13) be certified to provide children's therapeutic services and supports under section 367.3 256B.0943;

367.4 (12) (14) be certified to provide adult rehabilitative mental health services under section 367.5 256B.0623;

367.6 (13) (15) be enrolled to provide mental health crisis response services under section 367.7 256B.0624;

367.8 (14) (16) be enrolled to provide mental health targeted case management under section 367.9 256B.0625, subdivision 20;

367.10 (15) comply with standards relating to mental health case management in Minnesota Rules, parts 9520.0900 to 9520.0926;

367.12 (16) (17) provide services that comply with the evidence-based practices described in paragraph (e) subdivision 3d; and

367.14 (17) comply with standards relating to (18) provide peer services under as defined in sections 256B.0615, 256B.0616, and 245G.07, subdivision 2, clause (8), as applicable when 367.15 peer services are provided; and

335.21 (10) directly employ, or through a formal arrangement utilize, a medically trained  
335.22 behavioral health care provider with independent authority under state law to prescribe and  
335.23 manage medications, including buprenorphine and other medications used to treat opioid  
335.24 and alcohol use disorders.

367.17 (19) inform all clients upon initiation of care of the full array of services available under  
367.18 the CCBHC model.

367.19 (b) If a certified CCBHC is unable to provide one or more of the services listed in  
367.20 paragraph (a), clauses (6) to (17), the CCBHC may contract with another entity that has the  
367.21 required authority to provide that service and that meets the following criteria as a designated  
367.22 collaborating organization:

367.23 (1) the entity has a formal agreement with the CCBHC to furnish one or more of the  
367.24 services under paragraph (a), clause (6);

367.25 (2) the entity provides assurances that it will provide services according to CCBHC  
367.26 service standards and provider requirements;

367.27 (3) the entity agrees that the CCBHC is responsible for coordinating care and has clinical  
367.28 and financial responsibility for the services that the entity provides under the agreement;  
367.29 and

367.30 (4) the entity meets any additional requirements issued by the commissioner.

368.1 (e) Notwithstanding any other law that requires a county contract or other form of county  
368.2 approval for certain services listed in paragraph (a), clause (6), a clinic that otherwise meets  
368.3 CCBHC requirements may receive the prospective payment under section 256B.0625,  
368.4 subdivision 5m, for those services without a county contract or county approval. As part of  
368.5 the certification process in paragraph (a), the commissioner shall require a letter of support  
368.6 from the CCBHC's host county confirming that the CCBHC and the county or counties it  
368.7 serves have an ongoing relationship to facilitate access and continuity of care, especially  
368.8 for individuals who are uninsured or who may go on and off medical assistance.

368.9 (d) When the standards listed in paragraph (a) or other applicable standards conflict or  
368.10 address similar issues in duplicative or incompatible ways, the commissioner may grant  
368.11 variances to state requirements if the variances do not conflict with federal requirements  
368.12 for services reimbursed under medical assistance. If standards overlap, the commissioner  
368.13 may substitute all or a part of a licensure or certification that is substantially the same as  
368.14 another licensure or certification. The commissioner shall consult with stakeholders, as  
368.15 described in subdivision 4, before granting variances under this provision. For the CCBHC  
368.16 that is certified but not approved for prospective payment under section 256B.0625,  
368.17 subdivision 5m, the commissioner may grant a variance under this paragraph if the variance  
368.18 does not increase the state share of costs.

335.25 Subd. 3. **Variance authority.** When the standards listed in sections 245.7351 to 245.7357  
335.26 or other applicable standards conflict or address similar issues in duplicative or incompatible  
335.27 ways, the commissioner may grant variances to state requirements if the variances do not  
335.28 conflict with federal requirements for services reimbursed under medical assistance. If  
335.29 standards overlap, the commissioner may substitute all or a part of a licensure or certification  
335.30 that is substantially the same as another licensure or certification. The commissioner must  
335.31 consult with stakeholders as described in subdivision 1 before granting variances under this  
335.32 subdivision. For the CCBHC that is certified but not approved for prospective payment  
336.1 under section 256B.0625, subdivision 5m, the commissioner may grant a variance under  
336.2 this paragraph if the variance does not increase the state share of costs.

368.19 (e) The commissioner shall issue a list of required evidence-based practices to be  
368.20 delivered by CCBHCs, and may also provide a list of recommended evidence-based practices.  
368.21 The commissioner may update the list to reflect advances in outcomes research and medical  
368.22 services for persons living with mental illnesses or substance use disorders. The commissioner  
368.23 shall take into consideration the adequacy of evidence to support the efficacy of the practice,  
368.24 the quality of workforce available, and the current availability of the practice in the state.  
368.25 At least 30 days before issuing the initial list and any revisions, the commissioner shall  
368.26 provide stakeholders with an opportunity to comment.

368.27 (f) The commissioner shall recertify CCBHCs at least every three years. The  
368.28 commissioner shall establish a process for decertification and shall require corrective action,  
368.29 medical assistance repayment, or decertification of a CCBHC that no longer meets the  
368.30 requirements in this section or that fails to meet the standards provided by the commissioner  
368.31 in the application and certification process.

369.15 Sec. 8. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision to  
369.16 read:

369.17 Subd. 3b. **Exemptions to host county approval.** Notwithstanding any other law that  
369.18 requires a county contract or other form of county approval for a service listed in subdivision  
369.19 3, paragraph (d), clause (8), a CCBHC that meets the requirements of this section may  
369.20 receive the prospective payment under section 256B.0625, subdivision 5m, for that service  
369.21 without a county contract or county approval.

369.22 Sec. 9. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision to  
369.23 read:

369.24 Subd. 3c. **Variances.** When the standards listed in this section or other applicable  
369.25 standards conflict or address similar issues in duplicative or incompatible ways, the  
369.26 commissioner may grant variances to state requirements if the variances do not conflict  
369.27 with federal requirements for services reimbursed under medical assistance. If standards  
369.28 overlap, the commissioner may substitute all or a part of a licensure or certification that is  
369.29 substantially the same as another licensure or certification. The commissioner shall consult  
369.30 with stakeholders before granting variances under this provision. For a CCBHC that is  
369.31 certified but not approved for prospective payment under section 256B.0625, subdivision  
370.1 5m, the commissioner may grant a variance under this paragraph if the variance does not  
370.2 increase the state share of costs.

370.14 Sec. 11. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision  
370.15 to read:

370.16 Subd. 3e. **Recertification.** A CCBHC must apply for recertification every 36 months.

336.3     **Subd. 4. Notice and opportunity for correction.** If the commissioner finds that a  
 336.4     prospective or certified CCBHC has failed to comply with an applicable law or rule and  
 336.5     this failure does not imminently endanger health, safety, or rights of the persons served by  
 336.6     the program, the commissioner may issue a notice ordering a correction. The notice ordering  
 336.7     a correction must state the following in plain language:

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

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

336.10    (3) the time allowed to correct each violation.

336.11    **Subd. 5. County letter of support.** A clinic that meets certification requirements for a  
 336.12    CCBHC under sections 245.7351 to 245.7357 is not subject to any state law or rule that  
 336.13    requires a county contract or other form of county approval as a condition for licensure or  
 336.14    enrollment as a medical assistance provider. The commissioner must require evidence from  
 336.15    the CCBHC that it has an ongoing relationship with the county or counties it serves to  
 336.16    facilitate access and continuity of care, especially for individuals who are uninsured or who  
 336.17    may go on and off medical assistance.

336.18    **Subd. 6. Decertification, denial of certification, or recertification request.** (a) The  
 336.19    commissioner must establish a process for decertification and must require corrective action,  
 336.20    medical assistance repayment, or decertification of a CCBHC that no longer meets the  
 336.21    requirements in this section.

336.22    (b) The commissioner must provide the following to providers for the certification,  
 336.23    recertification, and decertification process:

336.24    (1) a structured listing of required provider certification criteria;

336.25    (2) a formal written letter with a determination of certification, recertification, or  
 336.26    decertification, signed by the commissioner or the appropriate division director; and

370.17    Sec. 12. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision  
 370.18    to read:

370.19    **Subd. 3f. Opportunity to cure.** (a) The commissioner shall provide a formal written  
 370.20    notice to an applicant for CCBHC certification outlining the determination of the application  
 370.21    and process for applicable and necessary corrective action required of the applicant signed  
 370.22    by the commissioner or appropriate division director to applicant entities within 30 calendar  
 370.23    days of the site visit.

370.24    (b) The commissioner may reject an application if the applicant entity does not take all  
 370.25    corrective actions specified in the notice and notify the commissioner that the applicant  
 370.26    entity has done so within 60 calendar days.

370.27    (c) The commissioner must send the applicant entity a final decision on the corrected  
 370.28    application within 30 calendar days of the applicant entity's notice to the commissioner that  
 370.29    the applicant has taken the required corrective actions.

371.1    Sec. 13. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision  
 371.2    to read:

371.3    **Subd. 3g. Decertification process.** The commissioner must establish a process for  
 371.4    decertification. The commissioner must require corrective action, medical assistance  
 371.5    repayment, or decertification of a CCBHC that no longer meets the requirements in this  
 371.6    section or that fails to meet the standards provided by the commissioner in the application,  
 371.7    certification, or recertification process.

336.27 (3) a formal written communication outlining the process for necessary corrective action  
 336.28 and follow-up by the commissioner if applicable.

336.29 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
 336.30 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 336.31 when federal approval is obtained.

337.1 Sec. 6. **[245.7354] MINIMUM STAFFING STANDARDS.**

337.2 (a) A CCBHC must meet minimum staffing requirements as identified in the certification  
 337.3 process.

337.4 (b) A CCBHC must employ or contract for clinic staff who have backgrounds in diverse  
 337.5 disciplines, including licensed mental health professionals, licensed alcohol and drug  
 337.6 counselors, staff who are culturally and linguistically trained to meet the needs of the  
 337.7 population the clinic serves, and staff who are trained to make accommodations to meet the  
 337.8 needs of clients with disabilities.

337.9 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
 337.10 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 337.11 when federal approval is obtained.

337.12 Sec. 7. **[245.7355] REQUIRED SERVICES.**

337.13 Subdivision 1. **Generally.** CCBHCs must provide nine core services identified in  
 337.14 subdivisions 2 and 3.

337.15 Subd. 2. **Required services to be provided directly.** Unless otherwise specified in  
 337.16 sections 245.7351 to 245.7357 and approved by the commissioner, a CCBHC must directly  
 337.17 provide the following:

337.18 (1) ambulatory withdrawal management services ASAM level 1.0;  
 337.19 (2) treatment planning;

368.32 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner  
 368.33 of human services must notify the revisor of statutes when federal approval is obtained.

371.8 Sec. 14. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision  
 371.9 to read:

371.10 Subd. 4a. **Functional assessment requirements.** (a) For adults, a functional assessment  
 371.11 may be completed using a Daily Living Activities-20 tool.

371.12 (b) Notwithstanding any law to the contrary, a functional assessment performed by a  
 371.13 CCBHC that meets the requirements of this subdivision satisfies the requirements in:

371.14 (1) section 256B.0623, subdivision 9;

371.15 (2) section 245.4711, subdivision 3; and

371.16 (3) Minnesota Rules, part 9520.0914, subpart 2.

337.20     (3) screening, assessment, diagnosis, and risk assessment;  
337.21     (4) outpatient mental health treatment; and  
337.22     (5) substance use disorder treatment services for both adult and adolescent populations.  
337.23     Subd. 3. Direct or contracted required services. A CCBHC must provide the following  
337.24     services directly or via formal relationships with designated collaborating organizations:  
337.25     (1) targeted case management;  
337.26     (2) outpatient primary care screening and monitoring;  
337.27     (3) community-based mental health care for veterans;  
337.28     (4) peer, family support, and counselor services;  
337.29     (5) psychiatric rehabilitation services; and  
337.30     (6) crisis services conducted by a state-sanctioned provider.  
338.1     Subd. 4. Care coordination required. A CCBHC must directly provide coordination  
338.2     of care across settings and providers to ensure seamless transitions for individuals being  
338.3     served across the full spectrum of health services, including acute, chronic, and behavioral  
338.4     needs.  
338.5     Subd. 5. Outreach and engagement required. A CCBHC must provide outreach and  
338.6     engagement services to the community, including promoting accessibility and culturally  
338.7     and linguistically competent care, educating prospective CCBHC recipients about available  
338.8     services, and connecting prospective CCBHC recipients with needed services.  
338.9     Subd. 6. Initial evaluation; required elements. (a) An initial evaluation must be  
338.10     completed by a mental health professional or clinical trainee and must contain all data  
338.11     elements listed in the commissioner's public clinical guidance.  
338.12     (b) The timing of initial evaluation administration must be determined based on results  
338.13     of the preliminary screening and risk assessment. If a client is assessed to be experiencing  
338.14     a crisis-level behavioral health need, care must follow the timelines established in the  
338.15     CCBHC certification criteria published by the Substance Abuse and Mental Health Services  
338.16     Administration and the commissioner's published clinical guidance.  
338.17     (c) Initial evaluation equivalents, as defined by the commissioner, may be completed to  
338.18     satisfy the requirement for the initial evaluation under this subdivision.  
338.19     (d) The initial evaluation must include the following components:  
338.20     (e) For programs governed by sections 245.7351 to 245.7357, the CCBHC initial  
338.21     evaluation requirements in this subdivision satisfy the requirements for:  
338.22     (1) a brief diagnostic assessment under section 245I.10, subdivision 5;

338.23 (2) an individual family assessment summary under section 245.4881, subdivisions 3  
 338.24 and 4;  
 338.25 (3) an individual assessment summary under section 245.4711, subdivisions 3 and 4;  
 338.26 (4) a diagnostic assessment under Minnesota Rules, part 9520.0909, subpart 1;  
 338.27 (5) a local agency determination based on a diagnostic assessment under Minnesota  
 338.28 Rules, part 9520.0910, subpart 1;  
 338.29 (6) an individual family community support plan and an individual community support  
 338.30 plan under Minnesota Rules, part 9520.0914, subpart 2, items A and B;  
 338.31 (7) an individual family community support plan under Minnesota Rules, part 9520.0918,  
 338.32 subparts 1 and 2; and  
 339.1 (8) an individual community support plan under Minnesota Rules, part 9520.0919,  
 339.2 subparts 1 and 2.

339.3 Subd. 7. **Comprehensive evaluation; required elements.** (a) All new CCBHC clients  
 339.4 must receive a comprehensive person-centered and family-centered diagnostic and treatment  
 339.5 planning evaluation to be completed within 60 calendar days following the preliminary  
 339.6 screening and risk assessment.  
 339.7 (b) The comprehensive evaluation must be completed by a mental health professional  
 339.8 or clinical trainee and must contain all data elements listed in the commissioner's public  
 339.9 clinical guidance.  
 339.10 (c) When a CCBHC client is engaged in substance use disorder services provided by  
 339.11 the CCBHC, the comprehensive evaluation must also be approved by an alcohol and drug  
 339.12 counselor.  
 339.13 (d) A CCBHC comprehensive evaluation completed according to the standards in  
 339.14 subdivision 7 replaces the requirements for a comprehensive assessment in chapter 245G,  
 339.15 if the comprehensive evaluation includes a diagnosis of a substance use disorder or a finding  
 339.16 that the client does not meet the criteria for a substance use disorder.  
 339.17 (e) A comprehensive evaluation must be updated at least annually for all adult clients  
 339.18 who continue to engage in behavioral health services, and:  
 339.19 (1) when the client's presentation does not appear to align with the current diagnostic  
 339.20 formulation; or

371.17 Sec. 15. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision  
 371.18 to read:

371.19 Subd. 4b. **Requirements for comprehensive evaluations.** (a) A comprehensive  
 371.20 evaluation must be completed for all new clients within 60 calendar days following the  
 371.21 preliminary screening and risk assessment.

371.22 (b) Only a mental health professional may complete a comprehensive evaluation. The  
 371.23 mental health professional must consult with an alcohol and drug counselor when substance  
 371.24 use disorder services are deemed clinically appropriate.

339.21 (2) when the client or mental health professional suspect the emergence of a new  
339.22 diagnosis.

339.23 (f) A comprehensive evaluation update must contain the following components:

339.24 (1) a written update detailing all significant new or changed mental health symptoms,  
339.25 as well as a description of how the new or changed symptoms are impacting functioning;

339.26 (2) any diagnostic formulation updates, including rationale for new diagnoses as needed;

339.27 and

339.28 (3) a rationale for removal of any existing diagnoses, as needed.

339.29 (g) When completing a comprehensive evaluation of a client who is five years of age  
339.30 or younger, the assessor must use the current edition of the DC: 0-5 Diagnostic Classification  
339.31 of Mental Health and Development Disorders of Infancy and Early Childhood published  
339.32 by Zero to Three. The comprehensive evaluation of children age five years and younger:

340.1 (1) must include an initial session without the client present and may include treatment  
340.2 to the parents or guardians along with inquiring about the child;

340.3 (2) may consist of three to five separate encounters;

340.4 (3) must incorporate the level of care assessment;

340.5 (4) must be completed prior to recommending additional CCBHC services; and

340.6 (5) must not contain scoring of the American Society of Addiction Medicine six  
340.7 dimensions.

371.25 (c) The comprehensive evaluation must consist of the synthesis of existing information  
371.26 including but not limited to an external diagnostic assessment, crisis assessment, preliminary  
371.27 screening and risk assessment, initial evaluation, and primary care screenings.

371.28 (d) A comprehensive evaluation must be completed in the cultural context of the client  
371.29 and updated to reflect changes in the client's conditions and at the client's request or when  
371.30 the client's condition no longer meets the existing diagnosis.

372.1 (e) The psychiatric evaluation and management service fulfills requirements for the  
372.2 comprehensive evaluation when a client of a CCBHC is receiving exclusively psychiatric  
372.3 evaluation and management services. The CCBHC shall complete the comprehensive  
372.4 evaluation within 60 calendar days of a client's referral for additional CCBHC services.

372.5 (f) For clients engaging exclusively in substance use disorder services at the CCBHC,  
372.6 a substance use disorder comprehensive assessment as defined in section 245G.05,

340.8 (h) For programs governed by sections 245.7351 to 245.7357, the CCBHC comprehensive  
 340.9 evaluation requirements in this subdivision satisfy the requirements for:

340.10 (1) a diagnostic assessment or crisis assessment under section 245I.10, subdivision 2,  
 340.11 paragraph (a);

340.12 (2) a diagnostic assessment under section 245I.10, subdivisions 4 to 6;

340.13 (3) an initial services plan under section 245G.04, subdivision 1;

340.14 (4) a diagnostic assessment under section 245.4711, subdivision 2;

340.15 (5) a diagnostic assessment under section 245.4881, subdivision 2;

340.16 (6) a diagnostic assessment under Minnesota Rules, part 9520.0910, subpart 1;

340.17 (7) a diagnostic assessment under Minnesota Rules, part 9520.0909, subpart 1; and

340.18 (8) an individual family community support plan and an individual community support  
 340.19 plan under Minnesota Rules, part 9520.0914, subpart 2, items A and B.

372.7 subdivision 2, that is completed within 60 calendar days of service initiation shall fulfill  
 372.8 requirements of the comprehensive evaluation.

372.9 (g) Notwithstanding any law to the contrary, a comprehensive evaluation performed by  
 372.10 a CCBHC that meets the requirements of this subdivision satisfies the requirements in:

372.11 (1) section 245.462, subdivision 20, paragraph (c);

372.12 (2) section 245.4711, subdivision 2, paragraph (b);

372.13 (3) section 245.4871, subdivision 6;

372.14 (4) section 245.4881, subdivision 2, paragraph (c);

372.15 (5) section 245G.04, subdivision 1;

372.16 (6) section 245G.05, subdivision 1;

372.17 (7) section 245I.10, subdivisions 4 to 6;

372.18 (8) section 256B.0623, subdivisions 3, clause (4), 8, and 10;

372.19 (9) section 256B.0943, subdivisions 3 and 6, paragraph (b), clause (1);

372.20 (10) Minnesota Rules, part 9520.0909, subpart 1;

372.21 (11) Minnesota Rules, part 9520.0910, subparts 1 and 2; and

372.22 (12) Minnesota Rules, part 9520.0914, subpart 2.

372.23 Sec. 16. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision  
 372.24 to read:

372.25 Subd. 4c. **Requirements for initial evaluations.** (a) A CCBHC must complete either  
 372.26 an initial evaluation or a comprehensive evaluation within ten business days of the  
 372.27 preliminary screening and risk assessment.

340.20 Subd. 8. **Integrated treatment plan; required elements.** (a) An integrated treatment  
340.21 plan must be approved by a mental health professional as defined in section 245I.04,  
340.22 subdivision 2.

340.23 (b) An integrated treatment plan must be completed within 60 calendar days following  
340.24 the completion of the preliminary screening and risk assessment.

340.25 (c) An integrated treatment plan must use a person- and family-centered planning process  
340.26 that includes the client, any family or client-identified natural supports, CCBHC service  
340.27 providers, and care coordination staff.

340.28 (d) An integrated treatment plan must be updated at least every six months or earlier  
340.29 based on changes in the client's circumstances.

341.1 (e) When a client is engaged in substance use disorder services at a CCBHC, the  
341.2 integrated treatment plan must also be approved by an alcohol and drug counselor as defined  
341.3 in section 245G.11, subdivision 5.

341.4 (f) The treatment plan must integrate prevention, medical and behavioral health needs,  
341.5 and service delivery and must be developed by the CCBHC in collaboration with and  
341.6 endorsed by the client, the adult client's family to the extent the client wishes, or family or  
341.7 caregivers of youth and children. The treatment plan must also be coordinated with staff or  
341.8 programs necessary to carry out the plan.

372.28 (b) Notwithstanding any law to the contrary, an initial evaluation performed by a CCBHC  
372.29 that meets the requirements of this subdivision satisfies the requirements in:  
373.30 (1) section 245.4711, subdivision 4;  
373.31 (2) section 245.4881, subdivisions 3 and 4;  
373.32 (3) section 245I.10, subdivision 5;  
373.33 (4) section 256B.0623, subdivisions 3, clause (4), 8, and 10;  
373.34 (5) section 256B.0943, subdivisions 3 and 6, paragraph (b), clauses (1) and (2);  
373.35 (6) Minnesota Rules, part 9520.0909, subpart 1;  
373.36 (7) Minnesota Rules, part 9520.0910, subpart 1;  
373.37 (8) Minnesota Rules, part 9520.0914, subpart 2;  
373.38 (9) Minnesota Rules, part 9520.0918, subparts 1 and 2; and  
373.39 (10) Minnesota Rules, part 9520.0919, subpart 2.

373.10 Sec. 17. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision  
373.11 to read:

373.12 Subd. 4d. **Requirements for integrated treatment plans.** (a) An integrated treatment  
373.13 plan must be completed within 60 calendar days following the preliminary screening and  
373.14 risk assessment and updated no less frequently than every six months or when the client's  
373.15 circumstances change.

341.9 (g) The CCBHC integrated treatment plan requirements in this subdivision replace the  
341.10 requirements for:

- 341.11 (1) an individual treatment plan under section 245I.10, subdivisions 7 and 8;
- 341.12 (2) an individual treatment plan under section 245G.06, subdivision 1; and
- 341.13 (3) an individual treatment plan under section 245G.09, subdivision 3, clause (6).

341.14 (h) The CCBHC functional assessment requirements replace the requirements for:

- 341.15 (1) a functional assessment under section 256B.0623, subdivision 9;
- 341.16 (2) a functional assessment under section 245.4711, subdivision 3; and
- 341.17 (3) functional assessments under Minnesota Rules, part 9520.0914, subpart 2, items A  
341.18 and B.

341.19 Subd. 9. **Licensing and certification requirements.** The requirements for initial  
341.20 evaluations under subdivision 6, comprehensive evaluations under subdivision 7, and  
341.21 integrated treatment plans under subdivision 8 are part of the licensing requirements for  
341.22 substance use disorder treatment programs licensed according to chapter 245G and  
341.23 certification requirements for mental health clinics certified according to section 245I.20 if  
341.24 the program or clinic is part of a CCBHC. The Department of Human Services licensing

373.16 (b) Only a mental health professional may complete an integrated treatment plan. The  
373.17 mental health professional must consult with an alcohol and drug counselor when substance  
373.18 use disorder services are deemed clinically appropriate. An alcohol and drug counselor may  
373.19 approve the integrated treatment plan. The integrated treatment plan must be developed  
373.20 through a shared decision-making process with the client, the client's support system if the  
373.21 client chooses, or, for children, with the family or caregivers.

373.22 (c) The integrated treatment plan must:

- 373.23 (1) use the ASAM 6 dimensional framework; and
- 373.24 (2) incorporate prevention, medical and behavioral health needs, and service delivery.
- 373.25 (d) The psychiatric evaluation and management service fulfills requirements for the  
373.26 integrated treatment plan when a client of a CCBHC is receiving exclusively psychiatric  
373.27 evaluation and management services. The CCBHC must complete an integrated treatment  
373.28 plan within 60 calendar days of a client's referral for additional CCBHC services.

