

STATE OF MINNESOTA

# Journal of the House

NINETY-FIRST SESSION — 2019

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THIRTIETH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 1, 2019

The House of Representatives convened at 3:30 p.m. and was called to order by Melissa Hortman, Speaker of the House.

Prayer was offered by the Reverend John D. Mitchem, Albert Lea United Methodist Church, Albert Lea, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Acomb	Dettmer	Heinrich	Lislegard	Noor	Scott
Albright	Drazkowski	Heintzeman	Loeffler	Nornes	Stephenson
Anderson	Ecklund	Her	Long	O'Driscoll	Sundin
Backer	Edelson	Hertaus	Lucero	Olson	Swedzinski
Bahner	Elkins	Hornstein	Lueck	O'Neill	Tabke
Bahr	Erickson	Howard	Mahoney	Pelowski	Torkelson
Baker	Fabian	Huot	Mann	Persell	Urdahl
Becker-Finn	Fischer	Johnson	Mariani	Petersburg	Vang
Bernardy	Franson	Jurgens	Marquart	Pierson	Vogel
Bierman	Freiberg	Kiel	Masin	Pinto	Wagenius
Boe	Garofalo	Klevorn	McDonald	Poppe	Wazlawik
Brand	Gomez	Koegel	Mekeland	Poston	Winkler
Cantrell	Green	Kotzya-Witthuhn	Miller	Pryor	Wolgamott
Carlson, A.	Grossell	Kresha	Moller	Quam	Xiong, J.
Carlson, L.	Gruenhagen	Kunesh-Podein	Moran	Richardson	Xiong, T.
Christensen	Gunther	Layman	Morrison	Robbins	Youakim
Daniels	Haley	Lee	Munson	Runbeck	Spk. Hortman
Daudt	Halverson	Lesch	Murphy	Sandell	
Davids	Hamilton	Liebling	Nash	Sandstede	
Davnie	Hansen	Lien	Nelson, M.	Sauke	
Dehn	Hassan	Lillie	Nelson, N.	Schomacker	
Demuth	Hausman	Lippert	Neu	Schultz	

A quorum was present.

Bennett, Claflin, Theis, West and Zerwas were excused.

Koznick was excused until 5:15 p.m. Considine was excused until 5:20 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

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## REPORTS OF CHIEF CLERK

S. F. No. 1547 and H. F. No. 374, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Xiong, J., moved that S. F. No. 1547 be substituted for H. F. No. 374 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES AND DIVISIONS

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 557, A bill for an act relating to health; protecting physician-patient relationship by prohibiting noncompete agreements; proposing coding for new law in Minnesota Statutes, chapter 145.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Moran from the Committee on Health and Human Services Policy to which was referred:

H. F. No. 922, A bill for an act relating to health; limiting well notification fees in certain circumstances; amending Minnesota Statutes 2018, sections 103I.208, subdivision 1; 103I.601, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2018, section 103I.005, subdivision 2, is amended to read:

Subd. 2. **Boring.** "Boring" means a hole or excavation that ~~is not used to extract water and~~ includes exploratory borings, bored geothermal heat exchangers, temporary borings, and elevator borings.

Sec. 2. Minnesota Statutes 2018, section 103I.005, subdivision 8a, is amended to read:

Subd. 8a. **Environmental well.** "Environmental well" means an excavation 15 or more feet in depth that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed to:

(1) conduct physical, chemical, or biological testing of groundwater, and includes a groundwater quality monitoring or sampling well;

(2) lower a groundwater level to control or remove contamination in groundwater, and includes a remedial well and excludes horizontal trenches; or

(3) monitor or measure physical, chemical, radiological, or biological parameters of the earth and earth fluids, or for vapor recovery or venting systems. An environmental well includes an excavation used to:

(i) measure groundwater levels, including a piezometer;

- (ii) determine groundwater flow direction or velocity;
- (iii) measure earth properties such as hydraulic conductivity, bearing capacity, or resistance;
- (iv) obtain samples of geologic materials for testing or classification; or
- (v) remove or remediate pollution or contamination from groundwater or soil through the use of a vent, vapor recovery system, or sparge point.

An environmental well does not include an exploratory boring.

Sec. 3. Minnesota Statutes 2018, section 103I.005, subdivision 17a, is amended to read:

Subd. 17a. **Temporary environmental well boring.** ~~"Temporary environmental well" means an environmental well as defined in section 103I.005, subdivision 8a, that is sealed within 72 hours of the time construction on the well begins.~~ "Temporary boring" means an excavation that is 15 feet or more in depth, is sealed within 72 hours of the time of construction, and is drilled, cored, washed, driven, dug, jetted, or otherwise constructed to:

- (1) conduct physical, chemical, or biological testing of groundwater, including groundwater quality monitoring;
- (2) monitor or measure physical, chemical, radiological, or biological parameters of earth materials or earth fluids, including hydraulic conductivity, bearing capacity, or resistance;
- (3) measure groundwater levels, including use of a piezometer; and
- (4) determine groundwater flow direction or velocity.

Sec. 4. Minnesota Statutes 2018, section 103I.205, subdivision 1, is amended to read:

Subdivision 1. **Notification required.** (a) Except as provided in paragraph (d), a person may not construct a water-supply, dewatering, or environmental well until a notification of the proposed well on a form prescribed by the commissioner is filed with the commissioner with the filing fee in section 103I.208, and, when applicable, the person has met the requirements of paragraph (e). If after filing the well notification an attempt to construct a well is unsuccessful, a new notification is not required unless the information relating to the successful well has substantially changed. A notification is not required prior to construction of a temporary ~~environmental well boring~~.

(b) The property owner, the property owner's agent, or the licensed contractor where a well is to be located must file the well notification with the commissioner.

(c) The well notification under this subdivision preempts local permits and notifications, and counties or home rule charter or statutory cities may not require a permit or notification for wells unless the commissioner has delegated the permitting or notification authority under section 103I.111.

(d) A person who is an individual that constructs a drive point water-supply well on property owned or leased by the individual for farming or agricultural purposes or as the individual's place of abode must notify the commissioner of the installation and location of the well. The person must complete the notification form prescribed by the commissioner and mail it to the commissioner by ten days after the well is completed. A fee may not be charged for the notification. A person who sells drive point wells at retail must provide buyers with notification forms and informational materials including requirements regarding wells, their location, construction, and disclosure. The commissioner must provide the notification forms and informational materials to the sellers.

(e) When the operation of a well will require an appropriation permit from the commissioner of natural resources, a person may not begin construction of the well until the person submits the following information to the commissioner of natural resources:

(1) the location of the well;

(2) the formation or aquifer that will serve as the water source;

(3) the maximum daily, seasonal, and annual pumpage rates and volumes that will be requested in the appropriation permit; and

(4) other information requested by the commissioner of natural resources that is necessary to conduct the preliminary assessment required under section 103G.287, subdivision 1, paragraph (c).

The person may begin construction after receiving preliminary approval from the commissioner of natural resources.

Sec. 5. Minnesota Statutes 2018, section 103I.205, subdivision 4, is amended to read:

Subd. 4. **License required.** (a) Except as provided in paragraph (b), (c), (d), or (e), section 103I.401, subdivision 2, or 103I.601, subdivision 2, a person may not drill, construct, repair, or seal a well or boring unless the person has a well contractor's license in possession.

(b) A person may construct, repair, and seal an environmental well or temporary boring if the person:

(1) is a professional engineer licensed under sections 326.02 to 326.15 in the branches of civil or geological engineering;

(2) is a hydrologist or hydrogeologist certified by the American Institute of Hydrology;

(3) is a professional geoscientist licensed under sections 326.02 to 326.15;

(4) is a geologist certified by the American Institute of Professional Geologists; or

(5) meets the qualifications established by the commissioner in rule.

A person must be licensed by the commissioner as an environmental well contractor on forms provided by the commissioner.

(c) A person may do the following work with a limited well/boring contractor's license in possession. A separate license is required for each of the four activities:

(1) installing, repairing, and modifying well screens, pitless units and pitless adaptors, well pumps and pumping equipment, and well casings from the pitless adaptor or pitless unit to the upper termination of the well casing;

(2) sealing wells and borings;

(3) constructing, repairing, and sealing dewatering wells; or

(4) constructing, repairing, and sealing bored geothermal heat exchangers.

(d) A person may construct, repair, and seal an elevator boring with an elevator boring contractor's license.

(e) Notwithstanding other provisions of this chapter requiring a license, a license is not required for a person who complies with the other provisions of this chapter if the person is:

(1) an individual who constructs a water-supply well on land that is owned or leased by the individual and is used by the individual for farming or agricultural purposes or as the individual's place of abode; or

(2) an individual who performs labor or services for a contractor licensed under the provisions of this chapter in connection with the construction, sealing, or repair of a well or boring at the direction and under the personal supervision of a contractor licensed under the provisions of this chapter; ~~or.~~

~~(3) a licensed plumber who is repairing submersible pumps or water pipes associated with well water systems if: (i) the repair location is within an area where there is no licensed well contractor within 50 miles, and (ii) the licensed plumber complies with all relevant sections of the plumbing code.~~

Sec. 6. Minnesota Statutes 2018, section 103I.205, subdivision 9, is amended to read:

Subd. 9. **Report of work.** Within ~~30~~ 60 days after completion or sealing of a well or boring, the person doing the work must submit a verified report to the commissioner containing the information specified by rules adopted under this chapter.

Within 30 days after receiving the report, the commissioner shall send or otherwise provide access to a copy of the report to the commissioner of natural resources, to the local soil and water conservation district where the well is located, and to the director of the Minnesota Geological Survey.

Sec. 7. Minnesota Statutes 2018, section 103I.208, subdivision 1, is amended to read:

Subdivision 1. **Well notification fee.** The well notification fee to be paid by a property owner is:

(1) for construction of a water supply well, \$275, which includes the state core function fee;

(2) for a well sealing, \$75 for each well or temporary boring, which includes the state core function fee, except that: (i) a single fee of \$75 is required for all temporary environmental wells borings recorded on the sealing notification for a single property, having depths within a 25-foot range, and sealed within 72 hours of start of construction; and (ii) temporary borings less than 25 feet in depth are exempt from the notification and fee requirements in this chapter;

(3) for construction of a dewatering well, \$275, which includes the state core function fee, for each dewatering well except a dewatering project comprising five or more dewatering wells shall be assessed a single fee of \$1,375 for the dewatering wells recorded on the notification; and

(4) for construction of an environmental well, \$275, which includes the state core function fee, except that a single fee of \$275 is required for all environmental wells recorded on the notification that are located on a single property, and except that no fee is required for construction of a temporary ~~environmental well~~ boring.

Sec. 8. Minnesota Statutes 2018, section 103I.235, subdivision 3, is amended to read:

Subd. 3. **Temporary ~~environmental well~~ boring and unsuccessful well exemption.** This section does not apply to temporary ~~environmental wells~~ borings or unsuccessful wells that have been sealed by a licensed contractor in compliance with this chapter.

Sec. 9. Minnesota Statutes 2018, section 103I.301, is amended by adding a subdivision to read:

Subd. 3a. **Temporary boring.** (a) The owner of the property where a temporary boring is located must have the temporary boring sealed within 72 hours after the start of construction of the temporary boring.

(b) The owner must have a well contractor, a limited well/boring sealing contractor, or an environmental well contractor seal the temporary boring.

Sec. 10. Minnesota Statutes 2018, section 103I.301, subdivision 6, is amended to read:

Subd. 6. **Notification required.** A person may not seal a well or temporary boring until a notification of the proposed sealing is filed as prescribed by the commissioner. Temporary borings less than 25 feet in depth are exempt from the notification requirements in this chapter.

Sec. 11. Minnesota Statutes 2018, section 103I.601, subdivision 4, is amended to read:

Subd. 4. **Notification and map of borings.** (a) By ten days before beginning exploratory boring, an explorer must submit to the commissioner of health a notification of the proposed boring ~~on a form prescribed by the commissioner, map~~ and a fee of \$275 ~~for each exploratory boring.~~

(b) By ten days before beginning exploratory boring, an explorer must submit to the commissioners of health and natural resources a county road map on a single sheet of paper that is 8-1/2 by 11 inches in size and having a scale of one-half inch equal to one mile, as prepared by the Department of Transportation, or a 7.5 minute series topographic map (1:24,000 scale), as prepared by the United States Geological Survey, showing the location of each proposed exploratory boring to the nearest estimated 40 acre parcel. Exploratory boring that is proposed on the map may not be commenced later than 180 days after submission of the map, unless a new map is submitted."

Amend the title as follows:

Page 1, line 2, delete "limiting well notification fees in certain circumstances;" and insert "changing wells and borings provisions;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Pinto from the Early Childhood Finance and Policy Division to which was referred:

H. F. No. 1801, A bill for an act relating to human services; instructing the revisor of statutes to recodify rules and statutes governing licensing of day care facilities.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
APPROPRIATIONS

Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated, or subtracted from base appropriations if shown in parentheses, to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2020" and "2021" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2020, or June 30, 2021, respectively. "The first year" is fiscal year 2020. "The second year" is fiscal year 2021. "The biennium" is fiscal years 2020 and 2021.

**APPROPRIATIONS**  
**Available for the Year**  
**Ending June 30**  
**2020**                      **2021**

Sec. 2. **COMMISSIONER OF HUMAN SERVICES**

Subdivision 1. **Total Appropriation**    **\$13,693,000**                      **\$34,468,000**

Appropriations by Fund

	<u>2020</u>	<u>2021</u>
<u>General</u>	13,616,000	34,402,000
<u>State Government Special</u>		
<u>Revenue</u>	84,000	75,000
<u>Health Care Access</u>	(7,000)	(9,000)

The appropriations in this section are to the commissioner of human services. Each appropriation is in addition to base appropriations. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Central Office; Operations**

Appropriations by Fund

	<u>2020</u>	<u>2021</u>
<u>General</u>	3,432,000	3,051,000
<u>State Government Special</u>		
<u>Revenue</u>	84,000	75,000

(a) **Child Care Licensing Inspections.** \$673,000 in fiscal year 2020 and \$722,000 in fiscal year 2021 are to add eight child care licensing staff for the purpose of increasing the frequency of inspections of child care centers to ensure the health and safety of

children in care, provide technical assistance to newly-licensed programs, and monitor struggling programs more closely to evaluate whether the program should be referred to the Office of Inspector General for a potential fraud investigation.

**(b) Child Care Assistance Programs - Fraud and Abuse Data Analysts.** \$317,000 in fiscal year 2020 and \$339,000 in fiscal year 2021 are to add two data analysts to strengthen the commissioner's ability to identify, detect, and prevent fraud and abuse in the child care assistance programs under Minnesota Statutes, chapter 119B.

**(c) Office of Inspector General Investigators.** \$418,000 in fiscal year 2020 and \$483,000 in fiscal year 2021 are to add four investigators to the Office of Inspector General to detect, prevent, and make recoveries from fraudulent activities among providers in the medical assistance program under Minnesota Statutes, chapter 256B.

**(d) Office of Inspector General Tracking System.** \$355,000 in fiscal year 2020 and \$105,000 in fiscal year 2021 are to purchase a system to record, track, and report on investigative activity for the Office of Inspector General to strengthen fraud prevention and investigation activities for child care assistance programs under Minnesota Statutes, chapter 119B.

**(e) Fraud Prevention Investigation Grant Program.** \$529,000 in fiscal year 2020 and \$546,000 in fiscal year 2021 are for the fraud prevention investigation grant program under Minnesota Statutes, section 256.983. Of this amount, the commissioner may use up to \$104,000 in the first year and up to \$121,000 in the second year to add one permanent full-time equivalent employee to support the grant program.

**(f) Child Care Assistance Programs - Law Enforcement.** \$350,000 in fiscal year 2020 and \$350,000 in fiscal year 2021 are to add two additional law enforcement officers under contract with the Bureau of Criminal Apprehension, to conduct criminal investigations in child care assistance program cases.

**(g) Base Level Adjustment.** The general fund base is increased by \$3,191,000 in fiscal year 2022 and \$3,190,000 in fiscal year 2023.

**Subd. 3. Central Office; Children and Families**

105,000

120,000

**Child Care Assistance Programs - Improvements.** \$71,000 in fiscal year 2020 and \$82,000 in fiscal year 2021 are to add one temporary staff to plan for improvements to provider registration and oversight for the child care assistance programs under Minnesota Statutes, chapter 119B. This is a onetime appropriation.

Subd. 4. <b><u>Forecasted Programs; MFIP/DWP</u></b>	<u>(118,000)</u>	<u>(157,000)</u>
Subd. 5. <b><u>Forecasted Programs; MFIP Child Care Assistance</u></b>	<u>(304,000)</u>	<u>10,206,000</u>
Subd. 6. <b><u>Forecasted Programs; General Assistance</u></b>	<u>(26,000)</u>	<u>(34,000)</u>
Subd. 7. <b><u>Forecasted Programs; Minnesota Supplemental Aid</u></b>	<u>(22,000)</u>	<u>(29,000)</u>
Subd. 8. <b><u>Forecasted Programs; Housing Support</u></b>	<u>(88,000)</u>	<u>(117,000)</u>
Subd. 9. <b><u>Forecasted Programs; MinnesotaCare</u></b>	<u>(7,000)</u>	<u>(9,000)</u>

**Generally.** This reduction is from the health care access fund.

Subd. 10. <b><u>Forecasted Programs; Medical Assistance</u></b>	<u>(210,000)</u>	<u>(280,000)</u>
Subd. 11. <b><u>Grant Programs; Basic Sliding Fee Child Care Assistance Grants</u></b>	<u>9,987,000</u>	<u>21,042,000</u>

**(a) Basic Sliding Fee Waiting List Allocation.** Notwithstanding Minnesota Statutes, section 119B.03, this appropriation is to reduce the basic sliding fee program waiting list as follows:

(1) the calendar year 2020 allocation must be increased to serve families on the waiting list. To receive funds appropriated for this purpose, a county must have a waiting list in the most recent published waiting list month;

(2) funds must be distributed proportionately based on the average of the most recent six months of published waiting lists to counties that meet the criteria in clause (1);

(3) allocations in calendar years 2021 and beyond must be calculated using the allocation formula in Minnesota Statutes, section 119B.03; and

(4) the guaranteed floor for calendar year 2021 must be based on the revised calendar year 2020 allocation.

**(b) Basic Sliding Fee 2020 Allocation.** Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b, the commissioner must allocate the additional basic sliding fee child care funds for calendar year 2020 to counties for updated maximum rates based on relative need to cover maximum rate increases. In distributing the additional funds, the commissioner shall consider the following factors by county:

(1) number of children;

(2) provider type;

(3) age of children; and

(4) amount of the increase in maximum rates.

(c) **Base Level Adjustment.** The general fund base is increased by \$25,817,000 in fiscal year 2022 and \$32,788,000 in fiscal year 2023.

Subd. 12. <b><u>Grant Programs; Child Care Development Grants</u></b>	<u>600,000</u>	<u>600,000</u>
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(a) **First Children's Finance Child Care Site Assistance Grant.** \$500,000 in each year is for a grant to First Children's Finance as provided under section 4. This is a onetime appropriation.

(b) **REETAIN Grant.** \$100,000 in each year is for the REETAIN grant program under Minnesota Statutes, section 119B.195. The unencumbered balance in the first year does not cancel but is available for the second year. The base for this program is \$100,000 in each year for fiscal years 2022 and 2023.

Subd. 13. <b><u>Grant Programs; Children and Economic Support Grants</u></b>	<u>260,000</u>	<u>0</u>
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**Food Shelf Programs.** This appropriation is for food shelf programs under Minnesota Statutes, section 256E.34, to purchase diapers. Hunger Solutions must establish an application process for food shelves and determine the allocation of money to food shelves. This appropriation is in addition to any other appropriation for food shelf programs under Minnesota Statutes, section 256E.34. This is a onetime appropriation.