373.29 (e) Notwithstanding any law to the contrary, an integrated treatment plan developed by  
373.30 a CCBHC that meets the requirements of this subdivision satisfies the requirements in:

- 374.1 (1) section 245G.06, subdivision 1;
- 374.2 (2) section 245G.09, subdivision 3, clause (6);
- 374.3 (3) section 245I.10, subdivisions 7 and 8;
- 374.4 (4) section 256B.0623, subdivision 10; and
- 374.5 (5) section 256B.0943, subdivision 6, paragraph (b), clause (2).

341.25 division will review, inspect, and investigate for compliance with the requirements in  
 341.26 subdivisions 6 to 8.

341.27 Sec. 8. **[245.7356] REQUIRED EVIDENCE-BASED SERVICES.**

341.28 Subdivision 1. **Generally.** A CCBHC must use evidence-based practices in all services.  
 341.29 Treatments must be provided in a manner appropriate for each client's phase of life and  
 341.30 development, specifically considering what is appropriate for children, adolescents,  
 341.31 transition-age youth, and older adults, as distinct groups for whom life stage and functioning  
 341.32 may affect treatment. Specifically, when treating children and adolescents, a CCHBC must  
 342.1 provide evidence-based services that are developmentally appropriate, youth guided, and  
 342.2 family and caregiver driven. When treating older adults, an individual client's desires and  
 342.3 functioning must be considered, and appropriate evidence-based treatments must be provided.  
 342.4 When treating individuals with developmental or other cognitive disabilities, level of  
 342.5 functioning must be considered, and appropriate evidence-based treatments must be provided.  
 342.6 The treatments referenced in this subdivision must be delivered by staff with specific training  
 342.7 in treating the segment of the population being served.

342.8 Subd. 2. **Required evidence-based practices.** A CCBHC must use evidence-based  
 342.9 practices, including the use of cognitive behavioral therapy, motivational interviewing,  
 342.10 stages of change, and trauma treatment appropriate for populations being served.

342.11 Subd. 3. **Issuance of and amendments to evidence-based practices requirements.** The  
 342.12 commissioner must issue a list of required evidence-based practices to be delivered by  
 342.13 CCBHCs and may also provide a list of recommended evidence-based practices. The  
 342.14 commissioner may update the list to reflect advances in outcomes research and medical  
 342.15 services for persons living with mental illnesses or substance use disorders. The commissioner  
 342.16 must take into consideration the adequacy of evidence to support the efficacy of the practice,  
 342.17 the quality of workforce available, and the current availability of the practice in the state.

374.6 Sec. 18. Minnesota Statutes 2022, section 245.735, subdivision 5, is amended to read:

374.7 Subd. 5. **Information systems support.** The commissioner and the state chief information  
 374.8 officer shall provide information systems support to the projects as necessary to comply  
 374.9 with state and federal requirements, including data reporting requirements.

375.29 Sec. 21. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision  
 375.30 to read:

375.31 Subd. 8. **Grievance procedures required.** CCBHCs and designated collaborating  
 375.32 organizations must allow all service recipients access to grievance procedures, which must  
 376.1 satisfy the minimum requirements of medical assistance and other grievance requirements  
 376.2 such as those that may be mandated by relevant accrediting entities.

370.3 Sec. 10. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision  
 370.4 to read:

370.5 Subd. 3d. **Evidence-based practices.** The commissioner shall issue a list of required  
 370.6 evidence-based practices to be delivered by CCBHCs and may also provide a list of  
 370.7 recommended evidence-based practices. The commissioner may update the list to reflect  
 370.8 advances in outcomes research and medical services for persons living with mental illnesses  
 370.9 or substance use disorders. The commissioner shall take into consideration the adequacy  
 370.10 of evidence to support the efficacy of the practice across cultures and ages, the workforce  
 370.11 available, and the current availability of the practice in the state. At least 30 days before  
 370.12 issuing the initial list or issuing any revisions, the commissioner shall provide stakeholders  
 370.13 with an opportunity to comment.

342.18 At least 30 days before issuing the initial list and any revisions, the commissioner must  
 342.19 provide stakeholders with an opportunity to comment.

342.20 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
 342.21 whichever is later. The commissioner of human services shall notify the revisor of statutes  
 342.22 when federal approval is obtained.

342.23 Sec. 9. **[245.7357] DESIGNATED COLLABORATING ORGANIZATION.**

342.24 Subdivision 1. **Generally.** A CCBHC must directly provide a core set of services listed  
 342.25 in section 245.7355, subdivision 2, and may directly provide or contract for the remainder  
 342.26 of the services listed in section 245.7355, subdivision 3, with a designated collaborating  
 342.27 organization as defined in section 245.7351, subdivision 10, that has the required authority  
 342.28 to provide that service and that meets the criteria as a designated collaborating organization  
 342.29 under subdivision 2.

342.30 Subd. 2. **Designated collaborating organization requirements.** (a) A CCBHC providing  
 342.31 CCBHC services via a designated collaborating organization agreement must:

343.1 (1) have a formal agreement, as defined in section 245.7351, subdivision 11, with the  
 343.2 designated collaborating organization to furnish one or more of the allowable services listed  
 343.3 under section 245.7355, subdivision 3;

343.4 (2) ensure that CCBHC services provided by a designated collaborating organization  
 343.5 must be provided in accordance with CCBHC service standards and provider requirements;

343.6 (3) maintain responsibility for coordinating care and clinical and financial responsibility  
 343.7 for the services provided by a designated collaborating organization;

343.8 (4) as applicable and necessary, ensure that a contracted designated collaborating  
 343.9 organization participates in CCBHC care coordination activities, including utilizing health  
 343.10 information technology to facilitate coordination and care transfers across organizations  
 343.11 and arranging access to data necessary for quality and financial operations and reporting;

343.12 (5) ensure beneficiaries receiving CCBHC services at the designated collaborating  
 343.13 organization have access to the CCBHC grievance process;

343.14 (6) submit all designated collaborating organization agreements for review and approval  
 343.15 by the commissioner prior to the designated collaborating organization furnishing CCBHC  
 343.16 services; and

343.17 (7) meet any additional requirements issued by the commissioner.

343.18 (b) Designated collaborating organization agreements must be submitted during the  
 343.19 certification process. Adding new designated collaborating organization relationships after  
 343.20 initial certification requires updates to the CCBHC certification. A CCBHC must update

369.1 Sec. 7. Minnesota Statutes 2022, section 245.735, is amended by adding a subdivision to  
 369.2 read:

369.3 Subd. 3a. **Designated collaborating organizations.** If a certified CCBHC is unable to  
 369.4 provide one or more of the services listed in subdivision 3, paragraph (d), clauses (8) to  
 369.5 (19), the CCBHC may contract with another entity that has the required authority to provide  
 369.6 that service and that meets the following criteria as a designated collaborating organization:

369.7 (1) the entity has a formal agreement with the CCBHC to furnish one or more of the  
 369.8 services under subdivision 3, paragraph (d), clause (8);

369.9 (2) the entity provides assurances that it will provide services according to CCBHC  
 369.10 service standards and provider requirements;

369.11 (3) the entity agrees that the CCBHC is responsible for coordinating care and has clinical  
 369.12 and financial responsibility for the services that the entity provides under the agreement;  
 369.13 and

369.14 (4) the entity meets any additional requirements issued by the commissioner.

343.21 designated collaborating organization information and the designated collaborating  
343.22 organization agreement with the commissioner a minimum of 30 days prior to the execution  
343.23 of a designated collaborating organization agreement. The commissioner must review and  
343.24 approve or offer recommendations for designated collaborating organization agreement  
343.25 modifications

343.26 (c) Designated collaborating organizations furnishing services under an agreement with  
343.27 CCBHCs must meet all standards established in sections 245.7351 to 245.7357 for the  
343.28 service the designated collaborating organization is providing. CCBHCs maintain  
343.29 responsibility for care coordination and are clinically and financially responsible for CCBHC  
343.30 services provided by a designated collaborating organization.

343.31 (d) Designated collaborating organization financial and payment processes must follow  
343.32 those outlined in section 256B.0625, subdivision 5m, paragraph (c), clause (10).

344.1 Subd. 3. **Designated collaborative organization agreements.** Designated collaborative  
344.2 organization agreements must include:

344.3 (1) the scope of CCBHC services to be furnished;  
344.4 (2) the payment methodology and rates for purchased services;  
344.5 (3) a requirement that the CCBHC maintains financial and clinical responsibility for  
344.6 services provided by the designated collaborating organization;  
344.7 (4) a requirement that the CCBHC retains responsibility for care coordination;  
344.8 (5) a requirement that the designated collaborating organization must have the necessary  
344.9 certifications, licenses, and enrollments to provide the services;  
344.10 (6) a requirement that the staff providing CCBHC services within the designated  
344.11 collaborating organization must have the proper licensure for the services provided;  
344.12 (7) a requirement that the designated collaborating organization meets CCBHC cultural  
344.13 competency and training requirements;  
344.14 (8) a requirement that the designated collaborating organization must follow all federal,  
344.15 state, and CCBHC requirements for confidentiality and data privacy;  
344.16 (9) a requirement that the designated collaborating organization must follow the grievance  
344.17 procedures of the CCBHC;  
344.18 (10) a requirement that the designated collaborating organization must follow the CCBHC  
344.19 requirements for person- and family-centered, recovery-oriented care, being respectful of  
344.20 the individual person's needs, preferences, and values, and ensuring involvement by the  
344.21 person being served and self-direction of services received. Services for children and youth  
344.22 must be family-centered, youth-guided, and developmentally appropriate;

344.23 (11) a requirement that clients seeking services must have freedom of choice of providers;

344.24 (12) a requirement that the designated collaborating organization must be part of the  
344.25 CCBHCs health information technology system directly or through data integration;

344.26 (13) a requirement that the designated collaborating organization must provide all clinical  
344.27 and financial data necessary to support CCBHC required service and billing operations;

344.28 and

344.29 (14) a requirement that the CCBHC and the designated collaborating organization have  
344.30 safeguards in place to ensure that the designated collaborating organization does not receive  
344.31 a duplicate payment for services that are included in the CCBHC's daily bundled rate.

345.1 **EFFECTIVE DATE.** This section is effective July 1, 2023, or upon federal approval,  
345.2 whichever is later. The commissioner of human services shall notify the revisor of statutes  
345.3 when federal approval is obtained.

345.4 Sec. 10. Minnesota Statutes 2022, section 245A.02, subdivision 2c, is amended to read:

345.5 Subd. 2c. **Annual or annually; family child care training requirements.** For the  
345.6 purposes of sections 245A.50 to 245A.53, "annual" or "annually" means the 12-month  
345.7 period beginning on the license effective date or the annual anniversary of the effective date  
345.8 and ending on the day prior to the annual anniversary of the license effective date each  
345.9 calendar year.

### H0238-3

92.24 Sec. 2. Minnesota Statutes 2022, section 245A.02, subdivision 2c, is amended to read:

92.25 Subd. 2c. **Annual or annually; family child care training requirements.** For the  
92.26 purposes of sections 245A.50 to 245A.53, "annual" or "annually" means the 12-month  
92.27 period beginning on the license effective date or the annual anniversary of the effective date  
92.28 and ending on the day prior to the annual anniversary of the license effective date each  
92.29 calendar year.

93.1 Sec. 3. Minnesota Statutes 2022, section 245A.02, is amended by adding a subdivision to  
93.2 read:

93.3 Subd. 5b. **Cradleboard.** "Cradleboard" means a board or frame on which an infant is  
93.4 secured using blankets or other material, such as fabric or leather sides, and laces and often  
93.5 has a frame extending to protect the infant's head. The infant is always placed with the  
93.6 infant's head facing outward, and the infant remains supervised in the cradleboard while  
93.7 sleeping or being carried.

93.8 **EFFECTIVE DATE.** This section is effective January 1, 2024.

93.9 Sec. 4. Minnesota Statutes 2022, section 245A.02, subdivision 6b, is amended to read:

93.10 Subd. 6b. **Experience.** For purposes of child care centers, "experience" includes is paid  
93.11 or unpaid employment serving children as a teacher, assistant teacher, aide, or a student  
93.12 intern in a licensed child care center, in a public or nonpublic school, or in a program licensed  
93.13 as a family day care or group family day care provider.

93.14 (1) caring for children as a teacher, assistant teacher, aide, or student intern:

93.15        (i) in a licensed child care center, a licensed family day care or group family day care,  
93.16        or a Tribally licensed child care program in any United States state or territory; or  
93.17        (ii) in a public or nonpublic school;  
93.18        (2) caring for children as a staff person or unsupervised volunteer in a certified,  
93.19        license-exempt child care center under chapter 245H; or  
93.20        (3) providing direct contact services in a home or residential facility serving children  
93.21        with disabilities that requires a background study under section 245C.03.

93.22        **EFFECTIVE DATE.** This section is effective October 1, 2023.

93.23        Sec. 5. Minnesota Statutes 2022, section 245A.03, subdivision 2, is amended to read:

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

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

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

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

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

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

94.7        (6) nonresidential programs primarily for children that provide care or supervision for  
94.8        periods of less than three hours a day while the child's parent or legal guardian is in the  
94.9        same building as the nonresidential program or present within another building that is  
94.10        directly contiguous to the building in which the nonresidential program is located;

94.11        (7) nursing homes or hospitals licensed by the commissioner of health except as specified  
94.12        under section 245A.02;

94.13        (8) board and lodge facilities licensed by the commissioner of health that do not provide  
94.14        children's residential services under Minnesota Rules, chapter 2960, mental health or  
94.15        substance use disorder treatment;

94.16        (9) homes providing programs for persons placed by a county or a licensed agency for  
94.17        legal adoption, unless the adoption is not completed within two years;

94.18        (10) programs licensed by the commissioner of corrections;

94.19 (11) recreation programs for children or adults that are operated or approved by a park  
94.20 and recreation board whose primary purpose is to provide social and recreational activities;

94.21 (12) programs operated by a school as defined in section 120A.22, subdivision 4; YMCA  
94.22 as defined in section 315.44; YWCA as defined in section 315.44; or JCC as defined in  
94.23 section 315.51, whose primary purpose is to provide child care or services to school-age  
94.24 children;

94.25 (13) Head Start nonresidential programs which operate for less than 45 days in each  
94.26 calendar year;

94.27 (14) noncertified boarding care homes unless they provide services for five or more  
94.28 persons whose primary diagnosis is mental illness or a developmental disability;

94.29 (15) programs for children such as scouting, boys clubs, girls clubs, and sports and art  
94.30 programs, and nonresidential programs for children provided for a cumulative total of less  
94.31 than 30 days in any 12-month period;

94.32 (16) residential programs for persons with mental illness, that are located in hospitals;

95.1 (17) the religious instruction of school-age children; Sabbath or Sunday schools; or the  
95.2 congregate care of children by a church, congregation, or religious society during the period  
95.3 used by the church, congregation, or religious society for its regular worship;

95.4 (18) camps licensed by the commissioner of health under Minnesota Rules, chapter  
95.5 4630;

95.6 (19) mental health outpatient services for adults with mental illness or children with  
95.7 emotional disturbance;

95.8 (20) residential programs serving school-age children whose sole purpose is cultural or  
95.9 educational exchange, until the commissioner adopts appropriate rules;

95.10 (21) community support services programs as defined in section 245.462, subdivision  
95.11 6, and family community support services as defined in section 245.4871, subdivision 17;

95.12 (22) the placement of a child by a birth parent or legal guardian in a preadoptive home  
95.13 for purposes of adoption as authorized by section 259.47;

95.14 (23) settings registered under chapter 144D which provide home care services licensed  
95.15 by the commissioner of health to fewer than seven adults;

95.16 (24) substance use disorder treatment activities of licensed professionals in private  
95.17 practice as defined in section 245G.01, subdivision 17;

95.18 (25) consumer-directed community support service funded under the Medicaid waiver  
95.19 for persons with developmental disabilities when the individual who provided the service  
95.20 is;

95.21        (i) the same individual who is the direct payee of these specific waiver funds or paid by  
95.22        a fiscal agent, fiscal intermediary, or employer of record; and  
95.23        (ii) not otherwise under the control of a residential or nonresidential program that is  
95.24        required to be licensed under this chapter when providing the service;  
95.25        (26) a program serving only children who are age 33 months or older, that is operated  
95.26        by a nonpublic school, for no more than four hours per day per child, with no more than 20  
95.27        children at any one time, and that is accredited by:  
95.28        (i) an accrediting agency that is formally recognized by the commissioner of education  
95.29        as a nonpublic school accrediting organization; or  
95.30        (ii) an accrediting agency that requires background studies and that receives and  
95.31        investigates complaints about the services provided.  
96.1        A program that asserts its exemption from licensure under item (ii) shall, upon request  
96.2        from the commissioner, provide the commissioner with documentation from the accrediting  
96.3        agency that verifies: that the accreditation is current; that the accrediting agency investigates  
96.4        complaints about services; and that the accrediting agency's standards require background  
96.5        studies on all people providing direct contact services;  
96.6        (27) a program operated by a nonprofit organization incorporated in Minnesota or another  
96.7        state that serves youth in kindergarten through grade 12; provides structured, supervised  
96.8        youth development activities; and has learning opportunities take place before or after  
96.9        school, on weekends, or during the summer or other seasonal breaks in the school calendar.  
96.10       A program exempt under this clause is not eligible for child care assistance under chapter  
96.11       119B. A program exempt under this clause must:  
96.12        (i) have a director or supervisor on site who is responsible for overseeing written policies  
96.13        relating to the management and control of the daily activities of the program, ensuring the  
96.14        health and safety of program participants, and supervising staff and volunteers;  
96.15        (ii) have obtained written consent from a parent or legal guardian for each youth  
96.16        participating in activities at the site; and  
96.17        (iii) have provided written notice to a parent or legal guardian for each youth at the site  
96.18        that the program is not licensed or supervised by the state of Minnesota and is not eligible  
96.19        to receive child care assistance payments;  
96.20        (28) a county that is an eligible vendor under section 254B.05 to provide care coordination  
96.21        and comprehensive assessment services; or  
96.22        (29) a recovery community organization that is an eligible vendor under section 254B.05  
96.23        to provide peer recovery support services; or

345.10 Sec. 11. Minnesota Statutes 2022, section 245A.04, subdivision 1, is amended to read:

345.11 Subdivision 1. **Application for licensure.** (a) An individual, organization, or government  
 345.12 entity that is subject to licensure under section 245A.03 must apply for a license. The  
 345.13 application must be made on the forms and in the manner prescribed by the commissioner.  
 345.14 The commissioner shall provide the applicant with instruction in completing the application  
 345.15 and provide information about the rules and requirements of other state agencies that affect  
 345.16 the applicant. An applicant seeking licensure in Minnesota with headquarters outside of  
 345.17 Minnesota must have a program office located within 30 miles of the Minnesota border.  
 345.18 An applicant who intends to buy or otherwise acquire a program or services licensed under  
 345.19 this chapter that is owned by another license holder must apply for a license under this  
 345.20 chapter and comply with the application procedures in this section and section 245A.03.

345.21 The commissioner shall act on the application within 90 working days after a complete  
 345.22 application and any required reports have been received from other state agencies or  
 345.23 departments, counties, municipalities, or other political subdivisions. The commissioner  
 345.24 shall not consider an application to be complete until the commissioner receives all of the  
 345.25 required information.

345.26 When the commissioner receives an application for initial licensure that is incomplete  
 345.27 because the applicant failed to submit required documents or that is substantially deficient  
 345.28 because the documents submitted do not meet licensing requirements, the commissioner  
 345.29 shall provide the applicant written notice that the application is incomplete or substantially  
 345.30 deficient. In the written notice to the applicant the commissioner shall identify documents  
 345.31 that are missing or deficient and give the applicant 45 days to resubmit a second application  
 345.32 that is substantially complete. An applicant's failure to submit a substantially complete  
 346.1 application after receiving notice from the commissioner is a basis for license denial under  
 346.2 section 245A.05.

96.24 (30) Head Start programs that serve only children who are at least three years old but  
 96.25 not yet six years old.

96.26 (b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a  
 96.27 building in which a nonresidential program is located if it shares a common wall with the  
 96.28 building in which the nonresidential program is located or is attached to that building by  
 96.29 skyway, tunnel, atrium, or common roof.

96.30 (c) Except for the home and community-based services identified in section 245D.03,  
 96.31 subdivision 1, nothing in this chapter shall be construed to require licensure for any services  
 96.32 provided and funded according to an approved federal waiver plan where licensure is  
 96.33 specifically identified as not being a condition for the services and funding.

97.1 **EFFECTIVE DATE.** This section is effective January 1, 2024.

UES2995-2

497.8 Section 1. Minnesota Statutes 2022, section 245A.04, subdivision 1, is amended to read:

497.9 Subdivision 1. **Application for licensure.** (a) An individual, organization, or government  
 497.10 entity that is subject to licensure under section 245A.03 must apply for a license. The  
 497.11 application must be made on the forms and in the manner prescribed by the commissioner.  
 497.12 The commissioner shall provide the applicant with instruction in completing the application  
 497.13 and provide information about the rules and requirements of other state agencies that affect  
 497.14 the applicant. An applicant seeking licensure in Minnesota with headquarters outside of  
 497.15 Minnesota must have a program office located within 30 miles of the Minnesota border.  
 497.16 An applicant who intends to buy or otherwise acquire a program or services licensed under  
 497.17 this chapter that is owned by another license holder must apply for a license under this  
 497.18 chapter and comply with the application procedures in this section and section 245A.03.

497.19 The commissioner shall act on the application within 90 working days after a complete  
 497.20 application and any required reports have been received from other state agencies or  
 497.21 departments, counties, municipalities, or other political subdivisions. The commissioner  
 497.22 shall not consider an application to be complete until the commissioner receives all of the  
 497.23 required information.

497.24 When the commissioner receives an application for initial licensure that is incomplete  
 497.25 because the applicant failed to submit required documents or that is substantially deficient  
 497.26 because the documents submitted do not meet licensing requirements, the commissioner  
 497.27 shall provide the applicant written notice that the application is incomplete or substantially  
 497.28 deficient. In the written notice to the applicant the commissioner shall identify documents  
 497.29 that are missing or deficient and give the applicant 45 days to resubmit a second application  
 497.30 that is substantially complete. An applicant's failure to submit a substantially complete  
 497.31 application after receiving notice from the commissioner is a basis for license denial under  
 497.32 section 245A.05.

346.3 (b) An application for licensure must identify all controlling individuals as defined in  
 346.4 section 245A.02, subdivision 5a, and must designate one individual to be the authorized  
 346.5 agent. The application must be signed by the authorized agent and must include the authorized  
 346.6 agent's first, middle, and last name; mailing address; and email address. By submitting an  
 346.7 application for licensure, the authorized agent consents to electronic communication with  
 346.8 the commissioner throughout the application process. The authorized agent must be  
 346.9 authorized to accept service on behalf of all of the controlling individuals. A government  
 346.10 entity that holds multiple licenses under this chapter may designate one authorized agent  
 346.11 for all licenses issued under this chapter or may designate a different authorized agent for  
 346.12 each license. Service on the authorized agent is service on all of the controlling individuals.  
 346.13 It is not a defense to any action arising under this chapter that service was not made on each  
 346.14 controlling individual. The designation of a controlling individual as the authorized agent  
 346.15 under this paragraph does not affect the legal responsibility of any other controlling individual  
 346.16 under this chapter.

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

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

346.26 (e) The commissioner may limit communication during the application process to the  
 346.27 authorized agent or the controlling individuals identified on the license application and for  
 346.28 whom a background study was initiated under chapter 245C. Upon implementation of the  
346.29 provider licensing and reporting hub, applicants and license holders must use the hub in the  
346.30 manner prescribed by the commissioner. The commissioner may require the applicant,  
 346.31 except for child foster care, to demonstrate competence in the applicable licensing  
 346.32 requirements by successfully completing a written examination. The commissioner may  
 346.33 develop a prescribed written examination format.

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

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

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

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

498.1 (b) An application for licensure must identify all controlling individuals as defined in  
 498.2 section 245A.02, subdivision 5a, and must designate one individual to be the authorized  
 498.3 agent. The application must be signed by the authorized agent and must include the authorized  
 498.4 agent's first, middle, and last name; mailing address; and email address. By submitting an  
 498.5 application for licensure, the authorized agent consents to electronic communication with  
 498.6 the commissioner throughout the application process. The authorized agent must be  
 498.7 authorized to accept service on behalf of all of the controlling individuals. A government  
 498.8 entity that holds multiple licenses under this chapter may designate one authorized agent  
 498.9 for all licenses issued under this chapter or may designate a different authorized agent for  
 498.10 each license. Service on the authorized agent is service on all of the controlling individuals.  
 498.11 It is not a defense to any action arising under this chapter that service was not made on each  
 498.12 controlling individual. The designation of a controlling individual as the authorized agent  
 498.13 under this paragraph does not affect the legal responsibility of any other controlling individual  
 498.14 under this chapter.

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

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

498.24 (e) The commissioner may limit communication during the application process to the  
 498.25 authorized agent or the controlling individuals identified on the license application and for  
 498.26 whom a background study was initiated under chapter 245C. Upon implementation of the  
498.27 provider licensing and reporting hub, applicants and license holders must use the hub in the  
498.28 manner prescribed by the commissioner. The commissioner may require the applicant,  
 498.29 except for child foster care, to demonstrate competence in the applicable licensing  
 498.30 requirements by successfully completing a written examination. The commissioner may  
 498.31 develop a prescribed written examination format.