### Sec. 3. **COMMISSIONER OF HEALTH**

Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$250,000</u></b>	<b><u>\$250,000</u></b>
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The appropriations in this section are to the commissioner of health. Each appropriation is in addition to base appropriations. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <b><u>Health Improvement</u></b>	<u>250,000</u>	<u>250,000</u>
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**Home Visiting.** This appropriation is for home visiting programs under Minnesota Statutes, section 145.87. This is a onetime appropriation.

### Sec. 4. **FIRST CHILDREN'S FINANCE CHILD CARE SITE ASSISTANCE.**

Subdivision 1. **Purposes.** Grants under section 2, subdivision 12, to First Children's Finance are for loans to improve child care or early childhood education sites, or loans to plan, design, and construct or expand licensed and legal nonlicensed sites to increase the availability of child care or early childhood education.

Subd. 2. **Financing program.** (a) First Children's Finance must use grant funds to:

(1) establish a revolving loan fund to make loans to existing, expanding, and newly licensed and legally unlicensed child care and early childhood education sites;

(2) establish a fund to guarantee private loans to improve or construct a child care or early childhood education site;

(3) establish a fund to provide forgivable loans or grants to match all or part of a loan made under this section;

(4) establish a fund as a reserve against bad debt; and

(5) establish a fund to provide business planning assistance for child care providers.

(b) First Children's Finance must establish the terms and conditions for loans and loan guarantees including interest rates, repayment agreements, private match requirements, and conditions for loan forgiveness. A minimum interest rate for loans must be established to ensure that necessary loan administration costs are covered. Interest earnings may be used for administrative expenses.

Subd. 3. **Reporting.** First Children's Finance must:

(1) by September 30, 2020, and September 30, 2021, report to the commissioner of human services the purposes for which the money was used during the past fiscal year, including a description of projects supported by the financing, an account of loans made during the calendar year, the financing program's assets and liabilities, and an explanation of administrative expenses; and

(2) submit to the commissioner of human services a copy of the report of an independent audit performed in accordance with generally accepted accounting practices and auditing standards, for each fiscal year in which grants are received.

## ARTICLE 2 EARLY CARE FINANCE AND POLICY

Section 1. Minnesota Statutes 2018, section 119B.011, is amended by adding a subdivision to read:

Subd. 13b. **Homeless.** "Homeless" means a self-declared housing status as defined in the McKinney-Vento Homeless Assistance Act and United States Code, title 42, section 11302, paragraph (a).

**EFFECTIVE DATE.** This section is effective September 21, 2020.

Sec. 2. Minnesota Statutes 2018, section 119B.011, subdivision 19, is amended to read:

Subd. 19. **Provider.** "Provider" means:

(1) an individual or child care center or facility, either licensed or unlicensed, providing legal child care services as defined licensed to provide child care under section 245A.03 chapter 245A when operating within the terms of the license; or

(2) a license exempt center required to be certified under chapter 245H;

(3) an individual or child care center or facility ~~holding that: (i) holds~~ a valid child care license issued by another state or a tribe ~~and providing; (ii) provides~~ child care services in the licensing state or in the area under the licensing tribe's jurisdiction; and (iii) is in compliance with federal health and safety requirements as certified by the licensing state or tribe, or as determined by receipt of child care development block grant funds in the licensing state; or

(4) a legal nonlicensed child care provider as defined under section 119B.011, subdivision 16, providing legal child care services. A ~~legally unlicensed family~~ legal nonlicensed child care provider must be at least 18 years of age, and not a member of the MFIP assistance unit or a member of the family receiving child care assistance to be authorized under this chapter.

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

Sec. 3. Minnesota Statutes 2018, section 119B.011, subdivision 20, is amended to read:

Subd. 20. **Transition year families.** "Transition year families" means families who have received MFIP assistance, or who were eligible to receive MFIP assistance after choosing to discontinue receipt of the cash portion of MFIP assistance under section 256J.31, subdivision 12, or families who have received DWP assistance under section 256J.95 for at least ~~three~~ one of the last six months before losing eligibility for MFIP or DWP. Notwithstanding Minnesota Rules, parts 3400.0040, subpart 10, and 3400.0090, subpart 2, transition year child care may be used to support employment, approved education or training programs, or job search that meets the requirements of section 119B.10. Transition year child care is not available to families who have been disqualified from MFIP or DWP due to fraud.

**EFFECTIVE DATE.** This section is effective March 23, 2020.

Sec. 4. Minnesota Statutes 2018, section 119B.02, subdivision 3, is amended to read:

Subd. 3. **Supervision of counties and providers.** (a) The commissioner shall supervise child care programs administered by the counties through standard-setting, technical assistance to the counties, approval of county child care fund plans, and distribution of public money for services. The commissioner shall provide training and other support services to assist counties in planning for and implementing child care assistance programs. The commissioner shall adopt rules under chapter 14 that establish minimum administrative standards for the provision of child care services by county boards of commissioners.

(b) The commissioner shall:

(1) provide technical assistance and training to support child care providers to ensure proper billing and attendance records are submitted for reimbursement under this chapter; and

(2) ensure that the training and technical assistance provided to child care providers is linguistically and culturally accessible.

Sec. 5. Minnesota Statutes 2018, section 119B.02, subdivision 7, is amended to read:

Subd. 7. **Child care market rate survey.** ~~Biennially,~~ The commissioner shall conduct the next survey of prices charged by child care providers in Minnesota in state fiscal year 2021 and every three years thereafter to determine the 75th percentile for like-care arrangements in county price clusters.

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

Sec. 6. Minnesota Statutes 2018, section 119B.025, subdivision 1, is amended to read:

Subdivision 1. **Applications.** (a) Except as provided in paragraph (c), clause (4), the county shall verify the following at all initial child care applications using the universal application:

- (1) identity of adults;
- (2) presence of the minor child in the home, if questionable;
- (3) relationship of minor child to the parent, stepparent, legal guardian, eligible relative caretaker, or the spouses of any of the foregoing;
- (4) age;
- (5) immigration status, if related to eligibility;
- (6) Social Security number, if given;
- (7) counted income;
- (8) spousal support and child support payments made to persons outside the household;
- (9) residence; and
- (10) inconsistent information, if related to eligibility.

(b) The county must mail a notice of approval or denial of assistance to the applicant within 30 calendar days after receiving the application. The county may extend the response time by 15 calendar days if the applicant is informed of the extension.

(c) For an applicant who declares that the applicant is homeless and who meets the definition of homeless in section 119B.011, subdivision 13b, the county must:

(1) if information is needed to determine eligibility, send a request for information to the applicant within five working days after receiving the application;

(2) if the applicant is eligible, send a notice of approval of assistance within five working days after receiving the application;

(3) if the applicant is ineligible, send a notice of denial of assistance within 30 days after receiving the application. The county may extend the response time by 15 calendar days if the applicant is informed of the extension;

(4) not require verifications required by paragraph (a) before issuing the notice of approval or denial; and

(5) follow limits set by the commissioner for how frequently expedited application processing may be used for an applicant under this paragraph.

(d) An applicant who declares that the applicant is homeless must submit proof of eligibility within three months of the date the application was received. If proof of eligibility is not submitted within three months, eligibility ends. A 15-day adverse action notice is required to end eligibility.

**EFFECTIVE DATE.** This section is effective September 21, 2020.

Sec. 7. Minnesota Statutes 2018, section 119B.025, is amended by adding a subdivision to read:

Subd. 5. **Information to applicants; child care fraud.** At the time of initial application and at redetermination, the county must provide written notice to the applicant or participant listing the activities that constitute child care fraud and the consequences of committing child care fraud. An applicant or participant shall acknowledge receipt of the child care fraud notice in writing.

Sec. 8. Minnesota Statutes 2018, section 119B.03, subdivision 9, is amended to read:

Subd. 9. **Portability pool.** (a) The commissioner shall establish a pool of up to five percent of the annual appropriation for the basic sliding fee program to provide continuous child care assistance for eligible families who move between Minnesota counties. At the end of each allocation period, any unspent funds in the portability pool must be used for assistance under the basic sliding fee program. If expenditures from the portability pool exceed the amount of money available, the reallocation pool must be reduced to cover these shortages.

(b) ~~To be eligible for portable basic sliding fee assistance,~~ A family that has moved from a county in which it was receiving basic sliding fee assistance to a county with a waiting list for the basic sliding fee program must:

(1) meet the income and eligibility guidelines for the basic sliding fee program; and

(2) ~~notify the new county of residence within 60 days of moving and submit information to the new county of residence to verify eligibility for the basic sliding fee program~~ the family's previous county of residence of the family's move to a new county of residence.

(c) The receiving county must:

(1) accept administrative responsibility for applicants for portable basic sliding fee assistance at the end of the two months of assistance under the Unitary Residency Act;

(2) continue portability pool basic sliding fee assistance ~~for the lesser of six months or~~ until the family is able to receive assistance under the county's regular basic sliding program; and

(3) notify the commissioner through the quarterly reporting process of any family that meets the criteria of the portable basic sliding fee assistance pool.

**EFFECTIVE DATE.** This section is effective December 2, 2019.

Sec. 9. Minnesota Statutes 2018, section 119B.09, subdivision 1, is amended to read:

Subdivision 1. **General eligibility requirements.** (a) Child care services must be available to families who need child care to find or keep employment or to obtain the training or education necessary to find employment and who:

(1) have household income less than or equal to 67 percent of the state median income, adjusted for family size, at application and redetermination, and meet the requirements of section 119B.05; receive MFIP assistance; and are participating in employment and training services under chapter 256J; or

(2) have household income less than or equal to 47 percent of the state median income, adjusted for family size, at application and less than or equal to 67 percent of the state median income, adjusted for family size, at redetermination.

(b) Child care services must be made available as in-kind services.

(c) All applicants for child care assistance and families currently receiving child care assistance must be assisted and required to cooperate in establishment of paternity and enforcement of child support obligations for all children in the family at application and redetermination as a condition of program eligibility. For purposes of this section, a family is considered to meet the requirement for cooperation when the family complies with the requirements of section 256.741.

(d) All applicants for child care assistance and families currently receiving child care assistance must pay the co-payment fee under section 119B.12, subdivision 2, as a condition of eligibility. The co-payment fee may include additional recoupment fees due to a child care assistance program overpayment.

(e) If a family has one child with a child care authorization and the child reaches 13 years of age or the child has a disability and reaches 15 years of age, the family remains eligible until the redetermination.

**EFFECTIVE DATE.** This section is effective June 29, 2020.

Sec. 10. Minnesota Statutes 2018, section 119B.095, subdivision 2, is amended to read:

Subd. 2. **Maintain steady child care authorizations.** (a) Notwithstanding Minnesota Rules, chapter 3400, the amount of child care authorized under section 119B.10 for employment, education, or an MFIP or DWP employment plan shall continue at the same number of hours or more hours until redetermination, including:

(1) when the other parent moves in and is employed or has an education plan under section 119B.10, subdivision 3, or has an MFIP or DWP employment plan; or

(2) when the participant's work hours are reduced or a participant temporarily stops working or attending an approved education program. Temporary changes include, but are not limited to, a medical leave, seasonal employment fluctuations, or a school break between semesters.

(b) The county may increase the amount of child care authorized at any time if the participant verifies the need for increased hours for authorized activities.

(c) The county may reduce the amount of child care authorized if a parent requests a reduction or because of a change in:

(1) the child's school schedule;

(2) the custody schedule; or

(3) the provider's availability.

(d) The amount of child care authorized for a family subject to subdivision 1, paragraph (b), must change when the participant's activity schedule changes. Paragraph (a) does not apply to a family subject to subdivision 1, paragraph (b).

(e) When a child reaches 13 years of age or a child with a disability reaches 15 years of age, the amount of child care authorized shall continue at the same number of hours or more hours until redetermination.

**EFFECTIVE DATE.** This section is effective June 29, 2020.

Sec. 11. Minnesota Statutes 2018, section 119B.095, is amended by adding a subdivision to read:

Subd. 3. **Assistance for persons who are homeless.** An applicant who is homeless and eligible for child care assistance is exempt from the activity participation requirements under this chapter for three months. The applicant under this subdivision is eligible for 60 hours of child care assistance per service period for three months from the date the county receives the application. Additional hours may be authorized as needed based on the applicant's participation in employment, education, or MFIP or DWP employment plan. To continue receiving child care assistance after the initial three months, the applicant must verify that the applicant meets eligibility and activity requirements for child care assistance under this chapter.

**EFFECTIVE DATE.** This section is effective September 21, 2020.

Sec. 12. Minnesota Statutes 2018, section 119B.13, subdivision 1, is amended to read:

Subdivision 1. **Subsidy restrictions.** (a) ~~Beginning February 3, 2014,~~ The maximum rate paid for child care assistance in any county or county price cluster under the child care fund shall be the greater of (1) the 25th percentile of the ~~2014~~ 2018 child care provider rate survey under section 119B.02, subdivision 7, or (2) the ~~maximum rate effective November 28, 2014~~ rates in effect at the time of the update. For a child care provider located within the boundaries of a city located in two or more of the counties of Benton, Sherburne, and Stearns, the maximum rate paid for child care assistance shall be equal to the maximum rate paid in the county with the highest maximum reimbursement rates or the provider's charge, whichever is less. The commissioner may: (1) assign a county with no reported provider prices to a similar price cluster; and (2) consider county level access when determining final price clusters.

(b) A rate which includes a special needs rate paid under subdivision 3 may be in excess of the maximum rate allowed under this subdivision.

(c) The department shall monitor the effect of this paragraph on provider rates. The county shall pay the provider's full charges for every child in care up to the maximum established. The commissioner shall determine the maximum rate for each type of care on an hourly, full-day, and weekly basis, including special needs and disability care.

(d) If a child uses one provider, the maximum payment for one day of care must not exceed the daily rate. The maximum payment for one week of care must not exceed the weekly rate.

(e) If a child uses two providers under section 119B.097, the maximum payment must not exceed:

(1) the daily rate for one day of care;

(2) the weekly rate for one week of care by the child's primary provider; and

(3) two daily rates during two weeks of care by a child's secondary provider.

(f) Child care providers receiving reimbursement under this chapter must not be paid activity fees or an additional amount above the maximum rates for care provided during nonstandard hours for families receiving assistance.

(g) If the provider charge is greater than the maximum provider rate allowed, the parent is responsible for payment of the difference in the rates in addition to any family co-payment fee.

(h) All maximum provider rates changes shall be implemented on the Monday following the effective date of the maximum provider rate.

(i) Notwithstanding Minnesota Rules, part 3400.0130, subpart 7, maximum registration fees in effect on January 1, 2013, shall remain in effect. The maximum registration fee paid for child care assistance in any county or county price cluster under the child care fund must be the greater of (1) the 25th percentile of the 2018 child care provider rate survey under section 119B.02, subdivision 7, or (2) the registration fee in effect at the time of the update. Maximum registration fees must be set for licensed family child care and for child care centers. For a child care provider located within the boundaries of a city located in two or more of the counties of Benton, Sherburne, and Stearns, the maximum registration fee paid for child care assistance must be equal to the maximum registration fee paid in the county with the highest maximum registration fee or the provider's charge, whichever is less.

**EFFECTIVE DATE.** Paragraph (a) is effective September 20, 2019. Paragraph (i) is effective September 23, 2019.

Sec. 13. Minnesota Statutes 2018, section 119B.16, subdivision 1, is amended to read:

Subdivision 1. **Fair hearing allowed for applicants and recipients.** (a) An applicant or recipient adversely affected by an action of a county agency action or the commissioner, for an action taken directly against the applicant or recipient, may request and receive a fair hearing in accordance with this subdivision and section 256.045. An applicant or recipient does not have a right to a fair hearing if a county agency or the commissioner takes action against a provider.

(b) A county agency must offer an informal conference to an applicant or recipient who is entitled to a fair hearing under this section. A county agency must advise an applicant or recipient that a request for a conference is optional and does not delay or replace the right to a fair hearing.

(c) If a provider's authorization is suspended, denied, or revoked, a county agency or the commissioner must mail notice to each child care assistance program recipient receiving care from the provider.

**EFFECTIVE DATE.** This section is effective February 26, 2021.

Sec. 14. Minnesota Statutes 2018, section 119B.16, subdivision 1a, is amended to read:

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

(b) ~~A provider to whom a county agency has assigned responsibility for an overpayment may request a fair hearing in accordance with section 256.045 for the limited purpose of challenging the assignment of responsibility for the overpayment and the amount of the overpayment. The scope of the fair hearing does not include the issues of whether the provider wrongfully obtained public assistance in violation of section 256.98 or was properly disqualified under section 256.98, subdivision 8, paragraph (c), unless the fair hearing has been combined with an administrative disqualification hearing brought against the provider under section 256.046.~~

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

(1) denies or revokes a provider's authorization, unless the action entitles the provider to an administrative review under section 119B.161;

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

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

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

(5) initiates an administrative fraud disqualification hearing; or

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

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

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

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

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

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

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

**EFFECTIVE DATE.** This section is effective February 26, 2021.

Sec. 15. Minnesota Statutes 2018, section 119B.16, subdivision 1b, is amended to read:

Subd. 1b. **Joint fair hearings.** ~~When a provider requests a fair hearing under subdivision 1a, the family in whose case the overpayment was created must be made a party to the fair hearing. All other issues raised by the family must be resolved in the same proceeding. When a family requests a fair hearing and claims that the county should have assigned responsibility for an overpayment to a provider, the provider must be made a party to the fair hearing.~~ The human services judge assigned to a fair hearing may join a family or a provider as a party to the fair hearing whenever joinder of that party is necessary to fully and fairly resolve ~~overpayment~~ issues raised in the appeal.

**EFFECTIVE DATE.** This section is effective February 26, 2021.

Sec. 16. Minnesota Statutes 2018, section 119B.16, is amended by adding a subdivision to read:

Subd. 1c. **Notice to providers.** (a) Before taking an action appealable under subdivision 1a, paragraph (b), a county agency or the commissioner must mail written notice to the provider against whom the action is being taken. Unless otherwise specified under chapter 119B or 245E or Minnesota Rules, chapter 3400, a county agency or the commissioner must mail the written notice at least 15 calendar days before the adverse action's effective date.

(b) The notice shall state (1) the factual basis for the department's determination, (2) the action the department intends to take, (3) the dollar amount of the monetary recovery or recoupment, if known, and (4) the provider's right to appeal the department's proposed action.

**EFFECTIVE DATE.** This section is effective February 26, 2021.

Sec. 17. Minnesota Statutes 2018, section 119B.16, is amended by adding a subdivision to read:

Subd. 3. **Fair hearing stayed.** (a) If a county agency or the commissioner denies or revokes a provider's authorization based on a licensing action under section 245A.07, and the provider appeals, the provider's fair hearing must be stayed until the commissioner issues an order as required under section 245A.08, subdivision 5.

(b) If the commissioner denies or revokes a provider's authorization based on decertification under section 245H.07, and the provider appeals, the provider's fair hearing must be stayed until the commissioner issues a final order as required under section 245H.07.

**EFFECTIVE DATE.** This section is effective February 26, 2021.

Sec. 18. Minnesota Statutes 2018, section 119B.16, is amended by adding a subdivision to read:

Subd. 4. **Final department action.** Unless the commissioner receives a timely and proper request for an appeal, a county agency's or the commissioner's action shall be considered a final department action.

**EFFECTIVE DATE.** This section is effective February 26, 2021.

Sec. 19. **[119B.161] ADMINISTRATIVE REVIEW.**

Subdivision 1. **Applicability.** A provider has the right to an administrative review under this section if (1) a payment was suspended under chapter 245E, or (2) the provider's authorization was denied or revoked under section 119B.13, subdivision 6, paragraph (d), clause (1) or (2).