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

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

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

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

347.8 (4) if applicable, the applicant's National Provider Identifier (NPI) number and Unique  
347.9 Minnesota Provider Identifier (UMPI) number; and

347.10 (5) at the request of the commissioner, the notarized signature of the applicant or  
347.11 authorized agent.

347.12 (g) When an applicant is an organization, the applicant must provide:

347.13 (1) the applicant's taxpayer identification numbers including the Minnesota tax  
347.14 identification number and federal employer identification number;

347.15 (2) at the request of the commissioner, a copy of the most recent filing with the secretary  
347.16 of state that includes the complete business name, and if doing business under a different  
347.17 name, the doing business as (DBA) name, as registered with the secretary of state;

347.18 (3) the first, middle, and last name, and address for all individuals who will be controlling  
347.19 individuals, including all officers, owners, and managerial officials as defined in section  
347.20 245A.02, subdivision 5a, and the date that the background study was initiated by the applicant  
347.21 for each controlling individual;

347.22 (4) if applicable, the applicant's NPI number and UMPI number;

347.23 (5) the documents that created the organization and that determine the organization's  
347.24 internal governance and the relations among the persons that own the organization, have  
347.25 an interest in the organization, or are members of the organization, in each case as provided  
347.26 or authorized by the organization's governing statute, which may include a partnership  
347.27 agreement, bylaws, articles of organization, organizational chart, and operating agreement,  
347.28 or comparable documents as provided in the organization's governing statute; and

347.29 (6) the notarized signature of the applicant or authorized agent.

347.30 (h) When the applicant is a government entity, the applicant must provide:

347.31 (1) the name of the government agency, political subdivision, or other unit of government  
347.32 seeking the license and the name of the program or services that will be licensed;

348.1 (2) the applicant's taxpayer identification numbers including the Minnesota tax  
348.2 identification number and federal employer identification number;

348.3 (3) a letter signed by the manager, administrator, or other executive of the government  
348.4 entity authorizing the submission of the license application; and

348.5 (4) if applicable, the applicant's NPI number and UMPI number.

348.6 (i) At the time of application for licensure or renewal of a license under this chapter, the  
348.7 applicant or license holder must acknowledge on the form provided by the commissioner  
348.8 if the applicant or license holder elects to receive any public funding reimbursement from  
348.9 the commissioner for services provided under the license that:

499.8 (4) if applicable, the applicant's National Provider Identifier (NPI) number and Unique  
499.9 Minnesota Provider Identifier (UMPI) number; and

499.10 (5) at the request of the commissioner, the notarized signature of the applicant or  
499.11 authorized agent.

499.12 (g) When an applicant is an organization, the applicant must provide:

499.13 (1) the applicant's taxpayer identification numbers including the Minnesota tax  
499.14 identification number and federal employer identification number;

499.15 (2) at the request of the commissioner, a copy of the most recent filing with the secretary  
499.16 of state that includes the complete business name, and if doing business under a different  
499.17 name, the doing business as (DBA) name, as registered with the secretary of state;

499.18 (3) the first, middle, and last name, and address for all individuals who will be controlling  
499.19 individuals, including all officers, owners, and managerial officials as defined in section  
499.20 245A.02, subdivision 5a, and the date that the background study was initiated by the applicant  
499.21 for each controlling individual;

499.22 (4) if applicable, the applicant's NPI number and UMPI number;

499.23 (5) the documents that created the organization and that determine the organization's  
499.24 internal governance and the relations among the persons that own the organization, have  
499.25 an interest in the organization, or are members of the organization, in each case as provided  
499.26 or authorized by the organization's governing statute, which may include a partnership  
499.27 agreement, bylaws, articles of organization, organizational chart, and operating agreement,  
499.28 or comparable documents as provided in the organization's governing statute; and

499.29 (6) the notarized signature of the applicant or authorized agent.

499.30 (h) When the applicant is a government entity, the applicant must provide:

499.31 (1) the name of the government agency, political subdivision, or other unit of government  
499.32 seeking the license and the name of the program or services that will be licensed;

500.1 (2) the applicant's taxpayer identification numbers including the Minnesota tax  
500.2 identification number and federal employer identification number;

500.3 (3) a letter signed by the manager, administrator, or other executive of the government  
500.4 entity authorizing the submission of the license application; and

500.5 (4) if applicable, the applicant's NPI number and UMPI number.

500.6 (i) At the time of application for licensure or renewal of a license under this chapter, the  
500.7 applicant or license holder must acknowledge on the form provided by the commissioner  
500.8 if the applicant or license holder elects to receive any public funding reimbursement from  
500.9 the commissioner for services provided under the license that:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

UES2995-2 ARTICLE 9, SECTION 5 ALSO AMENDS SECTION 245A.04,  
 SUBD. 1, BUT IN AN UNRELATED WAY.

H0238-3

97.2 Sec. 6. Minnesota Statutes 2022, section 245A.04, subdivision 4, is amended to read:

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

97.6 (1) an inspection of the physical plant;

97.7 (2) an inspection of records and documents;

97.8 (3) observation of the program in operation; and

97.9 (4) an inspection for the health, safety, and fire standards in licensing requirements for  
 97.10 a child care license holder.

97.11 (b) The observation in paragraph (a), clause (3), is not required prior to issuing a license  
 97.12 under subdivision 7. If the commissioner issues a license under this chapter, these  
 97.13 requirements must be completed within one year after the issuance of the license.

97.14 (c) Before completing a licensing inspection in a family child care program or child care  
 97.15 center, the licensing agency must offer the license holder an exit interview to discuss  
 97.16 violations or potential violations of law or rule observed during the inspection and offer  
 97.17 technical assistance on how to comply with applicable laws and rules. The commissioner

348.25 Sec. 12. Minnesota Statutes 2022, section 245A.04, subdivision 7a, is amended to read:

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

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

349.1 (1) to the license holder's authorized agent as defined in section 245A.02, subdivision  
349.2 3b;

349.3 (2) to the license holder's controlling individual as defined in section 245A.02, subdivision  
349.4 5a;

97.18 shall not issue a correction order or negative licensing action for violations of law or rule  
97.19 not discussed in an exit interview, unless a license holder chooses not to participate in an  
97.20 exit interview or not to complete the exit interview. If the license holder is unable to complete  
97.21 the exit interview, the licensing agency must offer an alternate time for the license holder  
97.22 to complete the exit interview.

97.23 (d) If a family child care license holder disputes a county licensor's interpretation of a  
97.24 licensing requirement during a licensing inspection or exit interview, the license holder  
97.25 may, within five business days after the exit interview or licensing inspection, request  
97.26 clarification from the commissioner, in writing, in a manner prescribed by the commissioner.  
97.27 The license holder's request must describe the county licensor's interpretation of the licensing  
97.28 requirement at issue, and explain why the license holder believes the county licensor's  
97.29 interpretation is inaccurate. The commissioner and the county must include the license  
97.30 holder in all correspondence regarding the disputed interpretation, and must provide an  
97.31 opportunity for the license holder to contribute relevant information that may impact the  
97.32 commissioner's decision. The county licensor must not issue a correction order related to  
98.1 the disputed licensing requirement until the commissioner has provided clarification to the  
98.2 license holder about the licensing requirement.

98.3 (e) The commissioner or the county shall inspect at least annually once each calendar  
98.4 year a child care provider licensed under this chapter and Minnesota Rules, chapter 9502  
98.5 or 9503, for compliance with applicable licensing standards.

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

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

UES2995-2

500.25 Sec. 2. Minnesota Statutes 2022, section 245A.04, subdivision 7a, is amended to read:

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

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

501.1 (1) to the license holder's authorized agent as defined in section 245A.02, subdivision  
501.2 3b;

501.3 (2) to the license holder's controlling individual as defined in section 245A.02, subdivision  
501.4 5a;

349.5 (3) to the license holder information on file with the secretary of state;  
349.6 (4) in the location of the program or service licensed under this chapter; and  
349.7 (5) to the federal or state tax identification number associated with the license holder.  
349.8 (c) When, for reasons beyond the license holder's control, a license holder cannot provide  
349.9 the commissioner with prior notice of the changes in paragraph (b), clauses (1) to (3), the  
349.10 license holder must notify the commissioner by the tenth business day after the change and  
349.11 must provide any additional information requested by the commissioner.  
349.12 (d) When a license holder notifies the commissioner of a change to the license holder  
349.13 information on file with the secretary of state, the license holder must provide amended  
349.14 articles of incorporation and other documentation of the change.  
349.15 (e) Upon implementation of the provider licensing and reporting hub, license holders  
349.16 must enter and update information in the hub in a manner prescribed by the commissioner.  
349.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.  
349.18 Sec. 13. Minnesota Statutes 2022, section 245A.05, is amended to read:  
349.19 **245A.05 DENIAL OF APPLICATION.**  
349.20 (a) The commissioner may deny a license if an applicant or controlling individual:  
349.21 (1) fails to submit a substantially complete application after receiving notice from the  
349.22 commissioner under section 245A.04, subdivision 1;  
349.23 (2) fails to comply with applicable laws or rules;  
349.24 (3) knowingly withholds relevant information from or gives false or misleading  
349.25 information to the commissioner in connection with an application for a license or during  
349.26 an investigation;  
349.27 (4) has a disqualification that has not been set aside under section 245C.22 and no  
349.28 variance has been granted;  
350.1 (5) has an individual living in the household who received a background study under  
350.2 section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that  
350.3 has not been set aside under section 245C.22, and no variance has been granted;  
350.4 (6) is associated with an individual who received a background study under section  
350.5 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to  
350.6 children or vulnerable adults, and who has a disqualification that has not been set aside  
350.7 under section 245C.22, and no variance has been granted;  
350.8 (7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);  
350.9 (8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision  
350.10 6;  
501.5 (3) to the license holder information on file with the secretary of state;  
501.6 (4) in the location of the program or service licensed under this chapter; and  
501.7 (5) to the federal or state tax identification number associated with the license holder.  
501.8 (c) When, for reasons beyond the license holder's control, a license holder cannot provide  
501.9 the commissioner with prior notice of the changes in paragraph (b), clauses (1) to (3), the  
501.10 license holder must notify the commissioner by the tenth business day after the change and  
501.11 must provide any additional information requested by the commissioner.  
501.12 (d) When a license holder notifies the commissioner of a change to the license holder  
501.13 information on file with the secretary of state, the license holder must provide amended  
501.14 articles of incorporation and other documentation of the change.  
501.15 (e) Upon implementation of the provider licensing and reporting hub, license holders  
501.16 must enter and update information in the hub in a manner prescribed by the commissioner.  
501.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.  
501.18 Sec. 3. Minnesota Statutes 2022, section 245A.05, is amended to read:  
501.19 **245A.05 DENIAL OF APPLICATION.**  
501.20 (a) The commissioner may deny a license if an applicant or controlling individual:  
501.21 (1) fails to submit a substantially complete application after receiving notice from the  
501.22 commissioner under section 245A.04, subdivision 1;  
501.23 (2) fails to comply with applicable laws or rules;  
501.24 (3) knowingly withholds relevant information from or gives false or misleading  
501.25 information to the commissioner in connection with an application for a license or during  
501.26 an investigation;  
501.27 (4) has a disqualification that has not been set aside under section 245C.22 and no  
501.28 variance has been granted;  
502.1 (5) has an individual living in the household who received a background study under  
502.2 section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that  
502.3 has not been set aside under section 245C.22, and no variance has been granted;  
502.4 (6) is associated with an individual who received a background study under section  
502.5 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to  
502.6 children or vulnerable adults, and who has a disqualification that has not been set aside  
502.7 under section 245C.22, and no variance has been granted;  
502.8 (7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);  
502.9 (8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision  
502.10 6;

350.11 (9) has a history of noncompliance as a license holder or controlling individual with  
 350.12 applicable laws or rules, including but not limited to this chapter and chapters 119B and  
 350.13 245C;

350.14 (10) is prohibited from holding a license according to section 245.095; or

350.15 (11) for a family foster setting, has nondisqualifying background study information, as  
 350.16 described in section 245C.05, subdivision 4, that reflects on the individual's ability to safely  
 350.17 provide care to foster children.

350.18 (b) An applicant whose application has been denied by the commissioner must be given  
 350.19 notice of the denial, which must state the reasons for the denial in plain language. Notice  
 350.20 must be given by certified mail ~~or, by personal service, or through the provider licensing~~  
 350.21 ~~and reporting hub~~. The notice must state the reasons the application was denied and must  
 350.22 inform the applicant of the right to a contested case hearing under chapter 14 and Minnesota  
 350.23 Rules, parts 1400.8505 to 1400.8612. The applicant may appeal the denial by notifying the  
 350.24 commissioner in writing by certified mail ~~or, by personal service, or through the provider~~  
 350.25 ~~licensing and reporting hub~~. If mailed, the appeal must be postmarked and sent to the  
 350.26 commissioner within 20 calendar days after the applicant received the notice of denial. If  
 350.27 an appeal request is made by personal service, it must be received by the commissioner  
 350.28 within 20 calendar days after the applicant received the notice of denial. If the order is issued  
 350.29 through the provider hub, the appeal must be received by the commissioner within 20  
 350.30 calendar days from the date the commissioner issued the order through the hub. Section  
 350.31 245A.08 applies to hearings held to appeal the commissioner's denial of an application.

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

502.11 (9) has a history of noncompliance as a license holder or controlling individual with  
 502.12 applicable laws or rules, including but not limited to this chapter and chapters 119B and  
 502.13 245C;

502.14 (10) is prohibited from holding a license according to section 245.095; or

502.15 (11) for a family foster setting, has nondisqualifying background study information, as  
 502.16 described in section 245C.05, subdivision 4, that reflects on the individual's ability to safely  
 502.17 provide care to foster children.

502.18 (b) An applicant whose application has been denied by the commissioner must be given  
 502.19 notice of the denial, which must state the reasons for the denial in plain language. Notice  
 502.20 must be given by certified mail ~~or, by personal service, or through the provider licensing~~  
 502.21 ~~and reporting hub~~. The notice must state the reasons the application was denied and must  
 502.22 inform the applicant of the right to a contested case hearing under chapter 14 and Minnesota  
 502.23 Rules, parts 1400.8505 to 1400.8612. The applicant may appeal the denial by notifying the  
 502.24 commissioner in writing by certified mail ~~or, by personal service, or through the provider~~  
 502.25 ~~licensing and reporting hub~~. If mailed, the appeal must be postmarked and sent to the  
 502.26 commissioner within 20 calendar days after the applicant received the notice of denial. If  
 502.27 an appeal request is made by personal service, it must be received by the commissioner  
 502.28 within 20 calendar days after the applicant received the notice of denial. If the order is issued  
 502.29 through the provider hub, the appeal must be received by the commissioner within 20  
 502.30 calendar days from the date the commissioner issued the order through the hub. Section  
 502.31 245A.08 applies to hearings held to appeal the commissioner's denial of an application.

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

H0238-3

98.12 Sec. 7. Minnesota Statutes 2022, section 245A.05, is amended to read:

**245A.05 DENIAL OF APPLICATION.**

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

98.15 (1) fails to submit a substantially complete application after receiving notice from the  
 98.16 commissioner under section 245A.04, subdivision 1;

98.17 (2) fails to comply with applicable laws or rules;

98.18 (3) knowingly withholds relevant information from or gives false or misleading  
 98.19 information to the commissioner in connection with an application for a license or during  
 98.20 an investigation;

98.21 (4) has a disqualification that has not been set aside under section 245C.22 and no  
 98.22 variance has been granted;

351.1 Sec. 14. Minnesota Statutes 2022, section 245A.055, subdivision 2, is amended to read:

351.2 Subd. 2. **Reconsideration of closure.** If a license is closed, the commissioner must  
351.3 notify the license holder of closure by certified mail or, by personal service, or through the  
351.4 provider licensing and reporting hub. If mailed, the notice of closure must be mailed to the  
351.5 last known address of the license holder and must inform the license holder why the license

98.23 (5) has an individual living in the household who received a background study under  
98.24 section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that  
98.25 has not been set aside under section 245C.22, and no variance has been granted;

98.26 (6) is associated with an individual who received a background study under section  
98.27 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to  
98.28 children or vulnerable adults, and who has a disqualification that has not been set aside  
98.29 under section 245C.22, and no variance has been granted;

98.30 (7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);

99.1 (8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision  
99.2 6;

99.3 (9) has a history of noncompliance as a license holder or controlling individual with  
99.4 applicable laws or rules, including but not limited to this chapter and chapters 119B and  
99.5 245C;

99.6 (10) is prohibited from holding a license according to section 245.095; or

99.7 (11) for a family foster setting, has or has an individual who is living in the household  
99.8 where the licensed services are provided or is otherwise subject to a background study who  
99.9 has nondisqualifying background study information, as described in section 245C.05,  
99.10 subdivision 4, that reflects on the individual's applicant's ability to safely provide care to  
99.11 foster children.

99.12 (b) An applicant whose application has been denied by the commissioner must be given  
99.13 notice of the denial, which must state the reasons for the denial in plain language. Notice  
99.14 must be given by certified mail or personal service. The notice must state the reasons the  
99.15 application was denied and must inform the applicant of the right to a contested case hearing  
99.16 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The applicant may  
99.17 appeal the denial by notifying the commissioner in writing by certified mail or personal  
99.18 service. If mailed, the appeal must be postmarked and sent to the commissioner within 20  
99.19 calendar days after the applicant received the notice of denial. If an appeal request is made  
99.20 by personal service, it must be received by the commissioner within 20 calendar days after  
99.21 the applicant received the notice of denial. Section 245A.08 applies to hearings held to  
99.22 appeal the commissioner's denial of an application.

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

UES2995-2

503.1 Sec. 4. Minnesota Statutes 2022, section 245A.055, subdivision 2, is amended to read:

503.2 Subd. 2. **Reconsideration of closure.** If a license is closed, the commissioner must  
503.3 notify the license holder of closure by certified mail or, by personal service, or through the  
503.4 provider licensing and reporting hub. If mailed, the notice of closure must be mailed to the  
503.5 last known address of the license holder and must inform the license holder why the license

351.6 was closed and that the license holder has the right to request reconsideration of the closure.  
351.7 If the license holder believes that the license was closed in error, the license holder may ask  
351.8 the commissioner to reconsider the closure. The license holder's request for reconsideration  
351.9 must be made in writing and must include documentation that the licensed program has  
351.10 served a client in the previous 12 months. The request for reconsideration must be postmarked  
351.11 and sent to the commissioner or submitted through the provider licensing and reporting hub  
351.12 within 20 calendar days after the license holder receives the notice of closure. Upon  
351.13 implementation of the provider licensing and reporting hub, the provider must use the hub  
351.14 to request reconsideration. If the order is issued through the provider hub, the reconsideration  
351.15 must be received by the commissioner within 20 calendar days from the date the  
351.16 commissioner issued the order through the hub. A timely request for reconsideration stays  
351.17 imposition of the license closure until the commissioner issues a decision on the request for  
351.18 reconsideration.

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

351.20 Sec. 15. Minnesota Statutes 2022, section 245A.06, subdivision 1, is amended to read:

351.21 **Subdivision 1. Contents of correction orders and conditional licenses.** (a) If the  
351.22 commissioner finds that the applicant or license holder has failed to comply with an  
351.23 applicable law or rule and this failure does not imminently endanger the health, safety, or  
351.24 rights of the persons served by the program, the commissioner may issue a correction order  
351.25 and an order of conditional license to the applicant or license holder. When issuing a  
351.26 conditional license, the commissioner shall consider the nature, chronicity, or severity of  
351.27 the violation of law or rule and the effect of the violation on the health, safety, or rights of  
351.28 persons served by the program. The correction order or conditional license must state the  
351.29 following in plain language:

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

351.31 (2) the specific law or rule violated;

351.32 (3) the time allowed to correct each violation; and

352.1 (4) if a license is made conditional, the length and terms of the conditional license, and  
352.2 the reasons for making the license conditional.

352.3 (b) Nothing in this section prohibits the commissioner from proposing a sanction as  
352.4 specified in section 245A.07, prior to issuing a correction order or conditional license.

352.5 (c) The commissioner may issue a correction order and an order of conditional license  
352.6 to the applicant or license holder through the provider licensing and reporting hub.

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

503.6 was closed and that the license holder has the right to request reconsideration of the closure.  
503.7 If the license holder believes that the license was closed in error, the license holder may ask  
503.8 the commissioner to reconsider the closure. The license holder's request for reconsideration  
503.9 must be made in writing and must include documentation that the licensed program has  
503.10 served a client in the previous 12 months. The request for reconsideration must be postmarked  
503.11 and sent to the commissioner or submitted through the provider licensing and reporting hub  
503.12 within 20 calendar days after the license holder receives the notice of closure. Upon  
503.13 implementation of the provider licensing and reporting hub, the provider must use the hub  
503.14 to request reconsideration. If the order is issued through the provider hub, the reconsideration  
503.15 must be received by the commissioner within 20 calendar days from the date the  
503.16 commissioner issued the order through the hub. A timely request for reconsideration stays  
503.17 imposition of the license closure until the commissioner issues a decision on the request for  
503.18 reconsideration.

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

503.20 Sec. 5. Minnesota Statutes 2022, section 245A.06, subdivision 1, is amended to read:

503.21 **Subdivision 1. Contents of correction orders and conditional licenses.** (a) If the  
503.22 commissioner finds that the applicant or license holder has failed to comply with an  
503.23 applicable law or rule and this failure does not imminently endanger the health, safety, or  
503.24 rights of the persons served by the program, the commissioner may issue a correction order  
503.25 and an order of conditional license to the applicant or license holder. When issuing a  
503.26 conditional license, the commissioner shall consider the nature, chronicity, or severity of  
503.27 the violation of law or rule and the effect of the violation on the health, safety, or rights of  
503.28 persons served by the program. The correction order or conditional license must state the  
503.29 following in plain language:

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

503.31 (2) the specific law or rule violated;

503.32 (3) the time allowed to correct each violation; and

504.1 (4) if a license is made conditional, the length and terms of the conditional license, and  
504.2 the reasons for making the license conditional.

504.3 (b) Nothing in this section prohibits the commissioner from proposing a sanction as  
504.4 specified in section 245A.07, prior to issuing a correction order or conditional license.

504.5 (c) The commissioner may issue a correction order and an order of conditional license  
504.6 to the applicant or license holder through the provider licensing and reporting hub.

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

## H0238-3

99.24 Sec. 8. Minnesota Statutes 2022, section 245A.06, subdivision 1, is amended to read:

99.25 Subdivision 1. **Contents of correction orders and conditional licenses.** (a) If the  
 99.26 commissioner finds that the applicant or license holder has failed to comply with an  
 99.27 applicable law or rule and this failure does not imminently endanger the health, safety, or  
 99.28 rights of the persons served by the program, the commissioner may issue a correction order  
 99.29 and an order of conditional license to the applicant or license holder. When issuing a  
 99.30 conditional license, the commissioner shall consider the nature, chronicity, or severity of  
 99.31 the violation of law or rule and the effect of the violation on the health, safety, or rights of  
 99.32 persons served by the program. The correction order or conditional license must state the  
 99.33 following in plain language:

100.1 (1) the specific factual conditions observable or reviewable by the licensor that constitute  
 100.2 a violation of the law or rule;

100.3 (2) the specific law or rule violated;

100.4 (3) the time allowed to correct each violation; and

100.5 (4) if a license is made conditional, the length and terms of the conditional license, and  
 100.6 the reasons for making the license conditional.

100.7 (b) Nothing in this section prohibits the commissioner from proposing a sanction as  
 100.8 specified in section 245A.07, prior to issuing a correction order or conditional license.

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

## UES2995-2

504.8 Sec. 6. Minnesota Statutes 2022, section 245A.06, subdivision 2, is amended to read:

504.9 Subd. 2. **Reconsideration of correction orders.** (a) If the applicant or license holder  
 504.10 believes that the contents of the commissioner's correction order are in error, the applicant  
 504.11 or license holder may ask the Department of Human Services to reconsider the parts of the  
 504.12 correction order that are alleged to be in error. The request for reconsideration must be made  
 504.13 in writing and must be postmarked and sent to the commissioner within 20 calendar days  
 504.14 after receipt of the correction order or submitted in the provider licensing and reporting hub  
 504.15 within 20 calendar days from the date the commissioner issued the order through the hub  
 504.16 by the applicant or license holder, and:

504.17 (1) specify the parts of the correction order that are alleged to be in error;

504.18 (2) explain why they are in error; and

504.19 (3) include documentation to support the allegation of error.

504.20 Upon implementation of the provider licensing and reporting hub, the provider must use  
 504.21 the hub to request reconsideration. A request for reconsideration does not stay any provisions

352.22 or requirements of the correction order. The commissioner's disposition of a request for  
352.23 reconsideration is final and not subject to appeal under chapter 14.

352.24 (b) This paragraph applies only to licensed family child care providers. A licensed family  
352.25 child care provider who requests reconsideration of a correction order under paragraph (a)  
352.26 may also request, on a form and in the manner prescribed by the commissioner, that the  
352.27 commissioner expedite the review if:

352.28 (1) the provider is challenging a violation and provides a description of how complying  
352.29 with the corrective action for that violation would require the substantial expenditure of  
352.30 funds or a significant change to their program; and

353.1 (2) describes what actions the provider will take in lieu of the corrective action ordered  
353.2 to ensure the health and safety of children in care pending the commissioner's review of the  
353.3 correction order.