Subd. 2. **Notice.** (a) A county agency or the commissioner must mail written notice to a provider within five days of suspending payment or denying or revoking the provider's authorization under subdivision 1.

(b) The notice must:

(1) state the provision under which a county agency or the commissioner is denying, revoking, or suspending the provider's authorization or suspending payment to the provider;

(2) set forth the general allegations leading to the denial, revocation, or suspension of the provider's authorization. The notice need not disclose any specific information concerning an ongoing investigation;

(3) state that the denial, revocation, or suspension of the provider's authorization is for a temporary period and explain the circumstances under which the action expires; and

(4) inform the provider of the right to submit written evidence and argument for consideration by the commissioner.

(c) Notwithstanding Minnesota Rules, part 3400.0185, if a county agency or the commissioner suspends payment to a provider under chapter 245E or denies or revokes a provider's authorization under section 119B.13, subdivision 6, paragraph (d), clause (1) or (2), a county agency or the commissioner must send notice of service authorization closure to each affected family. The notice sent to an affected family is effective on the date the notice is created.

Subd. 3. **Duration.** If a provider's payment is suspended under chapter 245E or a provider's authorization is denied or revoked under section 119B.13, subdivision 6, paragraph (d), clause (1) or (2), the provider's denial, revocation, temporary suspension, or payment suspension remains in effect until:

(1) the commissioner or a law enforcement authority determines that there is insufficient evidence warranting the action and a county agency or the commissioner does not pursue an additional administrative remedy under chapter 245E or section 256.98; or

(2) all criminal, civil, and administrative proceedings related to the provider's alleged misconduct conclude and any appeal rights are exhausted.

Subd. 4. **Good cause exception.** The commissioner may find that good cause exists not to deny, revoke, or suspend a provider's authorization, or not to continue a denial, revocation, or suspension of a provider's authorization if any of the following are applicable:

(1) a law enforcement authority specifically requested that a provider's authorization not be denied, revoked, or suspended because that action may compromise an ongoing investigation;

(2) the commissioner determines that the denial, revocation, or suspension should be removed based on the provider's written submission; or

(3) the commissioner determines that the denial, revocation, or suspension is not in the best interests of the program.

**EFFECTIVE DATE.** This section is effective February 26, 2021.

Sec. 20. **[119B.195] RETAINING EARLY EDUCATORS THROUGH ATTAINING INCENTIVES NOW (REETAIN) GRANT PROGRAM.**

Subdivision 1. **Establishment; purpose.** The retaining early educators through attaining incentives now (REETAIN) grant program is established to provide competitive grants to incentivize well-trained child care professionals to stay in the workforce to create more consistent care for children over time.

Subd. 2. **Administration.** (a) The commissioner must administer the REETAIN grant program, and must provide a grant to a nonprofit organization with demonstrated ability to manage benefit programs for child care professionals.

(b) Up to ten percent of grant funds may be used for administration of the grant program.

Subd. 3. **Application.** Applicants must apply for the REETAIN grant program in the manner and according to the timelines established by the commissioner.

Subd. 4. **Eligibility.** (a) Applicants must:

(1) be licensed to provide child care or work for a licensed child care program;

(2) work directly with children at least 30 hours per week;

(3) be in their current position for at least 12 months;

(4) be willing to stay in their current position for at least 12 months after receiving a grant under this section;

(5) have a career lattice step of five or higher;

(6) have a current membership with the Minnesota quality improvement and registry tool; and

(7) meet any other requirements established by the commissioner.

(b) Grant recipients must sign a contract agreeing to remain in their current position for 12 months.

Subd. 5. **Grant awards.** (a) To the extent that funding is available, a child care professional's annual amount for the REETAIN grant must not exceed an amount determined by the commissioner. A child care professional must apply each year to compete for an award, and may receive up to one award per year.

(b) Grant funds may be used for program supplies, training, or personal expenses.

Subd. 6. **Report.** Annually by January 1, the commissioner must report to the legislative committees with jurisdiction over early childhood on the number of grants awarded and outcomes of the grant program.

**EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2019. The first report under subdivision 6 is due by January 1, 2021.

Sec. 21. Minnesota Statutes 2018, section 144.966, subdivision 2, is amended to read:

Subd. 2. **Newborn Hearing Screening Advisory Committee.** (a) The commissioner of health shall establish a Newborn Hearing Screening Advisory Committee to advise and assist the Department of Health and the Department of Education in:

(1) developing protocols and timelines for screening, rescreening, and diagnostic audiological assessment and early medical, audiological, and educational intervention services for children who are deaf or hard-of-hearing;

(2) designing protocols for tracking children from birth through age three that may have passed newborn screening but are at risk for delayed or late onset of permanent hearing loss;

(3) designing a technical assistance program to support facilities implementing the screening program and facilities conducting rescreening and diagnostic audiological assessment;

(4) designing implementation and evaluation of a system of follow-up and tracking; and

(5) evaluating program outcomes to increase effectiveness and efficiency and ensure culturally appropriate services for children with a confirmed hearing loss and their families.

(b) The commissioner of health shall appoint at least one member from each of the following groups with no less than two of the members being deaf or hard-of-hearing:

(1) a representative from a consumer organization representing culturally deaf persons;

(2) a parent with a child with hearing loss representing a parent organization;

(3) a consumer from an organization representing oral communication options;

(4) a consumer from an organization representing cued speech communication options;

(5) an audiologist who has experience in evaluation and intervention of infants and young children;

(6) a speech-language pathologist who has experience in evaluation and intervention of infants and young children;

(7) two primary care providers who have experience in the care of infants and young children, one of which shall be a pediatrician;

(8) a representative from the early hearing detection intervention teams;

(9) a representative from the Department of Education resource center for the deaf and hard-of-hearing or the representative's designee;

(10) a representative of the Commission of the Deaf, DeafBlind and Hard of Hearing;

(11) a representative from the Department of Human Services Deaf and Hard-of-Hearing Services Division;

(12) one or more of the Part C coordinators from the Department of Education, the Department of Health, or the Department of Human Services or the department's designees;

(13) the Department of Health early hearing detection and intervention coordinators;

(14) two birth hospital representatives from one rural and one urban hospital;

(15) a pediatric geneticist;

(16) an otolaryngologist;

(17) a representative from the Newborn Screening Advisory Committee under this subdivision; ~~and~~

(18) a representative of the Department of Education regional low-incidence facilitators;

(19) a representative from the deaf mentor program; and

(20) a representative of the Minnesota State Academy for the Deaf from the Minnesota State Academies staff.

The commissioner must complete the initial appointments required under this subdivision by September 1, 2007, and the initial appointments under clauses (19) and (20) by September 1, 2019.

(c) The Department of Health member shall chair the first meeting of the committee. At the first meeting, the committee shall elect a chair from its membership. The committee shall meet at the call of the chair, at least four times a year. The committee shall adopt written bylaws to govern its activities. The Department of Health shall provide technical and administrative support services as required by the committee. These services shall include technical support from individuals qualified to administer infant hearing screening, rescreening, and diagnostic audiological assessments.

Members of the committee shall receive no compensation for their service, but shall be reimbursed as provided in section 15.059 for expenses incurred as a result of their duties as members of the committee.

(d) By February 15, 2015, and by February 15 of the odd-numbered years after that date, the commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over health and data privacy on the activities of the committee that have occurred during the past two years.

(e) This subdivision expires June 30, ~~2019~~ 2025.

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

Sec. 22. **[145.87] HOME VISITING FOR PREGNANT WOMEN AND FAMILIES WITH YOUNG CHILDREN.**

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Evidence-based home visiting program" means a program that:

(1) is based on a clear, consistent program or model that is research-based and grounded in relevant, empirically based knowledge;

(2) is linked to program-determined outcomes and is associated with a national organization, institution of higher education, or national or state public health institute;

(3) has comprehensive home visitation standards that ensure high-quality service delivery and continuous quality improvement;

(4) has demonstrated significant, sustained positive outcomes; and

(5) either (i) has been evaluated using rigorous, randomized controlled research designs with the evaluations published in a peer-reviewed journal; or (ii) is based on quasi-experimental research using two or more separate, comparable client samples.

(c) "Evidence-informed home visiting program" means a program that:

(1) has data or evidence demonstrating the program's effectiveness at achieving positive outcomes for pregnant women and young children; and

(2) either has (i) an active evaluation of the program; or (ii) a plan and timeline for an active evaluation of the program to be conducted.

(d) "Health equity" means every individual has a fair opportunity to attain the individual's full health potential, and no individual is prevented from achieving this potential.

Subd. 2. **Grants for home visiting programs.** The commissioner shall award grants to community health boards, nonprofit organizations, and tribal nations to start up or expand home visiting programs serving pregnant women and families with young children. Home visiting programs supported under this section shall provide home visits by early childhood professionals or health professionals, including nurses, social workers, early childhood educators, or trained paraprofessionals. Grant funds shall be used:

(1) to start up or expand evidence-based home visiting programs that address health equity, or evidence-informed home visiting programs that address health equity; and

(2) to serve families with young children or pregnant women who are high risk or have high needs. For purposes of this clause, high risk includes but is not limited to a family with low income, or a parent or pregnant woman with mental illness or a substance use disorder or experiencing domestic abuse.

Subd. 3. **Grant prioritization.** (a) In awarding grants, the commissioner shall give priority to community health boards, nonprofit organizations, and tribal nations seeking to expand home visiting services with community or regional partnerships.

(b) The commissioner shall allocate at least 75 percent of the grant funds awarded each grant cycle to evidence-based home visiting programs that address health equity and up to 25 percent of the grant funds awarded each grant cycle to evidence-informed home visiting programs that address health equity.

Subd. 4. **No supplanting of existing funds.** Funding awarded under this section shall only be used to supplement, and not to replace, funds being used for evidence-based home visiting programs or evidence-informed home visiting programs.

Subd. 5. **Administrative costs.** The commissioner may use up to ten percent of the annual appropriation under this section to provide training and technical assistance and to administer and evaluate the program. The commissioner may contract for training, capacity-building support for grantees or potential grantees, technical assistance, and evaluation support.

Sec. 23. Minnesota Statutes 2018, section 245E.06, subdivision 3, is amended to read:

~~Subd. 3. **Appeal of department sanction action.** (a) If the department does not pursue a criminal action against a provider, license holder, controlling individual, or recipient for financial misconduct, but the department imposes an administrative sanction under section 245E.02, subdivision 4, paragraph (e), any individual or entity against whom the sanction was imposed may appeal the department's administrative sanction under this section pursuant to section 119B.16 or 256.045 with the additional requirements in clauses (1) to (4). An appeal must specify:~~

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

~~(2) the computation that is believed to be correct, if appropriate;~~

~~(3) the authority in the statute or rule relied upon for each disputed item; and~~

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

~~(b) Notwithstanding section 245E.03, subdivision 4, an appeal is considered timely only if postmarked or received by the department's Appeals Division within 30 days after receiving a notice of department sanction.~~

~~(c) Before the appeal hearing, the department may deny or terminate authorizations or payment to the entity or individual if the department determines that the action is necessary to protect the public welfare or the interests of the child care assistance program.~~

A provider's rights related to the department's action taken under this chapter against a provider are established in sections 119B.16 and 119B.161.

**EFFECTIVE DATE.** This section is effective February 26, 2021.

Sec. 24. Minnesota Statutes 2018, section 245H.07, is amended to read:

**245H.07 DECERTIFICATION.**

Subdivision 1. **Generally.** (a) The commissioner may decertify a center if a certification holder:

(1) failed to comply with an applicable law or rule; ~~or~~

(2) knowingly withheld relevant information from or gave false or misleading information to the commissioner in connection with an application for certification, in connection with the background study status of an individual, during an investigation, or regarding compliance with applicable laws or rules; or

(3) has authorization to receive child care assistance payments revoked pursuant to chapter 119B.

(b) When considering decertification, the commissioner shall consider the nature, chronicity, or severity of the violation of law or rule.

(c) When a center is decertified, the center is ineligible to receive a child care assistance payment under chapter 119B.

**Subd. 2. Reconsideration.** (a) The certification holder may request reconsideration of the decertification by notifying the commissioner by certified mail or personal service. The request must be made in writing. If sent by certified mail, the request must be postmarked and sent to the commissioner within ten calendar days after the certification holder received the order. If a request is made by personal service, it must be received by the commissioner within ten calendar days after the certification holder received the order. The certification holder may submit with the request for reconsideration written argument or evidence in support of the request for reconsideration.

(b) If the commissioner decertifies a center pursuant to subdivision 1, paragraph (a), clause (3), and if the center appeals the revocation of the center's authorization to receive child care assistance payments, the final decertification determination is stayed until the appeal of the center's authorization under chapter 119B is resolved. If the center also requests reconsideration of the decertification, the center must do so according to paragraph (a). The final decision on reconsideration is stayed until the appeal of the center's authorization under chapter 119B is resolved.

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

**EFFECTIVE DATE.** This section is effective February 26, 2021.

**Sec. 25. DIRECTION TO COMMISSIONER.**

(a) The commissioner of human services shall:

(1) develop equity and implicit bias training for state and county child care licensors and require all licensors to receive this training within 30 days of initial hiring and once every two years thereafter. The training must be offered at no cost to the lead agencies or licensors;

(2) actively recruit child care licensors to more accurately reflect the racial and ethnic diversity of families participating in child care assistance programs; and

(3) create an accountability process for child care providers to submit complaints about a licensor.

(b) By January 1, 2020, the commissioner shall report to the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over early childhood and human services on the implementation of the directions under paragraph (a).

**Sec. 26. REPEALER.**

Minnesota Statutes 2018, sections 119B.16, subdivision 2; and 245E.06, subdivisions 2, 4, and 5, and Minnesota Rules, part 3400.0185, subpart 5, are repealed effective February 26, 2021.

ARTICLE 3  
LICENSING

Section 1. Minnesota Statutes 2018, section 245A.04, subdivision 4, is amended to read:

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

- (1) an inspection of the physical plant;
- (2) an inspection of records and documents;
- (3) an evaluation of the program by consumers of the program;
- (4) observation of the program in operation; and

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

For the purposes of this subdivision, "consumer" means a person who receives the services of a licensed program, the person's legal guardian, or the parent or individual having legal custody of a child who receives the services of a licensed program.

(b) The evaluation required in paragraph (a), clause (3), or the observation in paragraph (a), clause (4), is not required prior to issuing an initial license under subdivision 7. If the commissioner issues an initial license under subdivision 7, these requirements must be completed within one year after the issuance of an initial license.

(c) Before completing a licensing inspection in a family child care program or child care center, the licensing agency must offer the license holder an exit interview to discuss violations or potential violations of law or rule observed during the inspection and offer technical assistance on how to comply with applicable laws and rules. ~~Nothing in this paragraph limits the ability of the commissioner to issue a correction order or negative action for violations of law or rule not discussed in an exit interview or in the event that a license holder chooses not to participate in an exit interview.~~ The commissioner shall not issue a correction order or negative licensing action for violations of law or rule not discussed in an exit interview, unless a license holder chooses not to participate in an exit interview. If the license holder is unable to complete the exit interview, the licensing agency must offer an alternate time for the license holder to complete the exit interview.

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

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

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

Sec. 2. Minnesota Statutes 2018, section 245A.14, is amended by adding a subdivision to read:

Subd. 16. **Reusable water bottles or cups.** Notwithstanding any law to the contrary, a child care center that meets the standards in Minnesota Rules, chapter 9503, may provide drinking water to a child in a reusable water bottle or reusable cup if the center develops and ensures implementation of a written policy that at a minimum includes the following procedures:

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

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

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

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

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

Sec. 3. Minnesota Statutes 2018, section 245A.145, subdivision 1, is amended to read:

Subdivision 1. **Policies and procedures.** ~~(a) All licensed child care providers~~ The Department of Human Services must develop policies and procedures for reporting suspected child maltreatment that fulfill the requirements in section 626.556 and ~~must develop policies and procedures for reporting complaints about the operation of a child care program. The policies and procedures must include the telephone numbers of the local county child protection agency for reporting suspected maltreatment; the county licensing agency for family and group family child care providers; and the state licensing agency for child care centers.~~ provide the policies and procedures to all licensed child care providers. The policies and procedures must be written in plain language.

(b) The policies and procedures required in paragraph (a) must:

(1) be provided to the parents of all children at the time of enrollment in the child care program; and

(2) be made available upon request.

Sec. 4. Minnesota Statutes 2018, section 245A.145, subdivision 2, is amended to read:

Subd. 2. **Licensing agency phone number displayed.** ~~By July 1, 2002,~~ A new or renewed child care license must include the licensing agency's telephone number and a statement that informs parents who have ~~concerns~~ questions about their child's care that they may call the licensing agency. ~~The commissioner shall print the telephone number for the licensing agency in bold and large font on the license issued to child care providers.~~

Sec. 5. **[245A.149] SUPERVISION OF FAMILY CHILD CARE LICENSE HOLDER'S OWN CHILD.**

Notwithstanding Minnesota Rules, part 9502.0365, subpart 5, an individual may supervise the family child care license holder's own child both inside and outside of the licensed space, and is exempt from the requirements of this chapter and Minnesota Rules, chapter 9502, if the individual:

- (1) is related to the license holder, as defined in section 245A.02, subdivision 13;
- (2) is not a designated caregiver, helper, or substitute for the licensed program; and
- (3) is involved only in the care of the license holder's own child.

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

Sec. 6. Minnesota Statutes 2018, section 245A.41, subdivision 3, is amended to read:

Subd. 3. **Emergency preparedness.** (a) ~~No later than September 30, 2017,~~ A licensed child care center must have a written emergency plan for emergencies that require evacuation, sheltering, or other protection of a child, such as fire, natural disaster, intruder, or other threatening situation that may pose a health or safety hazard to a child. The plan must be written on a form developed by the commissioner and must include:

- (1) procedures for an evacuation, relocation, shelter-in-place, or lockdown;
  - (2) a designated relocation site and evacuation route;
  - (3) procedures for notifying a child's parent or legal guardian of the evacuation, relocation, shelter-in-place, or lockdown, including procedures for reunification with families;
  - (4) accommodations for a child with a disability or a chronic medical condition;
  - (5) procedures for storing a child's medically necessary medicine that facilitates easy removal during an evacuation or relocation;
  - (6) procedures for continuing operations in the period during and after a crisis; ~~and~~
  - (7) procedures for communicating with local emergency management officials, law enforcement officials, or other appropriate state or local authorities; and
  - (8) accommodations for infants and toddlers.
- (b) The license holder must train staff persons on the emergency plan at orientation, when changes are made to the plan, and at least once each calendar year. Training must be documented in each staff person's personnel file.
- (c) The license holder must conduct drills according to the requirements in Minnesota Rules, part 9503.0110, subpart 3. The date and time of the drills must be documented.
- (d) The license holder must review and update the emergency plan annually. Documentation of the annual emergency plan review shall be maintained in the program's administrative records.

(e) The license holder must include the emergency plan in the program's policies and procedures as specified under section 245A.04, subdivision 14. The license holder must provide a physical or electronic copy of the emergency plan to the child's parent or legal guardian upon enrollment.

(f) The relocation site and evacuation route must be posted in a visible place as part of the written procedures for emergencies and accidents in Minnesota Rules, part 9503.0140, subpart 21.

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

Sec. 7. Minnesota Statutes 2018, section 245A.50, is amended by adding a subdivision to read:

Subd. 12. **Training exemption.** An individual who is related to the license holder, as defined in section 245A.02, subdivision 13, who is involved only in the care of the family child care license holder's own child and who is not a designated caregiver, helper, or substitute for the licensed program is exempt from the training requirements in this section.