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

353.5 Sec. 17. Minnesota Statutes 2022, section 245A.06, subdivision 4, is amended to read:

353.6 **Subd. 4. Notice of conditional license; reconsideration of conditional license.** (a) If  
353.7 a license is made conditional, the license holder must be notified of the order by certified  
353.8 mail ~~or, by personal service, or through the provider licensing and reporting hub.~~ If mailed,  
353.9 the notice must be mailed to the address shown on the application or the last known address  
353.10 of the license holder. The notice must state the reasons the conditional license was ordered  
353.11 and must inform the license holder of the right to request reconsideration of the conditional  
353.12 license by the commissioner. The license holder may request reconsideration of the order  
353.13 of conditional license by notifying the commissioner by certified mail ~~or, by personal service,~~  
353.14 ~~or through the provider licensing and reporting hub.~~ The request must be made in writing.  
353.15 If sent by certified mail, the request must be postmarked and sent to the commissioner within  
353.16 ten calendar days after the license holder received the order. If a request is made by personal  
353.17 service, it must be received by the commissioner within ten calendar days after the license  
353.18 holder received the order. ~~If the order is issued through the provider hub, the request must~~  
353.19 ~~be received by the commissioner within ten calendar days from the date the commissioner~~  
353.20 ~~issued the order through the hub.~~ The license holder may submit with the request for  
353.21 reconsideration written argument or evidence in support of the request for reconsideration.  
353.22 A timely request for reconsideration shall stay imposition of the terms of the conditional  
353.23 license until the commissioner issues a decision on the request for reconsideration. If the  
353.24 commissioner issues a dual order of conditional license under this section and an order to  
353.25 pay a fine under section 245A.07, subdivision 3, the license holder has a right to a contested  
353.26 case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The  
353.27 scope of the contested case hearing shall include the fine and the conditional license. In this  
353.28 case, a reconsideration of the conditional license will not be conducted under this section.  
353.29 If the license holder does not appeal the fine, the license holder does not have a right to a  
353.30 contested case hearing and a reconsideration of the conditional license must be conducted  
353.31 under this subdivision.

504.22 or requirements of the correction order. The commissioner's disposition of a request for  
504.23 reconsideration is final and not subject to appeal under chapter 14.

504.24 (b) This paragraph applies only to licensed family child care providers. A licensed family  
504.25 child care provider who requests reconsideration of a correction order under paragraph (a)  
504.26 may also request, on a form and in the manner prescribed by the commissioner, that the  
504.27 commissioner expedite the review if:

504.28 (1) the provider is challenging a violation and provides a description of how complying  
504.29 with the corrective action for that violation would require the substantial expenditure of  
504.30 funds or a significant change to their program; and

505.1 (2) describes what actions the provider will take in lieu of the corrective action ordered  
505.2 to ensure the health and safety of children in care pending the commissioner's review of the  
505.3 correction order.

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

505.5 Sec. 7. Minnesota Statutes 2022, section 245A.06, subdivision 4, is amended to read:

505.6 **Subd. 4. Notice of conditional license; reconsideration of conditional license.** (a) If  
505.7 a license is made conditional, the license holder must be notified of the order by certified  
505.8 mail ~~or, by personal service, or through the provider licensing and reporting hub.~~ If mailed,  
505.9 the notice must be mailed to the address shown on the application or the last known address  
505.10 of the license holder. The notice must state the reasons the conditional license was ordered  
505.11 and must inform the license holder of the right to request reconsideration of the conditional  
505.12 license by the commissioner. The license holder may request reconsideration of the order  
505.13 of conditional license by notifying the commissioner by certified mail ~~or, by personal service,~~  
505.14 ~~or through the provider licensing and reporting hub.~~ The request must be made in writing.  
505.15 If sent by certified mail, the request must be postmarked and sent to the commissioner within  
505.16 ten calendar days after the license holder received the order. If a request is made by personal  
505.17 service, it must be received by the commissioner within ten calendar days after the license  
505.18 holder received the order. ~~If the order is issued through the provider hub, the request must~~  
505.19 ~~be received by the commissioner within ten calendar days from the date the commissioner~~  
505.20 ~~issued the order through the hub.~~ The license holder may submit with the request for  
505.21 reconsideration written argument or evidence in support of the request for reconsideration.  
505.22 A timely request for reconsideration shall stay imposition of the terms of the conditional  
505.23 license until the commissioner issues a decision on the request for reconsideration. If the  
505.24 commissioner issues a dual order of conditional license under this section and an order to  
505.25 pay a fine under section 245A.07, subdivision 3, the license holder has a right to a contested  
505.26 case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The  
505.27 scope of the contested case hearing shall include the fine and the conditional license. In this  
505.28 case, a reconsideration of the conditional license will not be conducted under this section.  
505.29 If the license holder does not appeal the fine, the license holder does not have a right to a  
505.30 contested case hearing and a reconsideration of the conditional license must be conducted  
505.31 under this subdivision.

353.32 (b) The commissioner's disposition of a request for reconsideration is final and not  
353.33 subject to appeal under chapter 14.

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

505.32 (b) The commissioner's disposition of a request for reconsideration is final and not  
505.33 subject to appeal under chapter 14.

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

H0238-3

100.10 Sec. 9. Minnesota Statutes 2022, section 245A.07, subdivision 1, is amended to read:

100.11 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional  
100.12 under section 245A.06, the commissioner may suspend or revoke the license, impose a fine,  
100.13 or secure an injunction against the continuing operation of the program of a license holder  
100.14 who:

100.15 (1) does not comply with applicable law or rule, or who;

100.16 (2) has nondisqualifying background study information, as described in section 245C.05,  
100.17 subdivision 4, that reflects on the license holder's ability to safely provide care to foster  
100.18 children; or

100.19 (3) has an individual living in the household where the licensed services are provided  
100.20 or is otherwise subject to a background study, and the individual has nondisqualifying  
100.21 background study information, as described in section 245C.05, subdivision 4, that reflects  
100.22 on the license holder's ability to safely provide care to foster children.

100.23 When applying sanctions authorized under this section, the commissioner shall consider  
100.24 the nature, chronicity, or severity of the violation of law or rule and the effect of the violation  
100.25 on the health, safety, or rights of persons served by the program.

100.26 (b) If a license holder appeals the suspension or revocation of a license and the license  
100.27 holder continues to operate the program pending a final order on the appeal, the commissioner  
100.28 shall issue the license holder a temporary provisional license. Unless otherwise specified  
100.29 by the commissioner, variances in effect on the date of the license sanction under appeal  
100.30 continue under the temporary provisional license. If a license holder fails to comply with  
100.31 applicable law or rule while operating under a temporary provisional license, the  
100.32 commissioner may impose additional sanctions under this section and section 245A.06, and  
101.1 may terminate any prior variance. If a temporary provisional license is set to expire, a new  
101.2 temporary provisional license shall be issued to the license holder upon payment of any fee  
101.3 required under section 245A.10. The temporary provisional license shall expire on the date  
101.4 the final order is issued. If the license holder prevails on the appeal, a new nonprovisional  
101.5 license shall be issued for the remainder of the current license period.

101.6 (c) If a license holder is under investigation and the license issued under this chapter is  
101.7 due to expire before completion of the investigation, the program shall be issued a new  
101.8 license upon completion of the reapplication requirements and payment of any applicable  
101.9 license fee. Upon completion of the investigation, a licensing sanction may be imposed  
101.10 against the new license under this section, section 245A.06, or 245A.08.

354.1 Sec. 18. Minnesota Statutes 2022, section 245A.07, subdivision 3, is amended to read:

354.2 Subd. 3. **License suspension, revocation, or fine.** (a) The commissioner may suspend  
354.3 or revoke a license, or impose a fine if:

354.4 (1) a license holder fails to comply fully with applicable laws or rules including but not  
354.5 limited to the requirements of this chapter and chapter 245C;

354.6 (2) a license holder, a controlling individual, or an individual living in the household  
354.7 where the licensed services are provided or is otherwise subject to a background study has  
354.8 been disqualified and the disqualification was not set aside and no variance has been granted;

354.9 (3) a license holder knowingly withholds relevant information from or gives false or  
354.10 misleading information to the commissioner in connection with an application for a license,  
354.11 in connection with the background study status of an individual, during an investigation,  
354.12 or regarding compliance with applicable laws or rules;

354.13 (4) a license holder is excluded from any program administered by the commissioner  
354.14 under section 245.095; or

354.15 (5) revocation is required under section 245A.04, subdivision 7, paragraph (d).

354.16 A license holder who has had a license issued under this chapter suspended, revoked,  
354.17 or has been ordered to pay a fine must be given notice of the action by certified mail or, by  
354.18 personal service, or through the provider licensing and reporting hub. If mailed, the notice  
354.19 must be mailed to the address shown on the application or the last known address of the  
354.20 license holder. The notice must state in plain language the reasons the license was suspended  
354.21 or revoked, or a fine was ordered.

354.22 (b) If the license was suspended or revoked, the notice must inform the license holder  
354.23 of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts  
354.24 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking  
354.25 a license. The appeal of an order suspending or revoking a license must be made in writing  
354.26 by certified mail or, by personal service, or through the provider licensing and reporting  
354.27 hub. If mailed, the appeal must be postmarked and sent to the commissioner within ten  
354.28 calendar days after the license holder receives notice that the license has been suspended  
354.29 or revoked. If a request is made by personal service, it must be received by the commissioner  
354.30 within ten calendar days after the license holder received the order. If the order is issued  
354.31 through the provider hub, the appeal must be received by the commissioner within ten

101.11 (d) Failure to reapply or closure of a license issued under this chapter by the license  
101.12 holder prior to the completion of any investigation shall not preclude the commissioner  
101.13 from issuing a licensing sanction under this section or section 245A.06 at the conclusion  
101.14 of the investigation.

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

## UES2995-2

506.1 Sec. 8. Minnesota Statutes 2022, section 245A.07, subdivision 3, is amended to read:

506.2 Subd. 3. **License suspension, revocation, or fine.** (a) The commissioner may suspend  
506.3 or revoke a license, or impose a fine if:

506.4 (1) a license holder fails to comply fully with applicable laws or rules including but not  
506.5 limited to the requirements of this chapter and chapter 245C;

506.6 (2) a license holder, a controlling individual, or an individual living in the household  
506.7 where the licensed services are provided or is otherwise subject to a background study has  
506.8 been disqualified and the disqualification was not set aside and no variance has been granted;

506.9 (3) a license holder knowingly withholds relevant information from or gives false or  
506.10 misleading information to the commissioner in connection with an application for a license,  
506.11 in connection with the background study status of an individual, during an investigation,  
506.12 or regarding compliance with applicable laws or rules;

506.13 (4) a license holder is excluded from any program administered by the commissioner  
506.14 under section 245.095; or

506.15 (5) revocation is required under section 245A.04, subdivision 7, paragraph (d).

506.16 A license holder who has had a license issued under this chapter suspended, revoked,  
506.17 or has been ordered to pay a fine must be given notice of the action by certified mail or, by  
506.18 personal service, or through the provider licensing and reporting hub. If mailed, the notice  
506.19 must be mailed to the address shown on the application or the last known address of the  
506.20 license holder. The notice must state in plain language the reasons the license was suspended  
506.21 or revoked, or a fine was ordered.

506.22 (b) If the license was suspended or revoked, the notice must inform the license holder  
506.23 of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts  
506.24 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking  
506.25 a license. The appeal of an order suspending or revoking a license must be made in writing  
506.26 by certified mail or, by personal service, or through the provider licensing and reporting  
506.27 hub. If mailed, the appeal must be postmarked and sent to the commissioner within ten  
506.28 calendar days after the license holder receives notice that the license has been suspended  
506.29 or revoked. If a request is made by personal service, it must be received by the commissioner  
506.30 within ten calendar days after the license holder received the order. If the order is issued  
506.31 through the provider hub, the appeal must be received by the commissioner within ten

354.32 calendar days from the date the commissioner issued the order through the hub. Except as  
 354.33 provided in subdivision 2a, paragraph (c), if a license holder submits a timely appeal of an  
 355.1 order suspending or revoking a license, the license holder may continue to operate the  
 355.2 program as provided in section 245A.04, subdivision 7, paragraphs (f) and (g), until the  
 355.3 commissioner issues a final order on the suspension or revocation.

355.4 (c)(1) If the license holder was ordered to pay a fine, the notice must inform the license  
 355.5 holder of the responsibility for payment of fines and the right to a contested case hearing  
 355.6 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an  
 355.7 order to pay a fine must be made in writing by certified mail ~~or, by personal service, or~~  
 355.8 ~~through the provider licensing and reporting hub~~. If mailed, the appeal must be postmarked  
 355.9 and sent to the commissioner within ten calendar days after the license holder receives  
 355.10 notice that the fine has been ordered. If a request is made by personal service, it must be  
 355.11 received by the commissioner within ten calendar days after the license holder received the  
 355.12 order. ~~If the order is issued through the provider hub, the appeal must be received by the~~  
 355.13 ~~commissioner within ten calendar days from the date the commissioner issued the order~~  
 355.14 ~~through the hub~~.

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

355.22 (3) A license holder shall promptly notify the commissioner of human services, in writing,  
 355.23 when a violation specified in the order to forfeit a fine is corrected. If upon reinspection the  
 355.24 commissioner determines that a violation has not been corrected as indicated by the order  
 355.25 to forfeit a fine, the commissioner may issue a second fine. The commissioner shall notify  
 355.26 the license holder by certified mail ~~or, by personal service, or through the provider licensing~~  
 355.27 ~~and reporting hub~~ that a second fine has been assessed. The license holder may appeal the  
 355.28 second fine as provided under this subdivision.

355.29 (4) Fines shall be assessed as follows:

355.30 (i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a  
 355.31 child under chapter 260E or the maltreatment of a vulnerable adult under section 626.557  
 355.32 for which the license holder is determined responsible for the maltreatment under section  
 355.33 260E.30, subdivision 4, paragraphs (a) and (b), or 626.557, subdivision 9c, paragraph (c);

356.1 (ii) if the commissioner determines that a determination of maltreatment for which the  
 356.2 license holder is responsible is the result of maltreatment that meets the definition of serious  
 356.3 maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit  
 356.4 \$5,000;

506.32 calendar days from the date the commissioner issued the order through the hub. Except as  
 506.33 provided in subdivision 2a, paragraph (c), if a license holder submits a timely appeal of an  
 507.1 order suspending or revoking a license, the license holder may continue to operate the  
 507.2 program as provided in section 245A.04, subdivision 7, paragraphs (f) and (g), until the  
 507.3 commissioner issues a final order on the suspension or revocation.

507.4 (c)(1) If the license holder was ordered to pay a fine, the notice must inform the license  
 507.5 holder of the responsibility for payment of fines and the right to a contested case hearing  
 507.6 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an  
 507.7 order to pay a fine must be made in writing by certified mail ~~or, by personal service, or~~  
 507.8 ~~through the provider licensing and reporting hub~~. If mailed, the appeal must be postmarked  
 507.9 and sent to the commissioner within ten calendar days after the license holder receives  
 507.10 notice that the fine has been ordered. If a request is made by personal service, it must be  
 507.11 received by the commissioner within ten calendar days after the license holder received the  
 507.12 order. ~~If the order is issued through the provider hub, the appeal must be received by the~~  
 507.13 ~~commissioner within ten calendar days from the date the commissioner issued the order~~  
 507.14 ~~through the hub~~.

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

507.22 (3) A license holder shall promptly notify the commissioner of human services, in writing,  
 507.23 when a violation specified in the order to forfeit a fine is corrected. If upon reinspection the  
 507.24 commissioner determines that a violation has not been corrected as indicated by the order  
 507.25 to forfeit a fine, the commissioner may issue a second fine. The commissioner shall notify  
 507.26 the license holder by certified mail ~~or, by personal service, or through the provider licensing~~  
 507.27 ~~and reporting hub~~ that a second fine has been assessed. The license holder may appeal the  
 507.28 second fine as provided under this subdivision.

507.29 (4) Fines shall be assessed as follows:

507.30 (i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a  
 507.31 child under chapter 260E or the maltreatment of a vulnerable adult under section 626.557  
 507.32 for which the license holder is determined responsible for the maltreatment under section  
 507.33 260E.30, subdivision 4, paragraphs (a) and (b), or 626.557, subdivision 9c, paragraph (c);

508.1 (ii) if the commissioner determines that a determination of maltreatment for which the  
 508.2 license holder is responsible is the result of maltreatment that meets the definition of serious  
 508.3 maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit  
 508.4 \$5,000;

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

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

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

356.14 For purposes of this section, "occurrence" means each violation identified in the  
 356.15 commissioner's fine order. Fines assessed against a license holder that holds a license to  
 356.16 provide home and community-based services, as identified in section 245D.03, subdivision  
 356.17 1, and a community residential setting or day services facility license under chapter 245D  
 356.18 where the services are provided, may be assessed against both licenses for the same  
 356.19 occurrence, but the combined amount of the fines shall not exceed the amount specified in  
 356.20 this clause for that occurrence.

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

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

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

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

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

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

508.14 For purposes of this section, "occurrence" means each violation identified in the  
 508.15 commissioner's fine order. Fines assessed against a license holder that holds a license to  
 508.16 provide home and community-based services, as identified in section 245D.03, subdivision  
 508.17 1, and a community residential setting or day services facility license under chapter 245D  
 508.18 where the services are provided, may be assessed against both licenses for the same  
 508.19 occurrence, but the combined amount of the fines shall not exceed the amount specified in  
 508.20 this clause for that occurrence.

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

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

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

H0238-3

101.16 Sec. 10. Minnesota Statutes 2022, section 245A.07, subdivision 3, is amended to read:

101.17 Subd. 3. **License suspension, revocation, or fine.** (a) The commissioner may suspend  
 101.18 or revoke a license, or impose a fine if:

101.19 (1) a license holder fails to comply fully with applicable laws or rules including but not  
 101.20 limited to the requirements of this chapter and chapter 245C;

101.21        (2) a license holder, a controlling individual, or an individual living in the household  
101.22 where the licensed services are provided or is otherwise subject to a background study has  
101.23 been disqualified and the disqualification was not set aside and no variance has been granted;  
101.24        (3) a license holder knowingly withholds relevant information from or gives false or  
101.25 misleading information to the commissioner in connection with an application for a license,  
101.26 in connection with the background study status of an individual, during an investigation,  
101.27 or regarding compliance with applicable laws or rules;  
101.28        (4) a license holder is excluded from any program administered by the commissioner  
101.29 under section 245.095; or  
101.30        (5) revocation is required under section 245A.04, subdivision 7, paragraph (d); or  
101.31        (6) for a family foster setting, a license holder or an individual living in the household  
101.32 where the licensed services are provided or who is otherwise subject to a background study  
102.1 has nondisqualifying background study information, as described in section 245C.05,  
102.2 subdivision 4, that reflects on the license holder's ability to safely provide care to foster  
102.3 children.  
102.4        A license holder who has had a license issued under this chapter suspended, revoked,  
102.5 or has been ordered to pay a fine must be given notice of the action by certified mail or  
102.6 personal service. If mailed, the notice must be mailed to the address shown on the application  
102.7 or the last known address of the license holder. The notice must state in plain language the  
102.8 reasons the license was suspended or revoked, or a fine was ordered.  
102.9        (b) If the license was suspended or revoked, the notice must inform the license holder  
102.10 of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts  
102.11 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking  
102.12 a license. The appeal of an order suspending or revoking a license must be made in writing  
102.13 by certified mail or personal service. If mailed, the appeal must be postmarked and sent to  
102.14 the commissioner within ten calendar days after the license holder receives notice that the  
102.15 license has been suspended or revoked. If a request is made by personal service, it must be  
102.16 received by the commissioner within ten calendar days after the license holder received the  
102.17 order. Except as provided in subdivision 2a, paragraph (c), if a license holder submits a  
102.18 timely appeal of an order suspending or revoking a license, the license holder may continue  
102.19 to operate the program as provided in section 245A.04, subdivision 7, paragraphs (f) and  
102.20 (g), until the commissioner issues a final order on the suspension or revocation.  
102.21        (c)(1) If the license holder was ordered to pay a fine, the notice must inform the license  
102.22 holder of the responsibility for payment of fines and the right to a contested case hearing  
102.23 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an  
102.24 order to pay a fine must be made in writing by certified mail or personal service. If mailed,  
102.25 the appeal must be postmarked and sent to the commissioner within ten calendar days after  
102.26 the license holder receives notice that the fine has been ordered. If a request is made by

102.27 personal service, it must be received by the commissioner within ten calendar days after  
102.28 the license holder received the order.

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

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

103.7 (4) Fines shall be assessed as follows:

103.8 (i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a  
103.9 child under chapter 260E or the maltreatment of a vulnerable adult under section 626.557  
103.10 for which the license holder is determined responsible for the maltreatment under section  
103.11 260E.30, subdivision 4, paragraphs (a) and (b), or 626.557, subdivision 9c, paragraph (c);

103.12 (ii) if the commissioner determines that a determination of maltreatment for which the  
103.13 license holder is responsible is the result of maltreatment that meets the definition of serious  
103.14 maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit  
103.15 \$5,000;

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

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

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

103.25 For purposes of this section, "occurrence" means each violation identified in the  
103.26 commissioner's fine order. Fines assessed against a license holder that holds a license to  
103.27 provide home and community-based services, as identified in section 245D.03, subdivision  
103.28 1, and a community residential setting or day services facility license under chapter 245D  
103.29 where the services are provided, may be assessed against both licenses for the same

103.30 occurrence, but the combined amount of the fines shall not exceed the amount specified in  
103.31 this clause for that occurrence.

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

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

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

UES2995-2 ARTICLE 9, SECTION 9 ALSO AMENDS SECTION 245A.07,  
SUBD. 3, BUT IN AN UNRELATED WAY.

104.12 Sec. 11. Minnesota Statutes 2022, section 245A.11, is amended by adding a subdivision  
104.13 to read:

104.14 Subd. 12. **License holder qualifications for child foster care.** (a) Child foster care  
104.15 license holders must maintain the ability to care for a foster child and ensure a safe home  
104.16 environment for children placed in their care. License holders must immediately notify the  
104.17 licensing agency of:

104.18 (1) any changes to the license holder or household member's physical or behavioral  
104.19 health that may affect the license holder's ability to care for a foster child or pose a risk to  
104.20 a foster child's health; or

104.21 (2) changes related to the care of a child or vulnerable adult for whom the license holder  
104.22 is a parent or legally responsible, including living out of the home for treatment for physical  
104.23 or behavioral health, modified parenting time arrangements, legal custody, or placement in  
104.24 foster care.

104.25 (b) The licensing agency may request a license holder or household member to undergo  
104.26 an evaluation by a specialist in areas such as physical or behavioral health to evaluate the  
104.27 license holder's ability to provide a safe environment for a foster child. Prior to assigning  
104.28 a specialist to evaluate, the licensing agency must tell the license holder or household  
104.29 member why the licensing agency has requested a specialist evaluation and request a release  
104.30 of information from the license holder or household member.

104.31 **EFFECTIVE DATE.** This section is effective January 1, 2024.

105.1 Sec. 12. Minnesota Statutes 2022, section 245A.14, subdivision 4, is amended to read:

105.2 Subd. 4. **Special family child care homes.** (a) Nonresidential child care programs  
105.3 serving 14 or fewer children that are conducted at a location other than the license holder's  
105.4 own residence shall be licensed under this section and the rules governing family child care  
105.5 or group family child care if:

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

105.8 (2) the license holder is an employer who may or may not be the primary provider  
105.9 of care, and the purpose for the child care program is to provide child care services to  
105.10 children of the license holder's employees;

105.11 (3) the license holder is a church or religious organization;

105.12 (4) the license holder is a community collaborative child care provider. For purposes  
105.13 of this subdivision, a community collaborative child care provider is a provider participating  
105.14 in a cooperative agreement with a community action agency as defined in section 256E.31;

105.15 (5) the license holder is a not-for-profit agency that provides child care in a dwelling  
105.16 located on a residential lot and the license holder maintains two or more contracts with  
105.17 community employers or other community organizations to provide child care services.  
105.18 The county licensing agency may grant a capacity variance to a license holder licensed  
105.19 under this paragraph clause to exceed the licensed capacity of 14 children by no more than  
105.20 five children during transition periods related to the work schedules of parents, if the license  
105.21 holder meets the following requirements:

105.22 (i) the program does not exceed a capacity of 14 children more than a cumulative  
105.23 total of four hours per day;

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

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

105.27 (iv) the facility has square footage required per child under Minnesota Rules, part  
105.28 9502.0425;

105.29 (v) the program is in compliance with local zoning regulations;

105.30 (vi) the program is in compliance with the applicable fire code as follows:

105.31 (A) if the program serves more than five children older than 2-1/2 years of age, but  
105.32 no more than five children 2-1/2 years of age or less, the applicable fire code is educational  
106.1 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2015  
106.2 2020, Section 202; or

106.3       ~~(ii) (B) if the program serves more than five children 2-1/2 years of age or less, the applicable fire code is Group I-4 Occupancies Occupancy, as provided in the Minnesota State Fire Code 2015 2020, Section 202, unless the rooms in which the children 2-1/2 years of age or younger are cared for are located on a level of exit discharge and each of these child care rooms has an exit door directly to the exterior, then the applicable fire code is Group E Occupancies Occupancy, as provided in the Minnesota State Fire Code 2015 2020, Section 202; and~~

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

106.12       ~~(8) (6) the license holder is the primary provider of care and has located the licensed child care program in a commercial space, if the license holder meets the following requirements:~~

106.15       ~~(1) (i) the program is in compliance with local zoning regulations;~~

106.16       ~~(2) (ii) the program is in compliance with the applicable fire code as follows:~~

106.17       ~~(3) (A) if the program serves more than five children older than 2-1/2 years of age, but no more than five children 2-1/2 years of age or less, the applicable fire code is educational occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2015 2020, Section 202; or~~

106.21       ~~(4) (B) if the program serves more than five children 2-1/2 years of age or less, the applicable fire code is Group I-4 Occupancies Occupancy, as provided under the Minnesota State Fire Code 2015 2020, Section 202, unless the rooms in which the children 2-1/2 years of age or younger are cared for are located on a level of exit discharge and each of these child care rooms has an exit door directly to the exterior, then the applicable fire code is Group E Occupancy, as provided in the Minnesota State Fire Code 2020, Section 202;~~

106.27       ~~(5) (iii) any age and capacity limitations required by the fire code inspection and square footage determinations are printed on the license; and~~

106.29       ~~(6) (iv) the license holder prominently displays the license issued by the commissioner which contains the statement "This special family child care provider is not licensed as a child care center."~~

106.32       ~~(g) (b) Notwithstanding Minnesota Rules, part 9502.0335, subpart 12, the commissioner may issue up to four licenses to an organization licensed under paragraph (b), (e), or (f) (a), clause (2), (3), or (5). Each license must have its own primary provider of care as required under paragraph (f) (d). Each license must operate as a distinct and separate program in compliance with all applicable laws and regulations.~~

107.4       ~~(7) (c) For licenses issued under paragraph (b), (e), (d), (e), or (f) (a), clause (2), (3), (4), (5), or (6), the commissioner may approve up to four licenses at the same location or under one contiguous roof if each license holder is able to demonstrate compliance with all~~

107.7 applicable rules and laws. Each licensed program must operate as a distinct program and  
107.8 within the capacity, age, and ratio distributions of each license.

107.9 ~~(d) For a license issued under paragraph (b), (e), or (e) (a), clause (2), (3), or (5), the~~  
107.10 ~~license holder must designate a person to be the primary provider of care at the licensed~~  
107.11 ~~location on a form and in a manner prescribed by the commissioner. The license holder~~  
107.12 ~~shall notify the commissioner in writing before there is a change of the person designated~~  
107.13 ~~to be the primary provider of care. The primary provider of care:~~

107.14 (1) must be the person who will be the provider of care at the program and present during  
107.15 the hours of operation;

107.16 (2) must operate the program in compliance with applicable laws and regulations under  
107.17 chapter 245A and Minnesota Rules, chapter 9502;

107.18 (3) is considered a child care background study subject as defined in section 245C.02,  
107.19 subdivision 6a, and must comply with background study requirements in chapter 245C;

107.20 (4) must complete the training that is required of license holders in section 245A.50;  
107.21 and

107.22 (5) is authorized to communicate with the county licensing agency and the department  
107.23 on matters related to licensing.

107.24 ~~(e) For any license issued under this subdivision, the license holder must ensure that~~  
107.25 ~~any other caregiver, substitute, or helper who assists in the care of children meets the training~~  
107.26 ~~requirements in section 245A.50 and background study requirements under chapter 245C.~~

107.27 Sec. 13. Minnesota Statutes 2022, section 245A.1435, is amended to read:

107.28 **245A.1435 REDUCTION OF RISK OF SUDDEN UNEXPECTED INFANT DEATH  
107.29 IN LICENSED PROGRAMS.**

107.30 (a) When a license holder is placing an infant to sleep, the license holder must place the  
107.31 infant on the infant's back, unless the license holder has documentation from the infant's  
107.32 physician, advanced practice registered nurse, or physician assistant directing an alternative  
108.1 sleeping position for the infant. The physician, advanced practice registered nurse, or  
108.2 physician assistant directive must be on a form ~~approved~~ developed by the commissioner  
108.3 and must remain on file at the licensed location. An infant who independently rolls onto its  
108.4 stomach after being placed to sleep on its back may be allowed to remain sleeping on its  
108.5 stomach if the infant is at least six months of age or the license holder has a signed statement  
108.6 from the parent indicating that the infant regularly rolls over at home.

108.7 (b) The license holder must place the infant in a crib directly on a firm mattress with a  
108.8 fitted sheet that is appropriate to the mattress size, that fits tightly on the mattress, and  
108.9 overlaps the underside of the mattress so it cannot be dislodged by pulling on the corner of  
108.10 the sheet with reasonable effort. The license holder must not place anything in the crib with  
108.11 the infant except for the infant's pacifier, as defined in Code of Federal Regulations, title

108.12 16, part 1511. The pacifier must be free from any sort of attachment. The requirements of  
108.13 this section apply to license holders serving infants younger than one year of age. Licensed  
108.14 child care providers must meet the crib requirements under section 245A.146. A correction  
108.15 order shall not be issued under this paragraph unless there is evidence that a violation  
108.16 occurred when an infant was present in the license holder's care.

108.17 (c) If an infant falls asleep before being placed in a crib, the license holder must move  
108.18 the infant to a crib as soon as practicable, and must keep the infant within sight of the license  
108.19 holder until the infant is placed in a crib. When an infant falls asleep while being held, the  
108.20 license holder must consider the supervision needs of other children in care when determining  
108.21 how long to hold the infant before placing the infant in a crib to sleep. The sleeping infant  
108.22 must not be in a position where the airway may be blocked or with anything covering the  
108.23 infant's face.

108.24 (d) When a license holder places an infant under one year of age down to sleep, the  
108.25 infant's clothing or sleepwear must not have weighted materials, a hood, or a bib.

108.26 (e) A license holder may place an infant under one year of age down to sleep wearing  
108.27 a helmet if the license holder has signed documentation by a physician, advanced practice  
108.28 registered nurse, physician assistant, licensed occupational therapist, or licensed physical  
108.29 therapist on a form developed by the commissioner.

108.30 (d) (f) Placing a swaddled infant down to sleep in a licensed setting is not recommended  
108.31 for an infant of any age and is prohibited for any infant who has begun to roll over  
108.32 independently. However, with the written consent of a parent or guardian according to this  
108.33 paragraph, a license holder may place the infant who has not yet begun to roll over on its  
108.34 own down to sleep in a one-piece sleeper equipped with an attached system that fastens  
109.1 securely only across the upper torso, with no constriction of the hips or legs, to create a  
109.2 swaddle. A swaddle is defined as a one-piece sleepwear that wraps over the infant's arms,  
109.3 fastens securely only across the infant's upper torso, and does not constrict the infant's hips  
109.4 or legs. If a swaddle is used by a license holder, the license holder must ensure that it meets  
109.5 the requirements of paragraph (d) and is not so tight that it restricts the infant's ability to  
109.6 breathe or so loose that the fabric could cover the infant's nose and mouth. Prior to any use  
109.7 of swaddling for sleep by a provider licensed under this chapter, the license holder must  
109.8 obtain informed written consent for the use of swaddling from the parent or guardian of the  
109.9 infant on a form provided developed by the commissioner and prepared in partnership with  
109.10 the Minnesota Sudden Infant Death Center.

109.11 (g) A license holder may request a variance to this section to permit the use of a  
109.12 cradleboard when requested by a parent or guardian for a cultural accommodation. A variance  
109.13 for the use of a cradleboard may be issued only by the commissioner. The variance request  
109.14 must be submitted on a form developed by the commissioner in partnership with Tribal  
109.15 welfare agencies and the Department of Health.

109.16 **EFFECTIVE DATE.** This section is effective January 1, 2024.

109.17 Sec. 14. Minnesota Statutes 2022, section 245A.146, subdivision 3, is amended to read:

109.18 Subd. 3. **License holder documentation of cribs.** (a) Annually, from the date printed  
109.19 on the license, all license holders shall check all their cribs' brand names and model numbers  
109.20 against the United States Consumer Product Safety Commission website listing of unsafe  
109.21 cribs.

109.22 (b) The license holder shall maintain written documentation to be reviewed on site for  
109.23 each crib showing that the review required in paragraph (a) has been completed, and which  
109.24 of the following conditions applies:

109.25 (1) the crib was not identified as unsafe on the United States Consumer Product Safety  
109.26 Commission website;

109.27 (2) the crib was identified as unsafe on the United States Consumer Product Safety  
109.28 Commission website, but the license holder has taken the action directed by the United  
109.29 States Consumer Product Safety Commission to make the crib safe; or

109.30 (3) the crib was identified as unsafe on the United States Consumer Product Safety  
109.31 Commission website, and the license holder has removed the crib so that it is no longer  
109.32 used by or accessible to children in care.

110.1 (c) Documentation of the review completed under this subdivision shall be maintained  
110.2 by the license holder on site and made available to parents or guardians of children in care  
110.3 and the commissioner.

110.4 (d) Notwithstanding Minnesota Rules, part 9502.0425, a family child care provider that  
110.5 complies with this section may use a mesh-sided or fabric-sided play yard, pack and play,  
110.6 or playpen or crib that has not been identified as unsafe on the United States Consumer  
110.7 Product Safety Commission website for the care or sleeping of infants.

110.8 (e) On at least a monthly basis, the family child care license holder shall perform safety  
110.9 inspections of every mesh-sided or fabric-sided play yard, pack and play, or playpen used  
110.10 by or that is accessible to any child in care, and must document the following:

110.11 (1) there are no tears, holes, or loose or unraveling threads in mesh or fabric sides of  
110.12 crib;

110.13 (2) the weave of the mesh on the crib is no larger than one-fourth of an inch;

110.14 (3) no mesh fabric is unsecure or unattached to top rail and floor plate of crib;

110.15 (4) no tears or holes to top rail of crib;

110.16 (5) the mattress floor board is not soft and does not exceed one inch thick;

110.17 (6) the mattress floor board has no rips or tears in covering;

110.18 (7) the mattress floor board in use is a ~~waterproof~~ an original mattress or replacement  
110.19 mattress provided by the manufacturer of the crib;

110.20 (8) there are no protruding or loose rivets, metal nuts, or bolts on the crib;  
110.21 (9) there are no knobs or wing nuts on outside crib legs;  
110.22 (10) there are no missing, loose, or exposed staples; and  
110.23 (11) the latches on top and side rails used to collapse crib are secure, they lock properly,  
110.24 and are not loose.

110.25 (f) If a cradleboard is used in a licensed setting, the license holder must check the  
110.26 cradleboard not less than monthly to ensure the cradleboard is structurally sound and there  
110.27 are no loose or protruding parts. The license holder shall maintain written documentation  
110.28 of this review.

110.29 **EFFECTIVE DATE.** This section is effective January 1, 2024.

111.1 Sec. 15. Minnesota Statutes 2022, section 245A.16, subdivision 1, is amended to read:

111.2 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies and private  
111.3 agencies that have been designated or licensed by the commissioner to perform licensing  
111.4 functions and activities under section 245A.04 and background studies for family child care  
111.5 under chapter 245C; to recommend denial of applicants under section 245A.05; to issue  
111.6 correction orders, to issue variances, and recommend a conditional license under section  
111.7 245A.06; or to recommend suspending or revoking a license or issuing a fine under section  
111.8 245A.07, shall comply with rules and directives of the commissioner governing those  
111.9 functions and with this section. The following variances are excluded from the delegation  
111.10 of variance authority and may be issued only by the commissioner:

111.11 (1) dual licensure of family child care and child foster care, dual licensure of child and  
111.12 adult foster care, and adult foster care and family child care;

111.13 (2) adult foster care maximum capacity;

111.14 (3) adult foster care minimum age requirement;

111.15 (4) child foster care maximum age requirement;

111.16 (5) variances regarding disqualified individuals except that, before the implementation  
111.17 of NETStudy 2.0, county agencies may issue variances under section 245C.30 regarding  
111.18 disqualified individuals when the county is responsible for conducting a consolidated  
111.19 reconsideration according to sections 245C.25 and 245C.27, subdivision 2, clauses (a) and  
111.20 (b), of a county maltreatment determination and a disqualification based on serious or  
111.21 recurring maltreatment;

111.22 (6) the required presence of a caregiver in the adult foster care residence during normal  
111.23 sleeping hours;

111.24 (7) variances to requirements relating to chemical use problems of a license holder or a  
111.25 ~~household member of a license holder; and~~

111.26 (8) variances to section 245A.53 for a time-limited period. If the commissioner grants  
111.27 ~~a variance under this clause, the license holder must provide notice of the variance to all~~  
111.28 ~~parents and guardians of the children in care; and~~

111.29 (9) variances to section 245A.1435 for the use of a cradleboard for a cultural  
111.30 accommodation.

112.1 Except as provided in section 245A.14, subdivision 4, paragraph (e), a county agency must  
112.2 not grant a license holder a variance to exceed the maximum allowable family child care  
112.3 license capacity of 14 children.

112.4 (b) A county agency that has been designated by the commissioner to issue family child  
112.5 ~~care variances must:~~

112.6 (1) publish the county agency's policies and criteria for issuing variances on the county's  
112.7 ~~public website and update the policies as necessary; and~~

112.8 (2) annually distribute the county agency's policies and criteria for issuing variances to  
112.9 ~~all family child care license holders in the county.~~

112.10 (c) Before the implementation of NETStudy 2.0, county agencies must report information  
112.11 ~~about disqualification reconsiderations under sections 245C.25 and 245C.27, subdivision~~  
112.12 ~~2, paragraphs (a) and (b), and variances granted under paragraph (a), clause (5), to the~~  
112.13 ~~commissioner at least monthly in a format prescribed by the commissioner.~~

112.14 (d) For family child care programs, the commissioner shall require a county agency to  
112.15 ~~conduct one unannounced licensing review at least annually.~~

112.16 (e) For family adult day services programs, the commissioner may authorize licensing  
112.17 ~~reviews every two years after a licensee has had at least one annual review.~~

112.18 (f) A license issued under this section may be issued for up to two years.

112.19 (g) During implementation of chapter 245D, the commissioner shall consider:

112.20 (1) the role of counties in quality assurance;

112.21 (2) the duties of county licensing staff; and

112.22 (3) the possible use of joint powers agreements, according to section 471.59, with counties  
112.23 ~~through which some licensing duties under chapter 245D may be delegated by the~~  
112.24 ~~commissioner to the counties.~~

112.25 ~~Any consideration related to this paragraph must meet all of the requirements of the corrective~~  
112.26 ~~action plan ordered by the federal Centers for Medicare and Medicaid Services.~~

112.27 (h) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or  
112.28 successor provisions; and section 245D.061 or successor provisions, for family child foster  
112.29 care programs providing out-of-home respite, as identified in section 245D.03, subdivision  
112.30 1, paragraph (b), clause (1), is excluded from the delegation of authority to county and  
112.31 private agencies.

113.1 (i) A county agency shall report to the commissioner, in a manner prescribed by the  
113.2 commissioner, the following information for a licensed family child care program:

113.3 (1) the results of each licensing review completed, including the date of the review, and  
113.4 any licensing correction order issued;

113.5 (2) any death, serious injury, or determination of substantiated maltreatment; and

113.6 (3) any fires that require the service of a fire department within 48 hours of the fire. The  
113.7 information under this clause must also be reported to the state fire marshal within two  
113.8 business days of receiving notice from a licensed family child care provider.

113.9 **EFFECTIVE DATE.** This section is effective January 1, 2024.

113.10 Sec. 16. Minnesota Statutes 2022, section 245A.16, subdivision 9, is amended to read:

113.11 Subd. 9. **Licensed family foster settings.** (a) Before recommending to grant a license,  
113.12 deny a license under section 245A.05, or revoke a license under section 245A.07 for  
113.13 nondisqualifying background study information received under section 245C.05, subdivision  
113.14 4, paragraph (a), clause (3), for a licensed family foster setting, a county agency or private  
113.15 agency that has been designated or licensed by the commissioner must review the following  
113.16 for the license holder, the applicant, and an individual living in the household where the  
113.17 licensed services are provided or who is otherwise subject to a background study:

113.18 (1) the type of offenses;

113.19 (2) the number of offenses;

113.20 (3) the nature of the offenses;

113.21 (4) the age of the individual at the time of the offenses;

113.22 (5) the length of time that has elapsed since the last offense;

113.23 (6) the relationship of the offenses and the capacity to care for a child;

113.24 (7) evidence of rehabilitation;

113.25 (8) information or knowledge from community members regarding the individual's

113.26 capacity to provide foster care;

113.27 (9) any available information regarding child maltreatment reports or child in need of

113.28 protection or services petitions, or related cases, in which the individual has been involved

113.29 or implicated, and documentation that the individual has remedied issues or conditions  
113.30 identified in child protection or court records that are relevant to safely caring for a child;  
114.1 (10) a statement from the study subject;  
114.2 (11) a statement from the license holder; and  
114.3 (12) other aggravating and mitigating factors.  
114.4 (b) For purposes of this section, "evidence of rehabilitation" includes but is not limited  
114.5 to the following:  
114.6 (1) maintaining a safe and stable residence;  
114.7 (2) continuous, regular, or stable employment;  
114.8 (3) successful participation in an education or job training program;  
114.9 (4) positive involvement with the community or extended family;  
114.10 (5) compliance with the terms and conditions of probation or parole following the  
114.11 individual's most recent conviction;  
114.12 (6) if the individual has had a substance use disorder, successful completion of a substance  
114.13 use disorder assessment, substance use disorder treatment, and recommended continuing  
114.14 care, if applicable, demonstrated abstinence from controlled substances, as defined in section  
114.15 152.01, subdivision 4, or the establishment of a sober network;  
114.16 (7) if the individual has had a mental illness or documented mental health issues,  
114.17 demonstrated completion of a mental health evaluation, participation in therapy or other  
114.18 recommended mental health treatment, or appropriate medication management, if applicable;  
114.19 (8) if the individual's offense or conduct involved domestic violence, demonstrated  
114.20 completion of a domestic violence or anger management program, and the absence of any  
114.21 orders for protection or harassment restraining orders against the individual since the previous  
114.22 offense or conduct;  
114.23 (9) written letters of support from individuals of good repute, including but not limited  
114.24 to employers, members of the clergy, probation or parole officers, volunteer supervisors,  
114.25 or social services workers;  
114.26 (10) demonstrated remorse for convictions or conduct, or demonstrated positive behavior  
114.27 changes; and  
114.28 (11) absence of convictions or arrests since the previous offense or conduct, including  
114.29 any convictions that were expunged or pardoned.  
114.30 (c) An applicant for a family foster setting license must sign all releases of information  
114.31 requested by the county or private licensing agency.

357.1 Sec. 19. Minnesota Statutes 2022, section 245A.16, is amended by adding a subdivision  
 357.2 to read:

357.3 Subd. 10. Licensing and reporting hub. Upon implementation of the provider licensing  
 357.4 and reporting hub, county staff who perform licensing functions must use the hub in the  
 357.5 manner prescribed by the commissioner.

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

115.1 (d) When licensing a relative for a family foster setting, the commissioner shall also  
 115.2 consider the importance of maintaining the child's relationship with relatives as an additional  
 115.3 significant factor in determining whether an application will be denied.

115.4 (e) When recommending that the commissioner deny or revoke a license, the county or  
 115.5 private licensing agency must send a summary of the review completed according to  
 115.6 paragraph (a), on a form developed by the commissioner, to the commissioner and include  
 115.7 any recommendation for licensing action.

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

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509.1 Sec. 9. Minnesota Statutes 2022, section 245A.16, is amended by adding a subdivision to  
 509.2 read:

509.3 Subd. 10. Licensing and reporting hub. Upon implementation of the provider licensing  
 509.4 and reporting hub, county staff who perform licensing functions must use the hub in the  
 509.5 manner prescribed by the commissioner.

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

H0238-3

115.9 Sec. 17. Minnesota Statutes 2022, section 245A.16, is amended by adding a subdivision  
 115.10 to read:

115.11 Subd. 10. Electronic checklist use by family child care licensors. County staff who  
 115.12 perform family child care licensing functions must use the commissioner's electronic licensing  
 115.13 checklist in the manner prescribed by the commissioner.

115.14 Sec. 18. Minnesota Statutes 2022, section 245A.18, subdivision 2, is amended to read:

115.15 Subd. 2. Child passenger restraint systems; training requirement. (a) Programs  
 115.16 licensed by the Department of Human Services under this chapter and Minnesota Rules,  
 115.17 chapter 2960, that serve a child or children under eight years of age must document training  
 115.18 that fulfills the requirements in this subdivision.

115.19 (b) Before a license holder, staff person, or caregiver transports a child or children under  
 115.20 age eight in a motor vehicle, the person transporting the child must satisfactorily complete  
 115.21 training on the proper use and installation of child restraint systems in motor vehicles.  
 115.22 Training completed under this section may be used to meet initial or ongoing training under  
 115.23 Minnesota Rules, part 2960.3070, subparts 1 and 2.

115.24 (c) Training required under this section must be completed at orientation or initial training  
 115.25 and repeated at least once every five years. At a minimum, the training must address the  
 115.26 proper use of child restraint systems based on the child's size, weight, and age, and the  
 115.27 proper installation of a car seat or booster seat in the motor vehicle used by the license  
 115.28 holder to transport the child or children.

115.29 (d) Training under paragraph (c) must be provided by individuals who are certified and  
115.30 approved by the Department of Public Safety, Office of Traffic Safety within the Department  
115.31 of Public Safety. License holders may obtain a list of certified and approved trainers through  
115.32 the Department of Public Safety website or by contacting the agency.

116.1 (e) Notwithstanding paragraph (a), for an emergency relative placement under section  
116.2 245A.035, the commissioner may grant a variance to the training required by this subdivision  
116.3 for a relative who completes a child seat safety check up. The child seat safety check up  
116.4 trainer must be approved by the Department of Public Safety, Office of Traffic Safety, and  
116.5 must provide one-on-one instruction on placing a child of a specific age in the exact child  
116.6 passenger restraint in the motor vehicle in which the child will be transported. Once granted  
116.7 a variance, and if all other licensing requirements are met, the relative applicant may receive  
116.8 a license and may transport a relative foster child younger than eight years of age. A child  
116.9 seat safety check up must be completed each time a child requires a different size car seat  
116.10 according to car seat and vehicle manufacturer guidelines. A relative license holder must  
116.11 complete training that meets the other requirements of this subdivision prior to placement  
116.12 of another foster child younger than eight years of age in the home or prior to the renewal  
116.13 of the child foster care license.

116.14 Sec. 19. Minnesota Statutes 2022, section 245A.22, is amended by adding a subdivision  
116.15 to read:

116.16 Subd. 8. **Maltreatment of minors training requirements.** The license holder must  
116.17 train each mandatory reporter as described in section 260E.06, subdivision 1, on the  
116.18 maltreatment of minors reporting requirements and definitions in chapter 260E before the  
116.19 mandatory reporter has direct contact, as defined in section 245C.02, subdivision 11, with  
116.20 a person served by the program. The license holder must train each mandatory reporter  
116.21 annually thereafter.

116.22 **EFFECTIVE DATE.** This section is effective January 1, 2024.

116.23 Sec. 20. **[245A.42] CHILD CARE CENTER HIRING PRACTICES.**

116.24 As part of the employment assessment process, a child care center license holder or staff  
116.25 person may observe how a prospective employee interacts with children in the licensed  
116.26 facility. The prospective employee is not considered a child care background study subject  
116.27 under section 245C.02, subdivision 6a, provided the prospective employee is under  
116.28 continuous direct supervision by a staff person when the prospective employee has physical  
116.29 access to a child served by the center. The observation period shall not be longer than two  
116.30 hours, and a prospective employee must not be counted in staff-to-child ratios.

116.31 **EFFECTIVE DATE.** This section is effective October 1, 2023.

117.1 Sec. 21. Minnesota Statutes 2022, section 245A.50, subdivision 3, is amended to read:

117.2 Subd. 3. **First aid.** (a) Before initial licensure and before caring for a child, license  
117.3 holders, second adult caregivers, and substitutes must be trained in pediatric first aid. The

357.7 Sec. 20. Minnesota Statutes 2022, section 245A.50, subdivision 3, is amended to read:  
357.8 Subd. 3. **First aid.** (a) Before initial licensure and before caring for a child, license  
357.9 holders, second adult caregivers, and substitutes must be trained in pediatric first aid. The

357.10 first aid training must have been provided by an individual approved to provide first aid  
 357.11 instruction. First aid training may be less than eight hours and persons qualified to provide  
 357.12 first aid training include individuals approved as first aid instructors. License holders, second  
 357.13 adult caregivers, and substitutes must repeat pediatric first aid training every two years.  
 357.14 ~~When the training expires, it must be retaken no later than the day before the anniversary  
 357.15 of the license holder's license effective date. License holders, second adult caregivers, and  
 357.16 substitutes must not let the training expire.~~

357.17 (b) Video training reviewed and approved by the county licensing agency satisfies the  
 357.18 training requirement of this subdivision.