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

Sec. 8. Minnesota Statutes 2018, section 245A.51, subdivision 3, is amended to read:

Subd. 3. **Emergency preparedness plan.** (a) ~~No later than September 30, 2017,~~ a licensed family child care provider must have a written emergency preparedness plan for emergencies that require evacuation, sheltering, or other protection of children, such as fire, natural disaster, intruder, or other threatening situation that may pose a health or safety hazard to children. The plan must be written on a form developed by the commissioner and updated at least annually. The plan must include:

- (1) procedures for an evacuation, relocation, shelter-in-place, or lockdown;
- (2) a designated relocation site and evacuation route;
- (3) procedures for notifying a child's parent or legal guardian of the evacuation, shelter-in-place, or lockdown, including procedures for reunification with families;
- (4) accommodations for a child with a disability or a chronic medical condition;
- (5) procedures for storing a child's medically necessary medicine that facilitate easy removal during an evacuation or relocation;
- (6) procedures for continuing operations in the period during and after a crisis; ~~and~~
- (7) procedures for communicating with local emergency management officials, law enforcement officials, or other appropriate state or local authorities; and
- (8) accommodations for infants and toddlers.

(b) The license holder must train caregivers before the caregiver provides care and at least annually on the emergency preparedness plan and document completion of this training.

(c) The license holder must conduct drills according to the requirements in Minnesota Rules, part 9502.0435, subpart 8. The date and time of the drills must be documented.

(d) The license holder must have the emergency preparedness plan available for review and posted in a prominent location. The license holder must provide a physical or electronic copy of the plan to the child's parent or legal guardian upon enrollment.

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

Sec. 9. **[245A.53] SUBSTITUTE CAREGIVERS AND REPLACEMENTS IN FAMILY CHILD CARE.**

**Subdivision 1. Total hours allowed.** Notwithstanding Minnesota Rules, part 9502.0365, subpart 5, the use of a substitute caregiver in a licensed family child care program must be limited to a cumulative total of not more than 400 hours in a calendar year. The license holder must document the name, dates, and number of hours of the substitute who provided care.

**Subd. 2. Emergency replacement supervision.** (a) A license holder may allow an adult who has not completed the training requirements under this chapter or the background study requirements under chapter 245C to supervise children in a family child care program in an emergency. For purposes of this subdivision, an emergency is a situation in which:

(1) the license holder has begun operating the family child care program for the day and for reasons beyond the license holder's control, including, but not limited to a serious illness or injury, accident, or situation requiring the license holder's immediate attention, the license holder needs to leave the licensed space and close the program for the day; and

(2) the parents or guardians of the children attending the program are contacted to pick up their children as soon as is practicable.

(b) The license holder must make reasonable efforts to minimize the time the emergency replacement has unsupervised contact with the children in care, not to exceed 24 hours per emergency incident.

(c) The license holder shall not knowingly use a person as an emergency replacement who has committed an action or has been convicted of a crime that would cause the person to be disqualified from providing care to children, if a background study was conducted under chapter 245C.

(d) To the extent practicable, the license holder must attempt to arrange for emergency care by a substitute caregiver before using an emergency replacement.

(e) To the extent practicable, the license holder must notify the county licensing agency within seven days that an emergency replacement was used, and specify the circumstances that led to the use of the emergency replacement. The county licensing agency must notify the commissioner within three business days after receiving the license holder's notice that an emergency replacement was used, and specify the circumstances that led to the use of the emergency replacement.

(f) Notwithstanding the requirements in Minnesota Rules, part 9502.0405, a license holder is not required to provide the names of persons who may be used as substitutes or replacements in emergencies to parents or the county licensing agency.

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

Sec. 10. Minnesota Statutes 2018, section 245H.15, subdivision 1, is amended to read:

Subdivision 1. **Written emergency plan.** (a) A certified center must have a written emergency plan for emergencies that require evacuation, sheltering, or other protection of children, such as fire, natural disaster, intruder, or other threatening situation that may pose a health or safety hazard to children. The plan must be written on a form developed by the commissioner and reviewed and updated at least once each calendar year. The annual review of the emergency plan must be documented.

(b) The plan must include:

- (1) procedures for an evacuation, relocation, shelter-in-place, or lockdown;
- (2) a designated relocation site and evacuation route;
- (3) procedures for notifying a child's parent or legal guardian of the relocation and reunification with families;
- (4) accommodations for a child with a disability or a chronic medical condition;
- (5) procedures for storing a child's medically necessary medicine that facilitates easy removal during an evacuation or relocation;
- (6) procedures for continuing operations in the period during and after a crisis; ~~and~~
- (7) procedures for communicating with local emergency management officials, law enforcement officials, or other appropriate state or local authorities; and
- (8) accommodations for infants and toddlers.

(c) The certification holder must have an emergency plan available for review upon request by the child's parent or legal guardian.

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

#### ARTICLE 4 PROGRAM INTEGRITY

Section 1. Minnesota Statutes 2018, section 13.46, subdivision 3, is amended to read:

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

- (1) pursuant to section 13.05;
- (2) pursuant to statute or valid court order;
- (3) to a party named in a civil or criminal proceeding, administrative or judicial, for preparation of defense; ~~or~~

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

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

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

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

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

Sec. 2. Minnesota Statutes 2018, section 15C.02, is amended to read:

**15C.02 LIABILITY FOR CERTAIN ACTS.**

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

- (1) knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval;
- (2) knowingly makes or uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim;
- (3) knowingly conspires to commit a violation of clause (1), (2), (4), (5), (6), or (7);
- (4) has possession, custody, or control of property or money used, or to be used, by the state or a political subdivision and knowingly delivers or causes to be delivered less than all of that money or property;
- (5) is authorized to make or deliver a document certifying receipt for money or property used, or to be used, by the state or a political subdivision and, intending to defraud the state or a political subdivision, makes or delivers the receipt without completely knowing that the information on the receipt is true;
- (6) knowingly buys, or receives as a pledge of an obligation or debt, public property from an officer or employee of the state or a political subdivision who lawfully may not sell or pledge the property; or
- (7) knowingly makes or uses, or causes to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the state or a political subdivision, or knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the state or a political subdivision.

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

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

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

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

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

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

Sec. 3. Minnesota Statutes 2018, section 119B.02, subdivision 6, is amended to read:

Subd. 6. **Data.** (a) Data collected, maintained, used, or disseminated by the welfare system pertaining to persons selected as legal nonlicensed child care providers by families receiving child care assistance shall be treated as licensing data as provided in section 13.46, subdivision 4.

(b) For purposes of this paragraph, "child care assistance program payment data" means data for a specified time period showing (1) that a child care assistance program payment under this chapter was made, and (2) the amount of child care assistance payments made to a child care center. Child care assistance program payment data may include the number of families and children on whose behalf payments were made for the specified time period. Any child care assistance program payment data that may identify a specific child care assistance recipient or benefit paid on behalf of a specific child care assistance recipient, as determined by the commissioner, is private data on individuals as defined in section 13.02, subdivision 12. Data related to a child care assistance payment is public if the data relates to a child care assistance payment made to a licensed child care center or a child care center exempt from licensure and:

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

(2) when the commissioner or county agency either:

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

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

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

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

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

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

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

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

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

Sec. 5. Minnesota Statutes 2018, section 119B.125, subdivision 6, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(4) the provider is operating after:

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

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

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

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

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

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

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

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

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

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

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

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

(c) Notwithstanding paragraph (a), children in families may exceed the absent days limit if at least one parent: (1) is under the age of 21; (2) does not have a high school diploma or commissioner of education-selected high school equivalency certification; and (3) is a student in a school district or another similar program that provides or arranges for child care, parenting support, social services, career and employment supports, and academic support to achieve high school graduation, upon request of the program and approval of the county. If a child attends part of an authorized day, payment to the provider must be for the full amount of care authorized for that day.

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

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

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

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

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

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

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

Sec. 8. Minnesota Statutes 2018, section 124D.142, is amended to read:

#### **124D.142 QUALITY RATING AND IMPROVEMENT SYSTEM.**

(a) There is established a quality rating and improvement system (QRIS) framework to ensure that Minnesota's children have access to high-quality early learning and care programs in a range of settings so that they are fully ready for kindergarten ~~by 2020. Creation of a~~ The standards-based voluntary quality rating and improvement system includes:

(1) quality opportunities in order to improve the educational outcomes of children so that they are ready for school. The framework shall be based on the Minnesota quality rating system rating tool and a common set of child outcome and program standards and informed by evaluation results;

(2) a tool to increase the number of publicly funded and regulated early learning and care services in both public and private market programs that are high quality. If a program or provider chooses to participate, the program or provider will be rated and may receive public funding associated with the rating. The state shall develop a plan to link future early learning and care state funding to the framework in a manner that complies with federal requirements; and

(3) tracking progress toward statewide access to high-quality early learning and care programs, progress toward the number of low-income children whose parents can access quality programs, and progress toward increasing the number of children who are fully prepared to enter kindergarten.

~~(b) In planning a statewide quality rating and improvement system framework in paragraph (a), the state shall use evaluation results of the Minnesota quality rating system rating tool in use in fiscal year 2008 to recommend:~~

~~(1) a framework of a common set of child outcome and program standards for a voluntary statewide quality rating and improvement system;~~

~~(2) a plan to link future funding to the framework described in paragraph (a), clause (2); and~~

~~(3) a plan for how the state will realign existing state and federal administrative resources to implement the voluntary quality rating and improvement system framework. The state shall provide the recommendation in this paragraph to the early childhood education finance committees of the legislature by March 15, 2011.~~

~~(c) Prior to the creation of a statewide quality rating and improvement system in paragraph (a), the state shall employ the Minnesota quality rating system rating tool in use in fiscal year 2008 in the original Minnesota Early Learning Foundation pilot areas and additional pilot areas supported by private or public funds with its modification as a result of the evaluation results of the pilot project.~~

(b) A child care provider who has a quality rating under this section and is disqualified from receiving child care assistance program reimbursement under chapter 119B, as provided under section 256.98, subdivision 8, paragraph (c), must also have the quality rating rescinded.

Sec. 9. Minnesota Statutes 2018, section 124D.165, subdivision 4, is amended to read:

Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible ~~to accept an~~ for early learning scholarship funds, a program must:

(1) participate in the quality rating and improvement system under section 124D.142; and

(2) beginning July 1, 2020, have a three- or four-star rating in the quality rating and improvement system.

(b) Any program accepting scholarships must use the revenue to supplement and not supplant federal funding.

(c) Notwithstanding paragraph (a), all Minnesota early learning foundation scholarship program pilot sites are eligible to accept an early learning scholarship under this section.

(d) A program is not eligible for early learning scholarship funds if:

(1) it is disqualified from receiving payment for child care services from the child care assistance program under chapter 119B, as provided under section 256.98, subdivision 8, paragraph (c); or

(2) the commissioner of human services refuses to issue a child care authorization, revokes an existing child care authorization, stops payment issued to a program, or refuses to pay a bill under section 119B.13, subdivision 6, paragraph (d), clause (2).

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

Sec. 10. Minnesota Statutes 2018, section 245.095, is amended to read:

**245.095 LIMITS ON RECEIVING PUBLIC FUNDS.**

Subdivision 1. **Prohibition.** (a) If a provider, vendor, or individual enrolled, licensed, or 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 any that program administered by the commissioner, including under the commissioner's powers and authorities in section 256.01, the commissioner shall:

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

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

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

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

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

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

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

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

Sec. 11. Minnesota Statutes 2018, section 245A.02, subdivision 3, is amended to read:

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

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

Sec. 12. Minnesota Statutes 2018, section 245A.02, is amended by adding a subdivision to read:

Subd. 3b. **Authorized agent.** "Authorized agent" means the controlling individual designated by the license holder responsible for communicating with the commissioner of human services on all matters related to this chapter and on whom service of all notices and orders must be made pursuant to section 245A.04, subdivision 1.

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

Sec. 13. Minnesota Statutes 2018, section 245A.02, subdivision 8, is amended to read:

Subd. 8. **License.** "License" means a certificate issued by the commissioner under section 245A.04 authorizing the license holder to provide a specified program for a specified period of time and in accordance with the terms of the license and the rules of the commissioner.

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

Sec. 14. Minnesota Statutes 2018, section 245A.02, subdivision 9, is amended to read:

Subd. 9. **License holder.** "License holder" means an individual, ~~corporation, partnership, voluntary association, or other~~ organization, or government entity that is legally responsible for the operation of the program or service, and has been granted a license by the commissioner under this chapter or chapter 245D and the rules of the commissioner, and is a controlling individual.

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

Sec. 15. Minnesota Statutes 2018, section 245A.02, is amended by adding a subdivision to read:

Subd. 10c. **Organization.** "Organization" means a domestic or foreign corporation, nonprofit corporation, limited liability company, partnership, limited partnership, limited liability partnership, association, voluntary association, and any other legal or commercial entity. For purposes of this chapter, organization does not include a government entity.

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

Sec. 16. Minnesota Statutes 2018, section 245A.02, subdivision 12, is amended to read:

Subd. 12. **Private agency.** "Private agency" means an ~~individual, corporation, partnership, voluntary association or other~~ organization, other than a county agency, or a court with jurisdiction, that places persons who cannot remain in their own homes in residential programs, foster care, or adoptive homes.

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

Sec. 17. Minnesota Statutes 2018, section 245A.02, subdivision 14, is amended to read:

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

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

Sec. 18. Minnesota Statutes 2018, section 245A.03, subdivision 1, is amended to read:

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

- (1) operate a residential or a nonresidential program;
- (2) receive a child or adult for care, supervision, or placement in foster care or adoption;
- (3) help plan the placement of a child or adult in foster care or adoption or engage in placement activities as defined in section 259.21, subdivision 9, in this state, whether or not the adoption occurs in this state; or
- (4) advertise a residential or nonresidential program.

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

Sec. 19. Minnesota Statutes 2018, section 245A.03, subdivision 3, is amended to read:

Subd. 3. **Unlicensed programs.** (a) It is a misdemeanor for an individual, ~~corporation, partnership, voluntary association, other~~ organization, or a ~~controlling individual~~ government entity to provide a residential or nonresidential program without a license issued under this chapter and in willful disregard of this chapter unless the program is excluded from licensure under subdivision 2.

(b) The commissioner may ask the appropriate county attorney or the attorney general to begin proceedings to secure a court order against the continued operation of the program, if an individual, ~~corporation, partnership, voluntary association, other~~ organization, or ~~controlling individual~~ government entity has:

(1) failed to apply for a license under this chapter after receiving notice that a license is required or continues to operate without a license after receiving notice that a license is required;

(2) continued to operate without a license after ~~the~~ a license issued under this chapter has been revoked or suspended under ~~section 245A.07~~ this chapter, and the commissioner has issued a final order affirming the revocation or suspension, or the license holder did not timely appeal the sanction; or

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

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

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

Sec. 20. Minnesota Statutes 2018, section 245A.04, subdivision 1, is amended to read:

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

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

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

(b) An application for licensure must identify all controlling individuals as defined in section 245A.02, subdivision 5a, and must specify an designate one individual to be the authorized agent who is responsible for dealing with the commissioner of human services on all matters provided for in this chapter and on whom service of all notices and orders must be made. The application must be signed by the authorized agent and must include the authorized agent's first, middle, and last name; mailing address; and e-mail address. By submitting an application for licensure, the authorized agent consents to electronic communication with the commissioner throughout the application process. The authorized agent must be authorized to accept service on behalf of all of the controlling individuals of the program. A government entity that holds multiple licenses under this chapter may designate one authorized agent for all licenses issued under this chapter or may designate a different authorized agent for each license. Service on the authorized agent is service on all of the controlling individuals of the program. It is not a defense to any action arising under this chapter that service was not made on each controlling individual of the program. The designation of one or more a controlling individuals individual as agents the authorized agent under this paragraph does not affect the legal responsibility of any other controlling individual under this chapter.

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

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

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

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

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

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

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

~~(3) a notarized signature of the applicant.~~ (4) if applicable, the applicant's National Provider Identifier (NPI) number and Unique Minnesota Provider Identifier (UMPI) number; and

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

(g) When an applicant is ~~a nonindividual~~ an organization, the applicant must provide ~~the~~:

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

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

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

~~(4) first, middle, and last name, mailing address, and notarized signature of the agent authorized by the applicant to accept service on behalf of the controlling individuals.~~

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

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

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

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

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

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

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

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

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

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

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

- (i) a correction order or a conditional license under section 245A.06, or sanctions under section 245A.07;
- (ii) nonpayment of claims submitted by the license holder for public program reimbursement;
- (iii) recovery of payments made for the service;
- (iv) disenrollment in the public payment program; or
- (v) other administrative, civil, or criminal penalties as provided by law.

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

Sec. 21. Minnesota Statutes 2018, section 245A.04, subdivision 2, is amended to read:

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

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

Sec. 22. Minnesota Statutes 2018, section 245A.04, subdivision 4, is amended to read:

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

- (1) an inspection of the physical plant;
- (2) an inspection of records and documents;
- (3) ~~an evaluation of the program by consumers of the program;~~
- (4) observation of the program in operation; and
- ~~(5)~~ (4) an inspection for the health, safety, and fire standards in licensing requirements for a child care license holder.

~~For the purposes of this subdivision, "consumer" means a person who receives the services of a licensed program, the person's legal guardian, or the parent or individual having legal custody of a child who receives the services of a licensed program.~~

(b) ~~The evaluation required in paragraph (a), clause (3), or the observation in paragraph (a), clause (4)~~ (3), is not required prior to issuing ~~an initial~~ a license under subdivision 7. If the commissioner issues ~~an initial~~ a license under ~~subdivision 7~~ this chapter, these requirements must be completed within one year after the issuance of ~~an initial~~ the license.

(c) Before completing a licensing inspection in a family child care program or child care center, the licensing agency must offer the license holder an exit interview to discuss violations of law or rule observed during the inspection and offer technical assistance on how to comply with applicable laws and rules. Nothing in this paragraph limits the ability of the commissioner to issue a correction order or negative action for violations of law or rule not discussed in an exit interview or in the event that a license holder chooses not to participate in an exit interview.

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

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

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

Sec. 23. Minnesota Statutes 2018, section 245A.04, subdivision 6, is amended to read:

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

(1) the program's operation;

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

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

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

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

(b) The commissioner shall also evaluate the results of the study required in subdivision 3 and determine whether a risk of harm to the persons served by the program exists. In conducting this evaluation, the commissioner shall apply the disqualification standards set forth in chapter 245C.

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

Sec. 24. Minnesota Statutes 2018, section 245A.04, subdivision 7, is amended to read:

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

(1) the name of the license holder;

- (2) the address of the program;
- (3) the effective date and expiration date of the license;
- (4) the type of license;
- (5) the maximum number and ages of persons that may receive services from the program; and
- (6) any special conditions of licensure.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~(i)~~ (h) For purposes of reimbursement for meals only, under the Child and Adult Care Food Program, Code of Federal Regulations, title 7, subtitle B, chapter II, subchapter A, part 226, relocation within the same county by a licensed family day care provider, shall be considered an extension of the license for a period of no more than 30 calendar days or until the new license is issued, whichever occurs first, provided the county agency has determined the family day care provider meets licensure requirements at the new location.

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

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

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

Sec. 25. Minnesota Statutes 2018, section 245A.04, is amended by adding a subdivision to read:

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

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

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

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

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

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

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

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

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

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

Sec. 26. Minnesota Statutes 2018, section 245A.04, subdivision 10, is amended to read:

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

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

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

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

(4) submit a certified audit to the commissioner each year the license is renewed as required under section 245A.03, subdivision 1.