357.19 Sec. 21. Minnesota Statutes 2022, section 245A.50, subdivision 4, is amended to read:

357.20 Subd. 4. **Cardiopulmonary resuscitation.** (a) Before initial licensure and before caring  
 357.21 for a child, license holders, second adult caregivers, and substitutes must be trained in  
 357.22 pediatric cardiopulmonary resuscitation (CPR), including CPR techniques for infants and  
 357.23 children, and in the treatment of obstructed airways. The CPR training must have been  
 357.24 provided by an individual approved to provide CPR instruction. License holders, second  
 357.25 adult caregivers, and substitutes must repeat pediatric CPR training at least once every two  
 357.26 years and must document the training in the license holder's records. ~~When the training  
 357.27 expires, it must be retaken no later than the day before the anniversary of the license holder's  
 357.28 license effective date. License holders, second adult caregivers, and substitutes must not let  
 357.29 the training expire.~~

357.30 (b) Persons providing CPR training must use CPR training that has been developed:

357.31 (1) by the American Heart Association or the American Red Cross and incorporates  
 357.32 psychomotor skills to support the instruction; or

358.1 (2) using nationally recognized, evidence-based guidelines for CPR training and  
 358.2 incorporates psychomotor skills to support the instruction.

358.3 Sec. 22. Minnesota Statutes 2022, section 245A.50, subdivision 5, is amended to read:

358.4 Subd. 5. **Sudden unexpected infant death and abusive head trauma training.** (a)  
 358.5 License holders must ensure and document that before the license holder, second adult  
 358.6 caregivers, substitutes, and helpers assist in the care of infants, they are instructed on the  
 358.7 standards in section 245A.1435 and receive training on reducing the risk of sudden  
 358.8 unexpected infant death. In addition, license holders must ensure and document that before  
 358.9 the license holder, second adult caregivers, substitutes, and helpers assist in the care of  
 358.10 infants and children under school age, they receive training on reducing the risk of abusive  
 358.11 head trauma from shaking infants and young children. The training in this subdivision may  
 358.12 be provided as initial training under subdivision 1 or ongoing annual training under  
 358.13 subdivision 7.

358.14 (b) Sudden unexpected infant death reduction training required under this subdivision  
 358.15 must, at a minimum, address the risk factors related to sudden unexpected infant death,

117.4 first aid training must have been provided by an individual approved to provide first aid  
 117.5 instruction. First aid training may be less than eight hours and persons qualified to provide  
 117.6 first aid training include individuals approved as first aid instructors. License holders, second  
 117.7 adult caregivers, and substitutes must repeat pediatric first aid training every two years.  
 117.8 ~~When the training expires, it must be retaken no later than the day before the anniversary  
 117.9 of the license holder's license effective date. License holders, second adult caregivers, and  
 117.10 substitutes must not let the training expire.~~

117.11 (b) Video training reviewed and approved by the county licensing agency satisfies the  
 117.12 training requirement of this subdivision.

117.13 Sec. 22. Minnesota Statutes 2022, section 245A.50, subdivision 4, is amended to read:

117.14 Subd. 4. **Cardiopulmonary resuscitation.** (a) Before initial licensure and before caring  
 117.15 for a child, license holders, second adult caregivers, and substitutes must be trained in  
 117.16 pediatric cardiopulmonary resuscitation (CPR), including CPR techniques for infants and  
 117.17 children, and in the treatment of obstructed airways. The CPR training must have been  
 117.18 provided by an individual approved to provide CPR instruction. License holders, second  
 117.19 adult caregivers, and substitutes must repeat pediatric CPR training at least once every two  
 117.20 years and must document the training in the license holder's records. ~~When the training  
 117.21 expires, it must be retaken no later than the day before the anniversary of the license holder's  
 117.22 license effective date. License holders, second adult caregivers, and substitutes must not let  
 117.23 the training expire.~~

117.24 (b) Persons providing CPR training must use CPR training that has been developed:

117.25 (1) by the American Heart Association or the American Red Cross and incorporates  
 117.26 psychomotor skills to support the instruction; or

117.27 (2) using nationally recognized, evidence-based guidelines for CPR training and  
 117.28 incorporates psychomotor skills to support the instruction.

117.29 Sec. 23. Minnesota Statutes 2022, section 245A.50, subdivision 5, is amended to read:

117.30 Subd. 5. **Sudden unexpected infant death and abusive head trauma training.** (a)  
 117.31 License holders must ensure and document that before the license holder, second adult  
 117.32 caregivers, substitutes, and helpers assist in the care of infants, they are instructed on the  
 118.1 standards in section 245A.1435 and receive training on reducing the risk of sudden  
 118.2 unexpected infant death. In addition, license holders must ensure and document that before  
 118.3 the license holder, second adult caregivers, substitutes, and helpers assist in the care of  
 118.4 infants and children under school age, they receive training on reducing the risk of abusive  
 118.5 head trauma from shaking infants and young children. The training in this subdivision may  
 118.6 be provided as initial training under subdivision 1 or ongoing annual training under  
 118.7 subdivision 7.

118.8 (b) Sudden unexpected infant death reduction training required under this subdivision  
 118.9 must, at a minimum, address the risk factors related to sudden unexpected infant death,

358.16 means of reducing the risk of sudden unexpected infant death in child care, and license  
 358.17 holder communication with parents regarding reducing the risk of sudden unexpected infant  
 358.18 death.

358.19 (c) Abusive head trauma training required under this subdivision must, at a minimum,  
 358.20 address the risk factors related to shaking infants and young children, means of reducing  
 358.21 the risk of abusive head trauma in child care, and license holder communication with parents  
 358.22 regarding reducing the risk of abusive head trauma.

358.23 (d) Training for family and group family child care providers must be developed by the  
 358.24 commissioner in conjunction with the Minnesota Sudden Infant Death Center and approved  
 358.25 by the Minnesota Center for Professional Development. Sudden unexpected infant death  
 358.26 reduction training and abusive head trauma training may be provided in a single course of  
 358.27 no more than two hours in length.

358.28 (e) Sudden unexpected infant death reduction training and abusive head trauma training  
 358.29 required under this subdivision must be completed in person or as allowed under subdivision  
 358.30 10, clause (1) or (2), at least once every two years. ~~When the training expires, it must be~~  
 358.31 ~~taken no later than the day before the anniversary of the license holder's license effective~~  
 358.32 ~~date~~. On the years when the individual receiving training is not receiving training in person  
 358.33 or as allowed under subdivision 10, clause (1) or (2), the individual receiving training in  
 358.34 accordance with this subdivision must receive sudden unexpected infant death reduction  
 359.1 training and abusive head trauma training through a video of no more than one hour in  
 359.2 length. The video must be developed or approved by the commissioner.

359.3 (f) An individual who is related to the license holder as defined in section 245A.02,  
 359.4 subdivision 13, and who is involved only in the care of the license holder's own infant or  
 359.5 child under school age and who is not designated to be a second adult caregiver, helper, or  
 359.6 substitute for the licensed program, is exempt from the sudden unexpected infant death and  
 359.7 abusive head trauma training.

359.8 Sec. 23. Minnesota Statutes 2022, section 245A.50, subdivision 6, is amended to read:

359.9 **Subd. 6. Child passenger restraint systems; training requirement.** (a) A license  
 359.10 holder must comply with all seat belt and child passenger restraint system requirements  
 359.11 under section 169.685.

359.12 (b) Family and group family child care programs licensed by the Department of Human  
 359.13 Services that serve a child or children under eight years of age must document training that  
 359.14 fulfills the requirements in this subdivision.

359.15 (1) Before a license holder, second adult caregiver, substitute, or helper transports a  
 359.16 child or children under age eight in a motor vehicle, the person placing the child or children  
 359.17 in a passenger restraint must satisfactorily complete training on the proper use and installation  
 359.18 of child restraint systems in motor vehicles. Training completed under this subdivision may  
 359.19 be used to meet initial training under subdivision 1 or ongoing training under subdivision  
 359.20 7.

118.10 means of reducing the risk of sudden unexpected infant death in child care, and license  
 118.11 holder communication with parents regarding reducing the risk of sudden unexpected infant  
 118.12 death.

118.13 (c) Abusive head trauma training required under this subdivision must, at a minimum,  
 118.14 address the risk factors related to shaking infants and young children, means of reducing  
 118.15 the risk of abusive head trauma in child care, and license holder communication with parents  
 118.16 regarding reducing the risk of abusive head trauma.

118.17 (d) Training for family and group family child care providers must be developed by the  
 118.18 commissioner in conjunction with the Minnesota Sudden Infant Death Center and approved  
 118.19 by the Minnesota Center for Professional Development. Sudden unexpected infant death  
 118.20 reduction training and abusive head trauma training may be provided in a single course of  
 118.21 no more than two hours in length.

118.22 (e) Sudden unexpected infant death reduction training and abusive head trauma training  
 118.23 required under this subdivision must be completed in person or as allowed under subdivision  
 118.24 10, clause (1) or (2), at least once every two years. ~~When the training expires, it must be~~  
 118.25 ~~taken no later than the day before the anniversary of the license holder's license effective~~  
 118.26 ~~date~~. On the years when the individual receiving training is not receiving training in person  
 118.27 or as allowed under subdivision 10, clause (1) or (2), the individual receiving training in  
 118.28 accordance with this subdivision must receive sudden unexpected infant death reduction  
 118.29 training and abusive head trauma training through a video of no more than one hour in  
 118.30 length. The video must be developed or approved by the commissioner.

118.31 (f) An individual who is related to the license holder as defined in section 245A.02,  
 118.32 subdivision 13, and who is involved only in the care of the license holder's own infant or  
 118.33 child under school age and who is not designated to be a second adult caregiver, helper, or  
 119.1 substitute for the licensed program, is exempt from the sudden unexpected infant death and  
 119.2 abusive head trauma training.

119.3 Sec. 24. Minnesota Statutes 2022, section 245A.50, subdivision 6, is amended to read:

119.4 **Subd. 6. Child passenger restraint systems; training requirement.** (a) A license  
 119.5 holder must comply with all seat belt and child passenger restraint system requirements  
 119.6 under section 169.685.

119.7 (b) Family and group family child care programs licensed by the Department of Human  
 119.8 Services that serve a child or children under eight years of age must document training that  
 119.9 fulfills the requirements in this subdivision.

119.10 (1) Before a license holder, second adult caregiver, substitute, or helper transports a  
 119.11 child or children under age eight in a motor vehicle, the person placing the child or children  
 119.12 in a passenger restraint must satisfactorily complete training on the proper use and installation  
 119.13 of child restraint systems in motor vehicles. Training completed under this subdivision may  
 119.14 be used to meet initial training under subdivision 1 or ongoing training under subdivision  
 119.15 7.

359.21 (2) Training required under this subdivision must be at least one hour in length, completed  
359.22 at initial training, and repeated at least once every five years. ~~When the training expires, it~~  
359.23 ~~must be retaken no later than the day before the anniversary of the license holder's license~~  
359.24 ~~effective date~~. At a minimum, the training must address the proper use of child restraint  
359.25 systems based on the child's size, weight, and age, and the proper installation of a car seat  
359.26 or booster seat in the motor vehicle used by the license holder to transport the child or  
359.27 children.

359.28 (3) Training under this subdivision must be provided by individuals who are certified  
359.29 and approved by the Department of Public Safety, Office of Traffic Safety. License holders  
359.30 may obtain a list of certified and approved trainers through the Department of Public Safety  
359.31 website or by contacting the agency.

360.1 (c) Child care providers that only transport school-age children as defined in section  
360.2 245A.02, subdivision 19, paragraph (f), in child care buses as defined in section 169.448,  
360.3 subdivision 1, paragraph (e), are exempt from this subdivision.

360.4 Sec. 24. Minnesota Statutes 2022, section 245A.50, subdivision 9, is amended to read:

360.5 **Subd. 9. Supervising for safety; training requirement.** (a) Courses required by this  
360.6 subdivision must include the following health and safety topics:

360.7 (1) preventing and controlling infectious diseases;  
360.8 (2) administering medication;  
360.9 (3) preventing and responding to allergies;  
360.10 (4) ensuring building and physical premises safety;  
360.11 (5) handling and storing biological contaminants;  
360.12 (6) preventing and reporting child abuse and maltreatment; and  
360.13 (7) emergency preparedness.

360.14 (b) Before initial licensure and before caring for a child, all family child care license  
360.15 holders and each second adult caregiver shall complete and document the completion of  
360.16 the six-hour Supervising for Safety for Family Child Care course developed by the  
360.17 commissioner.

360.18 (c) The license holder must ensure and document that, before caring for a child, all  
360.19 substitutes have completed the four-hour Basics of Licensed Family Child Care for  
360.20 Substitutes course developed by the commissioner, which must include health and safety  
360.21 topics as well as child development and learning.

360.22 (d) The family child care license holder and each second adult caregiver shall complete  
360.23 and document:

360.24 (1) the annual completion of either:

119.16 (2) Training required under this subdivision must be at least one hour in length, completed  
119.17 at initial training, and repeated at least once every five years. ~~When the training expires, it~~  
119.18 ~~must be retaken no later than the day before the anniversary of the license holder's license~~  
119.19 ~~effective date~~. At a minimum, the training must address the proper use of child restraint  
119.20 systems based on the child's size, weight, and age, and the proper installation of a car seat  
119.21 or booster seat in the motor vehicle used by the license holder to transport the child or  
119.22 children.

119.23 (3) Training under this subdivision must be provided by individuals who are certified  
119.24 and approved by the Department of Public Safety, Office of Traffic Safety. License holders  
119.25 may obtain a list of certified and approved trainers through the Department of Public Safety  
119.26 website or by contacting the agency.

119.27 (c) Child care providers that only transport school-age children as defined in section  
119.28 245A.02, subdivision 19, paragraph (f), in child care buses as defined in section 169.448,  
119.29 subdivision 1, paragraph (e), are exempt from this subdivision.

119.30 Sec. 25. Minnesota Statutes 2022, section 245A.50, subdivision 9, is amended to read:

119.31 **Subd. 9. Supervising for safety; training requirement.** (a) Courses required by this  
119.32 subdivision must include the following health and safety topics:

120.1 (1) preventing and controlling infectious diseases;  
120.2 (2) administering medication;  
120.3 (3) preventing and responding to allergies;  
120.4 (4) ensuring building and physical premises safety;  
120.5 (5) handling and storing biological contaminants;  
120.6 (6) preventing and reporting child abuse and maltreatment; and  
120.7 (7) emergency preparedness.

120.8 (b) Before initial licensure and before caring for a child, all family child care license  
120.9 holders and each second adult caregiver shall complete and document the completion of  
120.10 the six-hour Supervising for Safety for Family Child Care course developed by the  
120.11 commissioner.

120.12 (c) The license holder must ensure and document that, before caring for a child, all  
120.13 substitutes have completed the four-hour Basics of Licensed Family Child Care for  
120.14 Substitutes course developed by the commissioner, which must include health and safety  
120.15 topics as well as child development and learning.

120.16 (d) The family child care license holder and each second adult caregiver shall complete  
120.17 and document:

120.18 (1) the annual completion of either:

360.25 (i) a two-hour active supervision course developed by the commissioner; or  
360.26 (ii) any courses in the ensuring safety competency area under the health, safety, and  
360.27 nutrition standard of the Knowledge and Competency Framework that the commissioner  
360.28 has identified as an active supervision training course; and  
360.29 (2) the completion at least once every five years of the two-hour courses Health and  
360.30 Safety I and Health and Safety II. ~~When the training is due for the first time or expires, it~~  
361.1 ~~must be taken no later than the day before the anniversary of the license holder's license~~  
361.2 ~~effective date~~. A license holder's or second adult caregiver's completion of either training  
361.3 in a given year meets the annual active supervision training requirement in clause (1).  
361.4 (e) At least once every three years, license holders must ensure and document that  
361.5 substitutes have completed the four-hour Basics of Licensed Family Child Care for  
361.6 Substitutes course. ~~When the training expires, it must be retaken no later than the day before~~  
361.7 ~~the anniversary of the license holder's license effective date~~.

120.19 (i) a two-hour active supervision course developed by the commissioner; or  
120.20 (ii) any courses in the ensuring safety competency area under the health, safety, and  
120.21 nutrition standard of the Knowledge and Competency Framework that the commissioner  
120.22 has identified as an active supervision training course; and  
120.23 (2) the completion at least once every five years of the two-hour courses Health and  
120.24 Safety I and Health and Safety II. ~~When the training is due for the first time or expires, it~~  
120.25 ~~must be taken no later than the day before the anniversary of the license holder's license~~  
120.26 ~~effective date~~. A license holder's or second adult caregiver's completion of either training  
120.27 in a given year meets the annual active supervision training requirement in clause (1).  
120.28 (e) At least once every three years, license holders must ensure and document that  
120.29 substitutes have completed the four-hour Basics of Licensed Family Child Care for  
120.30 Substitutes course. ~~When the training expires, it must be retaken no later than the day before~~  
120.31 ~~the anniversary of the license holder's license effective date~~.  
121.1 Sec. 26. Minnesota Statutes 2022, section 245A.52, subdivision 1, is amended to read:  
121.2 Subdivision 1. **Means of escape.** (a)(1) At least one emergency escape route separate  
121.3 from the main exit from the space must be available in each room used for sleeping by  
121.4 anyone receiving licensed care, and (2) a basement used for child care. One means of escape  
121.5 must be a stairway or door leading to the floor of exit discharge. The other must be a door  
121.6 or window leading directly outside. A window used as an emergency escape route must be  
121.7 openable without special knowledge.  
121.8 (b) In homes with construction that began before ~~May 2, 2016~~ ~~March 31, 2020~~, the  
121.9 interior of the window leading directly outside must have a net clear opening area of not  
121.10 less than 4.5 square feet or 648 square inches and have minimum clear opening dimensions  
121.11 of 20 inches wide and 20 inches high. The net clear opening dimensions shall be the result  
121.12 of normal operation of the opening. The opening must be no higher than 48 inches from the  
121.13 floor. The height to the window may be measured from a platform if a platform is located  
121.14 below the window.  
121.15 (c) In homes with construction that began on or after ~~May 2, 2016~~ ~~March 31, 2020~~, the  
121.16 interior of the window leading directly outside must have minimum clear opening dimensions  
121.17 of 20 inches wide and 24 inches high. The net clear opening dimensions shall be the result  
121.18 of normal operation of the opening. The opening must be no higher than 44 inches from the  
121.19 floor.  
121.20 (d) Additional requirements are dependent on the distance of the openings from the ground  
121.21 outside the window: (1) windows or other openings with a sill height not more than 44  
121.22 inches above or below the finished ground level adjacent to the opening (grade-floor  
121.23 emergency escape and rescue openings) must have a minimum opening of five square feet;  
121.24 and (2) non-grade-floor emergency escape and rescue openings must have a minimum  
121.25 opening of 5.7 square feet.

121.26 Sec. 27. Minnesota Statutes 2022, section 245A.52, subdivision 3, is amended to read:

121.27 Subd. 3. **Heating and venting systems.** (a) Notwithstanding Minnesota Rules, part 121.28 9502.0425, subpart 7, item C, items that can be ignited and support combustion, including 121.29 but not limited to plastic, fabric, and wood products must not be located within:

121.30 (1) 18 inches of a gas or fuel-oil heater or furnace; or

121.31 (2) 36 inches of a solid-fuel-burning appliance.

122.1 (b) If a license holder produces manufacturer instructions listing a smaller distance, then 122.2 the manufacturer instructions control the distance combustible items must be from gas, 122.3 fuel-oil, or solid-fuel burning heaters or furnaces.

122.4 Sec. 28. Minnesota Statutes 2022, section 245A.52, subdivision 5, is amended to read:

122.5 Subd. 5. **Carbon monoxide and smoke alarms.** (a) All homes must have an approved 122.6 and operational carbon monoxide alarm installed within ten feet of each room used for 122.7 sleeping children in care.

122.8 (b) Smoke alarms that have been listed by the Underwriter Laboratory must be properly 122.9 installed and maintained on all levels including basements, but not including crawl spaces 122.10 and uninhabitable attics, and in hallways outside rooms used for sleeping children in care. 122.11 in hallways outside of rooms used for sleeping children and on all levels, including basements 122.12 but not including crawl spaces and uninhabitable attics.

122.13 (c) In homes with construction that began on or after ~~May 2, 2016~~ March 31, 2020, 122.14 smoke alarms must be installed and maintained in each room used for sleeping children in 122.15 care.

122.16 Sec. 29. Minnesota Statutes 2022, section 245A.52, is amended by adding a subdivision 122.17 to read:

122.18 Subd. 8. **Fire code variances.** When a variance is requested of the standards contained 122.19 in subdivision 1, 2, 3, 4, or 5, an applicant or provider must submit written approval from 122.20 the state fire marshal of the variance requested and the alternative measures identified to 122.21 ensure the safety of children in care.

122.22 Sec. 30. Minnesota Statutes 2022, section 245A.66, is amended by adding a subdivision 122.23 to read:

122.24 Subd. 4. **Ongoing training requirement.** (a) In addition to the orientation training 122.25 required by the applicable licensing rules and statutes, children's residential facility and 122.26 private child-placing agency license holders must provide a training annually on the 122.27 maltreatment of minors reporting requirements and definitions in chapter 260E to each 122.28 mandatory reporter, as described in section 260E.06, subdivision 1.

122.29 (b) In addition to the orientation training required by the applicable licensing rules and 122.30 statutes, all family child foster care license holders and caregivers and foster residence

361.8 Sec. 25. Minnesota Statutes 2022, section 245E.06, subdivision 3, is amended to read:

361.9 Subd. 3. **Appeal of department action.** A provider's rights related to the department's  
 361.10 action taken under this chapter against a provider are established in sections 119B.16 and,  
 361.11 119B.161, and 245.095, subdivision 4.

361.12 Sec. 26. Minnesota Statutes 2022, section 245G.03, subdivision 1, is amended to read:

361.13 Subdivision 1. **License requirements.** (a) An applicant for a license to provide substance  
 361.14 use disorder treatment must comply with the general requirements in section 626.557;  
 361.15 chapters 245A, 245C, and 260E; and Minnesota Rules, chapter 9544.

361.16 (b) The commissioner may grant variances to the requirements in this chapter that do  
 361.17 not affect the client's health or safety if the conditions in section 245A.04, subdivision 9,  
 361.18 are met.

361.19 (c) If a program is licensed according to this chapter and is part of a certified community  
 361.20 behavioral health clinic under sections 245.7351 to 245.7357, the license holder must comply  
 361.21 with the requirements in section 245.7355, subdivisions 6 to 9, as part of the licensing  
 361.22 requirements under this chapter.

122.31 setting staff and volunteers that are mandatory reporters as described in section 260E.06,  
 123.1 subdivision 1, must complete training each year on the maltreatment of minors reporting  
 123.2 requirements and definitions in chapter 260E.

123.3 **EFFECTIVE DATE.** This section is effective January 1, 2024.

THE FOLLOWING SECTION WAS TAKEN OUT OF H0238-3 ARTICLE 1.

30.1 Sec. 32. Minnesota Statutes 2022, section 245E.06, subdivision 3, is amended to read:

30.2 Subd. 3. **Appeal of department action.** A provider's rights related to the department's  
 30.3 action taken under this chapter against a provider are established in sections 119B.16 and,  
 30.4 119B.161, 119B.162, and 245.095, subdivision 4.

123.4 Sec. 31. Minnesota Statutes 2022, section 245G.13, subdivision 2, is amended to read:

123.5 Subd. 2. **Staff development.** (a) A license holder must ensure that each staff member  
 123.6 has the training described in this subdivision.

123.7 (b) Each staff member must be trained every two years in:

123.8 (1) client confidentiality rules and regulations and client ethical boundaries; and

123.9 (2) emergency procedures and client rights as specified in sections 144.651, 148F.165,  
 123.10 and 253B.03.

123.11 (c) Annually each staff member with direct contact must be trained on mandatory  
 123.12 reporting as specified in sections 245A.65, 626.557, and 626.5572, and chapter 260E,  
 123.13 including specific training covering the license holder's policies for obtaining a release of  
 123.14 client information.

123.15 (d) Upon employment and annually thereafter, each staff member with direct contact  
 123.16 must receive training on HIV minimum standards according to section 245A.19.

123.17 (e) The license holder must ensure that each mandatory reporter, as described in section  
 123.18 260E.06, subdivision 1, is trained on the maltreatment of minors reporting requirements  
 123.19 and definitions in chapter 260E before the mandatory reporter has direct contact, as defined  
 123.20 in section 245C.02, subdivision 11, with a person served by the program.

123.21 (e) (f) A treatment director, supervisor, nurse, or counselor must have a minimum of 12  
 123.22 hours of training in co-occurring disorders that includes competencies related to philosophy,  
 123.23 trauma-informed care, screening, assessment, diagnosis and person-centered treatment  
 123.24 planning, documentation, programming, medication, collaboration, mental health  
 123.25 consultation, and discharge planning. A new staff member who has not obtained the training  
 123.26 must complete the training within six months of employment. A staff member may request,  
 123.27 and the license holder may grant, credit for relevant training obtained before employment,  
 123.28 which must be documented in the staff member's personnel file.

123.29 **EFFECTIVE DATE.** This section is effective January 1, 2024.

## UES2995-2

361.23 Sec. 27. Minnesota Statutes 2022, section 245H.01, is amended by adding a subdivision  
 361.24 to read:

361.25 **Subd. 2a. Authorized agent.** "Authorized agent" means the individual designated by  
 361.26 the certification holder who is responsible for communicating with the commissioner of  
 361.27 human services regarding all items pursuant to this chapter.

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

362.1 Sec. 28. Minnesota Statutes 2022, section 245H.01, subdivision 3, is amended to read:

362.2 **Subd. 3. Center operator or program operator.** "Center operator" or "program operator"  
 362.3 means the person exercising supervision or control over the center's or program's operations,  
 362.4 planning, and functioning. **There may be more than one designated center operator or**  
 362.5 **program operator.**

509.12 Sec. 11. Minnesota Statutes 2022, section 245H.01, is amended by adding a subdivision  
 509.13 to read:

509.14 **Subd. 4a. Authorized agent.** "Authorized agent" means the individual designated by  
 509.15 the certification holder that is responsible for communicating with the commissioner  
 509.16 regarding all items pursuant to this chapter.

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

509.7 Sec. 10. Minnesota Statutes 2022, section 245H.01, subdivision 3, is amended to read:

509.8 **Subd. 3. Center operator or program operator.** "Center operator" or "program operator"  
 509.9 means the person exercising supervision or control over the center's or program's operations,  
 509.10 planning, and functioning. **There may be more than one designated center operator or**  
 509.11 **program operator.**

## H0238-3

124.1 Sec. 32. Minnesota Statutes 2022, section 245H.01, subdivision 5, is amended to read:

124.2 **Subd. 5. Certified license-exempt child care center.** "Certified license-exempt child  
 124.3 care center" means the commissioner's written authorization for a child care center excluded  
 124.4 from licensure under section 245A.03, subdivision 2, paragraph (a), clause (5), (11) to (13),  
 124.5 (15), (18), or (26), or (30), to register to receive child care assistance payments under chapter  
 124.6 119B.

124.7 **EFFECTIVE DATE.** This section is effective January 1, 2024.

362.6 Sec. 29. Minnesota Statutes 2022, section 245H.03, subdivision 2, is amended to read:

362.7 Subd. 2. **Application submission.** The commissioner shall provide application  
 362.8 instructions and information about the rules and requirements of other state agencies that  
 362.9 affect the applicant. The certification application must be submitted in a manner prescribed  
 362.10 by the commissioner. Upon implementation of the provider licensing and reporting hub,  
 362.11 applicants must use the hub in the manner prescribed by the commissioner. The commissioner  
 362.12 shall act on the application within 90 working days of receiving a completed application.

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

362.14 Sec. 30. Minnesota Statutes 2022, section 245H.03, subdivision 4, is amended to read:

362.15 Subd. 4. **Reconsideration of certification denial.** (a) The applicant may request  
 362.16 reconsideration of the denial by notifying the commissioner by certified mail or, by personal  
 362.17 service, or through the provider licensing and reporting hub. The request must be made in  
 362.18 writing. If sent by certified mail, the request must be postmarked and sent to the  
 362.19 commissioner within 20 calendar days after the applicant received the order. If a request is  
 362.20 made by personal service, it must be received by the commissioner within 20 calendar days

124.8 Sec. 33. Minnesota Statutes 2022, section 245H.02, is amended to read:

124.9 **245H.02 WHO MUST BE CERTIFIED.**

124.10 A program that is exempt from licensure under section 245A.03, subdivision 2, paragraph  
 124.11 (a), clause (5), (11) to (13), (15), (18), or (26), and is authorized to receive child care  
 124.12 assistance payments under chapter 119B or (30), must be a certified license-exempt child  
 124.13 care center according to this section to receive child care assistance payments under chapter  
 124.14 119B.

124.15 **EFFECTIVE DATE.** This section is effective January 1, 2024.

UES2995-2

509.18 Sec. 12. Minnesota Statutes 2022, section 245H.03, subdivision 2, is amended to read:

509.19 Subd. 2. **Application submission.** The commissioner shall provide application  
 509.20 instructions and information about the rules and requirements of other state agencies that  
 509.21 affect the applicant. The certification application must be submitted in a manner prescribed  
 509.22 by the commissioner. Upon implementation of the provider licensing and reporting hub,  
 509.23 applicants must use the hub in the manner prescribed by the commissioner. The commissioner  
 509.24 shall act on the application within 90 working days of receiving a completed application.

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

509.26 Sec. 13. Minnesota Statutes 2022, section 245H.03, subdivision 3, is amended to read:

509.27 Subd. 3. **Incomplete applications.** When the commissioner receives an application for  
 509.28 initial certification that is incomplete because the applicant failed to submit required  
 509.29 documents or is deficient because the documents submitted do not meet certification  
 509.30 requirements, the commissioner shall provide the applicant written notice that the application  
 510.1 is incomplete or deficient. In the notice, the commissioner shall identify documents that are  
 510.2 missing or deficient and give the applicant 45 days to resubmit a second application that is  
 510.3 complete. An applicant's failure to submit a complete application after receiving notice from  
 510.4 the commissioner is basis for certification denial. For purposes of this section, when a denial  
 510.5 order is issued through the provider licensing and reporting hub, the applicant is deemed to  
 510.6 have received the order upon the date of issuance through the hub.

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

510.8 Sec. 14. Minnesota Statutes 2022, section 245H.03, subdivision 4, is amended to read:

510.9 Subd. 4. **Reconsideration of certification denial.** (a) The applicant may request  
 510.10 reconsideration of the denial by notifying the commissioner by certified mail or, by personal  
 510.11 service, or through the provider licensing and reporting hub. The request must be made in  
 510.12 writing. If sent by certified mail, the request must be postmarked and sent to the  
 510.13 commissioner within 20 calendar days after the applicant received the order. If a request is  
 510.14 made by personal service, it must be received by the commissioner within 20 calendar days

362.21 after the applicant received the order. If the order is issued through the provider hub, the  
362.22 request must be received by the commissioner within 20 calendar days from the date the  
362.23 commissioner issued the order through the hub. The applicant may submit with the request  
362.24 for reconsideration a written argument or evidence in support of the request for  
362.25 reconsideration.

362.26 (b) The commissioner's disposition of a request for reconsideration is final and not  
362.27 subject to appeal under chapter 14.

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

510.15 after the applicant received the order. If the order is issued through the provider hub, the  
510.16 request must be received by the commissioner within 20 calendar days from the date the  
510.17 commissioner issued the order through the hub. The applicant may submit with the request  
510.18 for reconsideration a written argument or evidence in support of the request for  
510.19 reconsideration.

510.20 (b) The commissioner's disposition of a request for reconsideration is final and not  
510.21 subject to appeal under chapter 14.

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

H0238-3

124.16 Sec. 34. Minnesota Statutes 2022, section 245H.03, is amended by adding a subdivision  
124.17 to read:

124.18 Subd. 5. **Notification required.** (a) A certification holder must notify the commissioner,  
124.19 in a manner prescribed by the commissioner, and obtain the commissioner's approval before  
124.20 making any changes:

124.21 (1) to the certification holder as defined in section 245H.01, subdivision 4;

124.22 (2) to the certification holder information on file with the secretary of state or Department  
124.23 of Revenue;

124.24 (3) in the location of the program certified under this chapter;

124.25 (4) to the ages of children served by the program; or

124.26 (5) to the certified center's schedule including its:

124.27 (i) yearly schedule;

124.28 (ii) hours of operation; or

124.29 (iii) days of the week it is open.

125.1 (b) When, for reasons beyond the certification holder's control, a certification holder  
125.2 cannot provide the commissioner with prior notice of the changes in paragraph (a), the  
125.3 certification holder must notify the commissioner by the tenth business day after the change  
125.4 and must provide any additional information requested by the commissioner.

125.5 (c) When a certification holder notifies the commissioner of a change to the certification  
125.6 holder information on file with the secretary of state, the certification holder must provide  
125.7 documentation of the change.

125.8 (d) Upon implementation of the provider licensing and reporting hub, certification holders  
125.9 must enter and update information in the hub in a manner prescribed by the commissioner.

125.10 **EFFECTIVE DATE.** This section is effective August 1, 2023.

363.1 Sec. 31. Minnesota Statutes 2022, section 245H.06, subdivision 1, is amended to read:

363.2 Subdivision 1. **Correction order requirements.** (a) If the applicant or certification holder failed to comply with a law or rule, the commissioner may issue a correction order. The correction order must state:

363.5 (1) the condition that constitutes a violation of the law or rule;

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

363.7 (3) the time allowed to correct each violation.

363.8 (b) The commissioner may issue a correction order to the applicant or certification holder through the provider licensing and reporting hub.

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

363.11 Sec. 32. Minnesota Statutes 2022, section 245H.06, subdivision 2, is amended to read:

363.12 Subd. 2. **Reconsideration request.** (a) If the applicant or certification holder believes that the commissioner's correction order is erroneous, the applicant or certification holder may ask the commissioner to reconsider the part of the correction order that is allegedly erroneous. A request for reconsideration must be made in writing; and postmarked; or submitted through the provider licensing and reporting hub, and sent to the commissioner within 20 calendar days after the applicant or certification holder received the correction order, and must:

363.19 (1) specify the part of the correction order that is allegedly erroneous;

363.20 (2) explain why the specified part is erroneous; and

363.21 (3) include documentation to support the allegation of error.

125.11 Sec. 35. Minnesota Statutes 2022, section 245H.05, is amended to read:

125.12 **245H.05 MONITORING AND INSPECTIONS.**

125.13 (a) The commissioner must conduct an on-site inspection of a certified license-exempt child care center at least annually once each calendar year to determine compliance with the health, safety, and fire standards specific to a certified license-exempt child care center.

125.16 (b) No later than November 19, 2017, the commissioner shall make publicly available on the department's website the results of inspection reports for all certified centers including the number of deaths, serious injuries, and instances of substantiated child maltreatment that occurred in certified centers each year.

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

UES2995-2

510.23 Sec. 15. Minnesota Statutes 2022, section 245H.06, subdivision 1, is amended to read:

510.24 Subdivision 1. **Correction order requirements.** (a) If the applicant or certification holder failed to comply with a law or rule, the commissioner may issue a correction order. The correction order must state:

510.27 (1) the condition that constitutes a violation of the law or rule;

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

510.29 (3) the time allowed to correct each violation.

510.30 (b) The commissioner may issue a correction order to the applicant or certification holder through the provider licensing and reporting hub.

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

511.2 Sec. 16. Minnesota Statutes 2022, section 245H.06, subdivision 2, is amended to read:

511.3 Subd. 2. **Reconsideration request.** (a) If the applicant or certification holder believes that the commissioner's correction order is erroneous, the applicant or certification holder may ask the commissioner to reconsider the part of the correction order that is allegedly erroneous. A request for reconsideration must be made in writing; and postmarked; or submitted through the provider licensing and reporting hub, and sent to the commissioner within 20 calendar days after the applicant or certification holder received the correction order, and must:

511.10 (1) specify the part of the correction order that is allegedly erroneous;

511.11 (2) explain why the specified part is erroneous; and

511.12 (3) include documentation to support the allegation of error.

363.22 (b) A request for reconsideration does not stay any provision or requirement of the  
 363.23 correction order. The commissioner's disposition of a request for reconsideration is final  
 363.24 and not subject to appeal.

363.25 (c) Upon implementation of the provider licensing and reporting hub, the provider must  
 363.26 use the hub to request reconsideration. If the order is issued through the provider hub, the  
 363.27 request must be received by the commissioner within 20 calendar days from the date the  
 363.28 commissioner issued the order through the hub.

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

364.1 Sec. 33. Minnesota Statutes 2022, section 245H.07, subdivision 1, is amended to read:

364.2 Subdivision 1. **Generally.** (a) The commissioner may decertify a center if a certification  
 364.3 holder:

364.4 (1) failed to comply with an applicable law or rule;

364.5 (2) knowingly withheld relevant information from or gave false or misleading information  
 364.6 to the commissioner in connection with an application for certification, in connection with  
 364.7 the background study status of an individual, during an investigation, or regarding compliance  
 364.8 with applicable laws or rules; or

364.9 (3) has authorization to receive child care assistance payments revoked pursuant to  
 364.10 chapter 119B.

364.11 (b) When considering decertification, the commissioner shall consider the nature,  
 364.12 chronicity, or severity of the violation of law or rule.

364.13 (c) When a center is decertified, the center is ineligible to receive a child care assistance  
 364.14 payment under chapter 119B.

364.15 (d) The commissioner may issue a decertification order to a certification holder through  
 364.16 the provider licensing and reporting hub.

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

364.18 Sec. 34. Minnesota Statutes 2022, section 245H.07, subdivision 2, is amended to read:

364.19 Subd. 2. **Reconsideration of decertification.** (a) The certification holder may request  
 364.20 reconsideration of the decertification by notifying the commissioner by certified mail or,  
 364.21 by personal service, or through the provider licensing and reporting hub. The request must  
 364.22 be made in writing. If sent by certified mail, the request must be postmarked and sent to the  
 364.23 commissioner within 20 calendar days after the certification holder received the order. If a  
 364.24 request is made by personal service, it must be received by the commissioner within 20  
 364.25 calendar days after the certification holder received the order. If the order is issued through  
 364.26 the provider hub, the request must be received by the commissioner within 20 calendar days  
 364.27 from the date the commissioner issued the order through the hub. With the request for

511.13 (b) A request for reconsideration does not stay any provision or requirement of the  
 511.14 correction order. The commissioner's disposition of a request for reconsideration is final  
 511.15 and not subject to appeal.

511.16 (c) Upon implementation of the provider licensing and reporting hub, the provider must  
 511.17 use the hub to request reconsideration. If the order is issued through the provider hub, the  
 511.18 request must be received by the commissioner within 20 calendar days from the date the  
 511.19 commissioner issued the order through the hub.

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

511.21 Sec. 17. Minnesota Statutes 2022, section 245H.07, subdivision 1, is amended to read:

511.22 Subdivision 1. **Generally.** (a) The commissioner may decertify a center if a certification  
 511.23 holder:

511.24 (1) failed to comply with an applicable law or rule;

511.25 (2) knowingly withheld relevant information from or gave false or misleading information  
 511.26 to the commissioner in connection with an application for certification, in connection with  
 511.27 the background study status of an individual, during an investigation, or regarding compliance  
 511.28 with applicable laws or rules; or

511.29 (3) has authorization to receive child care assistance payments revoked pursuant to  
 511.30 chapter 119B.

512.1 (b) When considering decertification, the commissioner shall consider the nature,  
 512.2 chronicity, or severity of the violation of law or rule.

512.3 (c) When a center is decertified, the center is ineligible to receive a child care assistance  
 512.4 payment under chapter 119B.

512.5 (d) The commissioner may issue a decertification order to a certification holder through  
 512.6 the provider licensing and reporting hub.

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

512.8 Sec. 18. Minnesota Statutes 2022, section 245H.07, subdivision 2, is amended to read:

512.9 Subd. 2. **Reconsideration of decertification.** (a) The certification holder may request  
 512.10 reconsideration of the decertification by notifying the commissioner by certified mail or,  
 512.11 by personal service, or through the provider licensing and reporting hub. The request must  
 512.12 be made in writing. If sent by certified mail, the request must be postmarked and sent to the  
 512.13 commissioner within 20 calendar days after the certification holder received the order. If a  
 512.14 request is made by personal service, it must be received by the commissioner within 20  
 512.15 calendar days after the certification holder received the order. If the order is issued through  
 512.16 the provider hub, the request must be received by the commissioner within 20 calendar days  
 512.17 from the date the commissioner issued the order through the hub. With the request for

364.28 reconsideration, the certification holder may submit a written argument or evidence in  
364.29 support of the request for reconsideration.

364.30 (b) The commissioner's disposition of a request for reconsideration is final and not  
364.31 subject to appeal under chapter 14.

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

512.18 reconsideration, the certification holder may submit a written argument or evidence in  
512.19 support of the request for reconsideration.

512.20 (b) The commissioner's disposition of a request for reconsideration is final and not  
512.21 subject to appeal under chapter 14.

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

H0238-3

125.21 Sec. 36. Minnesota Statutes 2022, section 245H.08, subdivision 4, is amended to read:

125.22 Subd. 4. **Maximum group size.** (a) For a child six weeks old through 16 months old,  
125.23 the maximum group size shall be no more than eight children.

125.24 (b) For a child 16 months old through 33 months old, the maximum group size shall be  
125.25 no more than 14 children.

125.26 (c) For a child 33 months old through prekindergarten, a maximum group size shall be  
125.27 no more than 20 children.

125.28 (d) For a child in kindergarten through 13 years old, a maximum group size shall be no  
125.29 more than 30 children.

126.1 (e) The maximum group size applies at all times except during group activity coordination  
126.2 time not exceeding 15 minutes, during a meal, outdoor activity, field trip, nap and rest, and  
126.3 special activity including a film, guest speaker, indoor large muscle activity, or holiday  
126.4 program.

126.5 (f) Notwithstanding paragraph (d), a certified center may continue to serve a child 14  
126.6 years of age or older if one of the following conditions is true:

126.7 (1) the child remains eligible for child care assistance under section 119B.09, subdivision  
126.8 1, paragraph (e); or

126.9 (2) the certified center serves only school-age children in a setting that has students  
126.10 enrolled in no grade higher than 8th grade.

126.11 **EFFECTIVE DATE.** This section is effective August 1, 2023.

126.12 Sec. 37. Minnesota Statutes 2022, section 245H.08, subdivision 5, is amended to read:

126.13 Subd. 5. **Ratios.** (a) The minimally acceptable staff-to-child ratios are:

126.14 six weeks old through 16 months old 1:4

126.15 16 months old through 33 months old 1:7

126.16 33 months old through prekindergarten 1:10

126.17 kindergarten through 13 years old 1:15

126.18 (b) Kindergarten includes a child of sufficient age to have attended the first day of  
126.19 kindergarten or who is eligible to enter kindergarten within the next four months.

126.20 (c) For mixed groups, the ratio for the age group of the youngest child applies.

126.21 (d) Notwithstanding paragraph (a), a certified center may continue to serve a child 14  
126.22 years of age or older if one of the following conditions is true:

126.23 (1) the child remains eligible for child care assistance under section 119B.09, subdivision  
126.24 1, paragraph (e); or

126.25 (2) the certified center serves only school-age children in a setting that has students  
126.26 enrolled in no grade higher than 8th grade.

126.27 **EFFECTIVE DATE.** This section is effective August 1, 2023.

126.28 Sec. 38. Minnesota Statutes 2022, section 245H.13, subdivision 3, is amended to read:

126.29 Subd. 3. **Administration of medication.** (a) A certified center that chooses to administer  
126.30 medicine must meet the requirements in this subdivision.

127.1 (b) The certified center must obtain written permission from the child's parent or legal  
127.2 guardian before administering prescription medicine, nonprescription medicine, diapering  
127.3 product, sunscreen lotion, and insect repellent.

127.4 (c) The certified center must administer nonprescription medicine, diapering product,  
127.5 sunscreen lotion, and insect repellent according to the manufacturer's instructions unless  
127.6 provided written instructions by a licensed health professional to use a product differently.

127.7 (d) The certified center must obtain and follow written instructions from the prescribing  
127.8 health professional before administering prescription medicine. Medicine with the child's  
127.9 first and last name and current prescription information on the label is considered written  
127.10 instructions.

127.11 (e) The certified center must ensure all prescription and nonprescription medicine is:

127.12 (1) kept in the medicine's original container with a legible label stating the child's first  
127.13 and last name;

127.14 (2) given only to the child whose name is on the label;

127.15 (3) not given after an expiration date on the label; and

127.16 (4) returned to the child's parent or legal guardian or destroyed, if unused.

127.17 (f) The certified center must document in the child's record the administration of  
127.18 prescription and nonprescription medication, including the child's first and last name; the  
127.19 name of the medication or prescription number; the date, time, and dosage; and the name  
127.20 and signature of the person who administered the medicine. This documentation must be  
127.21 available to the child's parent or legal guardian.

127.22 (g) The certified center must store prescription and nonprescription medicines, insect  
127.23 repellents, and diapering products according to directions on the original container.

127.24 **EFFECTIVE DATE.** This section is effective August 1, 2023.

127.25 Sec. 39. Minnesota Statutes 2022, section 245H.13, subdivision 7, is amended to read:

127.26 Subd. 7. **Risk reduction plan.** (a) The certified center must develop a risk reduction  
127.27 plan that identifies risks to children served by the child care center. The assessment of risk  
127.28 must include risks presented by (1) the physical plant where the certified services are  
127.29 provided, including electrical hazards; and (2) the environment, including the proximity to  
127.30 busy roads and bodies of water.

128.1 (b) The certification holder must establish policies and procedures to minimize identified  
128.2 risks. After any change to the risk reduction plan, the certification holder must inform staff  
128.3 of the change in the risk reduction plan and document that staff were informed of the change.

128.4 (c) If middle-school-age children are enrolled in the center and combined with elementary  
128.5 children, the certification holder must establish policies and procedures to ensure adequate  
128.6 supervision as defined in subdivision 10 when children are grouped together.

128.7 **EFFECTIVE DATE.** This section is effective August 1, 2023.

365.1 Sec. 35. Minnesota Statutes 2022, section 245I.011, subdivision 3, is amended to read:

365.2 Subd. 3. **Certification required.** (a) An individual, organization, or government entity  
365.3 that is exempt from licensure under section 245A.03, subdivision 2, paragraph (a), clause  
365.4 (19), and chooses to be identified as a certified mental health clinic must:

365.5 (1) be a mental health clinic that is certified under section 245I.20;

365.6 (2) comply with all of the responsibilities assigned to a license holder by this chapter  
365.7 except subdivision 1; and

365.8 (3) comply with all of the responsibilities assigned to a certification holder by chapter  
365.9 245A.

365.10 (b) An individual, organization, or government entity described by this subdivision must  
365.11 obtain a criminal background study for each staff person or volunteer who provides direct  
365.12 contact services to clients.

365.13 (c) If a program is licensed according to this chapter and is part of a certified community  
365.14 behavioral health clinic under sections 245.7351 to 245.7357, the license holder must comply

365.15 with the requirements in section 245.7355, subdivisions 6 to 9, as part of the licensing  
 365.16 requirements under this chapter.

365.17 Sec. 36. Minnesota Statutes 2022, section 245I.20, subdivision 10, is amended to read:

365.18 Subd. 10. **Application procedures.** (a) The applicant for certification must submit any  
 365.19 documents that the commissioner requires on forms approved by the commissioner. Upon  
 365.20 implementation of the provider licensing and reporting hub, applicants must use the hub in  
 365.21 the manner prescribed by the commissioner.

365.22 (b) Upon submitting an application for certification, an applicant must pay the application  
 365.23 fee required by section 245A.10, subdivision 3.

365.24 (c) The commissioner must act on an application within 90 working days of receiving  
 365.25 a completed application.

365.26 (d) When the commissioner receives an application for initial certification that is  
 365.27 incomplete because the applicant failed to submit required documents or is deficient because  
 365.28 the submitted documents do not meet certification requirements, the commissioner must  
 365.29 provide the applicant with written notice that the application is incomplete or deficient. In  
 365.30 the notice, the commissioner must identify the particular documents that are missing or  
 365.31 deficient and give the applicant 45 days to submit a second application that is complete. An  
 366.1 applicant's failure to submit a complete application within 45 days after receiving notice  
 366.2 from the commissioner is a basis for certification denial.

366.3 (e) The commissioner must give notice of a denial to an applicant when the commissioner  
 366.4 has made the decision to deny the certification application. In the notice of denial, the  
 366.5 commissioner must state the reasons for the denial in plain language. The commissioner  
 366.6 must send or deliver the notice of denial to an applicant by certified mail or, by personal  
 366.7 service or through the provider licensing and reporting hub. In the notice of denial, the  
 366.8 commissioner must state the reasons that the commissioner denied the application and must  
 366.9 inform the applicant of the applicant's right to request a contested case hearing under chapter  
 366.10 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The applicant may appeal the denial  
 366.11 by notifying the commissioner in writing by certified mail or, by personal service, or through  
 366.12 the provider licensing and reporting hub. If mailed, the appeal must be postmarked and sent  
 366.13 to the commissioner within 20 calendar days after the applicant received the notice of denial.  
 366.14 If an applicant delivers an appeal by personal service, the commissioner must receive the  
 366.15 appeal within 20 calendar days after the applicant received the notice of denial. If the order  
 366.16 is issued through the provider hub, the request must be received by the commissioner within  
 366.17 20 calendar days from the date the commissioner issued the order through the hub.

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

## UES2995-2

512.23 Sec. 19. Minnesota Statutes 2022, section 245I.20, subdivision 10, is amended to read:

512.24 Subd. 10. **Application procedures.** (a) The applicant for certification must submit any  
 512.25 documents that the commissioner requires on forms approved by the commissioner. Upon  
 512.26 implementation of the provider licensing and reporting hub, applicants must use the hub in  
 512.27 the manner prescribed by the commissioner.

512.28 (b) Upon submitting an application for certification, an applicant must pay the application  
 512.29 fee required by section 245A.10, subdivision 3.