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

Sec. 27. **[245A.043] LICENSE APPLICATION AFTER A CHANGE OF OWNERSHIP.**

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

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

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

(2) the license holder merges with another organization;

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

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

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

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

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

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

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

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

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

(f) If the party is seeking a license for a program or service that has an outstanding action under section 245A.06 or 245A.07, the party must submit a letter as part of the application process identifying how the party has or will come into full compliance with the licensing requirements.

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

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

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

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

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

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

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

Sec. 28. Minnesota Statutes 2018, section 245A.05, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

(10) is prohibited from holding a license according to section 245.095.

(b) An applicant whose application has been denied by the commissioner must be given notice of the denial, which must state the reasons for the denial in plain language. Notice must be given by certified mail or personal service. The notice must state the reasons the application was denied and must inform the applicant of the right to a

contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The applicant may appeal the denial by notifying the commissioner in writing by certified mail or personal service. If mailed, the appeal must be postmarked and sent to the commissioner within 20 calendar days after the applicant received the notice of denial. If an appeal request is made by personal service, it must be received by the commissioner within 20 calendar days after the applicant received the notice of denial. Section 245A.08 applies to hearings held to appeal the commissioner's denial of an application.

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

Sec. 29. **[245A.055] CLOSING A LICENSE.**

**Subdivision 1. Inactive programs.** The commissioner shall close a license if the commissioner determines that a licensed program has not been serving any client for a consecutive period of 12 months or longer. The license holder is not prohibited from reapplying for a license if the license holder's license was closed under this chapter.

**Subd. 2. Reconsideration of closure.** If a license is closed, the commissioner must notify the license holder of closure by certified mail or personal service. If mailed, the notice of closure must be mailed to the last known address of the license holder and must inform the license holder why the license was closed and that the license holder has the right to request reconsideration of the closure. If the license holder believes that the license was closed in error, the license holder may ask the commissioner to reconsider the closure. The license holder's request for reconsideration must be made in writing and must include documentation that the licensed program has served a client in the previous 12 months. The request for reconsideration must be postmarked and sent to the commissioner within 20 calendar days after the license holder receives the notice of closure. A timely request for reconsideration stays imposition of the license closure until the commissioner issues a decision on the request for reconsideration.

**Subd. 3. Reconsideration final.** The commissioner's disposition of a request for reconsideration is final and not subject to appeal under chapter 14.

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

Sec. 30. Minnesota Statutes 2018, section 245A.07, subdivision 1, is amended to read:

**Subdivision 1. Sanctions; appeals; license.** (a) In addition to making a license conditional under section 245A.06, the commissioner may suspend or revoke the license, impose a fine, or secure an injunction against the continuing operation of the program of a license holder who does not comply with applicable law or rule. When applying sanctions authorized under this section, the commissioner shall consider the nature, chronicity, or severity of the violation of law or rule and the effect of the violation on the health, safety, or rights of persons served by the program.

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

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

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

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

Sec. 31. Minnesota Statutes 2018, section 245A.07, subdivision 2, is amended to read:

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

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

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

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

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

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

Sec. 32. Minnesota Statutes 2018, section 245A.07, subdivision 2a, is amended to read:

Subd. 2a. **Immediate suspension expedited hearing.** (a) Within five working days of receipt of the license holder's timely appeal, the commissioner shall request assignment of an administrative law judge. The request must include a proposed date, time, and place of a hearing. A hearing must be conducted by an administrative law judge within 30 calendar days of the request for assignment, unless an extension is requested by either party and granted by the administrative law judge for good cause. The commissioner shall issue a notice of hearing by certified mail or personal service at least ten working days before the hearing. The scope of the hearing shall be limited solely to the issue of whether the temporary immediate suspension should remain in effect pending the commissioner's final

order under section 245A.08, regarding a licensing sanction issued under subdivision 3 following the immediate suspension. For suspensions under subdivision 2, paragraph (a), clause (1), the burden of proof in expedited hearings under this subdivision shall be limited to the commissioner's demonstration that reasonable cause exists to believe that the license holder's actions or failure to comply with applicable law or rule poses, or the actions of other individuals or conditions in the program poses an imminent risk of harm to the health, safety, or rights of persons served by the program. "Reasonable cause" means there exist specific articulable facts or circumstances which provide the commissioner with a reasonable suspicion that there is an imminent risk of harm to the health, safety, or rights of persons served by the program. When the commissioner has determined there is reasonable cause to order the temporary immediate suspension of a license based on a violation of safe sleep requirements, as defined in section 245A.1435, the commissioner is not required to demonstrate that an infant died or was injured as a result of the safe sleep violations. For suspensions under subdivision 2, paragraph (a), clause (2), the burden of proof in expedited hearings under this subdivision shall be limited to the commissioner's demonstration by a preponderance of evidence that, since the license was revoked, the license holder committed additional violations of law or rule which may adversely affect the health or safety of persons served by the program.

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

(c) When the final order under paragraph (b) affirms an immediate suspension, and a final licensing sanction is issued under subdivision 3 and the license holder appeals that sanction, the license holder continues to be prohibited from operation of the program pending a final commissioner's order under section 245A.08, subdivision 5, regarding the final licensing sanction.

(d) For suspensions under subdivision 2, paragraph (a), clause (3), the burden of proof in expedited hearings under this subdivision shall be limited to the commissioner's demonstration by a preponderance of evidence that a criminal complaint and warrant or summons was issued for the license holder that was not dismissed, and that the criminal charge is an offense that involves fraud or theft against a program administered by the commissioner.

Sec. 33. Minnesota Statutes 2018, section 245A.07, subdivision 3, is amended to read:

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

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

(2) a license holder, a controlling individual, or an individual living in the household where the licensed services are provided or is otherwise subject to a background study has a been disqualified and the disqualification which has been set aside under section 245C.22 and no variance has been granted;

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

(4) ~~after July 1, 2012, and upon request by the commissioner, a license holder fails to submit the information required of an applicant under section 245A.04, subdivision 1, paragraph (f) or (g).~~ a license holder is excluded from any program administered by the commissioner under section 245.095; or

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

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

(b) If the license was suspended or revoked, the notice must inform the license holder of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking a license. The appeal of an order suspending or revoking a license must be made in writing by certified mail or personal service. If mailed, the appeal must be postmarked and sent to the commissioner within ten calendar days after the license holder receives notice that the license has been suspended or revoked. If a request is made by personal service, it must be received by the commissioner within ten calendar days after the license holder received the order. Except as provided in subdivision 2a, paragraph (c), if a license holder submits a timely appeal of an order suspending or revoking a license, the license holder may continue to operate the program as provided in section 245A.04, subdivision 7, paragraphs ~~(g)~~ (f) and ~~(h)~~ (g), until the commissioner issues a final order on the suspension or revocation.

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

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

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

(4) Fines shall be assessed as follows:

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

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

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

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

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

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

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

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

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

Sec. 34. Minnesota Statutes 2018, section 245E.01, subdivision 8, is amended to read:

Subd. 8. **Financial misconduct or misconduct.** "Financial misconduct" or "misconduct" means an entity's or individual's acts or omissions that result in fraud and abuse or error against the Department of Human Services. Financial misconduct includes: (1) acting as a recruiter offering conditional employment on behalf of a provider that has received funds from the child care assistance program; and (2) committing an act or acts that meet the definition of offenses listed in section 609.817.

Sec. 35. Minnesota Statutes 2018, section 245E.02, is amended by adding a subdivision to read:

**Subd. 1a. Provider definitions.** For the purposes of this section, "provider" includes:

(1) individuals or entities meeting the definition of provider in section 245E.01, subdivision 12; and

(2) owners and controlling individuals of entities identified in clause (1).

Sec. 36. Minnesota Statutes 2018, section 245E.02, is amended by adding a subdivision to read:

**Subd. 5. Administrative disqualifications.** (a) The department shall pursue an administrative disqualification in subdivision 4, paragraph (c), clause (1), if the provider committed an intentional program violation. Intentional program violations include intentionally making false or misleading statements; intentionally misrepresenting, concealing, or withholding facts; and intentionally violating child care assistance program regulations under this chapter and section 256.983. Intent may be proven by demonstrating a pattern or conduct that violates regulations under this chapter and section 256.983.

(b) To initiate an administrative disqualification, the department must issue a notice to the provider under section 245E.06, subdivision 2.

(c) The provider may appeal the department's administrative disqualification according to section 256.045. The appeal must be made in writing and must be received by the department no later than 30 days after the issuance of the notice to the provider. On appeal the department bears the burden of proof to demonstrate by a preponderance of the evidence that the provider committed an intentional program violation.

(d) The human services judge may combine a fair hearing and administrative disqualification hearing into a single hearing if the factual issues arise out of the same or related circumstances and the provider receives prior notice that the hearings will be combined.

(e) A provider found to have committed an intentional program violation and is administratively disqualified shall be disqualified, for a period of three years for the first offense and permanently for any subsequent offense, from receiving any payments from any child care program under chapter 119B. Unless a timely and proper appeal made under this section is received by the department, the administrative determination of the department is final and binding.

Sec. 37. Minnesota Statutes 2018, section 256.046, subdivision 1, is amended to read:

Subdivision 1. **Hearing authority.** A local agency must initiate an administrative fraud disqualification hearing for individuals, ~~including child care providers caring for children receiving child care assistance,~~ accused of wrongfully obtaining assistance or intentional program violations, in lieu of a criminal action when it has not been pursued, in the Minnesota family investment program and any affiliated program to include the diversionary work program and the work participation cash benefit program, child care assistance programs, general assistance, family general assistance program formerly codified in section 256D.05, subdivision 1, clause (15), Minnesota supplemental aid, food stamp programs, MinnesotaCare for adults without children, and upon federal approval, all categories of medical assistance and remaining categories of MinnesotaCare except for children through age 18. The Department of Human Services, in lieu of a local agency, may initiate an administrative fraud disqualification hearing when the state agency is directly responsible for administration or investigation of the program for which benefits were wrongfully obtained. The hearing is subject to the requirements of ~~section~~ sections 256.045 and 256.0451 and the requirements in Code of Federal Regulations, title 7, section 273.16.

Sec. 38. Minnesota Statutes 2018, section 256B.02, subdivision 7, is amended to read:

Subd. 7. **Vendor of medical care.** (a) "Vendor of medical care" means any person or persons furnishing, within the scope of the vendor's respective license, any or all of the following goods or services: medical, surgical, hospital, ambulatory surgical center services, optical, visual, dental and nursing services; drugs and medical supplies; appliances; laboratory, diagnostic, and therapeutic services; nursing home and convalescent care; screening and health assessment services provided by public health nurses as defined in section 145A.02, subdivision 18; health care services provided at the residence of the patient if the services are performed by a public health nurse and the nurse indicates in a statement submitted under oath that the services were actually provided; and such other

~~medical~~ services or supplies provided or prescribed by persons authorized by state law to give such services and supplies. The term includes, but is not limited to, directors and officers of corporations or members of partnerships who, either individually or jointly with another or others, have the legal control, supervision, or responsibility of submitting claims for reimbursement to the medical assistance program. The term only includes directors and officers of corporations who personally receive a portion of the distributed assets upon liquidation or dissolution, and their liability is limited to the portion of the claim that bears the same proportion to the total claim as their share of the distributed assets bears to the total distributed assets.

(b) "Vendor of medical care" also includes any person who is credentialed as a health professional under standards set by the governing body of a federally recognized Indian tribe authorized under an agreement with the federal government according to United States Code, title 25, section 450f, to provide health services to its members, and who through a tribal facility provides covered services to American Indian people within a contract health service delivery area of a Minnesota reservation, as defined under Code of Federal Regulations, title 42, section 36.22.

(c) A federally recognized Indian tribe that intends to implement standards for credentialing health professionals must submit the standards to the commissioner of human services, along with evidence of meeting, exceeding, or being exempt from corresponding state standards. The commissioner shall maintain a copy of the standards and supporting evidence, and shall use those standards to enroll tribal-approved health professionals as medical assistance providers. For purposes of this section, "Indian" and "Indian tribe" mean persons or entities that meet the definition in United States Code, title 25, section 450b.

Sec. 39. Minnesota Statutes 2018, section 256B.064, subdivision 1a, is amended to read:

Subd. 1a. **Grounds for sanctions against vendors.** The commissioner may impose sanctions against a vendor of medical care for any of the following: (1) fraud, theft, or abuse in connection with the provision of medical care to recipients of public assistance; (2) a pattern of presentment of false or duplicate claims or claims for services not medically necessary; (3) a pattern of making false statements of material facts for the purpose of obtaining greater compensation than that to which the vendor is legally entitled; (4) suspension or termination as a Medicare vendor; (5) refusal to grant the state agency access during regular business hours to examine all records necessary to disclose the extent of services provided to program recipients and appropriateness of claims for payment; (6) failure to repay an overpayment or a fine finally established under this section; (7) failure to correct errors in the maintenance of health service or financial records for which a fine was imposed or after issuance of a warning by the commissioner; ~~and~~ (8) any reason for which a vendor could be excluded from participation in the Medicare program under section 1128, 1128A, or 1866(b)(2) of the Social Security Act; and (9) there is a preponderance of evidence that the vendor committed an act or acts that meet the definition of offenses listed in section 609.817.

Sec. 40. Minnesota Statutes 2018, section 256B.064, subdivision 1b, is amended to read:

Subd. 1b. **Sanctions available.** The commissioner may impose the following sanctions for the conduct described in subdivision 1a: suspension or withholding of payments to a vendor and suspending or terminating participation in the program, or imposition of a fine under subdivision 2, paragraph (f). When imposing sanctions under this section, the commissioner shall consider the nature, chronicity, or severity of the conduct and the effect of the conduct on the health and safety of persons served by the vendor. The commissioner shall suspend a vendor's participation in the program for a minimum of five years if, for an offense related to a provision of a health service under medical assistance or health care fraud, the vendor is convicted of a crime, received a stay of adjudication, or entered a court-ordered diversion program. Regardless of imposition of sanctions, the commissioner may make a referral to the appropriate state licensing board.

Sec. 41. Minnesota Statutes 2018, section 256B.064, subdivision 2, is amended to read:

Subd. 2. **Imposition of monetary recovery and sanctions.** (a) The commissioner shall determine any monetary amounts to be recovered and sanctions to be imposed upon a vendor of medical care under this section. Except as provided in paragraphs (b) and (d), neither a monetary recovery nor a sanction will be imposed by the commissioner without prior notice and an opportunity for a hearing, according to chapter 14, on the commissioner's proposed action, provided that the commissioner may suspend or reduce payment to a vendor of medical care, except a nursing home or convalescent care facility, after notice and prior to the hearing if in the commissioner's opinion that action is necessary to protect the public welfare and the interests of the program.

(b) Except when the commissioner finds good cause not to suspend payments under Code of Federal Regulations, title 42, section 455.23 (e) or (f), the commissioner shall withhold or reduce payments to a vendor of medical care without providing advance notice of such withholding or reduction if either of the following occurs:

(1) the vendor is convicted of a crime involving the conduct described in subdivision 1a; or

(2) the commissioner determines there is a credible allegation of fraud for which an investigation is pending under the program. A credible allegation of fraud is an allegation which has been verified by the state, from any source, including but not limited to:

(i) fraud hotline complaints;

(ii) claims data mining; and

(iii) patterns identified through provider audits, civil false claims cases, and law enforcement investigations.

Allegations are considered to be credible when they have an indicia of reliability and the state agency has reviewed all allegations, facts, and evidence carefully and acts judiciously on a case-by-case basis.

(c) The commissioner must send notice of the withholding or reduction of payments under paragraph (b) within five days of taking such action unless requested in writing by a law enforcement agency to temporarily withhold the notice. The notice must:

(1) state that payments are being withheld according to paragraph (b);

(2) set forth the general allegations as to the nature of the withholding action, but need not disclose any specific information concerning an ongoing investigation;

(3) except in the case of a conviction for conduct described in subdivision 1a, state that the withholding is for a temporary period and cite the circumstances under which withholding will be terminated;

(4) identify the types of claims to which the withholding applies; and

(5) inform the vendor of the right to submit written evidence for consideration by the commissioner.

The withholding or reduction of payments will not continue after the commissioner determines there is insufficient evidence of fraud by the vendor, or after legal proceedings relating to the alleged fraud are completed, unless the commissioner has sent notice of intention to impose monetary recovery or sanctions under paragraph (a). Upon conviction for a crime related to the provision, management, or administration of a health service under medical assistance, a payment held pursuant to this section by the commissioner or a managed care organization that contracts with the commissioner under section 256B.035 is forfeited by the commissioner or managed care organization, regardless of the amount charged in the criminal complaint or the amount of criminal restitution ordered.

(d) The commissioner shall suspend or terminate a vendor's participation in the program without providing advance notice and an opportunity for a hearing when the suspension or termination is required because of the vendor's exclusion from participation in Medicare. Within five days of taking such action, the commissioner must send notice of the suspension or termination. The notice must:

- (1) state that suspension or termination is the result of the vendor's exclusion from Medicare;
- (2) identify the effective date of the suspension or termination; and
- (3) inform the vendor of the need to be reinstated to Medicare before reapplying for participation in the program.

(e) Upon receipt of a notice under paragraph (a) that a monetary recovery or sanction is to be imposed, a vendor may request a contested case, as defined in section 14.02, subdivision 3, by filing with the commissioner a written request of appeal. The appeal request must be received by the commissioner no later than 30 days after the date the notification of monetary recovery or sanction was mailed to the vendor. The appeal request must specify:

- (1) each disputed item, the reason for the dispute, and an estimate of the dollar amount involved for each disputed item;
- (2) the computation that the vendor believes is correct;
- (3) the authority in statute or rule upon which the vendor relies for each disputed item;
- (4) the name and address of the person or entity with whom contacts may be made regarding the appeal; and
- (5) other information required by the commissioner.

(f) The commissioner may order a vendor to forfeit a fine for failure to fully document services according to standards in this chapter and Minnesota Rules, chapter 9505. The commissioner may assess fines if specific required components of documentation are missing. The fine for incomplete documentation shall equal 20 percent of the amount paid on the claims for reimbursement submitted by the vendor, or up to \$5,000, whichever is less. If the commissioner determines that a vendor repeatedly violated this chapter or Minnesota Rules, chapter 9505, related to the provision of services to program recipients and the submission of claims for payment, the commissioner may order a vendor to forfeit a fine based on the nature, severity, and chronicity of the violations, in an amount of up to \$5,000 or 20 percent of the value of the claims, whichever is greater.

(g) The vendor shall pay the fine assessed on or before the payment date specified. If the vendor fails to pay the fine, the commissioner may withhold or reduce payments and recover the amount of the fine. A timely appeal shall stay payment of the fine until the commissioner issues a final order.

Sec. 42. Minnesota Statutes 2018, section 256B.064, is amended by adding a subdivision to read:

**Subd. 3. Vendor mandates on prohibited hiring.** (a) The commissioner shall maintain and publish a list of each excluded individual and entity that was convicted of a crime related to the provision, management, or administration of a medical assistance health service, or suspended or terminated under subdivision 2. A vendor that receives funding from medical assistance shall not: (1) employ an individual or entity who is on the exclusion list; or (2) enter into or maintain a business relationship with an individual or entity that is on the exclusion list.

(b) Before hiring or entering into a business transaction, a vendor must check the exclusion list. The vendor must check the exclusion list on a monthly basis and document the date and time with a.m. and p.m. designations that the exclusion list was checked and the name and title of the person who checked the exclusion list. The vendor must: (1) immediately terminate a current employee on the exclusion list; and (2) immediately terminate a business relationship with an individual or entity on the exclusion list.

(c) A vendor's requirement to check the exclusion list and to terminate an employee on the exclusion list applies to each employee, even if the named employee is not responsible for direct patient care or direct submission of a claim to medical assistance. A vendor's requirement to check the exclusion list and terminate a business relationship with an individual or entity on the exclusion list applies to each business relationship, even if the named individual or entity is not responsible for direct patient care or direct submission of a claim to medical assistance.

(d) A vendor that employs or enters into or maintains a business relationship with an individual or entity on the exclusion list must refund any payment related to a service rendered by an individual or entity on the exclusion list from the date the individual is employed or the date the individual is placed on the exclusion list, whichever is later, and a vendor may be subject to:

(1) sanctions under subdivision 2;

(2) a civil monetary penalty of up to \$25,000 for each determination by the department that the vendor employed or contracted with an individual or entity on the exclusion list; and

(3) other fines or penalties allowed by law.

Sec. 43. Minnesota Statutes 2018, section 256B.064, is amended by adding a subdivision to read:

Subd. 4. **Notice.** (a) The notice required under subdivision 2 shall be served by first class mail at the address submitted to the department by the vendor. Service is complete upon mailing. The commissioner shall place an affidavit of the first class mailing in the vendor's file as an indication of the address and the date of mailing.

(b) The department shall give notice in writing to a recipient placed in the Minnesota restricted recipient program under section 256B.0646 and Minnesota Rules, part 9505.2200. The notice shall be sent by first class mail to the recipient's current address on file with the department. A recipient placed in the Minnesota restricted recipient program may contest the placement by submitting a written request for a hearing to the department within 90 days of the notice being mailed.

Sec. 44. Minnesota Statutes 2018, section 256B.064, is amended by adding a subdivision to read:

Subd. 5. **Immunity; good faith reporters.** (a) A person who makes a good faith report is immune from any civil or criminal liability that might otherwise arise from reporting or participating in the investigation. Nothing in this subdivision affects a vendor's responsibility for an overpayment established under this subdivision.

(b) A person employed by a lead investigative agency who is conducting or supervising an investigation or enforcing the law according to the applicable law or rule is immune from any civil or criminal liability that might otherwise arise from the person's actions, if the person is acting in good faith and exercising due care.

(c) For purposes of this subdivision, "person" includes a natural person or any form of a business or legal entity.

(d) After an investigation is complete, the reporter's name must be kept confidential. The subject of the report may compel disclosure of the reporter's name only with the consent of the reporter or upon a written finding by a district court that the report was false and there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the Rules of Criminal Procedure, except when the identity of the reporter is relevant to a criminal prosecution the district court shall conduct an in-camera review before determining whether to order disclosure of the reporter's identity.

Sec. 45. **[256B.0646] MINNESOTA RESTRICTED RECIPIENT PROGRAM; PERSONAL CARE ASSISTANCE SERVICES.**

(a) When a recipient's use of personal care assistance services or community first services and supports under section 256B.85 results in abusive or fraudulent billing, the commissioner may place a recipient in the Minnesota restricted recipient program under Minnesota Rules, part 9505.2165. A recipient placed in the Minnesota restricted recipient program under this section must: (1) use a designated traditional personal care assistance provider agency; and (2) obtain a new assessment under section 256B.0911, including consultation with a registered or public health nurse on the long-term care consultation team pursuant to section 256B.0911, subdivision 3, paragraph (b), clause (2).

(b) A recipient must comply with additional conditions for the use of personal care assistance services or community first services and supports if the commissioner determines it is necessary to prevent future misuse of personal care assistance services or abusive or fraudulent billing. Additional conditions may include but are not limited to restricting service authorizations to a duration of no more than one month, and requiring a qualified professional to monitor and report services on a monthly basis.

(c) A recipient placed in the Minnesota restricted recipient program under this section may appeal the placement according to section 256.045.

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

Sec. 46. Minnesota Statutes 2018, section 256B.0651, subdivision 17, is amended to read:

Subd. 17. **Recipient protection.** (a) Providers of home care services must provide each recipient with a copy of the home care bill of rights under section 144A.44 at least 30 days prior to terminating services to a recipient, if the termination results from provider sanctions under section 256B.064, such as a payment withhold, a suspension of participation, or a termination of participation. If a home care provider determines it is unable to continue providing services to a recipient, the provider must notify the recipient, the recipient's responsible party, and the commissioner 30 days prior to terminating services to the recipient because of an action under section 256B.064, and must assist the commissioner and lead agency in supporting the recipient in transitioning to another home care provider of the recipient's choice.

(b) In the event of a payment withhold from a home care provider, a suspension of participation, or a termination of participation of a home care provider under section 256B.064, the commissioner may inform the Office of Ombudsman for Long-Term Care and the lead agencies for all recipients with active service agreements with the provider. At the commissioner's request, the lead agencies must contact recipients to ensure that the recipients are continuing to receive needed care, and that the recipients have been given free choice of provider if they transfer to another home care provider. In addition, the commissioner or the commissioner's delegate may directly notify recipients who receive care from the provider that payments have been or may be withheld or that the provider's participation in medical assistance has been or may be suspended or terminated, if the commissioner determines that notification is necessary to protect the welfare of the recipients. For purposes of this subdivision, "lead agencies" means counties, tribes, and managed care organizations.

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

Sec. 47. Minnesota Statutes 2018, section 256B.0659, subdivision 12, is amended to read:

Subd. 12. **Documentation of personal care assistance services provided.** (a) Personal care assistance services for a recipient must be documented daily by each personal care assistant, on a time sheet form approved by the commissioner. All documentation may be web-based, electronic, or paper documentation. The completed form must be submitted on a monthly basis to the provider and kept in the recipient's health record.

(b) The activity documentation must correspond to the personal care assistance care plan and be reviewed by the qualified professional.

(c) The personal care assistant time sheet must be on a form approved by the commissioner documenting time the personal care assistant provides services in the home. The following criteria must be included in the time sheet:

- (1) full name of personal care assistant and individual provider number;
- (2) provider name and telephone numbers;
- (3) full name of recipient and either the recipient's medical assistance identification number or date of birth;
- (4) consecutive dates, including month, day, and year, and arrival and departure times with a.m. or p.m. notations;
- (5) signatures of recipient or the responsible party;
- (6) personal signature of the personal care assistant;
- (7) any shared care provided, if applicable;
- (8) a statement that it is a federal crime to provide false information on personal care service billings for medical assistance payments; and
- (9) dates and location of recipient stays in a hospital, care facility, or incarceration.

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

Sec. 48. Minnesota Statutes 2018, section 256B.27, subdivision 3, is amended to read:

Subd. 3. **Access to medical records.** The commissioner of human services, with the written consent of the recipient, on file with the local welfare agency, shall be allowed access to all personal medical records of medical assistance recipients solely for the purposes of investigating whether or not: (a) a vendor of medical care has submitted a claim for reimbursement, a cost report or a rate application which is duplicative, erroneous, or false in whole or in part, or which results in the vendor obtaining greater compensation than the vendor is legally entitled to; or (b) the medical care was medically necessary. ~~The vendor of medical care shall receive notification from the commissioner at least 24 hours before the commissioner gains access to such records.~~ When the commissioner is investigating a possible overpayment of Medicaid funds, the commissioner must be given immediate access without prior notice to the vendor's office during regular business hours and to documentation and records related to services provided and submission of claims for services provided. Denying the commissioner access to records is cause for the vendor's immediate suspension of payment or termination according to section 256B.064. The determination of provision of services not medically necessary shall be made by the commissioner. Notwithstanding any other law to the contrary, a vendor of medical care shall not be subject to any civil or criminal liability for providing access to medical records to the commissioner of human services pursuant to this section.

Sec. 49. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision to read:

Subd. 11. **Home and community-based service billing requirements.** (a) A home and community-based service is eligible for reimbursement if:

(1) the service is provided according to a federally approved waiver plan, as authorized under sections 256B.0913, 256B.0915, 256B.092, and 256B.49;

(2) if applicable, the service is provided on days and times during the days and hours of operation specified on any license required under chapter 245A or 245D; and

(3) the provider complies with subdivisions 12 to 15, if applicable.

(b) The provider must maintain documentation that, upon employment and annually thereafter, staff providing a service have attested to reviewing and understanding the following statement: "It is a federal crime to provide materially false information on service billings for medical assistance or services provided under a federally approved waiver plan, as authorized under Minnesota Statutes, sections 256B.0913, 256B.0915, 256B.092, and 256B.49."

(c) The department may recover payment, according to section 256B.064 and Minnesota Rules, parts 9505.2160 to 9505.2245, for a service that does not satisfy this subdivision.

Sec. 50. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision to read:

Subd. 12. **Home and community-based service documentation requirements.** (a) Documentation may be collected and maintained electronically or in paper form by providers and must be produced upon request of the commissioner.

(b) Documentation of a delivered service must be in English and must be legible according to the standard of a reasonable person.

(c) If the service is reimbursed at an hourly or specified minute-based rate, each documentation of the provision of a service, unless otherwise specified, must include:

(1) the date the documentation occurred;

(2) the day, month, and year when the service was provided;

(3) the start and stop times with a.m. and p.m. designations, except for case management services as defined under sections 256B.0913, subdivision 7; 256B.0915, subdivision 1a; 256B.092, subdivision 1a; and 256B.49, subdivision 13;

(4) the service name or description of the service provided; and

(5) the name, signature, and title, if any, of the provider of service. If the service is provided by multiple staff members, the provider may designate a staff member responsible for verifying services and completing the documentation required by this paragraph.

(d) If the service is reimbursed at a daily rate or does not meet the requirements in paragraph (c), each documentation of the provision of a service, unless otherwise specified, must include:

(1) the date the documentation occurred;

(2) the day, month, and year when the service was provided;

(3) the service name or description of the service provided; and

(4) the name, signature, and title, if any, of the person providing the service. If the service is provided by multiple staff, the provider may designate a staff member responsible for verifying services and completing the documentation required by this paragraph.

Sec. 51. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision to read:

**Subd. 13. Waiver transportation documentation and billing requirements.** (a) A waiver transportation service must be a waiver transportation service that: (1) is not covered by medical transportation under the Medicaid state plan; and (2) is not included as a component of another waiver service.

(b) In addition to the documentation requirements in subdivision 12, a waiver transportation service provider must maintain:

(1) odometer and other records pursuant to section 256B.0625, subdivision 17b, paragraph (b), clause (3), sufficient to distinguish an individual trip with a specific vehicle and driver for a waiver transportation service that is billed directly by the mile. A common carrier as defined by Minnesota Rules, part 9505.0315, subpart 1, item B, or a publicly operated transit system provider are exempt from this clause; and

(2) documentation demonstrating that a vehicle and a driver meet the standards determined by the Department of Human Services on vehicle and driver qualifications in section 256B.0625, subdivision 17, paragraph (c).

Sec. 52. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision to read:

**Subd. 14. Equipment and supply documentation requirements.** (a) In addition to the requirements in subdivision 12, an equipment and supply services provider must for each documentation of the provision of a service include:

(1) the recipient's assessed need for the equipment or supply;

(2) the reason the equipment or supply is not covered by the Medicaid state plan;

(3) the type and brand name of the equipment or supply delivered to or purchased by the recipient, including whether the equipment or supply was rented or purchased;

(4) the quantity of the equipment or supplies delivered or purchased; and

(5) the cost of equipment or supplies if the amount paid for the service depends on the cost.

(b) A provider must maintain a copy of the shipping invoice or a delivery service tracking log or other documentation showing the date of delivery that proves the equipment or supply was delivered to the recipient or a receipt if the equipment or supply was purchased by the recipient.

Sec. 53. Minnesota Statutes 2018, section 256B.4912, is amended by adding a subdivision to read:

**Subd. 15. Adult day service documentation and billing requirements.** (a) In addition to the requirements in subdivision 12, a provider of adult day services as defined in section 245A.02, subdivision 2a, and licensed under Minnesota Rules, parts 9555.9600 to 9555.9730, must maintain documentation of:

(1) a needs assessment and current plan of care according to section 245A.143, subdivisions 4 to 7, or Minnesota Rules, part 9555.9700, for each recipient, if applicable;

(2) attendance records as specified under section 245A.14, subdivision 14, paragraph (c), including the date of attendance with the day, month, and year; and the pickup and drop-off time in hours and minutes with a.m. and p.m. designations;

(3) the monthly and quarterly program requirements in Minnesota Rules, part 9555.9710, subparts 1, items E and H; 3; 4; and 6, if applicable;

(4) the name and qualification of each registered physical therapist, registered nurse, and registered dietitian who provides services to the adult day services or nonresidential program; and

(5) the location where the service was provided. If the location is an alternate location from the usual place of service, the documentation must include the address, or a description if the address is not available, of both the origin site and destination site; the length of time at the alternate location with a.m. and p.m. designations; and a list of participants who went to the alternate location.

(b) A provider cannot exceed the provider's licensed capacity. If a provider exceeds the provider's licensed capacity, the department must recover all Minnesota health care programs payments from the date the provider exceeded licensed capacity.

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

Sec. 54. **[609.817] CRIMINAL PENALTIES FOR ACTS INVOLVING HUMAN SERVICES PROGRAMS.**

Subdivision 1. **Payments made relating to human services programs.** A person who intentionally offers or pays any remuneration, including any kickback, bribe, or rebate, directly or indirectly, overtly or covertly, in cash or in kind, to a person is guilty of a crime and may be sentenced as provided in subdivision 3 if such offer or payment is made to induce the person:

(1) to apply for, receive, or induce another person to apply for or receive a human services benefit, service, or grant related to a program funded in whole or in part by the Department of Human Services or administered by the commissioner of human services, including but not limited to a human services benefit, service, or grant funded in whole or in part by a local social services agency, the Department of Human Services, or the United States Department of Health and Human Services; or

(2) to apply for or to use a particular vendor providing a service administered or funded in whole or in part by the Department of Human Services, a local social services agency, or the United States Department of Health and Human Services.

Subd. 2. **Payments received relating to human services programs.** A person who intentionally solicits or receives any remuneration, including any kickback, bribe, or rebate, directly or indirectly, overtly or covertly, in cash or in kind, is guilty of a crime and may be sentenced as provided in subdivision 3 if the remuneration is solicited or received:

(1) in return for applying for or receiving a human services benefit, service, or grant administered or funded in whole or in part by the Department of Human Services or administered by the commissioner of human services, including but not limited to a human services benefit, service, or grant funded in whole or in part by a local social services agency, the Department of Human Services, or the United States Department of Health and Human Services;

(2) in return for applying for or using a particular vendor providing a service administered or funded in whole or in part by the Department of Human Services, a local social services agency, or the United States Department of Health and Human Services; or

(3) in return for receiving or agreeing to receive payments in excess of fair and reasonable market value for services or supplies provided to a company or person who is being paid in whole or in part by the Department of Human Services, a local social services agency, or the United States Department of Health and Human Services to provide a human services benefit to a person.

Subd. 3. **Sentence.** Whoever violates subdivision 1 or 2 may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

Subd. 4. **Defense.** It is not a defense under this section for the person or company receiving or making the payments in excess of fair and reasonable market value to claim the person did not have knowledge of the source of the payments.

Subd. 5. **Persons exempt.** This section does not apply if:

(1) the employee receiving the remuneration is a bona fide employee of the company receiving payment for providing care or services;

(2) the remuneration received by the employee is for work performed by the employee and is paid via a standard payroll check or a direct deposit from the company payroll account to the bank designated by the employee; and

(3) the company making the payment complies with all state and federal laws relating to tax withholding, Social Security and Medicare withholding, and wage reporting to the Department of Employment and Economic Development.

Subd. 6. **Additional sanctions.** (a) Claims or payments for any service rendered or claimed to have been rendered by a provider or individual who violated this section in regard to the person for whom such services were rendered or claimed to have been rendered are noncompensable, unenforceable as a matter of law, and constitute the value of any restitution owed to the Department of Human Services, a county, or the United States Department of Health and Human Services.

(b) For the purposes of this section, service includes any benefit, service, or grant, administered or funded in whole or in part by the Department of Human Services, a county, or the United States Department of Health and Human Services.

(c) A person convicted under this section is subject to prohibitions described under section 245.095."

Delete the title and insert:

"A bill for an act relating to early childhood; modifying various policy and finance provisions governing child care, children and family services, licensing, and program integrity; making appropriations; amending Minnesota Statutes 2018, sections 13.46, subdivision 3; 15C.02; 119B.011, subdivisions 19, 20, by adding a subdivision; 119B.02, subdivisions 3, 6, 7; 119B.025, subdivision 1, by adding a subdivision; 119B.03, subdivision 9; 119B.09, subdivisions 1, 7; 119B.095, subdivision 2, by adding a subdivision; 119B.125, subdivision 6; 119B.13, subdivisions 1, 6, 7; 119B.16, subdivisions 1, 1a, 1b, by adding subdivisions; 124D.142; 124D.165, subdivision 4; 144.966, subdivision 2; 245.095; 245A.02, subdivisions 3, 8, 9, 12, 14, by adding subdivisions; 245A.03, subdivisions 1, 3; 245A.04, subdivisions 1, 2, 4, 6, 7, 10, by adding a subdivision; 245A.05; 245A.07, subdivisions 1, 2, 2a, 3; 245A.14, by adding a subdivision; 245A.145, subdivisions 1, 2; 245A.41, subdivision 3; 245A.50, by

adding a subdivision; 245A.51, subdivision 3; 245E.01, subdivision 8; 245E.02, by adding subdivisions; 245E.06, subdivision 3; 245H.07; 245H.15, subdivision 1; 256.046, subdivision 1; 256B.02, subdivision 7; 256B.064, subdivisions 1a, 1b, 2, by adding subdivisions; 256B.0651, subdivision 17; 256B.0659, subdivision 12; 256B.27, subdivision 3; 256B.4912, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 119B; 145; 245A; 256B; 609; repealing Minnesota Statutes 2018, sections 119B.16, subdivision 2; 245E.06, subdivisions 2, 4, 5; Minnesota Rules, part 3400.0185, subpart 5."

With the recommendation that when so amended the bill be re-referred to the Health and Human Services Finance Division.

The report was adopted.

Lesch from the Judiciary Finance and Civil Law Division to which was referred:

H. F. No. 2367, A bill for an act relating to public safety; requiring certifying entities to timely process visa certification documents; proposing coding for new law in Minnesota Statutes, chapter 611A.

Reported the same back with the following amendments:

Page 2, line 15, after the first "prohibited" insert "; data classification"

Page 2, line 15, before "A" insert "(a)"

Page 2, after line 18, insert:

"(b) Data provided to a certifying entity under this section is classified as private data pursuant to section 13.02, subdivision 12."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. No. 557 was read for the second time.

## **SECOND READING OF SENATE BILLS**

S. F. No. 1547 was read for the second time.

**INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Kunesh-Podein; Lee; Hassan; Carlson, L.; Xiong, J.; Noor; Davids; Hausman; Wazlawik; Wolgamott and Urdahl introduced:

H. F. No. 2762, A bill for an act relating to arts and culture; appropriating money to expand Minnesota Debate League.

The bill was read for the first time and referred to the Committee on Ways and Means.

Hansen and Wagenius introduced:

H. F. No. 2763, A bill for an act relating to taxation; solid waste management; increasing rates and appropriating part of the increase in tax collected to grants for soil and water conservation districts; amending Minnesota Statutes 2018, sections 297H.02, subdivision 2; 297H.03, subdivision 2; 297H.04, subdivision 2; 297H.05; 297H.13, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 297H.

The bill was read for the first time and referred to the Committee on Taxes.

Kresha introduced:

H. F. No. 2764, A bill for an act relating to natural resources; appropriating money for Minnesota Fishing Museum and Hall of Fame.