512.30 (c) The commissioner must act on an application within 90 working days of receiving  
 512.31 a completed application.

513.1 (d) When the commissioner receives an application for initial certification that is  
 513.2 incomplete because the applicant failed to submit required documents or is deficient because  
 513.3 the submitted documents do not meet certification requirements, the commissioner must  
 513.4 provide the applicant with written notice that the application is incomplete or deficient. In  
 513.5 the notice, the commissioner must identify the particular documents that are missing or  
 513.6 deficient and give the applicant 45 days to submit a second application that is complete. An  
 513.7 applicant's failure to submit a complete application within 45 days after receiving notice  
 513.8 from the commissioner is a basis for certification denial.

513.9 (e) The commissioner must give notice of a denial to an applicant when the commissioner  
 513.10 has made the decision to deny the certification application. In the notice of denial, the  
 513.11 commissioner must state the reasons for the denial in plain language. The commissioner  
 513.12 must send or deliver the notice of denial to an applicant by certified mail or, by personal  
 513.13 service. In the notice of denial, the commissioner must state the reasons that the commissioner  
 513.14 denied the application and must inform the applicant of the applicant's right to request a  
 513.15 contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612.  
 513.16 The applicant may appeal the denial by notifying the commissioner in writing by certified  
 513.17 mail or, by personal service, or through the provider licensing and reporting hub. If mailed,  
 513.18 the appeal must be postmarked and sent to the commissioner within 20 calendar days after  
 513.19 the applicant received the notice of denial. If an applicant delivers an appeal by personal  
 513.20 service, the commissioner must receive the appeal within 20 calendar days after the applicant  
 513.21 received the notice of denial. If the order is issued through the provider hub, the request  
 513.22 must be received by the commissioner within 20 calendar days from the date the  
 513.23 commissioner issued the order through the hub.

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

UES2995-2 ARTICLE 9, SECTION 32 ALSO AMENDS 245I.20, SUBD. 10,  
 BUT IN AN UNRELATED WAY.

366.19 Sec. 37. Minnesota Statutes 2022, section 245I.20, subdivision 13, is amended to read:

366.20 Subd. 13. **Correction orders.** (a) If the applicant or certification holder fails to comply with a law or rule, the commissioner may issue a correction order. The correction order must state:

- 366.23 (1) the condition that constitutes a violation of the law or rule;
- 366.24 (2) the specific law or rule that the applicant or certification holder has violated; and
- 366.25 (3) the time that the applicant or certification holder is allowed to correct each violation.

366.26 (b) If the applicant or certification holder believes that the commissioner's correction order is erroneous, the applicant or certification holder may ask the commissioner to reconsider the part of the correction order that is allegedly erroneous. An applicant or certification holder must make a request for reconsideration in writing. The request must be postmarked and sent to the commissioner or submitted in the provider licensing and reporting hub within 20 calendar days after the applicant or certification holder received the correction order; and the request must:

- 366.33 (1) specify the part of the correction order that is allegedly erroneous;
- 367.1 (2) explain why the specified part is erroneous; and
- 367.2 (3) include documentation to support the allegation of error.

367.3 (c) A request for reconsideration does not stay any provision or requirement of the correction order. The commissioner's disposition of a request for reconsideration is final and not subject to appeal.

367.6 (d) If the commissioner finds that the applicant or certification holder failed to correct the violation specified in the correction order, the commissioner may decertify the certified mental health clinic according to subdivision 14.

367.9 (e) Nothing in this subdivision prohibits the commissioner from decertifying a mental health clinic according to subdivision 14.

367.11 (f) The commissioner may issue a correction order to the applicant or certification holder through the provider licensing and reporting hub. If the order is issued through the provider hub, the request must be received by the commissioner within 20 calendar days from the date the commissioner issued the order through the hub.

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

367.16 Sec. 38. Minnesota Statutes 2022, section 245I.20, subdivision 14, is amended to read:

367.17 Subd. 14. **Decertification.** (a) The commissioner may decertify a mental health clinic if a certification holder:

- 367.19 (1) failed to comply with an applicable law or rule; or

513.25 Sec. 20. Minnesota Statutes 2022, section 245I.20, subdivision 13, is amended to read:

513.26 Subd. 13. **Correction orders.** (a) If the applicant or certification holder fails to comply with a law or rule, the commissioner may issue a correction order. The correction order must state:

- 513.29 (1) the condition that constitutes a violation of the law or rule;
- 513.30 (2) the specific law or rule that the applicant or certification holder has violated; and
- 513.31 (3) the time that the applicant or certification holder is allowed to correct each violation.

513.32 (b) If the applicant or certification holder believes that the commissioner's correction order is erroneous, the applicant or certification holder may ask the commissioner to reconsider the part of the correction order that is allegedly erroneous. An applicant or certification holder must make a request for reconsideration in writing. The request must be postmarked and sent to the commissioner or submitted in the provider licensing and reporting hub within 20 calendar days after the applicant or certification holder received the correction order; and the request must:

- 514.6 (1) specify the part of the correction order that is allegedly erroneous;
- 514.7 (2) explain why the specified part is erroneous; and
- 514.8 (3) include documentation to support the allegation of error.

514.9 (c) A request for reconsideration does not stay any provision or requirement of the correction order. The commissioner's disposition of a request for reconsideration is final and not subject to appeal.

514.12 (d) If the commissioner finds that the applicant or certification holder failed to correct the violation specified in the correction order, the commissioner may decertify the certified mental health clinic according to subdivision 14.

514.15 (e) Nothing in this subdivision prohibits the commissioner from decertifying a mental health clinic according to subdivision 14.

514.17 (f) The commissioner may issue a correction order to the applicant or certification holder through the provider licensing and reporting hub. If the order is issued through the provider hub, the request must be received by the commissioner within 20 calendar days from the date the commissioner issued the order through the hub.

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

514.22 Sec. 21. Minnesota Statutes 2022, section 245I.20, subdivision 14, is amended to read:

514.23 Subd. 14. **Decertification.** (a) The commissioner may decertify a mental health clinic if a certification holder:

- 514.25 (1) failed to comply with an applicable law or rule; or

367.20 (2) knowingly withheld relevant information from or gave false or misleading information  
 367.21 to the commissioner in connection with an application for certification, during an  
 367.22 investigation, or regarding compliance with applicable laws or rules.

367.23 (b) When considering decertification of a mental health clinic, the commissioner must  
 367.24 consider the nature, chronicity, or severity of the violation of law or rule and the effect of  
 367.25 the violation on the health, safety, or rights of clients.

367.26 (c) If the commissioner decertifies a mental health clinic, the order of decertification  
 367.27 must inform the certification holder of the right to have a contested case hearing under  
 367.28 chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The commissioner may  
 367.29 issue the order through the provider licensing and reporting hub. The certification holder  
 367.30 may appeal the decertification. The certification holder must appeal a decertification in  
 367.31 writing and send or deliver the appeal to the commissioner by certified mail ~~or, by personal~~  
 367.32 service, or through the provider licensing and reporting hub. If the certification holder mails  
 368.1 the appeal, the appeal must be postmarked and sent to the commissioner within ten calendar  
 368.2 days after the certification holder receives the order of decertification. If the certification  
 368.3 holder delivers an appeal by personal service, the commissioner must receive the appeal  
 368.4 within ten calendar days after the certification holder received the order. If the order is  
 368.5 issued through the provider hub, the request must be received by the commissioner within  
 368.6 20 calendar days from the date the commissioner issued the order through the hub. If a  
 368.7 certification holder submits a timely appeal of an order of decertification, the certification  
 368.8 holder may continue to operate the program until the commissioner issues a final order on  
 368.9 the decertification.

368.10 (d) If the commissioner decertifies a mental health clinic pursuant to paragraph (a),  
 368.11 clause (1), based on a determination that the mental health clinic was responsible for  
 368.12 maltreatment, and if the certification holder appeals the decertification according to paragraph  
 368.13 (c), and appeals the maltreatment determination under section 260E.33, the final  
 368.14 decertification determination is stayed until the commissioner issues a final decision regarding  
 368.15 the maltreatment appeal.

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

368.17 Sec. 39. Minnesota Statutes 2022, section 245I.20, subdivision 16, is amended to read:

368.18 **Subd. 16. Notifications required and noncompliance.** (a) A certification holder must  
 368.19 notify the commissioner, in a manner prescribed by the commissioner, and obtain the  
 368.20 commissioner's approval before making any change to the name of the certification holder  
 368.21 or the location of the mental health clinic. Upon implementation of the provider licensing  
 368.22 and reporting hub, certification holders must enter and update information in the hub in a  
 368.23 manner prescribed by the commissioner.

368.24 (b) Changes in mental health clinic organization, staffing, treatment, or quality assurance  
 368.25 procedures that affect the ability of the certification holder to comply with the minimum  
 368.26 standards of this section must be reported in writing by the certification holder to the

514.26 (2) knowingly withheld relevant information from or gave false or misleading information  
 514.27 to the commissioner in connection with an application for certification, during an  
 514.28 investigation, or regarding compliance with applicable laws or rules.

514.29 (b) When considering decertification of a mental health clinic, the commissioner must  
 514.30 consider the nature, chronicity, or severity of the violation of law or rule and the effect of  
 514.31 the violation on the health, safety, or rights of clients.

515.1 (c) If the commissioner decertifies a mental health clinic, the order of decertification  
 515.2 must inform the certification holder of the right to have a contested case hearing under  
 515.3 chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The commissioner may  
 515.4 issue the order through the provider licensing and reporting hub. The certification holder  
 515.5 may appeal the decertification. The certification holder must appeal a decertification in  
 515.6 writing and send or deliver the appeal to the commissioner by certified mail ~~or, by personal~~  
 515.7 service, or through the provider licensing and reporting hub. If the certification holder mails  
 515.8 the appeal, the appeal must be postmarked and sent to the commissioner within ten calendar  
 515.9 days after the certification holder receives the order of decertification. If the certification  
 515.10 holder delivers an appeal by personal service, the commissioner must receive the appeal  
 515.11 within ten calendar days after the certification holder received the order. If the order is  
 515.12 issued through the provider hub, the request must be received by the commissioner within  
 515.13 20 calendar days from the date the commissioner issued the order through the hub. If a  
 515.14 certification holder submits a timely appeal of an order of decertification, the certification  
 515.15 holder may continue to operate the program until the commissioner issues a final order on  
 515.16 the decertification.

515.17 (d) If the commissioner decertifies a mental health clinic pursuant to paragraph (a),  
 515.18 clause (1), based on a determination that the mental health clinic was responsible for  
 515.19 maltreatment, and if the certification holder appeals the decertification according to paragraph  
 515.20 (c), and appeals the maltreatment determination under section 260E.33, the final  
 515.21 decertification determination is stayed until the commissioner issues a final decision regarding  
 515.22 the maltreatment appeal.

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

515.24 Sec. 22. Minnesota Statutes 2022, section 245I.20, subdivision 16, is amended to read:

515.25 **Subd. 16. Notifications required and noncompliance.** (a) A certification holder must  
 515.26 notify the commissioner, in a manner prescribed by the commissioner, and obtain the  
 515.27 commissioner's approval before making any change to the name of the certification holder  
 515.28 or the location of the mental health clinic. Upon implementation of the provider licensing  
 515.29 and reporting hub, certification holders must enter and update information in the hub in a  
 515.30 manner prescribed by the commissioner.

515.31 (b) Changes in mental health clinic organization, staffing, treatment, or quality assurance  
 515.32 procedures that affect the ability of the certification holder to comply with the minimum  
 515.33 standards of this section must be reported in writing by the certification holder to the

368.27 commissioner within 15 days of the occurrence. Review of the change must be conducted  
 368.28 by the commissioner. A certification holder with changes resulting in noncompliance in  
 368.29 minimum standards must receive written notice and may have up to 180 days to correct the  
 368.30 areas of noncompliance before being decertified. Interim procedures to resolve the  
 368.31 noncompliance on a temporary basis must be developed and submitted in writing to the  
 368.32 commissioner for approval within 30 days of the commissioner's determination of the  
 368.33 noncompliance. Not reporting an occurrence of a change that results in noncompliance  
 368.34 within 15 days, failure to develop an approved interim procedure within 30 days of the  
 369.1 determination of the noncompliance, or nonresolution of the noncompliance within 180  
 369.2 days will result in immediate decertification.

369.3 (c) The mental health clinic may be required to submit written information to the  
 369.4 department to document that the mental health clinic has maintained compliance with this  
 369.5 section and mental health clinic procedures.

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

369.7 Sec. 40. Minnesota Statutes 2022, section 260E.09, is amended to read:

369.8 **260E.09 REPORTING REQUIREMENTS.**

369.9 (a) An oral report shall be made immediately by telephone or otherwise. An oral report  
 369.10 made by a person required under section 260E.06, subdivision 1, to report shall be followed  
 369.11 within 72 hours, exclusive of weekends and holidays, by a report in writing to the appropriate  
 369.12 police department, the county sheriff, the agency responsible for assessing or investigating  
 369.13 the report, or the local welfare agency.

369.14 (b) Any report shall be of sufficient content to identify the child, any person believed  
 369.15 to be responsible for the maltreatment of the child if the person is known, the nature and  
 369.16 extent of the maltreatment, and the name and address of the reporter. The local welfare  
 369.17 agency or agency responsible for assessing or investigating the report shall accept a report  
 369.18 made under section 260E.06 notwithstanding refusal by a reporter to provide the reporter's  
 369.19 name or address as long as the report is otherwise sufficient under this paragraph.

369.20 (c) Notwithstanding paragraph (a), upon implementation of the provider licensing and  
 369.21 reporting hub, an individual who has an account with the provider licensing and reporting  
 369.22 hub and is required to report suspected maltreatment ~~at a licensed program under section~~  
 369.23 ~~260E.06, subdivision 1, may submit a written report in the hub in a manner prescribed by~~  
 369.24 ~~the commissioner and is not required to make an oral report. A report submitted through~~  
 369.25 ~~the provider licensing and reporting hub must be made immediately.~~

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

369.27 Sec. 41. Minnesota Statutes 2022, section 270B.14, subdivision 1, is amended to read:

369.28 Subdivision 1. **Disclosure to commissioner of human services.** (a) On the request of  
 369.29 the commissioner of human services, the commissioner shall disclose return information

515.34 commissioner within 15 days of the occurrence. Review of the change must be conducted  
 516.1 by the commissioner. A certification holder with changes resulting in noncompliance in  
 516.2 minimum standards must receive written notice and may have up to 180 days to correct the  
 516.3 areas of noncompliance before being decertified. Interim procedures to resolve the  
 516.4 noncompliance on a temporary basis must be developed and submitted in writing to the  
 516.5 commissioner for approval within 30 days of the commissioner's determination of the  
 516.6 noncompliance. Not reporting an occurrence of a change that results in noncompliance  
 516.7 within 15 days, failure to develop an approved interim procedure within 30 days of the  
 516.8 determination of the noncompliance, or nonresolution of the noncompliance within 180  
 516.9 days will result in immediate decertification.

516.10 (c) The mental health clinic may be required to submit written information to the  
 516.11 department to document that the mental health clinic has maintained compliance with this  
 516.12 section and mental health clinic procedures.

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

516.14 Sec. 23. Minnesota Statutes 2022, section 260E.09, is amended to read:

516.15 **260E.09 REPORTING REQUIREMENTS.**

516.16 (a) An oral report shall be made immediately by telephone or otherwise. An oral report  
 516.17 made by a person required under section 260E.06, subdivision 1, to report shall be followed  
 516.18 within 72 hours, exclusive of weekends and holidays, by a report in writing to the appropriate  
 516.19 police department, the county sheriff, the agency responsible for assessing or investigating  
 516.20 the report, or the local welfare agency.

516.21 (b) Any report shall be of sufficient content to identify the child, any person believed  
 516.22 to be responsible for the maltreatment of the child if the person is known, the nature and  
 516.23 extent of the maltreatment, and the name and address of the reporter. The local welfare  
 516.24 agency or agency responsible for assessing or investigating the report shall accept a report  
 516.25 made under section 260E.06 notwithstanding refusal by a reporter to provide the reporter's  
 516.26 name or address as long as the report is otherwise sufficient under this paragraph.

516.27 (c) Notwithstanding paragraph (a), upon implementation of the provider licensing and  
 516.28 reporting hub, an individual who has an account with the provider licensing and reporting  
 516.29 hub and is required to report suspected maltreatment ~~as a licensed program under section~~  
 516.30 ~~260E.06, subdivision 1, may submit a written report in the hub in a manner prescribed by~~  
 516.31 ~~the commissioner and is not required to make an oral report. A report submitted through~~  
 516.32 ~~the provider licensing and reporting hub must be made immediately.~~

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

517.1 Sec. 24. Minnesota Statutes 2022, section 270B.14, subdivision 1, is amended to read:

517.2 Subdivision 1. **Disclosure to commissioner of human services.** (a) On the request of  
 517.3 the commissioner of human services, the commissioner shall disclose return information

369.30 regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to the  
369.31 extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

370.1 (b) Data that may be disclosed are limited to data relating to the identity, whereabouts,  
370.2 employment, income, and property of a person owing or alleged to be owing an obligation  
370.3 of child support.

370.4 (c) The commissioner of human services may request data only for the purposes of  
370.5 carrying out the child support enforcement program and to assist in the location of parents  
370.6 who have, or appear to have, deserted their children. Data received may be used only as set  
370.7 forth in section 256.978.

370.8 (d) The commissioner shall provide the records and information necessary to administer  
370.9 the supplemental housing allowance to the commissioner of human services.

370.10 (e) At the request of the commissioner of human services, the commissioner of revenue  
370.11 shall electronically match the Social Security numbers and names of participants in the  
370.12 telephone assistance plan operated under sections 237.69 to 237.71, with those of property  
370.13 tax refund filers, and determine whether each participant's household income is within the  
370.14 eligibility standards for the telephone assistance plan.

370.15 (f) The commissioner may provide records and information collected under sections  
370.16 295.50 to 295.59 to the commissioner of human services for purposes of the Medicaid  
370.17 Voluntary Contribution and Provider-Specific Tax Amendments of 1991, Public Law  
370.18 102-234. Upon the written agreement by the United States Department of Health and Human  
370.19 Services to maintain the confidentiality of the data, the commissioner may provide records  
370.20 and information collected under sections 295.50 to 295.59 to the Centers for Medicare and  
370.21 Medicaid Services section of the United States Department of Health and Human Services  
370.22 for purposes of meeting federal reporting requirements.

370.23 (g) The commissioner may provide records and information to the commissioner of  
370.24 human services as necessary to administer the early refund of refundable tax credits.

370.25 (h) The commissioner may disclose information to the commissioner of human services  
370.26 as necessary for income verification for eligibility and premium payment under the  
370.27 MinnesotaCare program, under section 256L.05, subdivision 2, as well as the medical  
370.28 assistance program under chapter 256B.

370.29 (i) The commissioner may disclose information to the commissioner of human services  
370.30 necessary to verify whether applicants or recipients for the Minnesota family investment  
370.31 program, general assistance, the Supplemental Nutrition Assistance Program (SNAP),  
370.32 Minnesota supplemental aid program, and child care assistance have claimed refundable  
370.33 tax credits under chapter 290 and the property tax refund under chapter 290A, and the  
370.34 amounts of the credits.

517.4 regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to the  
517.5 extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

517.6 (b) Data that may be disclosed are limited to data relating to the identity, whereabouts,  
517.7 employment, income, and property of a person owing or alleged to be owing an obligation  
517.8 of child support.

517.9 (c) The commissioner of human services may request data only for the purposes of  
517.10 carrying out the child support enforcement program and to assist in the location of parents  
517.11 who have, or appear to have, deserted their children. Data received may be used only as set  
517.12 forth in section 256.978.

517.13 (d) The commissioner shall provide the records and information necessary to administer  
517.14 the supplemental housing allowance to the commissioner of human services.

517.15 (e) At the request of the commissioner of human services, the commissioner of revenue  
517.16 shall electronically match the Social Security numbers and names of participants in the  
517.17 telephone assistance plan operated under sections 237.69 to 237.71, with those of property  
517.18 tax refund filers, and determine whether each participant's household income is within the  
517.19 eligibility standards for the telephone assistance plan.

517.20 (f) The commissioner may provide records and information collected under sections  
517.21 295.50 to 295.59 to the commissioner of human services for purposes of the Medicaid  
517.22 Voluntary Contribution and Provider-Specific Tax Amendments of 1991, Public Law  
517.23 102-234. Upon the written agreement by the United States Department of Health and Human  
517.24 Services to maintain the confidentiality of the data, the commissioner may provide records  
517.25 and information collected under sections 295.50 to 295.59 to the Centers for Medicare and  
517.26 Medicaid Services section of the United States Department of Health and Human Services  
517.27 for purposes of meeting federal reporting requirements.

517.28 (g) The commissioner may provide records and information to the commissioner of  
517.29 human services as necessary to administer the early refund of refundable tax credits.

517.30 (h) The commissioner may disclose information to the commissioner of human services  
517.31 as necessary for income verification for eligibility and premium payment under the  
517.32 MinnesotaCare program, under section 256L.05, subdivision 2, as well as the medical  
517.33 assistance program under chapter 256B.

518.1 (i) The commissioner may disclose information to the commissioner of human services  
518.2 necessary to verify whether applicants or recipients for the Minnesota family investment  
518.3 program, general assistance, the Supplemental Nutrition Assistance Program (SNAP),  
518.4 Minnesota supplemental aid program, and child care assistance have claimed refundable  
518.5 tax credits under chapter 290 and the property tax refund under chapter 290A, and the  
518.6 amounts of the credits.

371.1 (j) The commissioner may disclose information to the commissioner of human services  
371.2 necessary to verify income for purposes of calculating parental contribution amounts under  
371.3 section 252.27, subdivision 2a.

371.4 (k) The commissioner shall disclose information to the commissioner of human services  
371.5 to verify the income and tax identification information of:

371.6 (1) an applicant under section 245A.04, subdivision 1;

371.7 (2) an applicant under section 245I.20;

371.8 (3) an applicant under section 245H.03;

371.9 (4) a license holder; or

371.10 (5) a certification holder.

371.11 Sec. 42. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES;**  
371.12 **TRANSITION TO LICENSURE.**

371.13 (a) The commissioner of human services must transition the following mental health  
371.14 services from certification under Minnesota Statutes, chapters 245 and 256B, to licensure  
371.15 under Minnesota Statutes, chapter 245A, on or before January 1, 2026:

371.16 (1) certified community behavioral health clinics;

371.17 (2) adult rehabilitative mental health services;

371.18 (3) mobile mental health crisis response services;

371.19 (4) children's therapeutic services and supports; and

371.20 (5) community mental health centers.

371.21 (b) The transition to licensure under this section must be according to the Mental Health  
371.22 Uniform Service Standards in Minnesota Statutes, chapter 245I.

371.23 (c) No later than January 1, 2025, the commissioner must submit the proposed legislation  
371.24 necessary to implement the transition in paragraphs (a) and (b) to the chairs and ranking  
371.25 minority members of the legislative committees with jurisdiction over behavioral health  
371.26 services.

371.27 (d) The commissioner must consult with stakeholders to develop the legislation described  
371.28 in paragraph (c).

518.7 (j) The commissioner may disclose information to the commissioner of human services  
518.8 necessary to verify income for purposes of calculating parental contribution amounts under  
518.9 section 252.27, subdivision 2a.

518.10 (k) The commissioner shall disclose information to the commissioner of human services  
518.11 to verify the income and tax identification information of:

518.12 (1) an applicant under section 245A.04, subdivision 1;

518.13 (2) an applicant under section 245H.03;

518.14 (3) an applicant under section 245I.20;

518.15 (4) a license holder; or

518.16 (5) a certification holder.

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128.8 Sec. 40. **DIRECTION TO COMMISSIONER; AMENDING THE DEFINITION OF**  
128.9 **EDUCATION.**

128.10 (a) The commissioner of human services must amend Minnesota Rules, part 9503.0030,  
128.11 subpart 1, item B, to include accredited course work from an accredited postsecondary  
128.12 institution that can be shown to be relevant to the primary skills necessary to meet the  
128.13 qualifications of a teacher.

128.14 (b) For purposes of this section, the commissioner may use the good cause exemption  
128.15 process under Minnesota Statutes, section 14.388, subdivision 1, clause (3), and Minnesota  
128.16 Statutes, section 14.386, does not apply.

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

128.18 Sec. 41. **DIRECTION TO COMMISSIONER; TEMPORARY CHANGES TO STAFF**  
128.19 **QUALIFICATION RULES FOR CHILD CARE CENTERS.**

128.20 (a) Notwithstanding Minnesota Rules, part 9503.0033, the commissioner of human  
128.21 services must allow a licensed child care center to hire an individual as an assistant teacher  
128.22 if the individual is at least 18 years old, has been employed in a direct child-serving role at  
128.23 the center for a minimum of 30 days, is enrolled in a child development associate credential  
128.24 program at the time of hire or will be within 60 days of being hired, and completes the child  
128.25 development associate credential from the Council for Professional Recognition within one  
128.26 year of the individual's hiring date.

128.27 (b) This section expires July 1, 2025. A licensed child care center may continue to employ  
128.28 any individual hired under this section as an assistant teacher after the expiration of this  
128.29 section.