The bill was read for the first time and referred to the Committee on Ways and Means.

Brand introduced:

H. F. No. 2765, A bill for an act relating to transportation; amending certain requirements governing the corridors of commerce program; appropriating money; authorizing the sale and issuance of state bonds; amending Minnesota Statutes 2018, section 161.088, subdivision 5.

The bill was read for the first time and referred to the Committee on Ways and Means.

Bahner; Kunesh-Podein; Bernardy; Sundin; O'Neill; Pryor; Davnie; Hassan; Mann; Kotyza-Witthuhn; Theis; Bennett; Runbeck; Vang; Layman; Carlson, L.; Murphy; Neu; Scott; Masin; Loeffler; Halverson; Youakim; Morrison; Liebling; Moran; Albright and Hamilton introduced:

H. F. No. 2766, A bill for an act proposing an amendment to the Minnesota Constitution; providing for gender-neutral terms.

The bill was read for the first time and referred to the Committee on Government Operations.

Hausman introduced:

H. F. No. 2767, A bill for an act relating to housing; capital investment; adding the use of housing infrastructure bonds for housing stabilization projects; authorizing the sale and issuance of housing infrastructure bonds; appropriating money; amending Minnesota Statutes 2018, section 462A.37, subdivisions 1, 2, 5, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Ways and Means.

Nelson, M., introduced:

H. F. No. 2768, A bill for an act relating to state government; restricting executive branch state agency expenditures for professional and technical services contracts during the biennium ending June 30, 2021.

The bill was read for the first time and referred to the Committee on Ways and Means.

Becker-Finn introduced:

H. F. No. 2769, A bill for an act relating to civil actions; allowing next of kin to bring personal injury action on behalf of decedent who was a vulnerable adult; amending Minnesota Statutes 2018, section 573.02, subdivision 2.

The bill was read for the first time and referred to the Committee on Ways and Means.

Daudt introduced:

H. F. No. 2770, A bill for an act relating to local government; adjusting local government aid payments to cities discontinuing operation of municipal liquor stores; permitting cities to continue operation of municipal liquor stores with certain conditions; proposing coding for new law in Minnesota Statutes, chapter 477A.

The bill was read for the first time and referred to the Committee on Commerce.

Quam, Torkelson and Davids introduced:

H. F. No. 2771, A bill for an act relating to transportation; requiring commissioner of transportation to study specialized equipment needs during severe winter weather; requiring a report.

The bill was read for the first time and referred to the Transportation Finance and Policy Division.

Olson and Haley introduced:

H. F. No. 2772, A bill for an act relating to health; expanding a home and community-based services employee scholarship program to also repay qualified educational loans of employees; amending Minnesota Statutes 2018, section 144.1503.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

Runbeck, Daniels, Layman, Nornes and Quam introduced:

H. F. No. 2773, A bill for an act relating to higher education; requiring a report on how to achieve a ten percent reduction in administrative costs.

The bill was read for the first time and referred to the Higher Education Finance and Policy Division.

Runbeck and Scott introduced:

H. F. No. 2774, A bill for an act relating to human services; modifying penalties for coercion; amending Minnesota Statutes 2018, section 609.27, subdivision 2.

The bill was read for the first time and referred to the Committee on Ways and Means.

Youakim introduced:

H. F. No. 2775, A bill for an act relating to retirement; Teachers Retirement Association; coverage election for Minnesota State employee not offered a coverage election.

The bill was read for the first time and referred to the Committee on Government Operations.

Garofalo, Daniels, Layman, Albright, Gruenhagen and Erickson introduced:

H. F. No. 2776, A bill for an act relating to employment; providing uniformity for employment mandates on private employers; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor.

Hornstein introduced:

H. F. No. 2777, A bill for an act relating to transportation; modifying requirements for wheelchair securement devices; amending Minnesota Statutes 2018, sections 299A.12, subdivisions 1, 2, 3; 299A.13; 299A.14, subdivision 3; repealing Minnesota Statutes 2018, sections 299A.12, subdivision 4; 299A.18.

The bill was read for the first time and referred to the Transportation Finance and Policy Division.

Lee and Dehn introduced:

H. F. No. 2778, A bill for an act relating to environment; requiring analysis of cumulative pollution when issuing permits in certain areas; amending Minnesota Statutes 2018, section 116.07, subdivision 4a.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy.

Xiong, J.; Her; Hassan; Xiong, T.; Elkins; Brand; Gomez; Freiberg; Mann; Moller; Morrison; Kunesh-Podein; Hausman; Lesch; Mariani; Mahoney; Nelson, M.; Sandell; Long; Carlson, L., and Becker-Finn introduced:

H. F. No. 2779, A bill for an act relating to political parties; requiring interpretation services for members of a language minority in certain circumstances; amending Minnesota Statutes 2018, sections 202A.155; 202A.156.

The bill was read for the first time and referred to the Committee on Government Operations.

Hassan; Richardson; Edelson; Gomez; Her; Xiong, J.; Freiberg and Baker introduced:

H. F. No. 2780, A bill for an act relating to education; developing suicide prevention policies; proposing coding for new law in Minnesota Statutes, chapter 121A.

The bill was read for the first time and referred to the Committee on Education Policy.

Mann and Morrison introduced:

H. F. No. 2781, A bill for an act relating to health care; prohibiting maintenance of certification for physicians; amending Minnesota Statutes 2018, section 147.02, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 62Q; 144.

The bill was read for the first time and referred to the Committee on Commerce.

Schomacker introduced:

H. F. No. 2782, A bill for an act relating to human services; requiring a report on single administrative structure and delivery system for nonemergency medical transportation.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

Albright introduced:

H. F. No. 2783, A bill for an act relating to state government; creating a Department of Direct Care and Treatment and Office of Inspector General; transferring duties from the Department of Human Services and other state agencies to the new state agency and office; requiring reports; amending Minnesota Statutes 2018, sections 15.01; 15.06, subdivision 1; 15A.0815, subdivision 2; 43A.08, subdivision 1a; proposing coding for new law as Minnesota Statutes, chapters 245I; 246C.

The bill was read for the first time and referred to the Committee on Government Operations.

Daudt introduced:

H. F. No. 2784, A bill for an act proposing an amendment to the Minnesota Constitution by adding a section to article XIII; authorizing food retailers to sell wine and beer; amending Minnesota Statutes 2018, sections 340A.101, by adding a subdivision; 340A.405, subdivision 1; 340A.412, subdivision 3, by adding a subdivision; 340A.413, subdivision 5; 340A.503, subdivision 4.

The bill was read for the first time and referred to the Committee on Government Operations.

Pinto introduced:

H. F. No. 2785, A bill for an act relating to public safety; creating a statewide sex trafficking investigation coordinator; proposing coding for new law in Minnesota Statutes, chapter 299A.

The bill was read for the first time and referred to the Committee on Ways and Means.

Hornstein introduced:

H. F. No. 2786, A bill for an act relating to transportation; appropriating money for transportation management organizations in the Twin Cities metropolitan area.

The bill was read for the first time and referred to the Committee on Ways and Means.

Bennett introduced:

H. F. No. 2787, A bill for an act relating to capital investment; appropriating money for the Blazing Star State Trail; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Ways and Means.

Hassan, Gomez and Noor introduced:

H. F. No. 2788, A bill for an act relating to economic development; appropriating money for the East Phillips Neighborhood Institute; requiring reports.

The bill was read for the first time and referred to the Committee on Ways and Means.

Morrison and Hamilton introduced:

H. F. No. 2789, A bill for an act relating to taxation; gross revenues; creating a health insurance claims assessment; proposing coding for new law in Minnesota Statutes, chapter 295.

The bill was read for the first time and referred to the Committee on Taxes.

Garofalo and Davids introduced:

H. F. No. 2790, A bill for an act relating to taxation; requiring an annual report on taxes and migration; proposing coding for new law in Minnesota Statutes, chapter 270C.

The bill was read for the first time and referred to the Committee on Taxes.

Morrison and Baker introduced:

H. F. No. 2791, A bill for an act relating to health care; modifying certain reimbursement provisions for direct injectable drugs for certain conditions under medical assistance; amending Minnesota Statutes 2018, section 256B.0625, subdivision 13e.

The bill was read for the first time and referred to the Committee on Ways and Means.

Mariani introduced:

H. F. No. 2792, A bill for an act relating to public safety; modifying certain provisions relating to public safety; corrections; law enforcement; sexual offenders; controlled substances; DWI; vehicle operations; pretrial release; offender sentencing, probation, and diversion; firefighters; statewide emergency communication; predatory offenders; modifying ex-offender voting rights; enacting the Uniform Collateral Consequences of Conviction Act; requiring reports; providing for task forces; providing for criminal penalties; appropriating money for sentencing guidelines; public safety; courts; corrections; Peace Officer Standards and Training (POST) Board; private detective board; Public Defense Board; human services; health; amending Minnesota Statutes 2018, sections 13.6905, by adding a subdivision; 13.851, by adding a subdivision; 15A.0815, subdivision 3; 84.91, subdivision 1; 86B.331, subdivision 1; 144.121, subdivision 1a, by adding a subdivision; 151.37, subdivision 12; 152.021, subdivision 2a; 152.025, subdivisions 1, 2, 4; 152.0275; 152.18, subdivision 1; 169.13, subdivisions 1, 2; 169.92, subdivision 4; 169A.03, subdivision 18; 169A.37, subdivision 1; 169A.55, subdivision 2; 169A.60, subdivisions 4, 5; 169A.63, by adding a subdivision; 171.07, subdivision 1a; 171.16, subdivisions 2, 3; 171.18, subdivision 1; 171.20, subdivision 4; 171.26, subdivision 1; 171.29, subdivision 1; 201.014, by adding a subdivision; 201.071, subdivision 1; 204C.10; 241.025, subdivisions 1, 2; 241.75, subdivision 2; 242.192; 243.166, subdivisions 1a, 1b, 2, 4, 4a, 4b, 4c, 5, 6, 7, 7a, by adding a subdivision; 243.48, subdivision 1; 244.05, subdivisions 4, 5; 244.09, subdivisions 5, 6, 8; 245C.22, by adding a subdivision; 245C.24, by adding a subdivision; 260B.176, by adding a subdivision; 299A.12, subdivisions 1, 2, 3; 299A.13; 299A.14, subdivision 3; 299A.706; 299C.091, subdivision 5; 299C.093; 299N.01, subdivisions 2, 3; 299N.02, subdivisions 1, 2, 3; 299N.03, subdivisions 4, 5, 6, by adding a subdivision; 299N.04; 299N.05, subdivisions 1, 2, 5, 6, 7, 9; 299N.06; 340A.304; 340A.417; 357.021, subdivision 7; 364.07; 403.02, by adding a subdivision; 403.03; 403.21, subdivision 7a; 403.36, subdivisions 1, 1b, 1c, 1d; 403.37, subdivision 12; 403.382, subdivisions 1, 8; 446A.083, subdivision 2; 480.15, by adding a subdivision; 590.01, subdivision 4; 590.11, subdivisions 1, 2, 5, 7; 609.106, subdivision 2, by adding a subdivision; 609.115, by adding a subdivision; 609.135, subdivisions 1a, 1c, 2, by adding subdivisions; 609.165, subdivision 1; 609.2112, subdivision 1; 609.2113, subdivisions 1, 2, 3; 609.341, subdivisions 10, 11, 12, by adding subdivisions; 609.342, subdivision 1; 609.343, subdivision 1; 609.344, subdivision 1; 609.345, subdivision 1; 609.3451, subdivision 1; 609.3455, subdivision 2; 609.582, subdivisions 3, 4; 609.749, subdivisions 1, 2, 3, 5, 8; 609A.02, by adding a subdivision; 609A.025; 611.365, subdivisions 2, 3; 611.367; 611.368; 611A.039, subdivision 1; 617.246, subdivisions 2, 3, 4, 7, by adding a subdivision; 617.247, subdivisions 3, 4, 9, by adding a subdivision; 624.712, subdivision 5; 626.556, subdivision 2; 626.841; 626.93, subdivisions 3, 4; 628.26; 629.53; 631.412; 634.20; 638.02, subdivision 3; 641.15, subdivision 3a; Laws 2009, chapter 59, article 3, section 4, subdivision 9, as amended; Laws 2017, chapter 95, article 1, section 11, subdivision 7; article 3, section 30; proposing coding for new law in Minnesota Statutes, chapters 152; 171; 201; 241; 243; 244; 260B; 299A; 340A; 611A; 626; 638; 641; repealing Minnesota Statutes 2018, sections 152.027, subdivisions 3, 4; 299A.12, subdivision 4; 299A.18; 401.13; 609.349; 609B.050; 609B.100; 609B.101; 609B.102; 609B.103; 609B.104; 609B.105; 609B.106; 609B.107; 609B.108; 609B.109; 609B.110; 609B.111; 609B.112; 609B.113; 609B.120; 609B.121; 609B.122; 609B.123; 609B.124; 609B.125; 609B.126; 609B.127; 609B.128; 609B.129; 609B.130; 609B.132; 609B.133; 609B.134; 609B.135; 609B.136; 609B.139; 609B.140; 609B.141; 609B.142; 609B.143; 609B.144; 609B.146; 609B.147; 609B.148; 609B.149; 609B.1495; 609B.150; 609B.151; 609B.152; 609B.153; 609B.155; 609B.157; 609B.158; 609B.159; 609B.160; 609B.161; 609B.162; 609B.164; 609B.1641; 609B.1645; 609B.165; 609B.168; 609B.170; 609B.171; 609B.172; 609B.173; 609B.174; 609B.175; 609B.176; 609B.177; 609B.179; 609B.180; 609B.181; 609B.183; 609B.184; 609B.185; 609B.187; 609B.188;

609B.189; 609B.191; 609B.192; 609B.193; 609B.194; 609B.195; 609B.200; 609B.201; 609B.203; 609B.205; 609B.206; 609B.216; 609B.231; 609B.235; 609B.237; 609B.241; 609B.245; 609B.255; 609B.262; 609B.263; 609B.265; 609B.271; 609B.273; 609B.275; 609B.277; 609B.301; 609B.310; 609B.311; 609B.312; 609B.320; 609B.321; 609B.330; 609B.331; 609B.332; 609B.333; 609B.340; 609B.341; 609B.342; 609B.343; 609B.344; 609B.345; 609B.400; 609B.405; 609B.410; 609B.415; 609B.425; 609B.430; 609B.435; 609B.445; 609B.450; 609B.455; 609B.460; 609B.465; 609B.500; 609B.505; 609B.510; 609B.515; 609B.518; 609B.520; 609B.525; 609B.530; 609B.535; 609B.540; 609B.545; 609B.600; 609B.610; 609B.611; 609B.612; 609B.613; 609B.614; 609B.615; 609B.700; 609B.710; 609B.720; 609B.721; 609B.722; 609B.723; 609B.724; 609B.725.

The bill was read for the first time and referred to the Committee on Ways and Means.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I have the honor to announce that the Senate has appointed a committee of five members of the Senate to act with a like committee on the part of the House of Representatives to escort the Honorable Tim Walz, Governor of the State of Minnesota, to the House Chamber on the occasion of the Joint Convention on Wednesday, April 3, 2019 at 7:00 p.m.

Senators Eaton, Goggin, Isaacson, Rarick and Rosen have been appointed as members of such committee on the part of the Senate.

CAL R. LUDEMAN, Secretary of the Senate

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 400, A bill for an act relating to health; establishing the Opioid Addiction Advisory Council; establishing the opioid stewardship fund; establishing an opiate product registration fee; modifying provisions related to opioid addiction prevention, education, intervention, treatment, and recovery; requiring reports; appropriating money; amending Minnesota Statutes 2018, sections 16A.151, subdivision 2; 145.9269, subdivision 1; 145C.05, subdivision 2; 151.252, subdivision 1; 151.37, subdivision 12; 151.47, by adding a subdivision; 151.71, by adding a subdivision; 152.105, subdivision 2; 152.11, subdivision 2d, by adding subdivisions; 214.12, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16A; 62Q; 145; 145C; 151.

CAL R. LUDEMAN, Secretary of the Senate

Olson moved that the House refuse to concur in the Senate amendments to H. F. No. 400, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1339.

CAL R. LUDEMAN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1339, A bill for an act relating to transportation; subjecting light rail transit operators to the reckless or careless driving law; amending Minnesota Statutes 2018, section 169.13, subdivisions 1, 2.

The bill was read for the first time.

Youakim moved that S. F. No. 1339 and H. F. No. 1568, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

### CALENDAR FOR THE DAY

H. F. No. 2265, A bill for an act relating to human services; modifying the permanent bar to set aside a background study disqualification; amending Minnesota Statutes 2018, section 245C.24, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 73 yeas and 54 nays as follows:

Those who voted in the affirmative were:

Acomb	Edelson	Klevorn	Mahoney	Persell	Wagenius
Bahner	Elkins	Koegel	Mann	Pinto	Wazlawik
Becker-Finn	Fischer	Kotzya-Witthuhn	Mariani	Poppe	Winkler
Bernardy	Freiberg	Kunesh-Podein	Marquart	Pryor	Wolgamott
Bierman	Gomez	Lee	Masin	Richardson	Xiong, J.
Brand	Halverson	Lesch	Moller	Sandell	Xiong, T.
Cantrell	Hansen	Liebling	Moran	Sandstede	Youakim
Carlson, A.	Hassan	Lien	Morrison	Sauke	Spk. Hortman
Carlson, L.	Hausman	Lillie	Murphy	Schultz	
Christensen	Her	Lippert	Nelson, M.	Stephenson	
Davnie	Hornstein	Lislegard	Noor	Sundin	
Dehn	Howard	Loeffler	Olson	Tabke	
Ecklund	Huot	Long	Pelowski	Vang	

Those who voted in the negative were:

Albright	Bahr	Daniels	Demuth	Erickson	Garofalo
Anderson	Baker	Daudt	Dettmer	Fabian	Green
Backer	Boe	Davids	Drazkowski	Franson	Grossell

Gruenhagen	Hertaus	Lucero	Nash	Petersburg	Schomacker
Gunther	Johnson	Lueck	Nelson, N.	Pierson	Scott
Haley	Jurgens	McDonald	Neu	Poston	Swedzinski
Hamilton	Kiel	Mekeland	Nornes	Quam	Torkelson
Heinrich	Kresha	Miller	O'Driscoll	Robbins	Urdahl
Heintzeman	Layman	Munson	O'Neill	Runbeck	Vogel

The bill was passed and its title agreed to.

H. F. No. 2276 was reported to the House.

Wazlawik moved to amend H. F. No. 2276 as follows:

Page 1, delete subdivision 2

Renumber the subdivisions in sequence

The motion prevailed and the amendment was adopted.

H. F. No. 2276, A bill for an act relating to environment; banning trichloroethylene in products and for use in manufacturing processes; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Acomb	Demuth	Hassan	Lien	Neu	Sauke
Albright	Dettmer	Hausman	Lillie	Noor	Schomacker
Anderson	Ecklund	Heinrich	Lippert	Nornes	Schultz
Backer	Edelson	Heintzeman	Lislegard	O'Driscoll	Scott
Bahner	Elkins	Her	Loeffler	Olson	Stephenson
Baker	Erickson	Hornstein	Long	O'Neill	Sundin
Becker-Finn	Fabian	Howard	Lueck	Pelowski	Swedzinski
Bernardy	Fischer	Huot	Mahoney	Persell	Tabke
Bierman	Franson	Johnson	Mann	Petersburg	Torkelson
Boe	Freiberg	Jurgens	Mariani	Pierson	Urdahl
Brand	Garofalo	Kiel	Marquart	Pinto	Vang
Cantrell	Gomez	Klevorn	Masin	Poppe	Vogel
Carlson, A.	Green	Koegel	McDonald	Poston	Wagenius
Carlson, L.	Grossell	Kotzya-Witthuhn	Moller	Pryor	Wazlawik
Christensen	Gruenhagen	Kresha	Moran	Quam	Winkler
Daniels	Gunther	Kunesh-Podein	Morrison	Richardson	Wolgamott
Daudt	Haley	Layman	Murphy	Robbins	Xiong, J.
Davids	Halverson	Lee	Nash	Runbeck	Xiong, T.
Davnie	Hamilton	Lesch	Nelson, M.	Sandell	Youakim
Dehn	Hansen	Liebling	Nelson, N.	Sandstede	Spk. Hortman

Those who voted in the negative were:

Bahr	Hertaus	Mekeland	Munson
Drazkowski	Lucero	Miller	

The bill was passed, as amended, and its title agreed to.

H. F. No. 495 was reported to the House.

Noor moved to amend H. F. No. 495 as follows:

Page 1, line 14, before the second period, insert ". and applies to leases entered into or renewed on or after that date"

Page 1, line 21, before the second period, insert ". and applies to leases entered into or renewed on or after that date"

Page 2, line 20, before the second period, insert ". and applies to leases entered into or renewed on or after that date"

The motion prevailed and the amendment was adopted.

Munson moved to amend H. F. No. 495, as amended, as follows:

Page 2, delete section 3

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Munson amendment and the roll was called. There were 55 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Haley	Lucero	O'Driscoll	Scott
Anderson	Drazkowski	Hamilton	Lueck	O'Neill	Swedzinski
Backer	Erickson	Heinrich	McDonald	Petersburg	Torkelson
Bahr	Fabian	Heintzeman	Mekeland	Pierson	Urdahl
Baker	Franson	Hertaus	Miller	Poston	Vogel
Boe	Garofalo	Johnson	Munson	Quam	
Daniels	Green	Jurgens	Nash	Robbins	
Daudt	Grossell	Kiel	Nelson, N.	Runbeck	
Davids	Gruenhagen	Kresha	Neu	Sauke	
Demuth	Gunther	Layman	Nornes	Schomacker	

Those who voted in the negative were:

Acomb	Ecklund	Howard	Lislegard	Nelson, M.	Stephenson
Bahner	Edelson	Huot	Loeffler	Noor	Sundin
Becker-Finn	Elkins	Klevorn	Long	Olson	Tabke
Bernardy	Fischer	Koegel	Mahoney	Pelowski	Vang
Bierman	Freiberg	Kotyza-Witthuhn	Mann	Persell	Wagenius
Brand	Gomez	Kunesh-Podein	Mariani	Pinto	Wazlawik
Cantrell	Halverson	Lee	Marquart	Poppe	Winkler
Carlson, A.	Hansen	Lesch	Masin	Pryor	Wolgamott
Carlson, L.	Hassan	Liebling	Moller	Richardson	Xiong, J.
Christensen	Hausman	Lien	Moran	Sandell	Xiong, T.
Davnie	Her	Lillie	Morrison	Sandstede	Youakim
Dehn	Hornstein	Lippert	Murphy	Schultz	Spk. Hortman

The motion did not prevail and the amendment was not adopted.

Munson moved to amend H. F. No. 495, as amended, as follows:

Page 2, line 1, delete "QUIT OR RENT INCREASE" and insert "INCREASE RENT"

Page 2, line 3, delete "a notice to quit the premises or"

Page 2, line 5, delete everything after the period

Page 2, delete lines 6 to 12

Renumber the subdivisions in sequence

Page 2, line 13, delete everything after "a"

Page 2, line 14, delete "premises or"

A roll call was requested and properly seconded.

The question was taken on the Munson amendment and the roll was called. There were 53 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Gunther	Kresha	Nelson, N.	Robbins
Anderson	Drazkowski	Haley	Layman	Neu	Runbeck
Backer	Erickson	Hamilton	Lucero	Nornes	Schomacker
Bahr	Fabian	Heinrich	Lueck	O'Driscoll	Scott
Baker	Franson	Heintzeman	McDonald	O'Neill	Swedzinski
Daniels	Garofalo	Hertaus	Mekeland	Petersburg	Torkelson
Daudt	Green	Johnson	Miller	Pierson	Urdahl
Davids	Grossell	Jurgens	Munson	Poston	Vogel
Demuth	Gruenhagen	Kiel	Nash	Quam	

Those who voted in the negative were:

Acomb	Edelson	Klevorn	Mahoney	Persell	Wagenius
Bahner	Elkins	Koegel	Mann	Pinto	Wazlawik
Becker-Finn	Fischer	Kotyza-Witthuhn	Mariani	Poppe	Winkler
Bernardy	Freiberg	Kunesh-Podein	Marquart	Pryor	Wolgamott
Bierman	Gomez	Lee	Masin	Richardson	Xiong, J.
Brand	Halverson	Lesch	Moller	Sandell	Xiong, T.
Cantrell	Hansen	Liebling	Moran	Sandstede	Youakim
Carlson, A.	Hassan	Lien	Morrison	Sauke	Spk. Hortman
Carlson, L.	Hausman	Lillie	Murphy	Schultz	
Christensen	Her	Lippert	Nelson, M.	Stephenson	
Davnie	Hornstein	Lislegard	Noor	Sundin	
Dehn	Howard	Loeffler	Olson	Tabke	
Ecklund	Huot	Long	Pelowski	Vang	

The motion did not prevail and the amendment was not adopted.

Munson moved to amend H. F. No. 495, as amended, as follows:

Page 1, line 16, before the first "A" insert "Unless waived by the tenant in writing."

A roll call was requested and properly seconded.

The question was taken on the Munson amendment and the roll was called. There were 56 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Haley	Lucero	Nornes	Schomacker
Anderson	Drazkowski	Hamilton	Lueck	O'Driscoll	Scott
Backer	Erickson	Heinrich	Marquart	O'Neill	Swedzinski
Bahr	Fabian	Heintzeman	McDonald	Pelowski	Torkelson
Baker	Franson	Hertaus	Mekeland	Petersburg	Urdahl
Boe	Garofalo	Johnson	Miller	Pierson	Vogel
Daniels	Green	Jurgens	Munson	Poston	
Daudt	Grossell	Kiel	Nash	Quam	
Davids	Gruenhagen	Kresha	Nelson, N.	Robbins	
Demuth	Gunther	Layman	Neu	Runbeck	

Those who voted in the negative were:

Acomb	Christensen	Halverson	Koegel	Lislegard	Morrison
Bahner	Davnie	Hansen	Kotyza-Witthuhn	Loeffler	Murphy
Becker-Finn	Dehn	Hassan	Kunesh-Podein	Long	Nelson, M.
Bernardy	Ecklund	Hausman	Lee	Mahoney	Noor
Bierman	Edelson	Her	Lesch	Mann	Olson
Brand	Elkins	Hornstein	Liebling	Mariani	Persell
Cantrell	Fischer	Howard	Lien	Masin	Pinto
Carlson, A.	Freiberg	Huot	Lillie	Moller	Poppe
Carlson, L.	Gomez	Klevorn	Lippert	Moran	Pryor

Richardson	Sauke	Sundin	Wagenius	Wolgamott	Youakim
Sandell	Schultz	Tabke	Wazlawik	Xiong, J.	Spk. Hortman
Sandstede	Stephenson	Vang	Winkler	Xiong, T.	

The motion did not prevail and the amendment was not adopted.

The Speaker called Halverson to the Chair.

Hortman was excused for the remainder of today's session.

Munson moved to amend H. F. No. 495, as amended, as follows:

Page 1, line 9, after the period, insert "Unless waived by the tenant in writing."

#### MOTION TO LAY ON THE TABLE

Pierson moved that H. F. No. 495, as amended, be laid on the table.

A roll call was requested and properly seconded.

The question was taken on the Pierson motion and the roll was called. There were 54 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Albright	Demuth	Gruenhagen	Kiel	Nash	Quam
Anderson	Dettmer	Gunther	Kresha	Nelson, N.	Robbins
Backer	Drazkowski	Haley	Layman	Neu	Runbeck
Bahr	Erickson	Hamilton	Lucero	Nornes	Schomacker
Baker	Fabian	Heinrich	Lueck	O'Driscoll	Scott
Boe	Franson	Heintzeman	McDonald	O'Neill	Swedzinski
Daniels	Garofalo	Hertaus	Mekeland	Petersburg	Torkelson
Daudt	Green	Johnson	Miller	Pierson	Urdahl
Davids	Grossell	Jurgens	Munson	Poston	Vogel

Those who voted in the negative were:

Acomb	Davnie	Hansen	Kotzya-Witthuhn	Loeffler	Morrison
Becker-Finn	Dehn	Hassan	Kunesh-Podein	Long	Murphy
Bernardy	Ecklund	Hausman	Lee	Mahoney	Nelson, M.
Bierman	Edelson	Her	Lesch	Mann	Noor
Brand	Elkins	Hornstein	Liebling	Mariani	Olson
Cantrell	Fischer	Howard	Lien	Marquart	Pelowski
Carlson, A.	Freiberg	Huot	Lillie	Masin	Persell
Carlson, L.	Gomez	Klevorn	Lippert	Moller	Pinto
Christensen	Halverson	Koegel	Lislegard	Moran	Poppe

Pryor	Sandstede	Stephenson	Vang	Winkler	Xiong, T.
Richardson	Sauke	Sundin	Wagenius	Wolgamott	Youakim
Sandell	Schultz	Tabke	Wazlawik	Xiong, J.	

The motion did not prevail.

The question recurred on the Munson amendment to H. F. No. 495, as amended. The motion did not prevail and the amendment was not adopted.

Johnson moved to amend H. F. No. 495, as amended, as follows:

Page 1, line 10, before the period, insert "if the residential building has 25 rental units or more, and if 51 percent or more of the tenants in a residential building are students currently enrolled in a university, college, or secondary education program"

Page 1, line 19, after "section" insert "applies if the residential building has 25 rental units or more, and if 51 percent or more of the tenants in a residential building are students currently enrolled in a university, college, or secondary education program and"

Page 2, line 5, after the period, insert "This section only applies if the residential building has 25 rental units or more, and if 51 percent or more of the tenants in a residential building are students currently enrolled in a university, college, or secondary education program."

A roll call was requested and properly seconded.

The question was taken on the Johnson amendment and the roll was called. There were 52 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Gunther	Kresha	Neu	Runbeck
Anderson	Drazkowski	Haley	Lucero	Nornes	Schomacker
Backer	Erickson	Hamilton	Lueck	O'Driscoll	Scott
Bahr	Fabian	Heinrich	McDonald	O'Neill	Swedzinski
Baker	Franson	Heintzeman	Mekeland	Petersburg	Torkelson
Boe	Garofalo	Hertaus	Miller	Pierson	Urdahl
Daudt	Green	Johnson	Munson	Poston	Vogel
Davids	Grossell	Jurgens	Nash	Quam	
Demuth	Gruenhagen	Kiel	Nelson, N.	Robbins	

Those who voted in the negative were:

Acomb	Carlson, L.	Fischer	Her	Kunesh-Podein	Lislegard
Becker-Finn	Christensen	Freiberg	Hornstein	Lee	Loeffler
Bernardy	Davnie	Gomez	Howard	Lesch	Long
Bierman	Dehn	Halverson	Huot	Liebling	Mahoney
Brand	Ecklund	Hansen	Klevorn	Lien	Mann
Cantrell	Edelson	Hassan	Koegel	Lillie	Mariani
Carlson, A.	Elkins	Hausman	Kotyza-Witthuhn	Lippert	Marquart

Masin	Nelson, M.	Pinto	Sandstede	Tabke	Wolgamott
Moller	Noor	Poppe	Sauke	Vang	Xiong, J.
Moran	Olson	Pryor	Schultz	Wagenius	Xiong, T.
Morrison	Pelowski	Richardson	Stephenson	Wazlawik	Youakim
Murphy	Persell	Sandell	Sundin	Winkler	

The motion did not prevail and the amendment was not adopted.

Daudt, Hertaus, Jurgens and Neu were excused for the remainder of today's session.

H. F. No. 495 was read for the third time, as amended.

Munson moved that H. F. No. 495, as amended, be re-referred to the Committee on Ways and Means. The motion did not prevail.

H. F. No. 495, A bill for an act relating to housing; amending requirements for residential leases; amending Minnesota Statutes 2018, sections 504B.111; 504B.206, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 504B.

The bill was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 71 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Acomb	Davnie	Her	Lillie	Murphy	Stephenson
Bahner	Dehn	Hornstein	Lippert	Nelson, M.	Sundin
Becker-Finn	Ecklund	Howard	Lislegard	Noor	Tabke
Bernardy	Edelson	Huot	Loeffler	Olson	Vang
Bierman	Elkins	Klevorn	Long	Persell	Wagenius
Boe	Fischer	Koegel	Mahoney	Pinto	Wazlawik
Brand	Freiberg	Kotzya-Witthuhn	Mann	Poppe	Winkler
Cantrell	Gomez	Kunesh-Podein	Mariani	Pryor	Wolgamott
Carlson, A.	Halverson	Lee	Masin	Richardson	Xiong, J.
Carlson, L.	Hansen	Lesch	Moller	Sandell	Xiong, T.
Christensen	Hassan	Liebling	Moran	Sandstede	Youakim
Considine	Hausman	Lien	Morrison	Schultz	

Those who voted in the negative were:

Albright	Drazkowski	Haley	Lucero	Nornes	Runbeck
Anderson	Erickson	Hamilton	Lueck	O'Driscoll	Sauke
Backer	Fabian	Heinrich	Marquart	O'Neill	Schomacker
Bahr	Franson	Heintzeman	McDonald	Pelowski	Scott
Baker	Garofalo	Johnson	Mekeland	Petersburg	Swedzinski
Daniels	Green	Kiel	Miller	Pierson	Torkelson
Davids	Grossell	Koznick	Munson	Poston	Urdahl
Demuth	Gruenhagen	Kresha	Nash	Quam	Vogel
Dettmer	Gunther	Layman	Nelson, N.	Robbins	

The bill was passed, as amended, and its title agreed to.

**ANNOUNCEMENT BY THE SPEAKER**

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 400:

Olson, Halverson and Baker.

**MOTIONS AND RESOLUTIONS**

Urdahl moved that the name of Bierman be added as an author on H. F. No. 199. The motion prevailed.

Dettmer moved that the names of Davids, Petersburg, Nornes, Backer, Marquart, Grossell, Bernardy and Pierson be added as authors on H. F. No. 204. The motion prevailed.

Dettmer moved that the names of Davids, Petersburg, Nornes, Backer, Marquart, Grossell, Bernardy and Pierson be added as authors on H. F. No. 205. The motion prevailed.

Halverson moved that the name of Bierman be added as an author on H. F. No. 284. The motion prevailed.

Masin moved that the name of Bierman be added as an author on H. F. No. 288. The motion prevailed.

Albright moved that the name of Dettmer be added as an author on H. F. No. 306. The motion prevailed.

Moran moved that the names of Hamilton and Noor be added as authors on H. F. No. 342. The motion prevailed.

Elkins moved that the name of Kotyza-Witthuhn be added as an author on H. F. No. 511. The motion prevailed.

Lee moved that the name of Cantrell be added as an author on H. F. No. 547. The motion prevailed.

Moran moved that the name of Hamilton be added as an author on H. F. No. 563. The motion prevailed.

Fischer moved that the name of Schultz be added as an author on H. F. No. 725. The motion prevailed.

Edelson moved that the name of Bierman be added as an author on H. F. No. 766. The motion prevailed.

Drazkowski moved that the name of Haley be added as an author on H. F. No. 894. The motion prevailed.

Gruenhagen moved that his name be stricken as an author on H. F. No. 921. The motion prevailed.

Richardson moved that the name of Pryor be added as an author on H. F. No. 929. The motion prevailed.

Persell moved that the name of Stephenson be added as an author on H. F. No. 973. The motion prevailed.

Moran moved that the name of Hamilton be added as an author on H. F. No. 1050. The motion prevailed.

Tabke moved that the name of Acomb be added as an author on H. F. No. 1156. The motion prevailed.

Freiberg moved that the name of Halverson be added as an author on H. F. No. 1182. The motion prevailed.

Winkler moved that the name of Bierman be added as an author on H. F. No. 1237. The motion prevailed.

Scott moved that the name of Dettmer be added as an author on H. F. No. 1312. The motion prevailed.

Stephenson moved that the name of Olson be added as an author on H. F. No. 1424. The motion prevailed.

Lee moved that the name of Long be added as an author on H. F. No. 1441. The motion prevailed.

Zerwas moved that the name of Gruenhagen be added as an author on H. F. No. 1573. The motion prevailed.

Edelson moved that the name of Cantrell be added as an author on H. F. No. 1580. The motion prevailed.

Klevorn moved that the names of Lippert and Cantrell be added as authors on H. F. No. 1605. The motion prevailed.

Clafin moved that the name of Bierman be added as an author on H. F. No. 1607. The motion prevailed.

Wolgamott moved that the name of Bierman be added as an author on H. F. No. 1615. The motion prevailed.

Noor moved that the name of Liebling be added as an author on H. F. No. 1693. The motion prevailed.

Youakim moved that the name of Kotyza-Witthuhn be added as an author on H. F. No. 1782. The motion prevailed.

Edelson moved that the name of Klevorn be added as an author on H. F. No. 1850. The motion prevailed.

Zerwas moved that the name of Cantrell be added as an author on H. F. No. 1867. The motion prevailed.

Heintzeman moved that the name of Robbins be added as an author on H. F. No. 1877. The motion prevailed.

Morrison moved that the name of Cantrell be added as an author on H. F. No. 1888. The motion prevailed.

Quam moved that the names of Bahr and Munson be added as authors on H. F. No. 1920. The motion prevailed.

Nash moved that the name of Bahner be added as an author on H. F. No. 1949. The motion prevailed.

Long moved that the name of Bahner be added as an author on H. F. No. 1956. The motion prevailed.

Hornstein moved that the name of Gomez be added as an author on H. F. No. 1968. The motion prevailed.

Noor moved that the name of Olson be added as an author on H. F. No. 1981. The motion prevailed.

Davnie moved that the names of Lippert, Clafin, Fischer, Wagenius and Acomb be added as authors on H. F. No. 2220. The motion prevailed.

Kiel moved that her name be stricken as an author on H. F. No. 2265. The motion prevailed.

Hansen moved that the name of Long be added as an author on H. F. No. 2267. The motion prevailed.

Wazlawik moved that the names of Moller and Loeffler be added as authors on H. F. No. 2276. The motion prevailed.

Lien moved that the name of Bennett be added as an author on H. F. No. 2431. The motion prevailed.

Schultz moved that the name of Ecklund be added as an author on H. F. No. 2617. The motion prevailed.

Nornes moved that the name of Backer be added as an author on H. F. No. 2621. The motion prevailed.

Kunesh-Podein moved that the name of Lueck be added as an author on H. F. No. 2728. The motion prevailed.

Franson moved that the name of West be added as an author on H. F. No. 2732. The motion prevailed.

Torkelson moved that the name of Daniels be added as an author on H. F. No. 2760. The motion prevailed.

Dehn moved that H. F. No. 1543, now on the Calendar for the Day, be re-referred to the Committee on Ways and Means. The motion prevailed.

Poppe moved that H. F. No. 2302 be recalled from the Committee on Commerce and be re-referred to the Agriculture and Food Finance and Policy Division. The motion prevailed.

#### ADJOURNMENT

Winkler moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, April 3, 2019. The motion prevailed.

Winkler moved that the House adjourn. The motion prevailed, and Speaker pro tempore Halverson declared the House stands adjourned until 12:00 noon, Wednesday, April 3, 2019.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

